

OAFRI Commercialization Stream

Frequently Asked Questions (FAQs)

GENERAL QUESTIONS

Q: If I have multiple technologies/products, can I apply and receive funding for more than one project? Furthermore, can I apply to both Commercialization project streams (i.e., Market Validation and Product Development)?

A: Yes, organizations can apply for multiple projects in both project streams. Each project should have a unique set of project activities and costs. Please note that each eligible technology, at maximum, can be approved for one Market Validation and one Product Development project over the course of the 5-year Initiative. Additionally, only one proposal will be awarded per organization per intake round.

Q: Will the funding notification process be run on a continuous basis, or will all funding notifications be released after the intake period closes?

A: All proposals will be reviewed after the intake closes on January 11, 2024. A recipient announcement will be released in Spring 2024.

Q: Will there be subsequent intake rounds for the OAFRI Commercialization stream?

A: Yes, there will be four intake rounds in total between 2023-2028. Please see the “Upcoming Intake Dates” section on the OAFRI webpage for details of upcoming intake windows: <https://www.ontario.ca/page/ontario-agri-food-research-initiative>

Q: Is stacking of funds permitted under the OAFRI Commercialization stream?

A: As this is a 100% grant funding initiative, stacking of funds is not permitted on eligible activities and project costs. However, if the proposed project contains ineligible activities and costs (i.e., expenses that will not be reimbursed through this initiative), applicants can use additional funding to cover those costs. These applicants will be assessed on a case-by-case basis.

This applies in the same way to the SR&ED program. Any costs covered by a government funding initiative should not be included as part of SR&ED expenses. However, costs not incurred through the OAFRI Commercialization stream may be eligible for SR&ED tax credits. Organizations should consult the SR&ED program for further eligibility information.

Q: How do you establish if the technology is "unique to Ontario"? What info do we need to provide to prove that? Would a solution be disqualified if it has special applicability to Ontario but is also useful to operations across Canada?

A: To be eligible for this Initiative, the product/technology/service to be commercialized must be unique to Ontario and should provide benefits to Ontario. The technology needs to be newly applied in an Ontario context to meet the requirement of being unique. If you have direct competitors in your product/technology/service's space, please address them in your proposal and explain your unique approach to solving a similar problem. There are additional questions in the Proposal Workbook, found on the [OAFRI Commercialization stream webpage](#), that help to describe your uniqueness and the benefits that will be achieved through your project.

A solution would not be disqualified if it has applicability beyond Ontario. If it is useful in other provinces then this is good background information to bring forward in the Proposal Workbook. Clear indication of those aspects of the solution that require examination in an Ontario context is key in the proposal.

Q: The Proposal Workbook includes a question prompt to discuss potential competitors; should this be a list of specific companies/organizations known to be developing related technologies or a general list of hypothetical organizations in the same industry who may be working to develop the same solution?

A: If you have direct competitors in your product/technology/service's space, please address them in your proposal and explain your unique approach to solving a similar problem.

Q: What is the total funding envelope of the OAFRI Commercialization stream? Can you share the number of projects that will be funded?

A: This Initiative is supported with up to \$3.4 million in funding from Sustainable Canadian Agricultural Partnership and OMAFRA over the period of October 1, 2023, through to March 31, 2028. The number of projects approved will depend on the size of the projects/budgets, with the strongest projects being supported as budget is available. We will seek to support as many projects as possible with the budget available.

In terms of project budget size, there is no preference given to applicants who request smaller amounts of money vs larger. Applicants should apply for projects with project activities and costs that are realistic and logical for them at the time of submission.

Q: Do you need to have an industry partner or customer in place to buy the product/technology/service once it's fully developed/deployable?

A: There is no requirement in terms of number of customers secured ahead of project completion or minimum annual revenue, but the applicant should have a strong understanding of their target customer and competitors. In terms of project type, the Market Validation stream may be more appropriate if you need to conduct market research to determine the size and quality of the market opportunity for a new and promising technology, product, or service with the goal of determining if there is any market potential before more research funds are spent on the technology. Letters of support from prospective end-users can strengthen your proposal as well.

Q: Will proof of funds be required for an applicant to be successful/accepted?

A: The completeness and appropriateness of the proposed budget, evidence of stakeholder support, and level of available funds from eligible sources (requested and confirmed) will be required where applicable. Evidence of available funds can include proof of available operating line of credit and/or Letter of Comfort from the applicant's bank or accounting firm. Project funding is released on a claims-reimbursement basis wherein the Applicant must provide evidence of payment of eligible project costs prior to receiving reimbursement.

ELIGIBILITY QUESTIONS

Q: What is the eligible duration of a project for the OAFRI Commercialization stream?

A: Up to 18 months.

Q: If an applicant is currently receiving funding from OMAFRA through a different funding stream, they are still eligible to apply.

A: Yes, if an applicant is currently receiving funding from OMAFRA through a different funding stream, they are still eligible to apply to the OAFRI Commercialization stream. Please note, applicants who have received prior funding from OMAFRA but have outstanding required reports are not eligible for funding under this Initiative until OMAFRA has received and approved the outstanding reports. The same applies to organizations who have outstanding reports due to Bioenterprise.

Q: Can an Innovation Centre (IC) or a consultant/service provider apply to the OAFRI Commercialization stream with a project on behalf of one of their clients?

A: No – The organization receiving services (for the technology/product/service in question) from an IC should be the applicant (i.e., IC is the contractor, the applicant company would pay for their services and submit those expenses for reimbursement).

The IC would be able to apply to commercialize their own internal project (i.e., commercialize a new service offering).

Q: If my company is headquartered in a different province, but all our project activities take place in Ontario and will benefit Ontario long-term, am I eligible?

A: If your organization is headquartered in Ontario, it would be eligible.

- **If your organization is headquartered in North America, you would be eligible if you have a significant presence/substantial operation in Ontario.**
- **A substantial operation in Ontario means:**
 - **A plant operation with a minimum of 5 employees.**
 - **A sales office in Ontario with a minimum of 5 employees.**
 - **An administrative office with less than 5 employees is not acceptable.**

Q: If the applicant is leasing a technology/service/product, would they be eligible to receive funding? What if the applicant held the exclusive distribution rights to a country or region for a particular novel technology – would they be eligible?

A: The project being proposed under the Commercialization stream must be led by the applicant who will own the final technology, product, or service to be commercialized.

For Product Development projects which use a third-party owned technology, product, or service to develop their unique product, the applicant must have the legal right to use the third-party technology, product, or service by the Proposal Deadline (January 11, 2024).

For Product Development projects which require a third-party owned technology, product, or service as an integral part of their unique product, the applicant must have the legal right to use the third-party technology, product, or service by the Proposal Deadline (January 11, 2024).

For Market Validation Projects, the applicant must have the legal right to use any third-party technology, product, or service that will be used to conduct the project by the Project Start Date (i.e., April 1, 2024, or later).

Q: How strict is the TRL requirement for each project type? For example, if I have a technology that is 4-5, can I still apply for a Product Development Project?

A: The TRL indicated in the Call for Proposals is a guideline only. TRL is not an eligibility criterion for the Initiative rather it will be used as part of the assessment criteria, alongside other conditions as listed in the Call for Proposals.

The technology/product that is highlighted in your proposed project should meet the TRL guidelines as closely as possible to be competitive.

Q: Are food service organizations (i.e., restaurants, food preparation, etc.) eligible for this program?

A: Unfortunately, food service organizations are not eligible for this program. However, food manufacturing organizations who are commercializing a product/service/technology are eligible to apply.

Q: Are primary producers eligible applicants to the Commercialization stream?

A: Primary producers (individual or organization) are eligible if they have research and innovation capacities to undertake pre-commercialization activities of a product/technology/service unique and beneficial to Ontario.

PROJECT-SPECIFIC QUESTIONS

Q: The Call for Full Proposals states internal employee labour costs for existing staff are not to exceed 15 per cent of the total eligible project budget. Would the salary of an employee who is right now part-time, but for the project will be full-time be considered like a new hire?

A: If the full-time position being created is a new position directly related to the intent of the OAFRI Commercialization stream project, it could qualify as a new hire. The employee would have to be hired/transitioned to the full-time position after the project start date (i.e., after April 1, 2024). If required, please follow-up with submissions@bioenterprise.ca and we'd be happy to discuss further.

Q: I have a part-time employee right now; with new funding I can hire them as a full-time employee. Would this be considered a new hire?

A: Yes, so long as the employee is hired full-time after the project start date.

Q: Is it acceptable to have staff on the project paid by the parent company, but not directly through a subsidiary company owned by the parent company, where the subsidiary is responsible for project completion?

A: We'd have to assess this on a case-by-case basis. For the Commercialization stream, please email submissions@bioenterprise.ca. Keep in mind that we suggest keeping the process streamlined in that the staff has to be paid by the company that is applying for the Initiative.

Q: If I have a project that is requesting less than \$50K in funding, can I still apply to the Product Development project stream.

A: Projects for the Product Development project stream will only be considered if they fall between \$50K-\$150K. The minimum project spend is \$50K.

Q: What is the latest date to start a proposed project?

A: While not specified for the Commercialization stream, your project should start as close to April 1, 2024, as possible. The slight delay of the start date can be considered depending on special circumstances. For this intake round all projects must be completed, with all funding dollars spent, by September 30, 2025. Please keep in mind that there will be multiple intake rounds, should the timeline of the first open intake round not align well with your project.

Q: The Call for Proposals states that “the total project budget can include eligible and ineligible project costs. The approved eligible project costs are considered the total eligible project budget.” Can you clarify what this means?

A: To properly evaluate the value and impact of the project we would like to understand the full scope and budget of the proposed project. Therefore, applicants should include all project costs, both eligible and ineligible. Please note, only eligible activities will be funded through the Initiative.

Q: What kinds of activities are eligible under each project type?

A: Please review pages 8-9 in the [Call for Full Proposals](#) document.

Q: My project has already begun, am I still able to apply for this Initiative?

A: Costs incurred before the approval of the project by OMAFRA or after the project completion date identified in the Contribution Agreement are not eligible. If you have additional eligible project activities as part of your project that are scheduled to occur during the Initiative's timeline (April 1, 2024 – September 30, 2025), please feel free to apply!

ASSESSMENT PROCESS

Q: Who will be on the review committee and/or when will it take place?

A: The review committee will be populated by external experts representing the various eligible sectors included in this Initiative. Review committee dates are TBD but will take place between January 12, 2024 and March 15, 2024.

Q: How will my proposal be evaluated?

A: Proposals will be evaluated based on whether the organization and project meet the eligibility criteria outlined in the [Call for Full Proposals](#). Review Panels will evaluate the proposals according to the criteria found on Page 14.