

### **FoodShift Program**

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

Frequently Asked Questions (FAQs)
Final Intake – September 2023

#### Q. Who can apply?

All qualified for-profit enterprises or not-for-profit corporations operating in the food and beverage processing industry are encouraged to apply. Key qualifications include:

- Ready to adopt and integrate proven clean technologies into their operations and/or ready to engage an eligible clean technology service provider to conduct assessment projects focused on food waste reduction and/or process optimizations;
- Generating a minimum of \$200,000 in annual revenues;
- Located in southern Ontario and incorporated in Canada; and
- Able to procure 50% match of the eligible project budget, up to \$50,000.

#### Q. What is Bioenterprise's confidentiality policy?

Bioenterprise operates under a strict confidentiality policy. Any documentation shared will be treated as highly confidential. Please click <u>here</u> to review the policy.

#### Q. When is the next application deadline?

The final intake for applications closes October 6, 2023, at 11:59pm EDT. After the initial eligibility screening, projects will be chosen for funding based on a comprehensive review by our expert committee.

### Q. How can clean technology providers and/or clean technology service providers get involved?

Although clean technology providers and/or clean technology service providers cannot independently apply to this program and receive direct funding, they may choose to partner with an eligible food and beverage processor to help satisfy their environmental and economic needs.

#### Q. How much funding is available?

Applicants can request 50% of the total eligible project budget, 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.

# Q. Can the FoodShift program fund more than one project submitted by the same organization?

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. If two applicants are owned by the same conglomerate, but each have unique business numbers, they will both be eligible to submit a project application and receive funding. However, a maximum of two projects can be approved per conglomerate.

#### Q. When can projects start and when must they be completed?

Projects can begin no earlier than June 10, 2022, and must be completed by March 31, 2024 (i.e., the organization must be able to complete all project milestones and spend all the awarded funding).

## Q. What is the Technology Readiness Level (TRL) scale? How do I determine the TRL of my technology?

The TRL scale helps categorize a technology's development stages, from Level 1 (Concept Evaluation) to Level 9 (Successful Deployment). The FoodShift program will only consider projects that implement or adopt technologies that are at minimum TRL 8. To determine the TRL of your technology, click <a href="here">here</a>.

### Q. Can applicants partner with clean technology providers and/or clean technology service providers located outside of Canada?

Where possible food and beverage processors should seek out clean technology providers and/or clean technology service providers incorporated in Canada. However, if the applicant's specific requirements do not have any Canadian solutions, technologies sourced from outside of Canada may be eligible and will be reviewed on a case-by-case basis.

#### Q. What are the criteria for an eligible clean technology service provider?

An eligible clean technology service provider is a for-profit private sector enterprise or not-for-profit corporation that offers consultation services to optimize food & beverage processors' operations. These process optimization consultations may focus on one or more of the following areas:

- i. food loss and waste reduction,
- ii. adapting operations for enhanced sustainability, and
- iii. enhancing operations to align with the primary objectives of the FoodShift program.

#### Q. What are net-zero technologies?

As defined by the <u>Government of Canada</u>, net-zero refers to either no greenhouse gas emissions created, or the offset of emissions created. For example, technologies that reduce food loss and waste generation throughout the supply chain are considered net-zero. Net-zero technologies can also be employed in carbon offset projects that support forestry, renewable energy initiatives, waste diversion, etc.

#### Q. Can clean technology be implemented to help reduce facility emissions?

Yes. In addition to being implemented directly into the food or beverage processing line, GHG-reducing clean technologies can be implemented elsewhere in the facility so long as other eligibility criteria are met.

#### Q. Is a new build considered an eligible project?

If the funding will be used solely for a new build, the project will not be eligible. Eligible projects must meet the primary objectives of the FoodShift program as outlined in the <u>program guide</u>.

### Q. Does the program support clean technology development that is specific to a food and beverage processor?

Yes, project funding could be used to cover advisory, acquisition, and commissioning costs related to the proven clean technology and/or assessment projects focused on food waste reduction and/or process optimizations, with the purpose of adapting operations to be greener and more sustainable.

#### Q. Would a vertical farm operation be eligible to apply for this program?

Southern Ontario-based vertical farms may be eligible depending on the type of operation and the proposed project. Operations that involve the development of a product for retail, may be eligible to receive funding. However, operations that involve strictly food production and not processing, may not be eligible. For specific eligibility inquiries, please email <a href="mailto:submissions@bioenterprise.ca">submissions@bioenterprise.ca</a>.

#### Q. What counts as matching funding?

The matching funding for the project must be from the applicant's available capital (i.e., sales revenues or investment). However, for projects with a total budget greater than \$100,000, the applicant can use additional grant funding (as long as it's not from another FedDev Jobs and Growth funded program) or loan programs to execute all project activities. Any stacking of government funding programs is subject to review and approval.

#### Q: How are caps on eligible project costs calculated?

Expense caps are outlined to Bioenterprise from FedDev Ontario and are in place to ensure the program objectives are being met. Caps on eligible project costs are calculated as a percent of the total eligible project budget (\$100,000). The main categories include <u>existing</u> internal employee labour (15%), legal fees (5%), intellectual property costs (5%), travel and transportation (5%), and carbon offset credits (5%). Please note, there is no limit on internal employee labour costs for new staff hired specifically to execute project activities.

#### Q: Would environmental studies and audit costs count as eligible costs?

Operational assessments such as facility audits and energy studies are considered eligible project costs so long as they assist the applicant in identifying ways to reduce food waste and optimize processes, systems, and activities.

Q. If a project requires regulatory approval, would the program cover the associated costs? If regulatory approval or testing is required for the implementation of a proven clean technology and/or clean technology service, any associated cost would be considered eligible.

#### Q. Is HST included in the total eligible project budget?

No, costs submitted for reimbursement under the total eligible project budget must be net of any refund or eligible tax credits (including HST).

#### Q. Are the applicant's revenue requirements flexible?

No, the applicant must be generating a minimum of \$200,000 in annual sales revenues in order to be eligible for the program.

#### Q. Can an applicant submit a proposal for a project that has already begun?

Yes, if a project is already underway and meets all eligibility criteria, an application can be submitted for consideration. If approved, project expenses can be backdated up to June 10, 2022.

#### Q. How can clean technology providers promote the FoodShift program?

Clean technology providers are welcome to share information on the FoodShift program across any of their digital assets (i.e., Newsletters, LinkedIn, Facebook, Twitter, etc.). Please reach out to <a href="mailto:submissions@bioenterprise.ca">submissions@bioenterprise.ca</a> to access our communications toolkit to assist with this.

#### Q: Are food supplement processors eligible for the FoodShift program?

Yes, food or health supplement processors and manufacturers that fall under the food and beverage processing category are eligible to apply to the FoodShift program and be considered for funding.

#### **Key Dates**

September 5, 2023 – Application intake opens
October 6, 2023, at 11:59pm EDT – Application deadline
November 2023 – Notification of awarded and declined applications
January 2024 – Final ultimate recipient announcement
March 31, 2024 – Project completion deadline