



AgriRisk Initiatives - Research and Development Contribution Funding

Applicant Guide – Version 2

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For more information reach us at www.agr.gc.ca or call us toll-free 1-855-773-0241.

Purpose of this guide

This guide will:

1. Help an applicant determine if they may be eligible for contribution funding from Agriculture and Agri-Food Canada (AAFC) under the AgriRisk Initiatives (ARI) Research and Development (R&D) stream.
2. Provide an applicant with instructions and guidelines to assist in completing the ARI R&D 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 investment by federal, provincial and territorial governments to strengthen the agriculture, agri-food and agri-based products sector.

1.1 About the AgriRisk Initiatives

The AgriRisk Initiatives (ARI) is a five-year program under the *Canadian Agricultural Partnership* supporting the development of new risk management tools. It is divided into three program components:

- ARI Research and Development (R&D) stream - contribution funding
- ARI Microgrants
- ARI Administration Capacity Building (ACB) stream

Total ARI program funding is approximately \$55 million over five years, with the program ending March 31, 2023.

ARI R&D Stream - Contribution Funding

The ARI R&D stream prioritizes projects developing new financial tools which allow producers to manage a defined business risk.

Eligible activities include:

- data collection, analysis and modeling (using satellite data, sensor data, large datasets, machine learning, etc.)
- actuarial work into potential financial tools
- testing / determining the feasibility of implementing financial tools, including those available in other jurisdictions

Issues that can be addressed are, but not limited to:

- responding to diseases in livestock and crops
- protecting producers from severe market price fluctuations
- coverage for producers' revenue risk
- protecting against loss from contracts in new markets

Financial tools include insurance products, options / futures / price pooling and other hedging tools.

Other activities that may be considered for support which target minor and emerging agricultural sectors (such as new or minor crops, etc.), include the development of new:

- risk assessments and strategies
- educational and decision making tools to manage risk

Projects under ARI R&D should also:

- include financial support from the applicant
- demonstrate appropriate stakeholder involvement and support (producers, financial insurance/re-insurance companies/reciprocals, etc.)
- focus on defined risks
- address major risks beyond those considered normal business or on-farm risks (normal risks are considered those that have a high probability of occurrence)

Ineligible project activities or objectives under ARI R&D include those that:

- update or maintain existing tools, such as software applications
- duplicate the work of projects already funded or being funded under AgriRisk or through other AAFC programs
- carryout ongoing business/operations
- influence or lobby government(s)

Note: For information on the ARI ACB or ARI Microgrants, please contact the program.

1.2 Eligible Applicants

Eligible applicants are:

- **Not-for-profit** organizations, which are:
 - industry associations
 - co-operatives, mutual insurance companies or reciprocals
 - Indigenous groups

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

Note: Ineligible applicants for ARI R&D include for-profit organizations, academic institutions, provincial, territorial, and municipal governments, foreign governments and individuals. Academic institutions remain eligible for ARI Microgrants.

1.3 Funding and Cost-Sharing

Available funding

The maximum AAFC contribution per applicant will not exceed \$500,000 per fiscal year.

Cost sharing

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

- 75 percent from AAFC and 25 percent from the applicant

Applications must clearly indicate all sources of project funding, including the applicant's contribution and other partners' sources of funding. These may include:

- other federal government departments
- provincial/territorial/municipal governments
- industry and/or partners, such as:
 - industry associations and networks
 - businesses
 - academic institutions
 - Indigenous groups

The applicant's portion of the cost-share can be a combination of both cash and in-kind contributions.

Where other government funding is included, total government funding is normally limited to 85 percent of eligible project costs.

As an example:

A project with total eligible costs of \$500,000 could be broken down as follows:

AAFC requested funding	\$375,000	75 %
Applicant	\$125,000	25 %
Total project costs	\$500,000	100 %

Applicant funding sources for the \$125,000 amount (or 25 %):

Applicant directly	\$65,000	13 %
Industry association	\$20,000	4 %
Academic institution	\$15,000	3 %
Provincial government	\$25,000	5 %
Total government funding	\$375,000 + \$25,000	80 %

Eligible Costs

Project costs will only be eligible from the date a project is approved. Payments will only be made once a funding agreement is signed.

1.4 Application Process

Step 1: Complete a Project Summary form; this will help to determine eligibility and alignment with program criteria and priorities, prior to preparing a full application. This will also facilitate a discussion between the applicant and program staff about the project.

Step 2: Following the submission of a Project Summary, the applicant may be asked to submit a Full application.

For information on how to complete a Project Summary, refer to Annex A: How to Apply

2.0 Expected Results

Each ARI project will be required to report on performance indicators. These indicators will be included as part of a funding agreement. They will include, but are not limited to, the following:

- number of new financial tools developed
- number of other risk management tools developed
- number of new information items shared

3.0 Assessment Criteria

Full applications will be assessed against program criteria listed in this applicant guide, including sections 1.1, 1.2, 1.3, etc., and against the following criteria, as applicable:

- the applicant possesses or has access to the necessary qualifications (such as capability/capacity; including technical, financial and managerial capacities) and track record required to complete the project
- activities and costs are eligible, reasonable and required to meet objectives
- the degree to which the risk being addressed will affect the sector
- the feasibility of the project in meeting its timelines and outcomes
- a planned path to a future ACB project, and/or risk management tool
- identification and understanding of project risks with mitigation measures
- the degree to which the project targets the following groups: Indigenous farmers and land managers; women in agriculture; young and beginning farmers; official language minority communities (OLMCs); and, farmers with disabilities

4.0 Reporting on the Project

4.1 Performance Reports

Annual Performance Reports and Final Performance Reports of the project will be required. These reports will track progress against mutually agreed performance measures and deliverables outlined in a funding agreement.

4.2 Financial Reports

Financial reporting is required with each request for reimbursement of expenditures, in addition to year-end accounting and other financial reports such as reporting on expenditures incurred using the industry's contribution.

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 funding agreement under the ARI R&D stream.

5.2 Intellectual Property

The funding agreement will contain an intellectual property clause stipulating that all title to the intellectual property in any materials created or developed by or for the recipient of contribution funding will vest in the recipient. In addition, AAFC will include a provision in the funding agreement requiring the recipient to grant a non-exclusive, worldwide, perpetual, royalty-free license to the Crown to such material, in whole or in part, in any form or medium, for program administrative purposes and for any public purposes, except commercial exploitation.

5.3 Official Languages

When it is determined that projects under this program involve activities related to the development and transfer of knowledge and may have an impact on OLMCs, or promote the use of English and French, AAFC will include appropriate linguistic commitments in agreements with the recipient organization and ensure that additional expenses incurred as a result of these commitments are considered eligible for contribution funding.

Activities can include, but are not limited to:

Communications

- project web pages, project social media account(s), and/or materials (brochures, kits, handouts, newsletters, reports, etc.) produced and maintained in both official languages
- directional and educational signs produced in both official languages;
- project-related advertisement in OLMC media (newspapers, radio, social media)

- bilingual coordinator or other contractor hired to help deliver project-related activities in both official languages (such as master of ceremony for a project event, workshop facilitator or simultaneous translator)
- distribution of invitations in both official languages

Outreach

- one or more OLMCs are included in the project target groups (such as in-kind or cash partners in project budget or to be invited to project events)
- other groups representing OLMCs are consulted to see if there is any potential for involvement on their end
- travel to or from OLMCs (costs associated with these project activities included in project budget)

If funded, a recipient may be required to publicly acknowledge AAFC's support for the project. In these cases, the department will request that such acknowledgments include text in both official languages.

6.0 After you apply

Our goal is to:

- acknowledge receipt of an application within one business day
- assess an application and send an approval or a rejection notification letter within 100 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 AAFC 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 ARI R&D Contribution Funding stream, please contact us at:

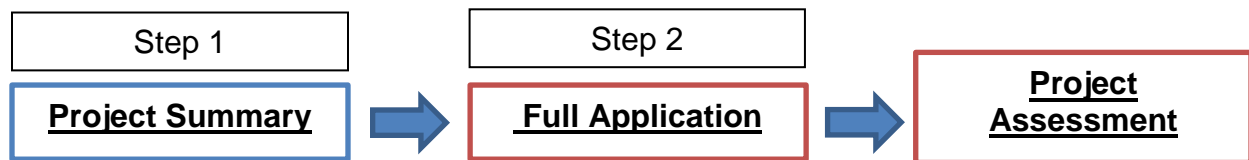
E-mail: aafc.ari-iar.aac@canada.ca

Telephone 1-877-246-4682
TDD/TTY: 613-773-2600

Mail:
Agriculture and Agri-Food Canada
AgriRisk Initiatives
1341 Baseline Road
Tower 7, Floor 8, Room 240
Ottawa, ON K1A 0C5

Annex A: How to apply

There is a two-step application process to the ARI R&D stream:



Step 1: Project Summary

The first step in the application process is to complete and submit a Project Summary, available on the ARI website, by e-mail to AAFC at aafc.ari-iar.aac@canada.ca. A request for a Project Summary can also be made by submitting an e-mail to aafc.ari-iar.aac@canada.ca or by phone at 1-877-246-4682.

The Project Summary will be used to assess the applicant's and project's eligibility, fit and readiness to apply for funding under the ARI R&D stream. Program staff will contact each applicant to discuss the project.

Project Summary budget: For the purposes of completing the Project Summary, eligible costs are limited to the following six cost categories:

- Administrative Costs
 - administrative costs will be calculated automatically at a flat rate of 10 percent (shared between AAFC and the applicant at the project cost sharing rate). This rate covers costs of project management and administrative staff salaries (managing and reporting) and use of office accommodations, equipment, materials, etc.
- Salaries and Benefits
 - salaries and benefits directly related to completing the project activities (other than Administrative Costs)
- Contracted Services
 - professional or specialized services for which a contract is entered into, such as consultant/expert services
- Travel
 - project travel is based on a per diem rate that includes accommodations, meals, local or in-city transportation, incidentals, etc. Air/rail/etc. travel is limited to economy rates
- Capital Assets
 - capital assets are tangible assets that are purchased, constructed, developed or otherwise acquired and are required for the execution of the project
- Other Direct Project Costs
 - other project-related costs such as translation, registration fees, etc.

Note: More details on eligible/ineligible costs and limitations, etc., will be provided with a

full application package.

Applications deemed to meet the priorities and eligibility criteria of the program can proceed to step two and submit a full application. All required application documents will be provided by email or mail.

Step 2: Full Application

Should an applicant proceed to a full application, AAFC will provide them with the application package to complete and return to AAFC at aafc.ari-iar.aac@canada.ca or by mail to the address listed in section 7.0.

The application package will also provide further instruction on completing an application and other requirements.

If a submitted application is deemed incomplete, the applicant will be notified and will have 10 business days to provide the missing information before the file is closed.

Note that the submission of a full application does not constitute an offer of funding.

Applicants may be contacted throughout the review process to provide additional information or clarification to assist with the assessment.

Projects must be completed by December 31, 2022.

Full applications will require submission of the following items:

Document name	Description
Application Form	A completed application form, signed by the applicants' authorized representative(s).
Work Plan	A completed work plan listing all activities, activity lead(s) / principal investigator(s) / contractor (s), detailed description of the work undertaken, and research methodology (if applicable).
Budget	A completed budget with forecasted total project costs by activity, cost category and fiscal year and sources of funding.
A copy of the applicant organization's Certificate of Incorporation or Articles of Incorporation	Certificates and Articles of Incorporation are issued and filed, respectively, by or with a provincial, territorial or federal government that document the applicant's status as a legal entity.

Financial statements	<p>The organization’s annual financial statements (audited or review engagement) for the past two years or since the date of organization start-up.</p> <p>Where audited or review engagement statements are not available, the program may exercise discretion to accept alternatives.</p>
Letters of Financial Support from all organizations providing a cash or in-kind contribution to the project as per the Budget (if applicable)	<p>Letters outlining confirmed cash or in-kind contributions to the project, other than the Applicant organization must be provided.</p> <p>The letters must make specific reference to the proposed project and indicate the amount of the cash contribution or in-kind contribution.</p> <p>The letters must come from a senior executive authorized to sign the letter on behalf of the organization.</p>
Project Endorsement Letters/ Letters of Support	Letters of support from organizations indicating they believe there is a need for the proposed project for the sector.
Capital Asset Pre-approval	For Capital Costs to be purchased for the Project that are \$10,000 or more.

