

# Sustainable Canadian Agricultural Partnership

Competitive. Innovative. Resilient.

## Value-Adding Equipment Program Guidelines

2023-2024



## Sustainable Canadian Agricultural Partnership

The Sustainable Canadian Agricultural Partnership (Sustainable CAP) is a five-year (2023-2028), \$3.5-billion investment by federal-provincial and territorial governments to strengthen competitiveness, innovation, and resiliency of the agriculture, agri-food and agri-based products sector. This includes \$1 billion in federal programs and activities and \$2.5 billion in cost-shared programs and activities by federal, provincial, and territorial governments.

In Nova Scotia, \$46 million will be invested through a federal-provincial partnership that is linked to five program streams: 1) Building Sector Capacity, Growth and Competitiveness; 2) Climate Change and Environment; 3) Market Development and Trade; 4) Science, Research, and Innovation; and 5) Resiliency and Public Trust.

We support the development of diverse and inclusive industries. We welcome individuals from all equity-deserving communities including but not limited to women, persons with disabilities, Black and African Nova Scotians, Mi'kmaq, Indigenous peoples, 2SLGBTQI+ and racialized individuals, to apply to programming.

## Program Objectives

The objective of the Value-Adding Equipment Program is to support value-added businesses and increase local food production by assisting in the sustainability of farms and communities and improving food security in Nova Scotia.

This program will support equipment purchases that will increase:

- the value of Nova Scotia agricultural products, or
- the processing capacity for Nova Scotia agricultural products, or
- the use of Nova Scotia agricultural ingredients in value-added products

## Eligible Applicants

- Farm
- Mi'kmaq conducting farming activities in Mi'kmaq Communities
- Agri-Business

## Program Criteria

- currently registered in the correct income category under the Farm Registration Act or Mi'kmaq conducting farming activities in Mi'kmaq Communities.
- applicant is at least 19 years of age and actively farming in the program year.
- generates an annual eligible gross commodity income of \$30,000. The eligible commodity income will be based on the Statement of Farming Activities (T2042, T1273 or Schedule 125 - Farm Revenue: detailing sales by commodity revenue code).
- Agri-business who represents identifiable Nova Scotia agriculture and agri-food products.
- Agri-business generating an annual eligible gross agri-business income of \$30,000 or more based on T2 Corporation Income Tax Return and/or internal Income Statement.

- Agri-business who conducts value-added processing of a raw Nova Scotia agriculture product which demonstrates a direct partnership and significant economic impact to the Nova Scotia primary agricultural industry.

All Agri-business applicants must demonstrate:

- the value or use of Nova Scotia products / ingredients

Using the table below, applicants will need to show proof of purchase of a minimum of \$5,000 of local ingredients based on their income level. Example: An eligible applicant has \$55,000 in income, based on the table below they will need to show proof of \$10,000 in local inputs.

**Proof of local ingredients:**

Income Level	Minimum annual purchases of raw agricultural ingredients
\$30,000 - \$49,999	\$5,000
\$50,000 - \$999,999	\$10,000
\$100,000 – \$250,000+	\$25,000

## Financial Assistance

Applicants can apply for a maximum of **75%** of the project cost to a maximum of **\$50,000** per year dependent on eligible gross commodity sales. Only one application per year may be submitted. The maximum an applicant can receive over the life of the SCAP program (2023-2028) is **\$150,000**.

**Funding will be based on 3 levels:**

Eligible Gross Commodity Sales	Maximum \$ Funding/ Year
\$30,000 - \$99,999	\$10,000
\$100,000 - \$249,999	\$25,000
\$250,000+	\$50,000

**Note 1:** All program funding is subject to funding availability and may be pro-rated if necessary. Notice to applicants will be provided in this situation.

**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. This applies to all Nova Scotia Department of Agriculture Programs.

**Note 3:** Quotes are required and must be provided with the application.

## Eligible Expenses

### Commercial Grade:

- automated sorting equipment
- washing equipment
- value-added processing equipment
- automated packing equipment
- refrigeration storage (energy efficient)
- contracted installation costs

**Note:** In-kind labour can be used towards site / building preparation. A rate of \$22/hour (based on the average Living Wage) will be used. A maximum of 15% of the total project cost is eligible up to \$2,000 per year.

**Example:** An applicant with a \$10,000 total project cost will be eligible for \$1,500 to go towards in-kind labour, this works out to 68 hours.

## Ineligible Expenses

These include but are not limited to:

- administrative / general overhead
- buildings / building modifications
- small construction tools
- multiple pieces of equipment with the same function (e.g. two specialized sprayers)
- ongoing software licensing costs or fees
- operating expenses / existing staff salaries
- HST
- travel

## Application Process

To apply for the Value-Adding Equipment Program:

1. Submit a complete application with all supporting project quotes by **June 30, 2023**.
2. Submit a complete Program Funding Registration Form.
3. Eligible project expenses will be recognized within the Activity Period stated in the table below. Please refrain from making purchases before receiving a Letter of Agreement from the Programs Office.

Application Intake	Activity Period	Claim Deadline
April 21, 2023 – June 30, 2023	April 1, 2023 – December 31, 2023	December 31, 2023

**Note:** An applicant may only complete one application per year.

## Approval Process

1. Applications will be reviewed by Nova Scotia Department of Agriculture (NSDA).
2. If approved, applicants will receive a **Letter of Agreement (LOA)** which identifies:
  - a. the eligible project activities
  - b. Program funding offered
  - c. the terms and conditions under which Program funding is approved
3. Please review, sign, and return the LOA to the NSDA Programs office within **30 days** of the date of the letter or your program funding will be forfeited.

## Claiming Process

1. After NSDA receives your signed LOA, a **Program Claim Form** will be sent to you.
2. Complete and sign the Program Claim Form by **December 31, 2023**.
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 – e-transfer confirmation, debit slips, cleared cheques, or credit card/bank statements. (Invoices marked paid and signed by the supplier are not accepted)
5. Attach in-kind labour documentation ex: spreadsheet identifying the date, task and hours completed (self identified)
6. Submit your claim with the required supporting documentation (Final Report if required. *See below.*) to the NSDA Programs office by the claim deadline.

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

## Final Report

Projects approved for program funding may have mandatory reporting requirements. Applicants will receive the reporting template with their claim form if applicable.

Programs that require a final report will be subject to a 25% holdback on their submitted claim if the final report is not submitted at the same time. Final reports may be made available publicly on the NSDA website and a follow up review may be conducted after project completion.

## Leased Land

Eligible projects must be directly applicable to the registered farm qualifying for 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).

## 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 Value-Adding Equipment Program to the Programs office at the address, email, or fax number below. For more information about the program, please contact the Programs office or your regional office.

**Nova Scotia Department of Agriculture  
Programs Office**

74 Research Drive  
Bible Hill, Nova Scotia B6L 2R2  
Fax: 902-893-7579  
Email: [prm@novascotia.ca](mailto:prm@novascotia.ca)

<b>Programs</b> <b>Telephone: 902-893-6377</b> <b>Toll Free: 1-866-844-4276</b>		
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