



INDIGENOUS AGRICULTURE AND FOOD SYSTEMS INITIATIVE

Guide

**PARTNERING
FOR INDIGENOUS
PROSPERITY**

**STRATEGIC
PARTNERSHIPS
INITIATIVE**

A CATALYST FOR PARTNERSHIPS AND INCREASED INDIGENOUS PARTICIPATION IN
COMPLEX ECONOMIC DEVELOPMENT OPPORTUNITIES ACROSS CANADA SINCE 2010



Agriculture and
Agri-Food Canada

Agriculture et
Agroalimentaire Canada

Canada

Indigenous Agriculture and Food Systems Initiative

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Purpose

This guide will:

1. Help determine if you may be eligible for funding from Agriculture and Agri-Food Canada (AAFC) under the Indigenous Agriculture and Food Systems Initiative; and
2. Provide guidance to assist you in completing a proposal to this Initiative.

Your completed Proposal Form will provide AAFC with the information needed to make decisions about eligibility and funding levels. It is highly recommended that you read this guide in its entirety before you complete the Proposal Form.

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1.0 The Indigenous Agriculture and Food Systems Initiative

AAFC has developed the Indigenous Agriculture and Food Systems Initiative (herein referred to as the 'Initiative'), which is a five year, \$8.5 million initiative that will support Indigenous communities and entrepreneurs who are ready to launch agriculture and food systems projects and others who want to build their capacity to participate in the Canadian agriculture and agri-food sector.

Through this Initiative, AAFC aims to contribute to the Government of Canada's commitment to reduce barriers for underrepresented groups and focus on building Indigenous Peoples' capacity to succeed in agriculture. The Initiative also supports the development of partnerships between federal and non-federal partners, including Indigenous communities, provincial/territorial governments, and the private sector.

This Initiative is implemented with support from the Government of Canada through the federal [Strategic Partnerships Initiative](#).

Objective

The objective of the Initiative is to increase economic development opportunities for Indigenous Peoples by building their capacity to participate and succeed in the Sector.

Projects under the Initiative must be for the benefit of Indigenous Peoples and communities in Canada, as well as the Canadian agriculture and agri-food sector (herein referred to as the 'Sector'). Examples of agriculture and food systems projects that may be eligible for funding through the Initiative include, but are not limited to:

- Supporting an approach to producing fresh food within an Indigenous community, and helping to plan and design the means in which that agricultural production can occur.
- Developing a food system within an Indigenous community to access healthy food, while also providing an opportunity for Indigenous Peoples to share their agricultural knowledge and experiences, and market and sell their agriculture products.
- Providing skills training that will help an Indigenous community or organization establish or scale up an agriculture operation.

1.1 Eligible applicants

Eligible applicants under this Initiative include:

- Indigenous communities and governments (includes band and tribal councils, governments of self-governing First Nations, local governments of Inuit communities and Métis organizations);
- Indigenous for-profit and not-for-profit corporations, associations, cooperatives and institutions; and
- Indigenous businesses, partnerships and joint ventures.

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

1.2 Funding and cost-sharing

Available funding

The maximum AAFC contribution to a project will normally not exceed \$500,000 per project, per year or a maximum of \$2.5 million over five years.

Funding for multi-year projects is possible.

The maximum AAFC contribution amount for a project will be determined based on an assessment process (see section [3.0 Assessment Criteria](#)).

Cost sharing

Eligible project costs will be cost-shared between AAFC and you.

Your portion of the cost-share can be Cash and/or In-Kind Contributions. Projects for which at least one third of funding (Cash and/or In-Kind) is sourced from non-federal sources will receive preferential consideration.

AAFC may contribute funding for up to 90% of the project's total eligible costs.

A budget, indicating all sources of funding for the project, will be required, and form part of your Proposal Form.

Total government funding (i.e., other federal departments, provincial/territorial governments, and municipalities) cannot exceed 100% of the project's total eligible

costs. If total government funding for eligible costs from these sources exceeds this limit, the excess contribution will be treated as an overpayment, and you will be required to repay it.

What is a Cash Contribution?

A Cash Contribution is an expense requiring a cash outlay, by either you or by a participant/contributor (such as a partner or other government), during the term of the Contribution Agreement. Specifically, a Cash Contribution is an expenditure for an eligible project cost incurred and paid for by you, or another project participant. AAFC will only reimburse Cash Contributions for eligible project costs that are incurred and paid for by you. A Cash Contribution made by another project participant should be reported as part of your sources of funding, and must be applied to eligible project costs.

What is an In-Kind Contribution?

In-Kind means the fair market value attributed for goods and services that are contributed to this project and require no outlay of cash during the term of the Contribution Agreement by you or a participant/contributor. These contributions must be applied towards eligible costs. They will not be reimbursed by AAFC (i.e., using AAFC's contribution), but may be considered as part of your contribution to the project.

Eligible costs

Eligible costs are those that are incurred within the period specified in the Contribution Agreement. To be considered, eligible costs must be reasonable, directly related to the project and required to carry out the eligible activities for the project.

All costs claimed under the Initiative or contributed by you, and any other project participants for the project and its activities must fall within the Initiative's eligible cost categories and respect all limitations.

The eligible costs categories under the Initiative include:

- Administration;
- Salaries and Benefits;
- Capital Assets and costs related to the planning and design of infrastructure;
- Contracted Services;
- Travel; and

- Other Direct Project Costs.

For more information and details on eligible cost categories, limitations, instructions, and ineligible costs, see below.

Administration	
Eligible Cost Items	Limitations/Instructions
<p>Administration costs will be calculated automatically at a flat rate of 10% based on the total activity costs in the project's budget. This flat rate will cover costs of project management and administrative staff salaries (managing and reporting), use of office accommodations, use of office equipment and use of office materials.</p> <p>Administrative costs means costs related to the administration of the Contribution Agreement, such as:</p> <ul style="list-style-type: none"> • Wages of management and administrative staff not working on the outcome of projects, including those who negotiate service contracts, pay the invoices, manage the project budget, monitor and/or prepare the claims and any financial or progress/performance reports for the project; <ul style="list-style-type: none"> ○ Salaries, Mandatory Employment Related Costs (MERCs), and benefits and/or contract services; ○ Administrative office supplies and expenses: <ul style="list-style-type: none"> ▪ Basic telephone fees (including fax lines) and cell phones; ▪ Hydro; ▪ Materials and office supplies (for example, 	<ul style="list-style-type: none"> • These costs cannot be charged under salaries and benefits or other direct project costs; • Do not include administration costs in your proposal; the Proposal Form will calculate it automatically at a 10% flat rate. This flat rate has been developed to represent the cost of undertaking the administration functions of the Contribution Agreement; • To ease administrative burden, these costs do not need to be detailed at the time of proposal and will not be negotiated or need to be validated when submitting a claim; • You may also choose to not claim administrative costs, and opt-out of the flat rate; • These costs will be funded at the approved Initiative cost-share ratio. <p>Note: You are still required to keep all documentation of these costs. If you are subject to an audit, you will need to supply the supporting documents at that time.</p>

<ul style="list-style-type: none"> <ul style="list-style-type: none"> pens, pencils, paper, envelopes, cleaning supplies, subscriptions); ▪ Monthly internet fees; ▪ Postage and courier fees; ▪ Office equipment (for example, computers, printers, photocopiers); ▪ Office space (rent) and related utilities, maintenance and property taxes. • Audit fees; • Bank fees; • Insurance (fire, theft, liability); • Legal fees; • Administrative information technology (IT) products and services, including maintenance; • Other overhead type expenditures relating to the organization's office. 	
Salaries and Benefits	
Eligible Cost Items	Limitations/Instructions
<p>Salaries and benefits paid to or on behalf of staff to execute activities outlined in the project work plan, including:</p> <ul style="list-style-type: none"> • MERCs, Employment Insurance (EI), Canada Pension Plan (CPP), Quebec Pension Plan (QPP), vacation pay and benefits; • Benefits mean payments an employer is required to make by virtue of company policy or a collective agreement such as contributions to a group pension plan. 	<ul style="list-style-type: none"> • These costs do not include completing administrative, financial or performance reports for the project; • Costs must be substantiated through supporting documentation, such as timesheets. Timesheets must be maintained for employees who work less than 100% of their time on the project; • For further clarification, salary and benefit costs do not include incentive amounts such as performance pay (for example, bonuses), or benefits that are

	<p>considered perks, such as a gym membership or parking allowance;</p> <ul style="list-style-type: none"> • Severances are not eligible; • Benefit costs must not exceed 25% of the eligible salary costs for each employee who works on the project.
Capital Assets/Infrastructure	
Eligible Cost Items	Limitations/Instructions
<p>Capital Assets are tangible assets that are purchased, constructed, developed or otherwise acquired and:</p> <ul style="list-style-type: none"> • Are used in the production or supply of goods, the delivery of services or to produce the Initiative outputs; • May also include betterments (which are described as being expenditures relating to the alteration or modernization of an asset that appreciably prolong the period of usefulness of the item or improve its functionality); • The cost of which is considered to include the purchase price plus other acquisition costs, such as installation costs, freight charges, transportation, insurance costs, duties, and the non-refundable portion of provincial sales taxes, GST/HST or other value-added taxes; and • Has a useful life in excess of one year and a per item cost greater than \$10,000. <p>Infrastructure is fundamental physical and organizational structures and facilities (e.g., buildings, roads, and power supplies) needed for the operation of a society or enterprise.</p>	<ul style="list-style-type: none"> • Are not intended for resale in the ordinary course of operations; • All Capital Assets purchased over \$10,000 must be listed in the Proposal Form or, if not included in the Proposal Form, pre-approved by the Initiative's Director using an AAFC form intended for that purpose, prior to its purchase. • Designing and planning of infrastructure must serve the agriculture and agri-food sector directly, such as on farm, in processing, transportation and distribution, in research, and/or in marketing; • Renovations, site improvements, purchase of land, leasehold improvements, and construction or purchase of buildings cannot be reimbursed through the Initiative. However, the Applicant could partner with other federal and/or non-federal partners to cover these types of costs under this Initiative.

Contracted Services	
Eligible Cost Items	Limitations/Instructions
Professional or specialized services for which a contract is entered into, such as: <ul style="list-style-type: none"> • Consultant/expert services; • Research that is required to meet the objective of the project; • Project management to undertake activities; and • Training and skills development. 	<ul style="list-style-type: none"> • A formal contract must be in place with the contractor that includes payment terms and clearly detail the deliverables; • You must use a fair and competitive or otherwise justifiable and generally accepted sound business process that results in competent and qualified contractors working on the project;
Travel	
Eligible Cost Items	Limitations/Instructions
Travel costs directly related to the project, such as: <ul style="list-style-type: none"> • Per diems (meals, incidentals and taxis); • Accommodations; • Transportation, such as airfare; • Hospitality. 	<ul style="list-style-type: none"> • When travel is approved as part of the proposal form, claimants have an option to claim for these expenses using one of the following options: <ul style="list-style-type: none"> a. Claim the established per diem as listed below; b. Claim actual expenses incurred less than the established per diem as listed below. • The per diems will contribute to covering the costs for daily accommodation, meals, local or in-city transportation (buses, taxis, vehicle rentals, etc.), ground transportation, including parking, to and from the public carrier terminal, entry documents, including passports and visas, insurance (all types), vaccinations, and incidentals (personal phone calls, laundry, gratuities, currency exchange

	<p>fees, etc.) for individual travel;</p> <ul style="list-style-type: none"> • If using option (a), per diems can be claimed for every day on travel status as follows: <ul style="list-style-type: none"> i.Travel within Canada: <ul style="list-style-type: none"> ▪ Day trip with no overnight stay: \$70 CAD/day; ▪ Multi-day trip with overnight stays: \$300 CAD/day. ii.Travel outside Canada: <ul style="list-style-type: none"> ▪ Day trip with no overnight stay: \$100 CAD/day; ▪ Multi-day trip with overnight stays: \$425 CAD/day. • You may claim cost for air, rail and ground transportation (to an out-of-city destination) for individual travel as follows: <ul style="list-style-type: none"> a. Private vehicle: kilometric rates (\$0.55/km) as well as costs for parking at the destination. Private vehicle is not to be used if more expensive than rental, rail or air; b. Rental vehicle: the cost for a mid-sized vehicle (or the cost of a larger vehicle, based upon factors such as, but not limited to, safety, the needs of the traveler, and the bulk or weight of goods transported), gas, and parking at the destination;
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	c. Air: economy airfare rate only for all travel (not Business or First Class). Bookings should be made as far in advance as possible. Seat selection and baggage costs are eligible. If a higher class is purchased, proof of the flight's economy rate must be obtained for reimbursement purposes.
Other Direct Project Costs	
Eligible Cost Items	Limitations/Instructions
<p>Other costs for project-related deliverables, such as:</p> <ul style="list-style-type: none"> • Shipping; • Printing; • Conference fees/registration fees; • Translation; • Costs related to production of materials/documents; • Material costs; and • Assets lower than \$10,000. 	<ul style="list-style-type: none"> • All assets purchased under \$10,000 must be listed in the Proposal Form.

Ineligible costs

Ineligible costs include, but may not be limited to:

- Alcohol, entertainment, gifts, prizes and giveaways;
- Normal and on-going operating and maintenance costs incurred by you and/or a project participant/contributor.

Costs incurred outside of the period specified in the Contribution Agreement will not be considered as part of the project's total eligible costs.

1.3 Eligible activities

Eligible activities under this Initiative can be categorized into two streams:

1. Community readiness and pre-development support activities; and
2. Supporting Indigenous agriculture and food systems projects.

Examples of these activity streams include, but may not be limited to the following:

1. Community readiness and pre-development support activities intended to build the foundation for Indigenous participation in the Sector and capacity to develop and launch agriculture and food systems projects, as needed. Examples include:

- Assessing needs and defining interests to pursue activities in agriculture, and/or food systems;
- Knowledge transfer through peer-to-peer exchanges or mentorship;
- Community readiness, pre-development and pre-feasibility planning of projects;
- Facilitating Indigenous approaches to community economic development that can be extended to the Sector; or
- Supporting project development, including advisory services for organizational development, financial management, performance evaluation, reporting and communications.

2. Supporting Indigenous agriculture and food systems projects for planning or ready-to-implement projects that are more specific or targeted. Examples include:

- Providing analysis and strategies of projects that make the Sector more effective and inclusive of Indigenous Peoples;
- Developing and implementing agricultural education and extension activities that address specific interests and needs of Indigenous participants;
- Providing training, workshops, peer exchanges, coaching, advisory services to support capacity to farm or run an agriculture business;
- Developing participatory research and technology activities to support Indigenous-led agriculture and/or food systems;
- Developing skills including management and technical training;
- Developing and marketing of Indigenous agriculture-based products and related services; or
- Documenting of traditional agricultural knowledge and culinary traditions.

Ineligible activities

Ineligible activities include, but may not be limited to:

- Infrastructure planning and design not related to economic development such as public office buildings, recreation and friendship centers and public halls;
- Activities that do not result in economic benefits to Indigenous Peoples in Canada and the Sector.

1.4 Proposal deadlines

Proposals will be accepted **until September 30, 2022**, or until the funding has been fully committed or until otherwise announced by the Initiative. The Initiative ends on March 31, 2023.

For information on how to complete and/or receive the Proposal Form, contact AAFC by telephone at 1-866-367-8506 or by email at iafsi-isaaa@canada.ca.

2.0 Expected results

The Initiative's expected results are:

- Identification of Indigenous economic and business opportunities in the Sector;
- Indigenous stakeholder engagement with other partners and identified partnership opportunities;
- Increased participation of Indigenous Peoples in the Sector; and
- Development of Indigenous agriculture-based products and services.

3.0 Assessment criteria

In assessing your proposal, the following criteria will be considered. Does the project and activities:

- Align with [AAFC's mandate](#);
- Provide a benefit to Indigenous Peoples in Canada and the Sector;
- Have the potential for generating a net economic benefit, such as generating a profit, or the creation of jobs for and/or services to Indigenous Peoples in Canada;
- Address participation gaps in programming available to Indigenous Peoples in Canada;

- Link to and/or engage at least one component of a Food System;
- Include Cash and/or In-Kind Contributions from you and/or a project participant/contributor toward total eligible project costs; and
- Any criteria that other federal government partners may deem appropriate.

Administrative and financial aspects of projects (i.e., your capacity to deliver the project, activities are likely to achieve the expected results, your contribution to the project is confirmed, cost of activities are reasonable and justifiable, etc.) will also be assessed by AAFC.

4.0 Reporting on your project

Should you be approved for funding, you will be required to report on the project's finances, performance and results based on a schedule (i.e., monthly, quarterly and/or annually), which will be determined with you. Templates for these reporting requirements will be provided by AAFC. 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 the Proposal Form.

Financial Reports:

Financial reporting will be required with each request for reimbursement of eligible costs, in addition to year-end accounting and final financial reports.

Performance Reports:

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

Other reports may be required at AAFC's discretion.

5.0 Considerations

5.1 M-30 Act (Quebec organizations 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.

5.2 Intellectual Property

Where AAFC's contribution is provided for the development of material by you in which copyright subsists, the Minister may include a provision in the Contribution Agreement granting the Crown a licence to enable it to reproduce and distribute such material within the Government of Canada or to other governments for the Initiative administration purposes or for public good purposes.

5.3 Official Languages

Communications relating to a project under this Initiative will be in the official language(s) (English or French) of your choice. Where translation of public information in relation to projects to English or French is necessary, AAFC will assume the costs.

5.4 Communications

You will be required to work collaboratively with AAFC on the announcement of projects approved for funding through the Initiative, and any other communication-related activities pertaining to the project. Communication requirements will be further outlined in the Contribution Agreement.

6.0 After you apply

When you submit a proposal, an acknowledgment notice, either by mail or email depending on how the proposal was received, will be forwarded to you.

You should not consider a proposal as submitted to the Initiative until you receive an acknowledgment notice from AAFC.

Our goal is to:

- Respond to general inquiries made to our phone number or email address by the end of the next business day;
- Acknowledge receipt of your proposal within one business day; and
- Assess your proposal and send you an approval or a rejection notification letter within 100 business days of receiving a complete proposal.

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

Note: For proposals submitted to AAFC by mail, any return AAFC correspondence will be sent to you by mail and service standards may be longer.

7.0 Contact us

For more information on the Indigenous Agriculture and Food Systems Initiative, please contact us by:

E-mail: iafsi-isaaa@canada.ca

Telephone: 1-866-367-8506

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