



## Frequently Asked Questions (FAQ's) Regarding the Canadian Agricultural Adaptation Program (CAAP)

### What is CAAP?

The Canadian Agricultural Adaptation Program (CAAP) is a five-year (2009-2014), \$163 million national program with the objective of facilitating the agriculture, agri-food, and agri-based products sector's ability to:

- seize opportunities,
- respond to new and emerging issues, and
- pathfind and pilot solutions to new and ongoing issues to help the sector adapt and remain competitive.

In Nova Scotia, CAAP is administered by Agri-Futures Nova Scotia.

### What is eligible?

Agri-Futures Nova Scotia funds projects that align with priorities identified by industry and government at the national, regional and multi-regional levels.

### Who is eligible to apply?

Eligible Recipients are any Canadian legal entities (as it relates to the legal jurisdiction of the entities), capable of entering into a contract to deliver a project including but not limited to: individuals, organizations and associations, cooperatives, marketing boards, corporations, aboriginal groups, non-profit organizations including Industry Councils, and for-profit companies.

Excluded from eligibility are:

- Federal, provincial and territorial government departments or agencies and colleges and universities.

**Note:** CAAP support to for-profit organizations and individuals will generally be provided as Repayable Contributions

### Are private businesses eligible for CAAP funding?

Yes. In assessing such applications the board of Agri-Futures Nova Scotia would pay close attention to the project's potential benefit to the wider agricultural community and the applicant's ability and willingness to convey the benefit to that community.

When the contribution exceeds one hundred thousand dollars (\$100,000) and when project benefits accrue to individuals or corporations rather than to the general public, the applicant shall be required to repay the contribution back to AAFC in installments over a set period of time.

In the event that the contribution is less than one hundred thousand (\$100,000), whether the project benefits accrue to individuals or corporations rather than to the general public, the Industry Council has the discretion as to whether or not to make this a Repayable Contribution.

### **How do I apply?**

Applications are accepted electronically, by fax or in person. Please contact us to discuss your project to determine eligibility and possible requirements for additional information such as letters of support and confirmation of funding from other sources.

### **How do I obtain an application?**

Applications are on our website at [www.agri-futures.ns.ca](http://www.agri-futures.ns.ca). We recommend that you contact us to discuss your project before submitting an application. We can be reached by:

- Email at [kyla@agri-futures.ns.ca](mailto:kyla@agri-futures.ns.ca)
- Telephone at 902-895-4454, or
- In person at our office - 332 Willow Street, Suite 201, Truro, Nova Scotia

### **How often are the board meetings of Agri-Futures Nova Scotia?**

The board meets ten times per year on average (scheduled on an as-needed basis).

### **How close to a project's commencement date may an application be received and still be eligible for funding?**

Projects must not commence prior to funding approval. The standard date whereby eligible project costs become reimbursable is at the date of contract signing with Agri-Futures Nova Scotia.

In cases where deadlines including printed material requiring acknowledgement are involved, it should be noted that the applicant must ensure acknowledgement of AFNS and AAFC in all project materials.

### **Guidelines for CAAP seem to be more time-sensitive than previous ACAAF & CARD programs – why is that?**

CAAP funding is delivered via a Contribution Agreement (contract) with AAFC and as such, failure of a client to meet the guidelines prescribed by AAFC may result in a project default which would thereby terminate further payments beyond the date of default. Contracts include information on specific obligations and timelines for submitting claims and reports.

### **Can projects run beyond the official termination date under CAAP?**

No, as of March 31<sup>st</sup>, 2014 all program funding ceases. All projects must be completed by December 31, 2013 to allow time for claim processing and to ensure final payments are made to proponents by March 31, 2014. Any funds not paid out must be returned to AAFC on March 31<sup>st</sup>, 2014.

### **Are applications with an agricultural awareness or marketing focus eligible for funding?**

Applications with a generalized agricultural awareness focus do not fit within the CAAP guidelines. Marketing activities undertaken from a pre-commercialization standpoint would be eligible when the intent was to facilitate the commercialization of a product or process with an economic potential or benefit. Marketing activities aimed at capturing information, adapting to change or implementing strategies relative to a specific CAAP project that contributes to the future of the sector would be eligible. The CAAP program can not support projects that aim to brand one area over another area.

### **Are speakers an eligible project activity?**

Speakers at conferences may only be funded under CAAP if they are a component of a larger project funded under CAAP and where the speaker is contributing to or disseminating project results to a targeted audience.

### **Will CAAP fund strategic planning?**

Applications for generalized strategic plans are not eligible under CAAP but are eligible under the Provincial Agri-Food Industry Development Fund. (Call 1-866-844-4276 for more information on that program). The CAAP program must compliment rather than duplicate other sources of Government funding for projects.

Under the CAAP program, strategic plans are allowed if they:

- address a specific issue facing the industry
- consist of various activities beyond general discussion sessions, and if
- end outcome is a solution or strategy that can be analyzed for its feasibility.

Examples of items that should be included in a strategic plan that addresses a specific issue or is in response to an emerging issue include:

- a literature review of how others are dealing with the issue
- a cost-benefit analysis of various options to address the issue, and
- a survey of participants

### **Are projects with a pure or basic research focus eligible for funding?**

No. Funding for pure research is available from other federal or provincial sources, and it is the intent of CAAP to support applied research with a view to achieving results in the short to medium term.

In considering applications with an applied research focus from agricultural sector groups, the board of AFNS pays close attention to the applicant's willingness to provide cash funding to the project, where this is economically feasible. This helps the board determine which project(s) a commodity group or other applicant considers its highest priority.

### **How will research projects be funded under CAAP?**

Long term research projects (4 year projects such as climate based or production field trials) must be submitted no later than March 31<sup>st</sup>, 2010 to allow the board sufficient time to adjudicate the project prior to the 1<sup>st</sup> year growing season for 2010. In subsequent years of the CAAP program, 3 year and 2 year projects can be received ensuring that the project can be completed before December 31, 2013.

### **Can capital expenditures be funded under CAAP?**

Yes, in some cases. Funding for capital expenditures associated with a project may be provided, if the expenditures are specifically required for the execution of the project and are approved in advance by Agri-Futures Nova Scotia.

Eligible types of items include specialized equipment required to carry out the project or develop or evaluate a new technology. CAAP does not fund the capital cost of construction of buildings, the acquisition of land or the purchase of equipment for purposes of normal business expansion. Reimbursement of capital expenditures related to an asset will normally be limited to the amount of the asset expensed during the life of the project. Capital funding shall not normally exceed 25% of the total project contribution. Example: If an item cost \$50,000, had a straight line depreciation of ten years, and the project was scheduled to last 3 years, the eligible amount would be  $3/10 \times 25\% \times \$50,000 = \$3,750$ .

## **COMPLETING THE APPLICATION**

### **What percentage of project costs can CAAP fund?**

Sharing the cost of a project through financial support from the industry (other than government funds) is strongly encouraged under CAAP. Agri-Futures Nova Scotia requires the applicant to provide a minimum of 15% of the project costs. This can be in the form of cash and/or in-kind contributions combined. Only under exceptional circumstances should government funding (federal, provincial and municipal) exceed 85% of total project costs and this would require an exception from Agri-Futures Nova Scotia and AAFC.

### **What sort of activities may be considered as 'in-kind' contributions?**

In-kind costs are not eligible for reimbursement but can contribute toward the applicant's minimum 15% contribution and only the applicant's in-kind contributions to a project will be considered (not in-kind from others).

Incremental activities for the applicant, arising in association with or as a result of the project, are legitimate in-kind expenses. The values utilized should be consistent with what you might expect to pay were you to hire someone from outside your organization to complete the tasks. The applicant will be asked to provide sufficient detail to identify the specific in-kind contributions being provided to the project and to supply certification attesting to the in-kind contributions.

The following would be considered legitimate in-kind activities for which costs should be estimated and included in the application budget:

- the value of time spent by the applicant in planning a project, oversight and project management,
- liaising with funding agencies, and
- other project related administrative activities.

### **When I am completing my application, there is not a spot for 'in-kind' contributions from anyone other than the applicant – how do I account for these contributions to my project?**

The CAAP application budgets do not have a spot to include in-kind contributions from anyone except the applicant. Often, in-kind participation from industry partners and other organizations form an integral part of the success of the project. The board of Agri-Futures Nova Scotia uses that information to assist with the overall adjudication of projects. As such, please include a separate sheet with any relevant in-kind provided from any source other than from the applicant with appropriate values.

### **Are project development and project reporting costs eligible for reimbursement?**

Under CAAP, the requirements for project, financial and performance reporting are outlined in the Schedules of the project Contribution Agreement (between the applicant and Agri-Futures Nova Scotia).

The applicant may contract outside personnel to provide these services and include these costs in the application. If the work is being done internally, these costs may be included as eligible in-kind to the project (auditable supporting documentation for such in-kind contributions involving detailed records of personnel involved including dates worked, times worked and which activity the work relates to is required). A letter from the applicant or employer of the personnel conducting the work may be requested indicating that the additional work was pre-approved and conducted with their authorization.

**If contractors are involved in my project, must these contracts be tendered?**

In cases where a project consists of contracted components, and the individual contract cost is \$25,000 or more, Agri-Futures Nova Scotia asks that terms of reference be developed prior to application date and that at least three competitive proposals be solicited.

Proposals may have more than one contracted component per application and as such, each contract is treated separately under this guideline.

**My organization is a not for profit, is the non recoverable portion of HST costs relating to my project a budget item eligible for reimbursement under CAAP?**

Yes. If your organization can only claim a portion of the HST to be recovered from the government, the non-recoverable portion of eligible project costs may be included in the budget.

**What does the term Collective Outcome mean in relation to CAAP Projects?**

Collective Outcome projects (also referred to as multi-regional projects) are defined as projects that are undertaken by two more or industry councils (like Agri-Futures Nova Scotia) in partnership to address targeted, common areas of focus identified by industry, with the goal of maximizing benefits to the sector beyond the project's province/territory of origin and are recommended by the board of Agri-Futures Nova Scotia.

**What happens after my project has been approved?**

After your project is approved, you will be contacted by Agri-Futures Nova Scotia to discuss aspects relative to the creation of a draft Contribution Agreement for your project. The Contribution Agreement is a legal agreement that sets out details such as amount of funding to be provided, timing of payments, reporting, objectives, milestones and results to be achieved.

You will be provided a copy of the draft Contribution Agreement for review and then the final copy will then be prepared for signatures.

**When can I start receiving reimbursement of eligible approved project funding?**

Upon signing of the Contribution Agreement, you are eligible to begin to incur project costs and to receive up to one third of project costs as an advance. Upon completion of certain measurable project activities, an interim claim may be made in accordance with the terms and conditions set out in your Contribution Agreement with Agri-Futures Nova Scotia. The final claim can only be made when all project activities have been completed and must be accompanied by all required supporting financial and reporting documentation as outlined in the Contribution Agreement.

**If my project was not approved, is there an appeal process?**

If your project was not approved, you may appeal the decision of Agri-Futures Nova Scotia relative to your application by making a written request to Agri-Futures Nova Scotia. You shall be afforded an opportunity to make representations as to why the decision should be altered and your project may be re-considered.

## **COMMUNICATIONS**

**Do I need to let Agri-Futures Nova Scotia know if I'm planning a press conference or media release regarding my project?** (You should first refer to Schedule E (CAAP Common Look & Graphic Standards User Guide) in your Contribution Agreement with Agri-Futures Nova Scotia)

Yes, CAAP funding shall be acknowledged on all signs, publications and press releases dealing with the Project or any part thereof with prior notice given to Agri-Futures Nova Scotia (6 weeks preferred notice).

**What do I do if I'm planning a news release?**

If you (or any of your project contractors) are planning a news release, contact Agri-Futures Nova Scotia as soon as possible so that you can obtain the appropriate template format as required in your Contribution Agreement. Your news release must be approved by AAFC prior to release.

**In what other cases, should I acknowledge CAAP funding?**

If you plan to distribute communications products such as brochures, fact sheets, newsletters, success stories, promotional items, etc, you must work with Agri-Futures Nova Scotia and AAFC to ensure proper acknowledgement.

Prior to using social media and internet tools to promote CAAP or CAAP projects (including but not limited to Facebook and YouTube), you must first contact Agri-Futures Nova Scotia to ensure that they meet with AAFC guidelines.