



AgriRisk Initiatives - Administrative Capacity Building

Applicant Guide

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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) Administrative Capacity Building (ACB) Stream.
2. Provide an applicant with instructions and guidelines to assist in completing the ARI ACB 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* whose objective is to increase producers' ability to address the risks they face by facilitating the development and adoption of new risk management tools. It is divided into three program components:

- ARI Research and Development (R&D) stream - contribution funding
 - Funds industry-led R&D of risk management tools and practices
- ARI Microgrants
 - Funds academic research on issues relevant to business risk in agriculture
- ARI Administrative Capacity Building (ACB) stream
 - Supports the administration and tests the viability of new risk management tools, such as insurance products, when R&D is complete

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

ARI ACB Stream

The ARI ACB stream provides funding to implement and test new financial tools which allow producers to manage a defined business risk.

Example of issues that new tools can address are, but not limited to:

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

Eligible activities include:

- administration for delivering a risk management tool (such as office space, material, IT systems)
- establishment and adaptation of organizational structure for delivery of the new tool
- updating actuarial, financial or technical data
- communications, advertising and marketing
- development of work processes, policy wordings and product options
- seed funding – the creation of a capital reserve fund for an insurance fund or similar fund (support for seed funding will be conditionally repayable)

Projects under ARI ACB should also:

- include financial support from the applicant
- demonstrate appropriate stakeholder involvement and support
- 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)

Note: For information on ARI R&D or ARI Microgrants, please consult our website or contact the program.

1.2 Eligible Applicants

Eligible applicants are:

- not-for-profit and for-profit organizations
- Provincial and territorial governments

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

1.3 Funding and Cost-Sharing

Available funding

The maximum AAFC contribution per recipient will not exceed \$5 million per fiscal year. This contribution could include, without exceeding the maximum federal contribution of \$5 million per fiscal year, a one-time federal contribution for seed funding up to \$750 thousand.

Contributions made under the ACB stream to not-for-profit organizations or provinces and territories are non-repayable, except for seed funding contributions, which will be conditionally repayable. All contributions, including seed funding, made under the ACB stream to for-profit organizations will be repayable.

Cost sharing

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

- Not-for-profit organizations:
a maximum of 85% AAFC and a minimum of 15% applicant
- For-profit organizations:
a maximum of 50% AAFC and a minimum of 50% applicant
- Provinces and territories:
 - 60% from AAFC and 40% from the applicant
 - where an ultimate recipient is involved: a minimum ultimate recipient contribution of 15% of eligible project costs; federal and provincial government contributions will be 60% and 40%, respectively, of

residual project costs after accounting for ultimate recipient contributions

- as an example, where an ultimate recipient is involved, a project with total eligible costs of \$500,000 would be broken down as follows:
 - Ultimate recipient contribution = \$75,000 (15%)
 - AAFC and provincial requested funding = \$425,000 (85%)
 - AAFC request ($\$425,000 * 0.60$) = \$255,000
 - Provincial request ($\$425,000 * 0.40$) = \$170,000
 - Total project costs ($\$75,000 + \$425,000$) = \$500,000

The for-profit applicant's portion of the cost-share must be in cash. Where the applicant or ultimate recipient is a not-for-profit, a combination of cash and in-kind contributions are accepted.

For not-for-profit and for-profit applicants or ultimate recipients, where other government funding is included, total government funding is normally limited to 85% of eligible project costs.

Note: In order to further demonstrate industry support for a project, applicants are encouraged to include sources of funding above the minimum applicant cost-share ratio.

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.

Funding will be available for the eligible costs of project activities when these costs represent incremental expenditures directly related to the project activities, subject to a signed funding agreement.

Eligible costs may include, but are not limited to:

- start-up costs
- salaries, benefits, labour and materials
- rental and lease of equipment and office space
- travel and accommodation
- communications and promotion
- services agreements
- administrative costs
- one-time seed funding to create a capital reserve for an insurance or similar product

Ineligible costs include, but are not limited to:

- purchase of land or buildings
- alcohol, entertainment, gifts, hospitality
- assets and capital items not specifically required for the execution of the

- project
- refundable portion of GST, value-added taxes, or other items for which a refund or rebate is receivable
- costs for activities intended to directly influence/lobby governments
- other costs not specifically related to the project

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. In some cases, the program may ask that the applicant contact their respective provincial/territorial government's Ministry of Agriculture to apply or to co-fund 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:

- adoption rate of the new tool
- number of new information items shared

3.0 Assessment Criteria

Full applications will be assessed against program criteria listed in this application 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 the project objectives
- the degree to which the risk being addressed will affect the sector
- the feasibility of the project in meeting its timelines and outcomes
- identification and understanding of project risks with mitigation measures
- the degree to which the project specifically targets the following groups: Indigenous farmers and land managers; women in agriculture; young and beginning farmers; official languages minority populations; and farmers with

disabilities

Further due diligence may also assess such requirements as:

- the technical and financial viability (i.e., sustainability) of the new risk management tool and the proposed work plan
- the recipient's capacity to repay a repayable contribution (as applicable)

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 contribution agreement under the ARI ACB 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 Official Language Minority Communities (OLMC), 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

Once an application has been submitted, an acknowledgement notice will be forward 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 an approval or a rejection notification letter within 100 business days of receiving a complete application package
- send you a payment within 30 business days of receipt of a duly completed documented claim. This is applicable only if an agreement is signed

Please note that the submission of an application creates no obligation on the part of AAFC to provide funding for the proposed project.

7.0 Contact Us

For more information on the ARI ACB Stream, please contact us by:

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

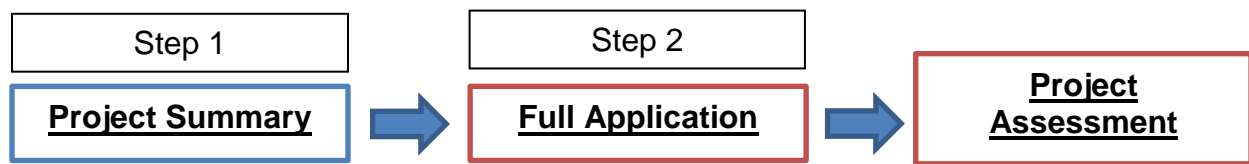
1341 Baseline Road

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 ACB 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 ACB 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% (shared between AAFC and the applicant at the project cost sharing rate). This rate covers costs of project management, administrative staff salaries (managing and reporting) and related equipment, materials, etc.
 - the 10% for administrative costs is not applicable to seed funding
- 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 20 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) / contractor(s), and detailed description of the work undertaken.
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 (if applicable)	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.