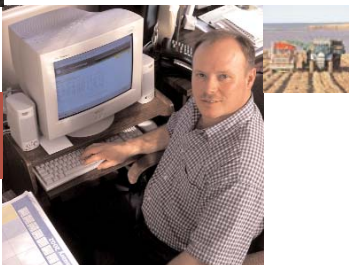


Advance Payments Program (APP)

Spring Credit Advance Program (SCAP)

<http://www.agr.gc.ca/nmp/>



Advance Payments Program (APP)

The APP is a federal loan guarantee program that facilitates access to credit for producers at or after harvest. With a government guarantee, producer organizations are able to negotiate a loan from financial institutions to make cash advances to their producers. The intended benefit of the program is to provide producers with a cash advance on their stored crops at or soon after harvest, allowing them to meet their short-term financial obligations. This gives producers the flexibility to spread the marketing of their crops throughout the year when market conditions are better, thus achieving orderly marketing of the product. As the crop is sold, the producer repays the advance.

Benefits of the Program

- Advances up to \$250,000
- First \$50,000 is interest-free
- Improves cash-flow at or after harvest
- Improves marketing opportunities

Spring Credit Advance Program (SCAP)

The SCAP offers up to \$50,000 interest-free to eligible producers, with crop insurance or similar type of program to secure the advance, to assist with input costs. This program moves the benefits of the fall program forward to the spring. It is available through many of the same producer organizations that deliver the APP.

Benefits of the Program

- Interest-free advances of up to \$50,000
- Assists with producers' input costs
- Advance can be rolled into the APP at harvest time

Program Administration

APP and SCAP are delivered through producer organizations on behalf of their members. A producer can only receive an advance through an administrator and not directly from Agriculture and Agri-Food Canada. To be eligible, the producer organization must demonstrate that it represents eligible producers in an area who produce a significant portion of the crop for which the advances will be made.

Eligible Producers

To be eligible you must be a producer of an agricultural product who is:

- a Canadian citizen or a permanent resident; or
- a corporation, cooperative or partnership.

Eligible Crops

- all crops in their natural state, including:
- field crops;
- maple syrup; or
- honey.

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For additional information on these programs, you can contact your producer organization or:

Agriculture and Agri-Food Canada
Financial Guarantee Programs Division
Advance Payments Program -
Spring Credit Advance Program
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