BIOENTERPRISE
CANADA'S FOOD & AGRI-TECH ENGINE

Funded by the Federal Economic Development Agency for Southern Ontario
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Canada

Sustainable Growth and Adoption Program (SGAP)

Project Financing for Food and Agri-Food Technology Businesses Accelerating Sustainable Growth Through the Adoption of Clean Technologies, Practices, and Processes Improvements

PROGRAM GUIDE

Round 3: Open Call for Applications

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TABLE OF CONTENTS

1. Introduction and Background 3
2. Program and Objectives 3
3. Parameters 4
3.1 Eligible Applicants 4
3.2 Eligible Projects and Activities 6
3.3 Eligible Project Costs 7
3.4 Funding Available 7
4. Application Process and Requirements 8
4.1 Application Process 8
4.2 Application Requirements 8
4.3 Submission Procedures 9
5. Assessment, Selection, and Decision Process 10
5.1 Assessment Criteria 10
5.2 Funding Decisions 11
5.3 Approval Process 11
5.4 Protection of Proprietary Information 12
5.5 Retention of Applications 12
6. Program Administration 12
6.1 Timeline 12
6.2 Contribution Agreement 13
6.3 Payment Schedule 13
6.4 Claims and Payment Reconciliation 14
6.5 Communications 14
6.6 Reporting Requirements 14
7. Other Information 16
7.1 Access to Information Act and the Privacy Act 16
7.2 Underrepresentation Balance 16
7.3 Public Website and Contact 16

APPENDIX A – GLOSSARY OF TERMS 17

APPENDIX B – ELIGIBLE CATCHMENT AREA 21

APPENDIX C – FINANCIAL GUIDELINES 22

C.1 ELIGIBLE PROJECT COSTS 22
C.2 INELIGIBLE PROJECT COSTS 24

1. Introduction and Background

There is an increasing demand for support among food and agri-food tech businesses in southern Ontario seeking to de-risk the adoption and integration of clean technologies, practices, and processes enhancements in their operations. To address this demand, Bioenterprise is providing adoption acceleration funding to support companies adopting and integrating new clean technologies enabling them to expand, modernize, and grow and/or conduct sustainability enhancement projects to assess possible modifications to current operations to support business growth more sustainably. Successful applicants, referred to as Recipients, will also receive access to Bioenterprise's specialized industry expertise, mentorship and business coaching, and network support.

This investment will help later stage food and agri-food tech companies across the sustainable agriculture value chains adapt to the impacts of climate change and transition to a Green Economy. There are significant opportunities for water and energy conservation, food loss and waste reduction, and the adoption of other eco-friendly practices that will reduce carbon emissions. The resulting increase in sustainability movements and enhanced collaboration across the value chains will lessen the environmental impact of the food and agri-food tech sectors and support economic growth.

The Sustainable Growth and Adoption Program (SGAP) invites southern Ontario food- and agri-food tech businesses to lead projects that will accelerate sustainable growth and adoption through the integration of clean technologies, practices, and process enhancements in their operations. Successful recipients will receive up to $100,000 in non-repayable matching contributions.

This program is supported by a $5.95-million Government of Canada investment through 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, economic development, and growth.

2. Program and Objectives

SGAP will support the accelerated adoption of clean technologies and integration of sustainable practices and processes enhancements into the food and agri-food technology ecosystems to enable environmentally conscious business growth and prioritize the transition to a green economy.

The primary objectives of SGAP are to:

- De-risk the adoption of clean technologies and the integration of sustainable practices and process enhancements;

- Accelerate sustainable business growth, expansion, and modernization;
- Reduce carbon emissions and support the transition to a green economy; 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.

SGAP 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, and other underrepresented groups in accordance with the *Employment Equity Act*.

3. Parameters

3.1 Eligible Applicants

Eligible Applicants are:

- For-profit private sector enterprises or not-for-profit corporations that are one or both of the following:
  - Ready to adopt and integrate proven clean technologies from an Eligible Sustainability Project Partner into their operations;
  - Ready to engage an Eligible Sustainability Project Partner to conduct sustainability enhancement projects to assess possible modifications to current operations.
- Businesses operating in the Food and Agri-Food Technology Sectors (as defined below);
- Generating a minimum of $200,000 in annual revenues (unless the organization is a not-for-profit);
- Incorporated in Canada and located in southern Ontario (see *Appendix B*); and
- Able to procure 60% match of the Eligible Project Costs, up to $150,000 (see *Section 3.4* for more details).

The Food and Agri-Food Technology Sectors include the following categories*:

- Agri-Biotech
- Agri-Management Tools
- Agri-Waste Management
- Animal Health & Sciences
- Aquaculture
- Bioenergy
- Bio-Products (e.g., bio-fibers, bio-composites)
- Cleantech
- Consumer Agri-food innovations

- Crop Science
- Equipment & Machinery Development
- Food & Beverage Processing (including animal food)
- Food Safety
- Greenhouses & Other Indoor/Vertical Farms
- Natural Health Products
- Plant Health & Genetics
- Precision Agriculture & Data Analytics
- Primary Agriculture
- Seed Technology
- Water Management

*Restaurants and Commercial Kitchens are not eligible under the Food and Agri-food Technology Sectors defined above.

Eligible Sustainability Project Partners:

- Are for-profit private sector enterprises or not-for-profit corporations that will satisfy the sustainable growth and adoption needs of an Eligible Applicant by:
    - Offering a proven Clean Technology or consultation service that reduces the Applicant's Carbon Footprint and accelerates their transition to net-zero, in one or more of the following areas:
        - Food loss and waste reduction
        - Water and energy conservation
        - Implementing green energy solutions
        - Conducting facility audits and sustainability planning
        - Adapting operations for increased sustainability, aligning with SGAP objectives (see *Section 2* above)
- Must be able to provide a Statement of Work (SOW) and complete all activities on-time and within scope.
- In the case that clean technology is implemented, it must be at minimum Technology Readiness Level (TRL) of 7 or greater:
    - **TRL-7**: Prototype ready for demonstration in an appropriate operational environment
    - **TRL-8**: Actual technology completed and qualified through tests and demonstrations
    - **TRL-9**: Actual technology proven through successful deployment in an operational setting
- If the Eligible Sustainability Project Partner is not located in Canada, strong justification is required and must be clearly stated to be considered eligible.

Special Considerations

- 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 multiple applications for different projects; however, **only one project will be approved per Applicant for the duration of SGAP. If two applicants are owned by the same conglomerate but have unique business numbers, they can each submit a project application. Only two projects can be approved per conglomerate.**
- **A limit of three applications that involve the same Eligible Sustainability Project Partner will be accepted for consideration per round of SGAP.**
- Eligible Sustainability Project Partners can be involved in multiple unique and distinct Applicant projects; however, **only one project involving the same Eligible Sustainability Project Partner will be approved per round of SGAP.**

3.2 Eligible Projects and Activities

Eligible Projects are those that engage an Eligible Sustainability Project Partner to support the adoption and integration of a) proven clean technologies and/or b) sustainable solutions, including clean practices and operational process enhancements, into the Applicant's operations. To be considered eligible, projects must adapt current processes and/or integrate proven clean technologies to their operations to become more sustainable.

Only projects with an Eligible Sustainability Project Partner will be able to submit a complete Application and be considered for funding.

To be considered eligible, projects must:

- Respond to the objectives of SGAP (as described in *Section 2* above);
- Demonstrate the impact of project financing on reducing the Applicant's Carbon Footprint, accelerating sustainable growth, and transitioning to a Green Economy and net-zero future;
- Provide a Project Milestone Plan that demonstrates how implementation will be achieved within 13 months, beginning no earlier than January 1, 2026, and ending no later than February 1, 2027; and
- Generate outcomes with significant positive benefits to southern Ontario, including but not limited to, revenue generation, job creation and maintenance, attracting new investment, generating IP, etc.

Eligible Activities of the Project Milestone Plan include, but are not limited to:

- **Advisory services/professional consultations.** Engaging a third-party service provider or consultant to complete a range of activities that help the Applicant to implement strategies that reduce environmental impact and promote operational sustainability.
- **Facility audits/energy studies.** Operational assessments that allow the Applicant to identify conservation measures and optimize processes, systems, and activities.
- **Product integration/adoption.** Activities that support the Applicant's ability to integrate or adopt clean technologies into their operations including equipment costs.
- **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 or consultation assessment activities.**

For specific questions about eligible activities within the Project Milestone Plan, please contact submissions@bioenterprise.ca directly.

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 and paid for between January 1, 2026, and February 1, 2027*;
- Subject to approval by Bioenterprise; and
- Auditable (complete documentation is necessary).

***Eligible project costs should be incurred in southern Ontario**. For project costs incurred outside of southern Ontario, strong justification is required and must be clearly stated to be considered eligible.

Eligible and ineligible project costs and expenses are further defined in *Appendix C: 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

Applicants can request up to **40% of the total budget** (Eligible Project Costs) up to $100,000. Non-repayable contributions must be matched 40:60 by the Applicant. Applicants must demonstrate available sources of capital to deliver on all project activities.

- Maximum funding contribution from SGAP is limited to **$100,000** on projects with Eligible Project Costs of $250,000 or greater.
- Minimum funding contribution from SGAP is **$40,000** on projects with minimum Eligible Project Costs of $100,000.

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.

Applicants with approved projects will enter into a Contribution Agreement with Bioenterprise and will be required to pay Bioenterprise a Program Management Fee (PMF) of 4% of the total approved Eligible Project Costs with a minimum fee of $4,000 and a maximum fee of $10,000.

4. Application Process and Requirements

4.1 Application Process

Applications will be accepted in a one-phase process, consisting of an Application described in *Section 4.2*. 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 apply must submit a complete Application consisting of the following elements completed in full:

- Online SGAP Application Form
- *Project Milestone Plan* Microsoft Word template
- *Budget Workbook* Microsoft Excel template
- Required technology appendices:
    - *Sustainability Project Partner Statement of Work (SOW)*
        - This document will outline:
            - Option (a) The scope of work to be completed for the Applicant by the eligible clean technology project partner as part of the project. It must include:
                - The TRL of the clean technology to be implemented (minimum 7+)
                - Technology specifications
                - Detailed project implementation activities, costs, and timeline
                - Provider deliverables and expected outcomes

- Option (b) The scope of work to be completed for the Applicant by the eligible environmental sustainability service provider as part of the project. It must include:
    - Summary of the service and its purpose
    - Detailed project activities, costs, and timeline
    - Provider deliverables and expected 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
    - 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, including prompts requesting:

- Description of the Applicant's organization;
- Description of the Eligible Sustainability Project Partner's technology or service that they wish to integrate, including TRL specification (in the case that a technology is being adopted);
- Overview of the Eligible Sustainability Project Partner's organization and their involvement in the project, including scope of work;
- Long and short-term organizational growth plans;
- Detailed project plan outlining project objectives, activities, timelines, milestones, and outcomes;
- 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 SGAP; and
- The forecast cost of the project and details on its financing (including other sources of proposed funding).

4.3 Submission Procedures

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

due by 11:59pm 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 SGAP 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 proposed project, with a focus on potential to generate environmental and economic impact for the Applicant and for southern Ontario. Preference will be given to companies with the greatest need and highest potential to impact the sectors.

Eligible Applications will be reviewed using the following criteria:

Strategic Importance

- The project purpose aligns with SGAP's objectives and has a high probability of delivering on multiple program objectives.
- The problem is stated clearly, the environmental sustainability intent is evident, and the adoption and integration of the proven clean technology, practices, and/or process enhancements will lead to significant environmental, sustainability, and economic benefits to the organization, southern Ontario, and the sectors.
- 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

- Adoption of clean technology or implementation of environmentally sustainable solution(s) has a high likelihood of assisting the Applicant in transitioning towards a green economy and reducing the sectors' carbon footprint.
- Activity-based and overall outcomes, such as job creation and maintenance, revenue generation, intellectual property development, and new collaborations, are all tangible, measurable, and achievable within the project timeline.

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 Expert Reviewers assesses and selects Applications for funding.

5.2 Funding Decisions

SGAP is run on a scheduled Call for Applications basis. Successful Applicants will be notified according to posted dates for each periodic call. 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 awards, announcements, and signing of Contribution Agreements.

- Public announcements of funding decisions and amounts will be made on dates as outlined on the Bioenterprise website upon the successful execution of a Contribution Agreement.

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 “proprietary” on 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 program evaluations 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

2024	Program Launch	August 16, 2024
2025	Round 1 Recipients Announcement	June 2025
	Round 2 Recipients Announcement	January 2026
2026	Round 3 Application Intake Opens	January 28, 2026
	Round 3 Application Deadline	March 18, 2026 at 11:59pm ET
2027	Round 3 Project Completion Deadline	February 1, 2027

**Timeline is subject to change. Applications will be accepted during three separate Calls for Applications. Please check the Bioenterprise website for specific deadlines and program updates.*

6.2 Contribution Agreement

A Contribution Agreement will be executed between Bioenterprise and Recipients outlining, at a minimum:

- Eligible project details
- Approved budgets and spending timelines
- Payment schedules and reconciliations
- Reporting requirements
- Retention of data
- Application Appendices including:
    - Application Form
    - Project Milestone Plan
    - Budget Workbook
    - Executed Sustainability Project Partner Statement of Work
    - Communications plan

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. SGAP 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 Project Costs. Payments under the Contribution Agreement are non-repayable contributions.

The first funding payment will not be made until the Recipient has reshared Bioenterprise Canada's Recipients Announcement and posted to its social media platforms a funding acknowledgement.

There will be a 10% holdback of reimbursement until a Final Report for the project is received and approved by Bioenterprise and a funding acknowledgement has been posted to the Recipient's social media platforms. The final report submitted for the project must include a confirmation that the project has been completed within the project timelines stated in the

Contribution Agreement, and the project must fulfill all other requirements stated in the Agreement.

6.4 Claims and Payment Reconciliation

Payments are reconciled on a periodic basis through the submission of claims and interim progress reports 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 an interim progress 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

Recipients are required to share project activities, results and accomplishments through various channels including but not limited to websites, news releases, social media, success stories, and announcements. For the duration of the Contribution Agreement, the Recipient's communications activities and messages related to the approved project must acknowledge the contribution of Bioenterprise and the Government of Canada, through the Federal Economic Development Agency for Southern Ontario (FedDev Ontario), by mentioning the project activities are made possible through SGAP Program, in conjunction with the appropriate wordmarks.

Approved templates and detailed instructions on acknowledgements, featuring authorized federal identifiers and logos, will be provided to recipients to properly convey the awarded funding across online platforms to external audiences, including participants from the food and agri-food tech ecosystems, participants from other sectors, the media, and the public. All promotional products must be submitted to Bioenterprise for approval prior to their release publicly.

6.6 Reporting Requirements

The Contribution Agreement outlines the reporting requirements for:

- Claims and project expenditures;
- Project activities and milestones; and
- 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 by Bioenterprise. These reports will provide information to assess progress and to track Recipients' success against the terms and conditions of the Contribution Agreement.
    - These reports must indicate major achievements of the Recipient during the project, 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.
    - Bioenterprise reserves the right to request financial statements and reports more frequently as required.
- Annual client surveys:
    - For the duration of the Contribution Agreement, Recipients must submit annual reports on a calendar year basis, by February 15, using the template provided and as outlined in the Contribution Agreement.
    - Recipients are asked to report on project milestones, accomplishments, the nature and extent of expansion efforts, financial reports, and activity 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.
- 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 SGAP 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

SGAP 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 SGAP and how to apply is available on the Bioenterprise website. All inquiries about SGAP, 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 SGAP project financing. This includes the SGAP Application Form, Project Milestone Plan, Budget Workbook, and required Appendices.
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-food 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 agri-food tech business embrace automation in their facilities, making operations more environmentally friendly. These technologies may support food loss and waste reduction, energy and water conservation, significant greenhouse gas reduction, etc. Clean technology adoption by industrial end-users results in emerging energy efficiency, renewable energy, distributed generation technologies, and the transition towards a net-zero future.
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 and/or sustainable practices or process enhancements into their operations. They must operate in the food and agri-food tech sectors, generate a minimum of $200,000 in annual revenues, be incorporated in Canada and located in Ontario, and able to fund 60% of Eligible Project Costs.
Eligible Projects:	Eligible Projects are those that engage an Eligible Sustainability Project Partner to support the adoption and integration of a) proven clean technologies and/or b) sustainable solutions, including clean practices and operational process enhancements, into the Eligible Applicant's operations with the purpose of adapting the Applicant's operations to be greener and more sustainable. This funding could be used to cover advisory, acquisition, and commissioning costs related to the clean technology.
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 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.
Eligible Sustainability Project Partner:	The Eligible Sustainability Project Partner must be a for-profit private sector enterprise or not-for-profit corporation with either a proven clean technology application or environmentally sustainable solution that will satisfy the needs of an Eligible Applicant. If the partner is not located in Canada, strong justification is required and must be clearly stated to be

	considered eligible. If a clean technology is being provided, the organization must be able to demonstrate that their offering is at or beyond TRL-7 stage of development.
Food and Agri-Food Technology Sectors:	These sectors support technological advances in agri-food and agriculture, extending into the broader agri-food system. They encompass industries that integrate advanced technologies and innovations into agricultural practices and food production practices to enhance efficiency, sustainability, and productivity in agriculture. These sectors also encompass the use of technology to improve processes in food production, distribution packaging, and consumption.
Green Economy:	The UN's Environment Programme, defines a green economy as low carbon, resource efficient and socially inclusive.
Notice to Reader Report:	The Notice to Reader Report is a financial statement compilation prepared by chartered accountants providing no assurance or opinion.
Program Management Fee	Refers to the non-refundable fee a Recipient must pay consisting of 4% of the total approved Eligible Project Costs with a minimum fee of $4,000 and a maximum fee of $10,000. This fee is subject to HST.
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.
Sustainability Project Partner Statement of Work (SOW):	The Sustainability Project Partner Statement of Work defines the partner's contributions to the eligible project including technology and/or service 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.
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). SGAP will only consider projects focused on technologies that are at TRL 7 and beyond. For more information on the TRL scale, visit https://www.ic.gc.ca/eic/site/080.nsf/eng/00002.html.

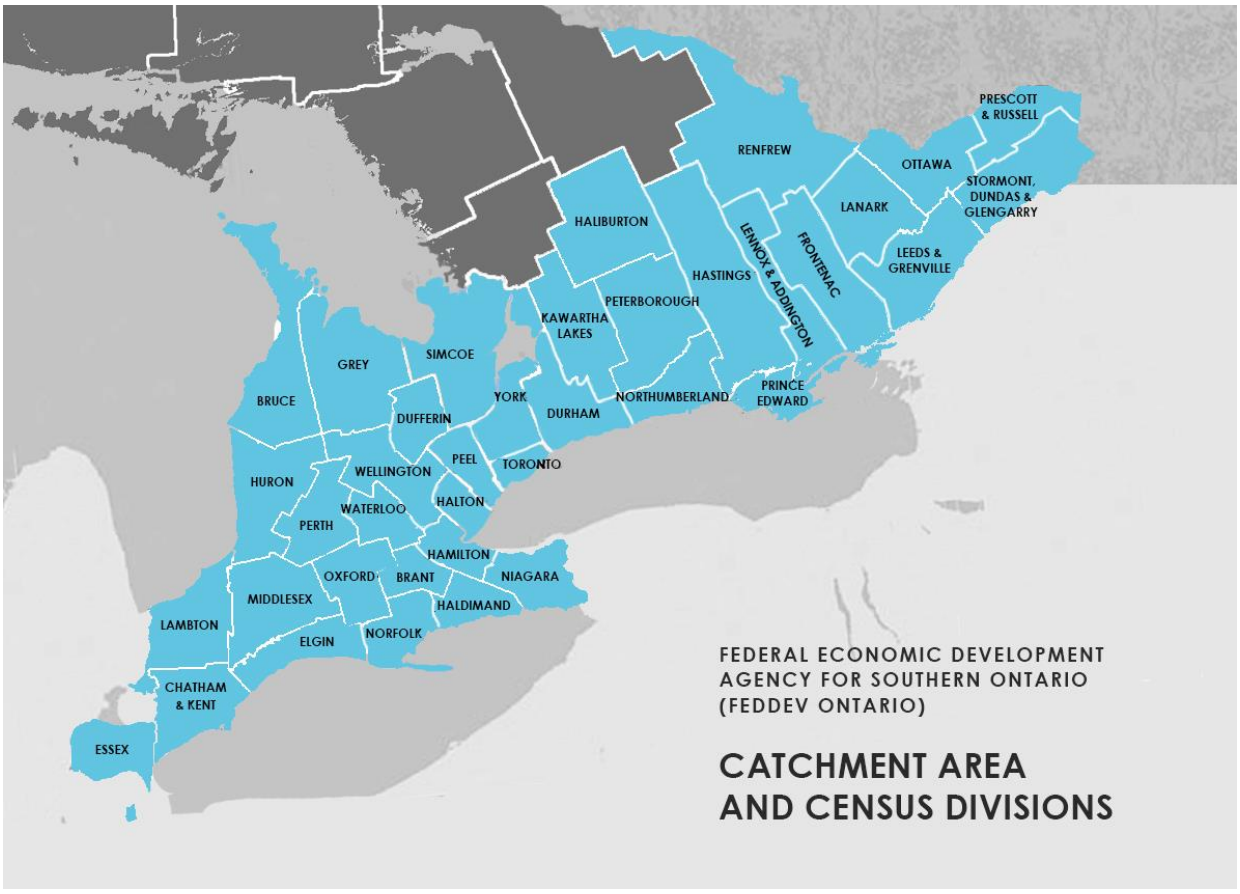
APPENDIX B – ELIGIBLE CATCHMENT AREA

Eligible Applicants must be located within the regions outlined below:

Territory – Southern Ontario

Southern Ontario includes the following 2011 Statistic Canada Census Regions: 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.

See the following map below for visual representation.



APPENDIX C – FINANCIAL GUIDELINES

SGAP 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 and paid for between January 1, 2026, and February 1, 2027*;
- 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.

C.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 the total eligible project budget. 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

- 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 installation and/or commissioning of new equipment or modification/relocation of existing equipment (infrastructure and commissioning) related to the project may be eligible.
    - Equipment related costs will be considered eligible for reimbursement once the equipment is installed. The milestone plan and budget most show evidence of the equipment being purchased and installed during the project timeline.

Note: Capital investment associated with normal business operations are not eligible.

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 the total eligible project budget.

C.2 Ineligible Project Costs

Ineligible project costs for SGAP 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 individual 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 production or research and development activities not directly related to the Eligible project
- Capital investment associated with normal business operations
- Sales tax / HST
- Car expenses
- Extraordinary or abnormal fees for professional advice unless approval is obtained from Bioenterprise before incurring the cost
- Bioenterprise Program Management Fee (PMF)
- Discretionary severance and separation packages
- In-kind contributions