



Small Farm Acceleration Program Guidelines

2021-2022



CANADIAN AGRICULTURAL PARTNERSHIP (CAP)

The governments of Canada and Nova Scotia are committed to ensuring farmers and processors have the tools they need to innovate, grow and prosper. The Canadian Agricultural Partnership agreement is part of a commitment by federal, provincial and territorial governments to promote productivity and profitability for the sector. The programs are designed to help the industry position itself to respond to future opportunities and to realize its full potential as a significant contributor to the economy. Programs are also tailored with the flexibility to meet diverse regional requirements.

The partnership is a five-year, \$3-billion investment by federal, provincial and territorial governments that aims to strengthen the agriculture and agri-food sector and ensure continued innovation, growth and prosperity. The partnership includes \$1 billion for federal activities and programs, and \$2 billion in cost-shared programs delivered by provinces and territories on a 60-40 basis. In Nova Scotia, \$37 million will be invested through provincially delivered programs focusing on Markets and Trade; Science, Research and Innovation; Environmental Sustainability and Climate Change; Risk Management; Value Added Agriculture and Agri-Food Processing; and Public Trust.

In addition to cost-shared strategic initiatives, the partnership includes several business risk-management programs to help farmers manage risks that threaten the viability of their farms.

PROGRAM OBJECTIVES

The objective of the Small Farm Acceleration Program is to support the income growth of Nova Scotia small farms through the implementation of business planning and farm growth strategies. The program will allow small farms to make significant strides in reaching or working towards commercial viability.

PROGRAM OVERVIEW

The Small Farm Acceleration Program consists of **two (2) phases**:

Phase 1: Business Planning

- to explore farm growth priorities and goals

Phase 1	Project	Cost Share	Maximum Assistance
Business Planning	Business Planning (Consultant)	50%	\$2,500
	Business Planning (Self developed)		\$1,250

Phase 2: Farm Growth *MUST BE INVITED TO APPLY FOR PHASE 2 PROJECTS

- projects that help fulfill farm income growth goals.

Phase 2	Stream	Project	Cost Share	Maximum Assistance
Farm Growth	1	Loan Interest Rebate		\$5,000 per year
	2	Project Grants	50%	\$5,000 per year or 15% of eligible sales to a maximum of \$30,000 per year
	3	Business Advisory Services	50%	\$2,500 per year

Funding maximums in each phase and stream are outlined in the tables above (page 2). They are separate and independent of each other. If feasible to complete, applications can be accepted for Phase 1 and Phase 2- Year 1 in the first program year.

Applicants can remain in the program until March 2023: or until their gross commodity income reaches \$200,000, in which case they must exit the program. In addition, when an applicant reaches \$30,000 of gross commodity income, they can choose to exit the program and participate in other PBRM programs. An applicant cannot enroll in the program if their gross commodity income is over \$60,000.

Commodity Sales	Nova Scotia Department of Agriculture (NSDA) Program
\$0 - \$30,000	Small Farm Acceleration Program
\$30,000 - \$60,000	Choice between Small Farm Acceleration and regular suite of NSDA Programs
\$60,000-\$200,000	May continue in Small Farm Acceleration Program
\$200,000 and up	Regular suite of NSDA Programs

*Applicants may apply to Limestone Trucking Assistance while enrolled in the Small Farm Acceleration Program.

PHASE 1 – BUSINESS PLANNING

ELIGIBILITY

Farm:

- currently and properly registered in the correct income category under the *Farm Registration Act*;
- applicant is at least 19 years of age and actively farming in the program year;
- Must provide copies of the previous 2 years of Statement of Farming Activities (T2042, T1273 or Schedule 125 - Farm Revenue: detailing sales by commodity revenue code);
- generates an annual eligible gross commodity income not greater than \$60,000.

FINANCIAL ASSISTANCE

There are two (2) projects within Phase 1:

- Business Planning (Consultant)
- Business Planning (Self-Developed)

Approved applicants are eligible to receive **50%** in assistance to a maximum of **\$2,500** for consultant assistance for business planning. Applicants who choose to complete their own business planning are eligible for **\$1,250**.

Business Planning requires the completion of three (3) documents:

- Business Plan & Financial Projections (business plan and financial projections templates are available upon request)
- Farm Growth Action Plan
- Online Farm Business Self-Assessment Tool or Growing Your Profits Workbook

APPLICATION PROCESS

To apply for Phase 1, complete and submit the Application. **Applications must be obtained through the Regional Offices (list provided on page 12).** Late applications will not be accepted. Eligible project expenses will be recognized within the activity period stated in the below table, however, expenses incurred prior to the date of project approval are at the applicant's risk.

Phase	Application Intake	Activity Period	Claim Deadline
Phase - 1	April 1, 2021 – September 1, 2021	April 1, 2021 – December 1, 2021	December 1, 2021

Note: Clients new to PBRM programs since 2018 must complete the Program Funding Registration form. Returning clients, must update the form as needed with any changes to business information including contact information, structure, commodities, environmental farm plan and Premise ID.

APPROVAL PROCESS

1. Applications will be reviewed by NSDA.
2. If approved, applicants will receive a **Letter of Agreement (LOA)** which identifies the eligible project activities, assistance offered, and the terms and conditions under which assistance is approved.
3. Review, sign and return the LOA to PBRM within **30 days** of the date of the letter or your funding will be forfeited.

CLAIMING PROCESS

1. Claim deadline is noted in the table above (page 4) in Application Process.
2. Complete and submit the following:
 - **Program Claim Form** that you received with your LOA.
 - **Online Farm Business Self-Assessment Tool** or Growing Your Farm Profits Workbook. Please print proof of completion, priorities and action goals.
<http://www.farmbusinessassessment.com/>
 - **Farm Growth Action Plan** – can be obtained through the Regional Offices (list provided on page 12).
 - **Business Plan** – must include a detailed budget required to achieve the farm's income growth targets. Applicants and/or consultants must follow NSDA's Business Plan and financial projection templates.
3. Attach copies of all invoices for eligible project costs incurred and paid for by the applicant.
4. Attach proof of payment for each invoice – debit slips, cancelled cheques, or credit card statements. (receipted invoices marked paid and signed by the supplier are not accepted)
5. Submit your claim with the required supporting documentation to PBRM by the claim deadline.

Note: No payment will be made for claims under \$20.00.

PHASE 2 – FARM GROWTH

ELIGIBILITY

An invitation to apply for Phase 2 – Farm Growth, will be offered after Phase 1 has been completed and deemed eligible.

FINANCIAL ASSISTANCE

Funding is available over multiple years in Phase 2 and is contingent on meeting growth targets. Following the initial year of Phase 2, applicants will be required to complete a Farm Financial & Business Growth Evaluation Form. If the evaluation is deemed acceptable by NSDA, applicants will receive an invite from Programs and Business Risk Management (PBRM) to continue in the program. Applicants must determine priority items to be funded under the program that reach growth targets.

Note 1: Funding for the program is limited and the final decision to support will be determined by PBRM.

Note 2: No more than 100% of non-repayable funding can be received for any eligible project cost incurred and paid for by the applicant, regardless of source. Applicants are required to disclose all funding sources.

Note 3: PBRM may request at any time, confirmation that a client has complied with applicable legislation and regulations.

ELIGIBLE EXPENSES

Phase 2 consists of three funding streams: (applicants may apply for all streams simultaneously)

Stream	Activity	Purpose
1	Loan Interest Rebate	for qualifying project items that are detailed in the Farm Growth Action Plan
2	Project Grants	direct funding assistance for qualifying project items that are detailed in the Farm Growth Action Plan
3	Business Advisory Services	assistance for contracting mentors and/or professional advisors

STREAM 1 – Loan Interest Rebate

FUNDING REQUIREMENTS

Applicants are eligible for a loan interest rebate up to **\$5,000** per program year. Applicants may apply for a rebate on more than one loan, up to a maximum of one new loan per program year.

Example:

Program Year	Eligible for Rebate		Rebate Maximum
	Loan 1	Loan 2	
2021 - 2022	✓		\$5,000
2022 - 2023	✓	✓	\$5,000

The following requirements must be met:

- Application and Repayment Agreement forms must be received **within 10 months of loan approval**.
- Applicant must provide a copy of the loan agreement that includes all of the following:
 - loan details (must include loan amount and purpose);
 - loan amortization; and
 - interest rate and interest rate calculation for the loan duration.
- The loan may be obtained from a financial institution or equipment dealer.
- Qualifying loans must include a fixed interest rate.
- The loan must be for the projects specified in the detailed Farm Growth Action Plan and approved by NSDA as being incremental to the farm's growth.

The applicant may be required to repay the amount of interest rebate received if the farm is sold or if the farming operation is discontinued within a **five-year** period from the date of signing the repayment agreement.

INELIGIBLE LOANS

- Operating Lines of Credit
- Refinancing Loans
- Variable Interest Rate Loans

*The loan interest rebate stream of this program is not funded through the Canadian Agricultural Partnership and is funded solely by the Province of Nova Scotia through a separate provincial budgetary allocation. **As such, a letter of agreement will not be issued for Stream 1.***

STREAM 2 – Project Grants

FUNDING REQUIREMENTS

Applicants are eligible for **50%** funding assistance on total eligible project costs. All projects must be in line with the applicant's business plan and detailed farm growth action plan and must be approved annually by NSDA.

- Farms under \$30,000 in eligible commodity sales are eligible to a maximum of **\$5,000** per program year.
- Farms with eligible commodity sales between \$30,000 and \$200,000 are eligible for funding of **15%** of eligible commodity sales to a maximum of **\$30,000** per program year. For example, a farm with gross apple sales of \$120,000 would be eligible for a maximum of \$18,000 per year.

Note: Applicants must apply for Stream 2 projects yearly. Only one application per program year will be accepted for Project Grants.

ELIGIBLE EXPENSES

Implementation Costs (one-time cost to meet sector-wide adaptation)
<ul style="list-style-type: none"> • Management Software
Small Capital (one-time cost to meet sector-wide adaptation)
<ul style="list-style-type: none"> • Commercial Grade Equipment Upgrade • Commercial / Industrial Infrastructure Improvements
Education and Awareness Building
<ul style="list-style-type: none"> • Extended Learning Courses

INELIGIBLE EXPENSES

These include but are not limited to:

- conferences; on-going training / certification initiatives;
- HST;
- in-kind contributions;
- meals;
- normal and ongoing operating expenses, existing staff salaries and maintenance costs (e.g. phone, insurance, taxes, building and equipment repairs, etc.);
- productive farm units (e.g. breeding stock, perennial plants, root stock, beehives, sap lines, etc.);
- purchase of land, large capital, and/or infrastructure assets;
- building repairs or construction;
- used equipment; sea containers; and
- variable expenses for agriculture product (e.g. fertilizer, chemicals, livestock, seed, feed and fuel).

Note 1: Applicants may be asked to provide supporting documentation depending on the type of eligible expenses applied for.

Note 2: All environmental projects applied for must be listed on Schedule A & B of Environmental Farm Plan (EFP)

Note 3: Livestock handling systems and permanent field fencing will require designs that show layout and measurements, including any existing structures related to the project.

STREAM 3 – Business Advisory Services

FUNDING REQUIREMENTS

Applicants are eligible for **50%** funding assistance on total eligible project costs to a maximum of **\$2,500** per program year. Items must be in line with the applicant's Business Plan and Farm Growth Action Plan.

Note: Consultant quotes are required and must be provided with the application.

ELIGIBLE EXPENSES

Consultant Services

Crop Specialist

Marketing Plan

Feasibility / Marketing Study

Efficiency Improvement Plans (e.g. LeanSix Sigma)

Food Safety Plan

- Needs Assessment / Gap Assessment / Pre-audit Assessment
- HACCP Based Plan (e.g. Good Manufacturing Practices, Good Distribution Practices, Good Agricultural Practices, Food Safety Quality System)
- Regulatory Based Plan (e.g. Safe Food for Canadians, FSMA)
- Global Food Safety Initiative Plan (e.g. Canada GAP, Global Gap, SQF, BRC)

Farm Health & Safety Plan

- Needs Assessment / Gap Assessment
- Hazard Assessment / Risk Assessment
- Development of Farm Safety Plan (e.g. policies, safe work practices and procedures, inspections, record keeping, etc.)
- Occupational Hygienist Services (e.g. air and noise monitoring)
- Engineering Certification

Translation Services

- Food Safety Plan
- Farm Safety Plan
- Product Labels (does not include printing of labels)

Graphic Design for Product Packaging

- Domestic
- International

Facilitation and Coaching Assistance

Business Mentorship

Financial Planning

INELIGIBLE EXPENSES

These include but are not limited to:

- administrative / general overhead;
- buildings / building modifications;
- HST;
- in-kind contributions;
- Nutrient Management Plans;
- operating expenses / existing staff salaries;
- tools;
- training and related courses;
- travel; and
- implementation (action items) of the approved plans are not eligible for assistance.

Over the duration of the program, applicants are eligible to apply and claim for each type of expense one time only, with the exception of the following for *new* projects and products:

- Graphic Design for Product Packaging
- Feasibility and Marketing Studies

Additional funding to update a section of a plan previously completed may be eligible. Contact PBRM for authorization.

ALL STREAMS (Phase 2 – Farm Growth)

APPLICATION PROCESS

An invitation to apply for Phase 2 – Farm Growth, will be offered after Phase 1 has been completed and deemed eligible. Late applications will not be accepted. Eligible project expenses will be recognized within the activity period stated in the below table, however, expenses incurred prior to the date of project approval are at the applicant's risk.

Note: Applicants may apply for all streams in Phase 2 simultaneously.

Phase 2	Application Intake	Activity Period	Claiming Deadline
Stream 1	April 1, 2021 – January 31, 2022	April 1, 2021 – March 1, 2022	March 1, 2022
Stream 2			
Stream 3			

Note: Clients new to PBRM programs since 2018 must complete the Program Funding Registration form. Returning clients, must update the form as needed with any changes to business information including contact information, structure, commodities, environmental farm plan and Premise ID.

APPROVAL PROCESS

1. Applications will be reviewed by NSDA.
2. If approved, applicants will receive a **Letter of Agreement (LOA)** which identifies the eligible project activities, assistance offered, and the terms and conditions under which assistance is approved.
3. Review, sign and return the LOA to PBRM within **30 days** of the date of the letter or your funding will be forfeited.

Note: Stream 1 – Loan Interest Rebate, will not receive a LOA, therefore step 2 & 3 do not apply. Applicants will be notified of an approval.

CLAIMING PROCESS (not applicable to Stream 1 – Loan Interest Rebate)

1. Claim deadline is noted in the table above in Application Process.
2. Complete and sign the **Program Claim Form** that you received with your LOA.
3. Attach copies of all invoices for eligible project costs incurred and paid for by the applicant.
4. Attach proof of payment for each invoice – debit slips, cancelled cheques, or credit card statements. (receipted invoices marked paid and signed by the supplier are not accepted)
5. Submit your claim with the required supporting documentation to PBRM by the claim deadline.

Note: No payment will be made for claims under \$20.00.

LEASED LAND

Eligible projects must be directly applicable to the registered farm qualifying for the assistance on agricultural land owned or leased. A copy of the long-term lease (10 years) or rental agreement must accompany the Application for all physical projects applicable to the leased/rented land. It is a condition of approval that the lease be of at least 10 years duration. You must advise us immediately, in writing, if the lease is terminated, if the term of the lease changes or if the identity of the lessor changes in any way (for example, if the lessor assigns the lease or if the lease changes in composition).

ARM'S LENGTH TRANSACTIONS

Financial assistance will only be offered on transactions (invoices) that involve a supplier/service provider with an arm's-length relationship to the applicant for approved projects. For the purposes of Programs, arm's length is defined as individuals who are NOT connected by blood relationship, marriage, common-law partnership, or adoption.

AUTHORITY

NSDA shall have the authority to deny an application if there is evidence of misrepresentation of pertinent information or if NSDA believes that an application does not conform to the spirit of the Program.

EVALUATION AND AUDIT

Review and evaluation of projects may be carried out by NSDA, Government of Canada or other parties chosen by NSDA for the purpose of audit, analysis, evaluation, program development and determining financial assistance. This review and evaluation process may be conducted prior to project commencement, during work or upon project completion. Applicants may be asked to complete an evaluation survey related to their final claim.

CONFIDENTIALITY

Applicants consent to the release of their name and the amount of support received under the Program. This specific information is deemed to be public information, to be actively disseminated by NSDA. NSDA may provide any information from an applicant to another public body or a law-enforcement agency in Canada to assist in an investigation, undertaken with a view to a law-enforcement proceeding or from which a law-enforcement proceeding is likely to result. Any other information provided, unless disclosed in the manner and for the purposes stated above, will be subject to the confidentiality and disclosure provisions of the Freedom of Information and Protection of Privacy (FOIPOP) Act.

CONTACT INFORMATION

Please submit all documents related to the Small Farm Acceleration Program to PBRM at the address, email or fax number below. For more information about the Program, please contact PBRM or your regional office.

Programs and Business Risk Management (PBRM)

74 Research Drive

Bible Hill, Nova Scotia B6L 2R2

Fax: 902-893-7579

Website: <http://novascotia.ca/programs> Email: prm@novascotia.ca

PBRM: Telephone: 902-893-6377 Toll Free: 1-866-844-4276		
Western Region Offices	Cornwallis	902-638-2395
	Kentville	902-679-6021
	Lunenburg	902-634-7575
Eastern Region Offices	Truro	902-893-6575
	Antigonish	902-863-7180
	Sydney	902-563-2000