



FoodShift Program

Enabling growth by helping Ontario-based food & beverage manufacturers deploy Canada's leading clean technologies

PROGRAM GUIDE

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1. Introduction and Background

Ontario is one of the largest food and beverage processing jurisdictions in North America, with sales of more than \$32 billion per year. There are over 3,000 food and beverage processing companies in Ontario, employing over 114,000 people. The sector also tends to be a relatively large emitter of greenhouse gases.

There is significant opportunity for established food processors to embrace greater automation in their plants, integrate technologies that reduce waste and energy consumption, and adopt other clean technologies that will help to significantly reduce their [Carbon Footprint](#) and transition to a [Net-Zero](#) future. However, tech adoption is financially difficult for many food processors due to the high-volume, low-margin nature of the industry.

To help catalyze greater adoption of cutting-edge technologies by established food processors in Ontario, Bioenterprise is delivering a targeted matchmaking initiative that will connect clean technology organizations with industrial end-users ready to adopt and integrate the technologies. Successful applicants, referred to as [Recipients](#), will also receive access to Bioenterprise's specialized industry expertise, mentoring and business coaching, and network.

The FoodShift program is supported by a nearly \$2 million Government of Canada investment through the Jobs and Growth Fund, delivered by the [Federal Economic Development Agency for Southern Ontario](#) (FedDev Ontario). FedDev Ontario, southern Ontario's Regional Development Agency, was created to strengthen [southern Ontario's](#) economic capacity for innovation, entrepreneurship, and collaboration, and promote the development of a strong and diversified southern Ontario economy. The Government of Canada launched the Jobs and Growth Fund in summer 2021 with the aim of supporting job creators and the organizations that support them to transition to a [Green Economy](#), foster an inclusive recovery, enhance competitiveness, and create jobs in every corner of the country.

2. Program and Objectives

This program will provide non-repayable funding for [Clean Technology](#) adoption (\$1.5 million) to food and beverage processors based in Ontario to subsidize the cost of adopting and integrating new clean technologies into their operations. Program recipients will be selected through an open call for applications and will enter into a [Contribution Agreement](#) with Bioenterprise.

The primary objectives of the FoodShift program are to:

- De-risk the adoption and integration of clean, or net-zero, technologies in Ontario;
- Support the transition to a green economy and reduce the sector's carbon footprint;

- Enhance competitiveness of the food and beverage processing and clean technology sectors; and
- Create and maintain jobs.

Accomplishing these objectives will translate southern Ontario’s industrial, regional, and technological advantages into tangible environmental and economic outcomes including job creation, enterprise growth, improved cross-industry collaboration, advancement towards a green economy and reduced carbon footprint.

The FoodShift program seeks to promote a more representative workforce and commits to correcting disadvantages in employment experienced by women, Indigenous peoples, Black Canadians and other racialized Canadians, in accordance with the [Employment Equity Act](#).

3. Parameters

3.1 Eligible Applicant and Clean Technology Provider

[Eligible Applicants](#) are:

- For-profit private sector enterprises or not-for-profit corporations ready to adopt and integrate proven clean technologies into their food and beverage processing operations;
- Operating in the [Food and Beverage Processing Sector](#) (as defined below);
- Generating a minimum of \$1 million in annual revenues;
- Incorporated in Canada and located in Ontario; and
- Able to procure 50% project budget match, up to \$50,000 (see *Section 3.4* for more details).

The food and beverage processing sector includes the following categories as defined in Canada’s version of the [NAICS code](#):

- | | |
|---|--|
| • Fruit and vegetable preserving and specialty food manufacturing | • Bakeries and tortilla manufacturing |
| • Sugar and confectionary product manufacturing | • Animal food manufacturing |
| • Dairy product manufacturing | • Grain and oilseed milling |
| • Meat product manufacturing | • Other food manufacturing |
| • Seafood product preparation and packaging | • Beverage manufacturing (soft drink and ice manufacturing, breweries, wineries, distilleries) |

[Eligible Clean Technology Providers](#) are:

- For-profit private sector enterprises or not-for-profit corporations with a proven clean technology application that will satisfy the need of an eligible applicant; and
 - The clean technology to be implemented must be at minimum [Technology Readiness Level \(TRL\)](#) of 8 or greater.
 - **TRL-8:** Actual technology completed and qualified through tests and demonstrations.
- Technologies must help food and beverage processors embrace automation in their facilities, reduce waste and energy consumption, significantly reduce their carbon footprint, and transition towards a net-zero future.

Please note: Although clean technology providers cannot independently apply to this program and directly receive funding, they can fill out an [Expression of Interest](#) (EOI) and Bioenterprise can assist in matchmaking them to a food and beverage processor.

Special Considerations

- The applicant must be the organization operating in the food and beverage processing sector;
- The applicant must declare other government sources of funds received within the 12-month period prior to the application process;
- Stacking of government funding programs are subject to review and approval;
- Applicants may submit more than one application if multiple projects exist however, only one project will be approved per applicant throughout the duration of the FoodShift program; and
- Clean technology providers may be involved in multiple projects.

3.2 Eligible Projects and Activities

[Eligible Projects](#) are those that support the adoption and integration of new clean technologies into the applicant's operations. This funding could be used to cover advisory, acquisition, and commissioning costs related to the new clean technology. The project must be conducted in collaboration with a clean technology provider.

Three scenarios that may lead to an eligible project include:

1. Food and beverage processors ready to adopt and integrate a clean technology with an identified clean technology provider.
2. Food and beverage processors with an identified clean technology need, but no established provider.
3. Proven clean technology providers looking for an adopter in the food and beverage processing sector.

Under scenarios 2 and 3, both organizations can fill out an EOI form and Bioenterprise will assist in matchmaking organizations to create an eligible project. Please note, Bioenterprise cannot guarantee a successful match. Only projects with an eligible applicant and an eligible clean technology provider will be able to submit a complete [Application](#) and be considered for funding.

To be considered eligible, projects must:

- Involve the adoption and integration of a clean technology at minimum TRL-8 or above;
- Respond to the objectives of the FoodShift program (as described in *Section 2* above);
- Demonstrate the impact of project financing on reducing the applicant's carbon footprint and/or transitioning to a green economy and net-zero future;
- Provide a [Project Milestone Plan](#) that demonstrates how implementation will be achieved beginning no earlier than June 10, 2022, and ending no later than March 31, 2024; and
- Generate outcomes with significant positive benefits to southern Ontario including but not limited to, revenue generation, jobs created and maintained, attracting new investment, generating IP, etc.

Eligible Activities of the project milestone plan include, but are not limited to:

- **Product integration/adoption.** Activities that support the applicant's ability to integrate or adopt new clean technologies into their operations including equipment costs.
- **Regulatory compliance.** Activities that focus on supporting access to specialized technical services, certifications, regulatory requirements, etc.
- **Internal employee labour.** Activities that require new and existing staff to complete and are directly related to the execution of the project.
- **Other technology adoption activities.**

3.3 Eligible Project Costs

[Eligible Project Costs](#) include costs that are:

- Directly connected to the project milestone plan;
- Reasonable and required to carry out the project;
- Incremental to the cost of doing business;
- Incurred between June 10, 2022, and March 31, 2024;
- Subject to approval by Bioenterprise; and
- Auditable (complete documentation is necessary).

Eligible project costs should be incurred in Ontario. For project costs incurred outside of Ontario, strong justification is required to be considered eligible. Eligible and ineligible project costs and expenses are further defined in *Appendix B: Financial Guidelines*. In-kind

contributions are not eligible. Please note, costs submitted for reimbursement must be net of any refund or eligible tax credits (including HST).

3.4 Funding Available

The total funding available through the FoodShift program is \$1.5 million from June 2022 through to March 2024.

Applicants can request up to **50% of the eligible project's total budget** (eligible project costs), **up to \$50,000**. Non-repayable contributions must be matched 1:1 by the applicant. Applicants must demonstrate available sources of capital to deliver on all project activities.

Bioenterprise, at its sole discretion will:

- Determine the amount of funding approved per project; and
- Assess and evaluate the applicant's financial resources available to complete the eligible project.

4. Application Process and Requirements

4.1 Application Process

Applications will be accepted in a one-phase process, consisting of the application package described in *Section 4.2*. After the first call for applications, additional applications will be accepted on a rolling intake basis. Specific timelines, including submission deadlines, will be posted and updated on the Bioenterprise website. Only successful applications will result in financing and move towards negotiating a contribution agreement.

4.2 Application Requirements

Applicants wishing to submit an application must submit a package consisting of the following elements completed in full:

- Electronic version of the online [FoodShift: Application Form](#)
- *Application Workbook* Microsoft Word template
- *Budget Workbook* Microsoft Excel template
- Required technology appendices:
 - [Clean Technology Provider Statement of Work \(SOW\)](#)
 - This document will outline the clean technology provider's technology to be commissioned by the applicant. This document must include:
 - The TRL of the clean technology to be implemented (must be at minimum 8+)

- Technology specifications
 - Detailed project implementation activities, costs, and timeline
 - Provider deliverables and project outcomes
- Required financial appendices:
 - Two (2) years of financial statements reviewed and reported on by an independent external accountant with a minimum [Notice to Reader Report](#) to the most recently completed year-end
 - Internally prepared financial statements for the current fiscal year to the date of application submission
 - Pro-forma financial statements for the balance of the current fiscal year
 - Evidence of matching funding available or accessible by the applicant, such as:
 - Proof of available operating line of credit or
 - A letter of comfort from the applicant's bank or accounting firm
- Optional appendices (recommended if available):
 - Environmental, Social, and Governance (ESG) report or similar document(s)
 - Letters of support

The application is the detailed information package on the proposed project and will include prompts requesting:

- Description of the applicant's organization and the clean technology provider's technology that they wish to adopt (including Technology Readiness Level);
- Long and short-term organizational growth plans;
- Detailed project plan outlining project objectives, activities, timelines, milestones, and outcomes;
- Summary of the clean technology provider's organization and their involvement in the project, as well as expected outcomes from their participation;
- Assessment of the projected economic growth, environmental benefits, and business outcomes of the proposed project;
- Description of how the project would contribute towards achieving the objectives of the Jobs and Growth Fund; and
- The forecast cost of the project and details on its financing (including other sources of proposed funding).

Please note, applicants submitting an application will be required to pay a one-time, non-refundable [Application Fee](#) of \$200 + HST.

4.3 Submission Procedures

All application documents and required appendices must be submitted online using the *FoodShift Application Form*. Mailed, emailed, or faxed submissions will not be accepted.

Applications are due by 12pm (noon) Eastern Time on the day of the submission deadline. Late submissions will not be accepted.

5. Assessment, Selection and Decision Process

5.1 Assessment Criteria

Selection factors may change over the course of the FoodShift program delivery. In the event these indicators change, a revised version of the program guide will be released and accessible on the Bioenterprise website.

Projects will be reviewed to assess the importance, relevance, and feasibility of the applicant's proposed project, with a focus on potential to generate environmental and economic impact for the applicant and for southern Ontario.

Eligible applications will be reviewed using the following criteria:

Strategic Importance

- The project purpose aligns with the FoodShift program's objectives and has a high probability of delivering on multiple program objectives.
- The problem is stated clearly, and the adoption of the new clean technology will lead to significant environmental and economic benefits to the organization, southern Ontario, and the sector.
- Project approach is clearly stated and addresses multiple major factors for success.
- The project team is identified, skills are clearly stated and aligned with project purpose and ensure project success.
- The proposed project is critical to the organization's growth and their transition to a green economy.

Impact and Expected Outcomes

- Implementation of the new clean technology has a high likelihood of assisting the Applicant in transitioning towards a green economy and reducing the sector's carbon footprint.
- Activity-based and overall outcomes such as job creation and maintenance, new collaborations and new clean technologies adopted are all tangible, measurable, and achievable within the project timelines.

Implementation and Governance

- Proof of commitment in the form of matching cash investment that reflects the program requirements.
- Use of funds is clear and contributes to multiple project outcomes.
- Suitability of the budget allocated to align with project activities and objectives.
- Adequacy of plans to launch activities that are articulated, reasonable, logical, and required for the success of the project.
- Definition of clear and realistic project timelines and milestones to deliver on activities outlined in the application.

Once applications have been initially screened for eligibility, a review committee made up of external [Expert Reviewers](#) assesses and selects applications for funding.

5.2 Funding Decisions

Recipients will be notified on an ongoing basis as applications are reviewed. See the Bioenterprise website for call details and timelines. Please note that the submission of an application creates no obligation on the part of Bioenterprise and FedDev Ontario officials to provide support for the proposed project. Bioenterprise retains full discretion to determine which applications are approved to receive funding support. Please note discussions and decisions of the review committee are confidential and will not be shared with applicants.

5.3 Approval Process

The approval process will proceed as follows:

Step 1: Program launch and scheduled call for applications.

Step 2: Review of applications, funding decisions and approval.

- All applicants who have submitted an application will receive an email notifying them of the review committee’s decision. Recipients will be contacted directly for next steps.

Step 3: Project negotiations, funding award, announcements and signing of contribution agreements.

- Public announcement of funding decisions and amounts will be made on dates as outlined on the Bioenterprise website upon the successful execution of a contribution agreement.

Step 4: Rolling intake for applications.

Step 5: Applications will be reviewed, awarded, and announced on an ongoing basis until intake closes February 28, 2023.

Recipients will receive a one-year complimentary membership to [Canada’s Food and Agri-Tech Engine](#) upon successful project completion.

5.4 Protection of Proprietary Information

Applicants should clearly mark as “proprietary” any information contained in their applications that they believe is a trade secret or proprietary organizational information. Proprietary information also includes details of the applicant, their financial information provided, and their project. This information is to be maintained confidential and will not be shared with other applicants nor on public sites.

Proprietary information contained in applications will be used or disclosed only for the purposes of project evaluation and assessment.

All expert reviewers participating in the programs are required to sign non-disclosure and conflict of interest agreements. They are required to uphold the confidentiality of all privileged information, including trade secrets, proprietary organizational information or information that is commercial or financial.

5.5 Retention of Applications

An electronic copy of all applications reviewed and assessed, will be retained by Bioenterprise for six (6) years, after which it will be destroyed.

Applications not received within the timelines of the call for applications, and not reviewed or assessed will be returned to the applicant directly.

6. Program Administration

6.1 Timeline

Program Milestones

2022	Program Launch and First Application Intake Opens	July 27, 2022
	First Application Intake Deadline	September 15, 2022
	First Recipient Announcement	October 2022
	Rolling Intake for Applications Opens	November 1, 2022

2023	Rolling Intake for Applications Deadline	February 28, 2023
	Final Recipient Announcement	April 2023
2024	Project Completion Deadline	March 31, 2024

**Timeline is subject to change. Please check the Bioenterprise website for related program updates.*

6.2 Contribution Agreement

A contribution agreement will be executed between Bioenterprise and recipients outlining, at a minimum:

- Eligible project details including project milestone plan and communications plan
- Approved budgets and spending timelines
- Payment schedules and reconciliations
- Reporting requirements
- Retention of data
- Application Appendices including:
 - Application workbook
 - Milestone plan
 - Budget workbook
 - Executed SOW with the clean technology provider

The project is considered approved upon execution of the contribution agreement.

Non-repayable contributions will be negotiated to be the minimum amount required, in the opinion of Bioenterprise, to allow the recipient to proceed with their approved project. FoodShift financing payments will be managed by Bioenterprise and will support eligible project costs as described in the contribution agreement.

6.3 Payment Schedule

A payment schedule will be outlined in the contribution agreement and will be determined based on the project milestones and budget, with contributions being made in the form of reimbursements for eligible expenses. Payments under the contribution agreement are non-repayable contributions.

6.4 Claims and Payment Reconciliation

Payments are reconciled on a periodic basis through the submission of claims by the recipient. Claims will be submitted based on milestones as outlined in the contribution agreement and are reconciled with cash flow requirements and actual expenditures. All claims must be

accompanied by a report of the work accomplished and details of costs being claimed for the period covered by the claim. Expenditures must be substantiated by appropriate documentation such as invoices, timesheets, contracts, and other approved documents. Claims must be certified by an authorized financial officer of the recipient. Bioenterprise may require that any claim for payment be certified by an external auditor. Recipients will be requested to provide evidence to support that all eligible project costs claimed have been paid by the recipient.

6.5 Communications

Recipient activities, results and accomplishments should be conveyed to external audiences, including participants from the food and beverage processing and clean technologies ecosystem, participants from other sectors, the media, and the public.

For the duration of the contribution agreement, the recipient's communications activities (including but not limited to websites, news releases, social media, success stories, and announcements) related to the approved project must acknowledge both the contribution of Bioenterprise and the Government of Canada. Detailed instructions on acknowledgements including wordmarks and logos will be provided to recipients.

6.6 Reporting Requirements

The contribution agreement outlines the reporting requirements for:

- Claims and project expenditures
- Project activities
- Results and outcomes of the project

Required Reports

- Claims and interim progress reports:
 - Recipients will submit claims on a periodic basis, as outlined in the contribution agreement.
 - Interim progress reports must be submitted with each claim using the template provided. These reports will provide information to assess progress and to track recipients' success against the terms and conditions of the contribution agreement.
- Annual reports:
 - For the duration of the contribution agreement, recipients must submit annual reports on a calendar year basis, by January 15, using the templates provided and as outlined in the contribution agreement.
 - Recipients are asked to report on project goals, milestones, accomplishments, the nature and extent of expansion efforts, financial reports, and activity plans.

These reports must indicate major achievements of the recipient over the last year, strategies used to achieve the goal, information on any course corrections or deviations from the original objectives, as well as forward-looking activity plans and financial plans. The annual reports will provide an overview of all eligible project costs incurred and paid as part of the project cash flow requirements and administrative reports using the templates provided.

- Bioenterprise reserves the right to request financial statements and reports more frequently than annually.
- Final report:
 - Recipients must submit a final report at the conclusion of the contribution agreement on overall goals, achieved outcomes, results and economic benefits of the project.
- Annual client surveys post project completion:
 - Recipients are required to complete annual client surveys for up to six (6) years after the completion of the project. Client surveys are designed to report on FoodShift program objectives, to measure achievements and to provide feedback on engagement with Bioenterprise.

Retention of Reports

Recipients are required to keep official records, including all interim, annual, and final reports, and supporting claims documentation for a minimum of six (6) years following the conclusion of the contribution agreement.

7. Other Information

7.1 Access to Information Act and the Privacy Act

The FoodShift program is subject to the federal [Access to Information Act](#) and the [Privacy Act](#).

7.2 Underrepresentation Balance

Bioenterprise encourages the participation and engagement of applicants from underrepresented groups to encourage diversity among recipients.

7.3 Public Website and Contact

Information about the FoodShift program and how to apply is available on the [Bioenterprise website](#). All inquiries about the FoodShift program, should be directed to: submissions@bioenterprise.ca.

Bioenterprise reserves the right to revise this program guide.

APPENDIX A – GLOSSARY OF TERMS

Application: Refers broadly to the documents submitted to Bioenterprise to participate in the one-phase application process for FoodShift project financing. This includes the FoodShift application form, application workbook, budget workbook, and required appendices.

Application Fee: Refers to the one-time, non-refundable fee of \$200 required for submission of an application to the FoodShift program. This fee is subject to HST.

Canada’s Food and Agri-Tech Engine: The Engine is a network of like-minded businesses and expert service providers that address all the common barriers when scaling a food or agri-tech business. Members receive access to mentorship, funding guidance and strategic partner identification services. For more details, please visit: <https://bioenterprise.ca/membership/>

Carbon Footprint: Carbon footprint is the total amount of greenhouse gas emissions that are produced through humans’ actions. The average carbon footprint per person per year in Canada is 15.6 tons, ranking 10th in the world for most emissions per capita.

Clean Technology: Clean technologies, also referred to as net-zero technologies, help food and beverage processors embrace automation in their facilities, reduce waste and energy consumption, significantly reduce their carbon footprint, and transition towards a net-zero future.

Clean technology adoption by industrial end-users results in emerging energy efficiency, renewable energy, or distributed generation technologies.

Clean Technology Provider Statement of Work (SOW): The clean technology provider statement of work defines the clean technology provider’s contributions to the eligible project including technology overview, activities, project costs, deliverables, and timeline. This legally binding document defines

	the terms and conditions agreed upon between each party involved in the successful implementation of an eligible project.
Contribution Agreement:	Written agreement or documentation constituting an agreement between Bioenterprise Canada Corporation and a recipient setting out the obligations or understandings of both parties with respect to one or more transfer payments.
Eligible Applicant:	The applicant must be a for-profit private sector enterprise or not-for-profit corporation ready to adopt and integrate proven clean technologies into their food and beverage processing operations. They must be operating in the food and beverage processing sector, be generating a minimum of \$1 million in annual revenues, be incorporated in Canada and located in Ontario, and are required to fund the remaining 50% of the project budget (the 50% project budget match).
Eligible Clean Technology Provider:	The eligible clean technology provider must be a for-profit private sector enterprise or not-for-profit corporation with a proven clean technology application that will satisfy the need of an eligible applicant. This organization must also be able to demonstrate that they have a clean technology at or beyond TRL-8 stage of development and must be incorporated in Canada.
Eligible Projects:	Eligible projects are those that support the adoption and integration of new clean technologies into the eligible applicant's operations. This funding could be used to cover advisory, acquisition, and commissioning costs related to the new clean technology. The project must be conducted in collaboration with an eligible clean technology provider.
Eligible Project Costs:	The relevant, reasonable, and essential expenses required to carry out the eligible activities to which they relate and as further defined in the contribution agreement. These must be net of any refunds or tax credits (i.e., HST).
Expert Reviewers:	Bioenterprise will consult a roster of external experts for their technical and/or sector expertise. Expert reviewers are current

industry professionals, researchers or academics with industry-related expertise, or other experts with relevant technological, industrial, or regional expertise. They will provide an assessment of eligible applicants' project applications, considering the merit and potential of the applications. They will review and provide considerations related to strategic approach and implementation of the project, in line with program objectives. Bioenterprise's use of expert reviewers will take necessary steps to avoid real or perceived conflicts of interest.

Expression of Interest Form (EOI):

The EOI form is a short survey designed to collect basic information about prospective applicants and clean technology providers in order to facilitate a match that may lead to an eligible project.

Clean Technology Provider EOI:

<https://agritechcentre.wufoo.com/forms/kf4ymew130rtmj/>

Food & Beverage Processor EOI:

<https://agritechcentre.wufoo.com/forms/k10w6dec0ilrdy3/>

Food and Beverage Processing Sector:

As defined [by the Government of Canada](#), this sector consists of establishments that transform raw agricultural commodities or semi-processed food products into a broad range of semi-prepared or consumer-ready food and beverage products.

Green Economy:

The [UN's Environment Programme](#), defines a green economy as low carbon, resource efficient and socially inclusive.

Net-zero:

As defined by the [Government of Canada](#), net-zero refers to an economy either emitting no greenhouse gas emissions or offsetting its emissions.

Notice to Reader Report:

The notice to reader report is a financial statement compilation prepared by chartered accountants providing no assurance or opinion.

Project Milestone Plan: A milestone is a marker in a project that signifies a change or stage in development. Milestones should show key events and map forward movement of the project plan.

Recipient: A successful applicant, with an approved project, that has been authorized to receive a transfer payment.

Southern Ontario: Southern Ontario includes the following regions: Stormont, Dundas and Glengarry; Prescott and Russell; Ottawa; Leeds and Grenville; Lanark; Frontenac; Lennox and Addington; Hastings; Prince Edward; Northumberland; Peterborough; Kawartha Lakes; Durham; York; Toronto; Peel; Dufferin; Wellington; Halton; Hamilton; Niagara; Haldimand-Norfolk; Brant; Waterloo; Perth; Oxford; Elgin; Chatham-Kent; Essex; Lambton; Middlesex; Huron; Bruce; Grey; Simcoe; Haliburton; and Renfrew.

Technology Readiness Level (TRL): Businesses conducting product development and commercialization activities often refer to a nine-point TRL scale. This scale helps categorize development stages, which is helpful to define project scope, progress, timelines, and resource requirements. The TRL system measures a technology's maturity, from Level 1 (Concept Evaluation) to Level 9 (Successful Deployment). The FoodShift program will only consider projects focused on technologies that are at TRL 8 and beyond. For more information on the TRL scale, visit <https://www.ic.gc.ca/eic/site/080.nsf/eng/00002.html>.

APPENDIX B – FINANCIAL GUIDELINES

FoodShift program funds can only be used for eligible project costs that are:

- Directly connected to the project milestone plan;
- Reasonable and required to carry out the project;
- Incremental to the cost of doing business;
- Incurred between June 10, 2022, and March 31, 2024;
- Subject to approval by Bioenterprise; and
- Auditable (complete documentation is necessary).

Eligible projects costs should be incurred in Ontario. For project costs incurred outside of Ontario, strong justification is required to be considered eligible.

B.1 Eligible Project Costs

The main categories of eligible project costs include:

Internal Employee Labour

- Actual salary costs for existing and new staff directly attributable to carrying out the eligible activities of the project, calculated at:
 - The employee's direct hourly labour rate, plus normal benefits including the organization's portion of CPP, EI, WSIB and health/dental benefits (benefits cost in total not to exceed 15% of the hourly rate).
- Salary costs for executives, administrative staff, advisory board members, or board members are not eligible.

Note: Internal employee labour costs for existing staff are not to exceed 15% of eligible project budget (up to \$100,000). However, there is no limit on internal employee labour costs for new staff hired specifically to execute project activities.

Consulting and Professional Service Providers

- These costs can include the direct costs of studies and/or services carried out by a private contractor or consultant.
- Costs of consultants and professionals directly related to the project activities are subject to the following restrictions:
 - General legal fees are eligible up to a maximum of 5% of total project budget and activities must be related to project milestone plan.

- Intellectual property (IP) costs are restricted to the costs of professional services related to the project milestone plan and are eligible up to a maximum of 5% of total project budget.
 - Patent or filing fees are not eligible.
- Service providers must be at arm's length from the applicant.

Consumables including

- Materials and supplies directly related to the project activities.

Equipment (leased or purchased)

- Equipment is defined as any item (or interrelated collection of items comprising a system) which is used wholly or in part for the proposed project having a useful life of more than 1 year and costing more than \$2,000.
- Equipment costs are to be apportioned to the project and other uses:
 - The costs attributable to the project are eligible
 - Costs related to commissioning of new equipment or modification/relocation of existing equipment (infrastructure and commissioning) related to the project may be eligible.

Note: Equipment costs are not to exceed 50% of the total eligible project budget.

Facility rental costs

- External premises rented specifically to carry out the project activities.
- Allocation of the organization's facility costs is not eligible.
- Leasehold improvements as a category are not eligible.

Travel and transportation costs

- Vehicle costs
 - Mileage must adhere to [National Joint Council Travel Directive](#).
 - Rental of a compact model or equivalent, if attributable to the project milestone plan is eligible.
 - Car allowance is not eligible.
- Air, bus, and rail travel
 - Air, bus, and rail travel directly attributable to the project activities are eligible.
 - Economy or coach class equivalent is eligible.
- Accommodations
 - Single accommodation in a standard room is eligible where directly attributable to the project activities.

Note: Travel and transportation costs are not to exceed 5% of eligible total project cost.

Carbon Offset Credits

- Where the purchase of eligible carbon offset credits are for events, conferences and travel related to the project.
- The purchase of eligible carbon offset credits from a vendor which has received third-party verification and adheres to internationally agreed standards including:
 - Gold Standard
 - VER+
 - VERRA (formerly VCS, Verified Carbon Standard)
 - B.C. Offset System

Note: Carbon offset credits are eligible up to a maximum of 5% of total project budget and activities must be related to project milestone plan.

B.2 Ineligible Project Costs

Ineligible project costs for FoodShift program funding include:

- Any costs incurred prior to the effective date stated in the funding contribution agreement
- Costs of land, building or vehicle purchase
- Refinancing
- Costs of intangible assets such as goodwill, whether capitalized or expensed
- Depreciation or amortization expenses
- Interest on invested capital, bonds, debentures, or mortgages
- Bond discount
- Losses of investments, bad debts, and any other debts
- Fines or penalties
- Costs related to litigation
- Non-incremental wages
- Fees for administrators, including payments to any member or officer of the recipient's board of directors
- Opportunity costs
- Hospitality and entertainment costs
- Costs of membership in a professional body (e.g., professional designations)
- Lobbyist fees
- Cost of conference or tradeshow admission if not exhibiting or presenting
- Costs associated with basic research and development activities
- Sales tax / HST
- Car expenses

- Extraordinary or abnormal fees for professional advice unless approval is obtained from Bioenterprise before incurring the cost
- Discretionary severance and separation packages
- In-kind contributions