



AgriMarketing Program: Small and Medium-sized Enterprise Component

Applicant Guide

March 2018

AgriMarketing Program: Small and Medium-sized Enterprise Component - Applicant Guide

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Guide du demandeur

For more information reach us at www.agr.gc.ca or call us toll-free 1-877-246-4682.

Purpose of this guide

This guide will:

1. help you determine if you may be eligible for funding from Agriculture and Agri-Food Canada (AAFC) under the AgriMarketing Program: Small and Medium-sized Enterprise (SME) component
2. provide you with directions and explanations to assist you in completing the project application form

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Annex A: How to Apply

1.0 Canadian Agricultural Partnership

The Canadian Agricultural Partnership is a five-year, \$3 billion investment by federal, provincial and territorial governments to strengthen the agriculture, agri-food and agri-based products sector. In addition, producers will continue to have access to a robust suite of Business Risk Management (BRM) programs.

The Partnership will come into force April 1, 2018.

The Canadian Agricultural Partnership will focus on six priority areas:

- **Science, research, and innovation** – to help industry use science and innovation to improve resiliency and increase productivity
- **Markets and trade** – to open new markets and help farmers and food processors improve their competitiveness through skills development, improved export capacity, underpinned by a strong and efficient regulatory system
- **Environmental sustainability and climate change** – to help the sector reduce its greenhouse gas emissions, protect the environment and adapt to climate change by enhancing sustainable growth while increasing production
- **Value-added agriculture and agri-food processing** – to support the continued growth of the value-added agriculture and agri-food processing sector
- **Public trust** – to build a firm foundation for public trust through solid regulations, improving assurance systems and traceability
- **Risk Management** – to enable proactive and effective risk management, mitigation and adaptation to create a resilient sector

For more information, please visit the [Canadian Agricultural Partnership](#) website.

The AgriMarketing Program: Small and Medium-sized Enterprise component is a program under the Canadian Agricultural Partnership.

1.1 About the AgriMarketing Program: Small and Medium-sized Enterprise Component

Program Objective

This guide focuses on the AgriMarketing Program: Small and Medium-sized Enterprise (SME) component that will provide targeted support to companies for international initiatives. Under this SME component, funding will be available to help implement international export plans, which include promotional and market development activities.

(There is a separate application process for the AgriMarketing Program: National Industry Association component that provides funding to not-for-profit organizations to undertake promotional activities that benefit an entire industry.)

1.2 Eligible applicants

The following organization types are eligible under this program:

For-profit: organizations operating in the agriculture, agri-food and agri-based products sector, including fish and seafood that exist to make a profit. They may include:

- businesses and/or corporations
- co-operatives
- Indigenous groups

Other: If none of the other selections apply, select 'other' and specify the organization type.

Note: Eligible applicants must be legal entities capable of entering into legally binding agreements.

SMEs must operate in the agriculture, agri-food and agri-products industry or in the fish and seafood industry. They must be directly involved in growing, harvesting, processing, or otherwise transforming or consolidating their products. They must have up to 250 employees and their annual revenues shall not exceed \$50 million.

Any SME that is independently incorporated, and meets the eligibility requirements, can apply; however, in reviewing applications, priority may be given to organizations that are not subsidiaries or members of a larger group of companies.

Applicants must have completed market research, and be export and market ready. Market readiness includes, but is not limited to, factors such as existing market access for the product in the foreign market, identified distribution channels, and completion of product modifications or alterations to packaging and labelling for the target market.

While decisions will be made on a case-by-case basis, generally, third-party representatives, such as trading houses, export brokers, agents, or promoters, are not eligible under the SME component. Also, generally excluded are individuals and sole proprietors, not-for-profit organizations, marketing boards, and governments and their agencies.

1.3 Funding and cost-sharing

Available funding

The maximum AAFC contribution for a project will normally not exceed:

- \$50,000 per fiscal year
- \$100,000 over two consecutive fiscal years

An applicant can apply more than once but, for each applicant, funding will not be more than:

- \$250,000 over five years

Cost sharing

Eligible project costs will normally be shared between AAFC and the Applicant as follows:

- a maximum of 50% by AAFC and a minimum of 50% by the Applicant

You must clearly indicate all sources of funding for the project, including your contribution, and other industry and/or partner sources of funding including:

- other federal government departments and agencies*
- provincial/territorial governments*
- municipal government*
- Industry and/or Partners such as:
 - industry associations and networks
 - businesses
 - academic institutions

*Total government funding (other federal departments and agencies, provincial/territorial, and municipal governments) cannot exceed 50%.

Your portion of the cost-share must be cash contributions. In-kind contributions are ineligible. In-kind means the fair market value attributed for goods and the fair value attributed for services that are contributed to the project and require no outlay of cash during the term of the Contribution Agreement by you or a contributor.

What is a cash contribution?

A cash contribution is an expense requiring a cash outlay, by either your organization or by a participant/contributor (such as a partner or other government), during the term of the contribution agreement (CA). Specifically, a cash contribution is an expenditure for an eligible project cost incurred and paid for by your organization, or another project participant. AAFC will only reimburse cash contributions for eligible project costs that are incurred and paid for by your organization. A cash contribution made by another

project participant should be reported as part of your sources of funding, and must be an eligible project cost.

Eligible costs

All costs claimed or contributed under the program must fall within the program cost categories and respect all limitations. For more information and details on cost categories, eligible/ineligible costs and other limitations, refer to Annex A: How to apply

1.4 Eligible activities

The program will prioritize projects that:

- grow new and expand markets internationally
- address market access issues
- link to the sector's marketing strategy, including taking advantage of new products and export market opportunities
- take place in priority international markets for the sector

All activities must aim to promote international business development and must go beyond the Applicant's core activities and represent new initiatives that provide an opportunity to yield incremental results. Eligible activities include:

- company-specific marketing and advertising related to the export activities
- food service promotions and product demonstrations for buyers and consumers
- trade seminars to provide information on specific attributes of your products
- incoming and outgoing missions
- technical training for buyers about products and product handling
- market development strategies
- in-market expertise

1.5 Application deadlines

Applications will be accepted from **February 13, 2018 until September 30, 2022**, or until funding has been fully committed or until otherwise announced by the program. The program ends March 31, 2023.

For information on how to complete a project application, refer to Annex A: How to apply.

2.0 Expected results

The AgriMarketing Program: SME component will help maintain, increase and diversify

exports to international markets through industry-led promotional activities that differentiate Canadian products and producers, and leverage Canada's reputation for high-quality and safe food.

Performance indicators, which are used to measure the relevance and effectiveness of the Program, will include:

- increased exports
- number of new markets explored
- number and value of activities supported
- results from activities (e.g., sales and leads)

3.0 Assessment criteria

All eligible projects are assessed on their individual merit. However, those with potential for the greatest benefits may have a better chance of being approved for funding. When preparing your proposal, consider the following criteria to help you develop your project application:

- the completeness of the application
- your organization's capacity to deliver the project (carefully consider your resources and timelines)
- the proposed activities, including outcomes, support program objectives
- the degree to which the proposed project can demonstrate that it addresses a current or potential market opportunity or need
- the proposed activities and costs are eligible, reasonable and required to meet the project objectives
- all sources of funding for the project are identified

4.0 Reporting on your Project

Should you be approved for funding, you will be required to report on finances, performance and results. These reports include:

Progress Reports:

You will be required to provide progress reports describing the activities completed and progress made towards deliverables, as described in your Project Work Plan.

Performance Reports:

You will also be required to provide performance reports annually and at the end of the project. The reports will track progress against mutually agreed to performance measures outlined in the CA.

Financial Reports:

Financial reporting is required with each request for reimbursement of expenditures, in addition to year-end accounting and other financial reports.

Other reports may be required at AAFC's discretion.

5.0 Considerations

5.1 M-30 Act (Quebec only)

The Province of Quebec's M-30 legislation may apply to Quebec based applicants only. It is the *Act Respecting the Ministère du Conseil exécutif* (R.S.Q., c. M-30).

More information on the Act is available online or by contacting the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation (MAPAQ) at dpci@mapaq.gouv.qc.ca.

M-30 applies to various types of Quebec organizations, for example, organizations located in Quebec and receiving more than half of their financing from the Government of Quebec may be subject to the Act.

All Quebec based organizations will have to address this matter and demonstrate their compliance with the Act during the project assessment process, and prior to entering into a contribution agreement.

6.0 After you apply

Once an application has been submitted, an acknowledgment notice will be forwarded to the applicant.

Note: You should not consider an application as submitted to the program until you receive the acknowledgement notice.

Our goal is to:

- respond to general inquiries made to our phone number or email address before the end of the next business day

- acknowledge receipt of your application within one business day
- assess your application and send you an approval or a rejection notification letter within 75 business days of receiving a complete application package

Please note that even if a project meets all eligibility criteria, the submission of an application creates no obligation on the part of the Minister or of Agriculture and Agri-Food Canada officials to provide funding for the proposed project. The Minister retains discretion to determine, based on other public policy and public interest considerations, whether an application that meets the criteria identified in this Guide will ultimately receive funding.

7.0 Contact us

For more information on the AgriMarketing Program: Small and Medium-sized Enterprise (SME) component, please contact us by:

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