



Sustainable New Agri-Food Products & Productivity (SNAPP) Program – COVID 19 Response

Program Objective

The Sustainable New Agri-food Products and Productivity (SNAPP) funding program was created to respond to opportunities and mitigate challenges of expanding agri-food in northern Ontario. The COVID-19 crisis is impacting all sectors of the economy and has created new challenges as well as opportunities for the agri-food sector. **The Sustainable New Agri-Food Products and Productivity (SNAPP) Program - COVID 19 Response Fund** is for northern Ontario food producers, processors and agri-food businesses to provide funding for projects that address challenges or respond to opportunities created by COVID 19.

There are two available project streams under the COVID 19 Response Fund:

1. **Adaptation** - Provides up to \$10,000 at 50% cost-share for individual projects that address opportunities related to the COVID 19 crisis
2. **Strengthening Value Chains** - provides up to \$25,000 at a 50% cost-share for projects with a focus on strengthening value chains between agri-food businesses in response to COVID-19. Projects under this stream are for collaborations that improve the food value efficiencies and competitiveness by linking production, processing, distribution and marketing activities within the agri-food sector in northern Ontario.

Project Stream 1 – Adaptation

The Adaptation project stream provides up to \$10,000 at 50% cost-share for individual projects that address opportunities related to the COVID 19 crisis. The goals of the **Adaptation** project stream are to:

- Address challenges to the agri-food sector due to the COVID crisis.
- Respond to opportunities for the agri-food sector created by consumer demand.
- Encourage agri-food businesses to quickly adapt to changes brought on by COVID crisis.

Who is eligible?

- Eligible applicants must be an enterprise that is engaged in commercial activity (corporations, primary producers, processors, co-ops, distributors, First Nations, Metis and Inuit). Not for profit entities are not eligible.
- Applicants must have at least one component of their business located in northern Ontario, and the project activity must occur in northern Ontario.
- Eligible applicants must be in operation for a minimum of one year.
- Both start-up and existing businesses are eligible. Producers that are in start-up phase must provide proof of valid Farm Business Registration* number or proof of exemption.
- **Collaborations of two or more entities may apply under the Strengthening Value Chain stream only.**



Examples of Eligible Projects:

- Equipment that can automate or reduce labour in agri-food production or processing (handling facilities, harvest/post-harvest processing equipment and food processing equipment).
- Projects that enable agri-businesses to establish efficient and safe post-harvest and distribution systems (reusable containers, trailers, freezers, cold storage)
- Projects that accelerate diversification or specialization strategies to address business continuity needs (food production or food processing equipment)
- Projects that assist businesses to adopt new technologies in order to address business continuity needs (computer hardware)

How are applications reviewed?

There is limited funding available and applications will be accessed upon receipt and on a first come first served basis.

Projects under the Adaptation project stream will be prioritized by the following:

- How the project addresses opportunities specific to the COVID 19 crisis and how that relates to enhancing the agri-food sector in northern Ontario.
- Demonstrated long-term intent to utilize the project asset(s) over its useful life.
- The extent to which the project and its activities are new, expanded or enhanced for the applicant/sector(s).
- The project clearly demonstrates adequate resources, experience and skills to successfully complete the project. Businesses in the start-up phase (less than three years in operation) must demonstrate cash flow projections that demonstrate the capacity to carry out the project.
- The application is complete and includes a well-defined budget, with reasonable project costs that align with the defined eligible/ineligible costs.

Eligible Costs

Eligible costs are retroactive to March 15, 2020. All costs shall be limited to purchase equipment that directly relates to COVID 19 Adaptation. Used equipment is eligible. Examples of eligible costs include but are not limited to:

- Food or fibre processing equipment
- High-tunnels or greenhouse structures
- Food packaging or labelling equipment
- Cold storage equipment
- Software (eligible, provided software costs are not the primary cost in an applicant's overall eligible project costs)
- Building materials (i.e. lumber, fencing)
- Farm production equipment
- Equipment delivery costs
- Technology upgrades



Ineligible Costs

- Equipment installation or servicing
- Rolling stock (definition attached)
- Inventory
- Consumables (any non-permanent equipment, products or structures that cannot be used for multiple years)
- Land clearing
- Purchase or lease of lands or buildings
- Gifts or incentives
- HST
- Labour costs
- Any ongoing operating costs associated with carrying out business
- Any costs that have the sole purpose of coming into or maintaining compliance with Requirements of the Law that pertain to current operations

Project Stream 2- Strengthening Value Chains

The Strengthening Value Chains project stream provides up to \$25,000 at a 50% cost-share for collaborative projects with a focus on strengthening value chains between agri-food businesses in response to COVID-19. **This project stream is for eligible projects that will improve food value efficiencies and competitiveness by linking production, processing, distribution and marketing activities within the agri-food sector in northern Ontario.**

Who is eligible?

- Eligible applicants must be a legal person with the authority to enter a legal agreement. Examples are corporations, primary producers, processors, co-operatives, distributors, not-for-profits, First Nations, Metis and Inuit).
- Strengthening Value Chains project stream is open to collaborative projects (or two or more businesses) only. Applications must be completed by a lead applicant and each applicant in the collaboration must be a legal person.
- Each collaborator must have at least one component of their business located in northern Ontario, and the project activity must occur in northern Ontario.
- Each collaborator must be in operations for a minimum of one year.
- Both start-up and existing businesses are eligible. Producers that are in start phase must provide proof of Farm Business Registration number or proof of exemption

Examples of Eligible Projects:

- Shared energy-efficient cold storage unit to increase food capacity and distribution for local producers.
- Cooler/freezer unit outfitted onto vehicles or trailers in order to ensure safe delivery of product and increase markets.
- Packaging equipment (labelling, bottling, packaging, etc) to improve safety and increase capacity for regional supply.
- Food processing equipment (dehydrators, flash freezers, washing stations, etc) to increase efficiency.



Project Review Criteria

There is limited funding available. Applications will be accessed upon receipt and on a first come first served basis. **Once the funds are allocated, applications will no longer be accepted.**

Projects under this stream will be prioritized by the following:

- Projects that increase competitive advantage through collaboration of producers, processors, and distributors to deliver on customer and consumer demands.
- Address needs/challenges specific to the strengthening of the food value chain** as it relates to COVID-19.
- Demonstrates how businesses will deliver on customer demands given the context of their cost structures, quality assurance programs, infrastructure, or technology.
- Demonstrate impacts/rationale for the project and how it benefits existing businesses along the food value chain within the agri-food sector in northern Ontario.
- Demonstrated long-term intent to utilize the project asset(s) over its useful life.
- Demonstrated strategic alignment, operational understanding, trust, commitment, and benefit sharing between collaborators.
- Extent to which the project and its activities are new, expanded or enhanced for the applicant/sector(s).
- Application is complete and includes a well-defined budget, with reasonable project costs that align with the defined eligible/ineligible costs.
- Only projects with a minimum of \$5000 in requested funding will be considered.

Eligible Costs

Eligible costs are retroactive to March 15, 2020. All costs shall be limited to purchase equipment that directly relates to COVID 19 Adaptation and Recovery. Used equipment is eligible. Examples of eligible costs include but are not limited to:

- Food or fibre processing equipment
- High-tunnels or greenhouse structures
- Food packaging or labelling equipment
- Cold storage equipment
- Software (eligible, provided software costs are not the primary cost in an applicant's overall eligible project costs)
- Building materials
- Farm production equipment
- Equipment delivery costs
- Technology upgrades

Ineligible Costs

- Equipment installation or servicing
- Rolling stock (definition attached)
- Inventory
- Consumables (any non-permanent equipment, products or structures that cannot be used for multiple years)
- Land clearing
- Purchase or lease of lands or buildings
- Gifts or incentives
- HST
- Labour costs
- Any ongoing operating costs associated with carrying out business
- Any costs that have the sole purpose of coming into or maintaining compliance with Requirements of the Law that pertain to current operations



OTHER PROGRAM INFORMATION (Stream 1 and 2)

1. Applicants are permitted to apply for one project only.
2. Applicants are permitted to apply for one project stream.
3. Funding stacking*** up to 75% of total project costs is permitted. Applicants must disclose all sources of other confirmed and potential funding assistance for their project.
4. Applicant(s) will be required to attach a copy of their Articles of Incorporation, Farm Business Registration No., Master Business License, or Business Name Registration, whichever is applicable (some exceptions may apply). All producers must provide valid Farm Business Registration No. or proof of exemption.
5. A completed Client Intake Form (required once an approval is received by the applicant(s))
6. **Projects approved under this program must be completed and invoice(s) and proof of payment(s) submitted to SSMIC by December 31, 2020.** Once invoices and proof of payments are received in full, a contract will be sent for review and signature. A signed contract is required in order to receive the approved grant. Once the purchase(s) is completed and all required documentation has been received, the recipient will be granted 90% of the approved funding. Approved applicants may submit more than one claim.
7. A completed Final Results Report will be due six months after the Project Completion Deadline (February 28, 2021). The final 10% of funding will be remitted after this report is submitted.
8. The COVID 19 Response funding is independent from regular SNAPP funding and does not affect the applicants maximum SNAPP funding total (successful applicants can receive a maximum of \$10,000 in SNAPP funding throughout the entirety of the current program (2019-2023).) Previous projects (Intake 1) are not required to be closed in order to apply for the COVID 19 Response Fund.
9. Clients are to refer to the reporting requirements stated in the application terms and conditions info sheet.

Any questions? Please contact your regional representative (below).

Your representative will discuss the eligibility of your project and answer any questions you may have. They are also available to review your application prior to submission and to ensure application completeness.

Algoma/Manitoulin:

Cathy Bouchard - snapp@rainalgoma.ca or (705)942-7927 ext. 3135

Sudbury/Nipissing/Temiskaming/Cochrane/Parry Sound/Muskoka:

Cameron Ford (NOFIA) – info@nofia-agri.com or (705)840-8533

Northwest - Thunder Bay/Kenora/Rainy River:

Northwestern Ontario Innovation Centre - ryan@nwoinnovation.ca or (807)768-6682



TRAINING PROGRAMS

The Sustainable New Agri-Food Products and Productivity (SNAPP) Program - COVID 19 Response Fund will partner with regional organizations to provide training opportunities for northern Ontario producers and processors as a response to COVID 19. Workshops and training sessions will identify needs and cover topics such as, business planning, e-commerce, marketing, food labelling requirements, food safety and traceability.

For more information, please visit www.rainalgoma.ca/snapp to sign up for the RAIN newsletter.

Rolling Stock Definition

Rolling stock is considered to be any general-purpose transportation equipment vehicle that would be used in transporting items or making deliveries from one place to another.

Examples of customized or ag-specific equipment:

INELIGIBLE COSTS	ELIGIBLE COSTS
Skid steer	Attachments, such as post auger
Tractor	Attachments with farm specific use, round baler, tillage equipment, harvester, GPS
Four-wheeler, wagon	Feed equipment
Multiple use equipment (ie, trailer)	Farm specific equipment with one intended use (ie trailer customized for cold storage)

***Farm Business Registration**

Information on how to obtain a Farm Business Number can be found here: <https://www.agricorp.com/en-ca/Programs/FBR/Pages/Overview.aspx>





****Value chains**

Agri-food Value Chains are designed to increase competitive advantage through collaboration in a venture that links producers, processors, marketers, food service companies, retailers and supporting groups such as shippers, research groups and suppliers. A Value Chain can be defined as a strategic partnership among inter-dependent businesses that collaborate to progressively create value for the final consumer resulting in a collective competitive advantage. (<http://www.omafra.gov.on.ca/english/food/valuechains.html>)

Strengthening Value Chains refers to different business enterprises (i.e. producer and processor) working together to produce and market products and services effectively and efficiently, responding to needs by linking production, processing and marketing activities to market demands.

*****Stacking**

Stacking refers to using the same project expenses to apply for funding from different programs where allowed. Generally, grant programs are either administered federally or provincially. Federal programs can be stacked with Provincial programs, and vice versa. However, it is rare for stacking to be allowed between two Federal programs, or two Provincial programs. Stacking limits will vary from funding program to funding program.