



Provincial Agrifoods Assistance Program 2007/2008

Deadline for Application is May 30, 2007.

All applications and supporting documentation must be submitted to the Agricultural Representative in the applicant's area.

Additional copies of this application may be found at www.gov.nl.ca/agric

PROVINCIAL AGRIFOODS ASSISTANCE PROGRAM

Program Objectives

The Provincial Agrifoods Assistance Program (AAP) provides financial assistance to eligible applicants involved in primary or secondary processing activities which will improve the economic viability of the agriculture and agrifoods industry; promote commercialization and growth in the sector; and enhance the competitive capability of the agriculture and agrifoods industry. The program may also provide selective assistance to agricultural associations and non-agricultural groups for initiatives that support the priorities of the program.

In 2007/2008 funding will be provided primarily for:

- Land Development and Improvement

However, other eligible activities may also include:

- On-farm Diversification and Commercialization;
- Secondary Processing and Value-added;
- Technology Adoption;
- Environmental Stewardship;

Funding priority will be placed on those projects that:

- Increase the productivity of existing agricultural land through enhancement activities or rough clearing and improvement of agricultural land;
- benefit the greatest number of farms, such as cooperative purchases and projects undertaken by three or more farmers;
- address an identified need of the farm and/or the agrifoods industry;
- improve the profitability of the farm(s); and
- are ineligible for funding under other financial assistance programs such as the Agricultural Policy Framework (APF).

Eligible Activities

Eligible activities must support the objectives of the program, including opportunities for land development and improvement; secondary processing and diversification; environmental stewardship; technology adoption; and farm infrastructure required to enhance the commercialization and the competitive capability of the Newfoundland and Labrador agriculture and agrifoods industry.

Eligible Applicants

Eligible applicants include agricultural producers, partnerships, corporations, farm cooperatives and agricultural groups representing three or more farms. Agricultural association and not-for-profit organizations may also be eligible for financial assistance.

Eligible farm applicants must have reported a minimum of **\$10,000** in gross sales of eligible agricultural products to Canada Revenue Agency in one of the last three years.

New entrants may be considered for funding based upon their on-farm work experience and demonstrated commercial farm viability and must have made a significant financial investment in their farm business.

Applicants must be able to demonstrate sound financial status to be considered for funding.

Applicants who are found to be in arrears with any Department of the Government of Newfoundland and Labrador will not be eligible for funding until acceptable repayment arrangements have been negotiated.

Eligible Costs

Eligible costs may include equipment purchase; facility construction; third party labour; professional, technical and analytical support; land development and enhancement, and any other projects costs approved by the Management Committee supporting the objectives of the program.

Assistance may be provided up to 50% of eligible costs to a maximum of \$15,000 for applicants with more than \$100,000 in gross farm sales of eligible agricultural products; up to a maximum of \$10,000 for applicants with gross farm sales of eligible agricultural products between \$50,000 and \$99,999; and up to a maximum of \$5,000 for applicants with gross farm sales of eligible agricultural products between \$10,000 and \$49,999. Regional pastures may be eligible for assistance up to 100% of eligible project expenses up to a maximum of \$15,000. Agricultural associations and not-for-profit organizations may be eligible for up to 100% funding depending on project activity. At the discretion of the Management Committee funding offers may vary based on program demand and the project's reach and impact on the growth of the agricultural industry. All funding offers are subject to the availability of program funds.

Rough clearing of new agricultural land is limited to a maximum of \$500 per acre. Activities include removal of trees, rocks, stumps and roots from virgin land. Land enhancement activity is eligible for assistance to a maximum of \$500 per acre. This includes rock removal, minor drainage, land leveling, and the initial application of limestone, fertilizer and seed. The total assistance available for land development, including rough clearing and enhancement, is up to a maximum of \$1000 per acre.

Funding will not be provided for land development activities on land that was previously improved with assistance from other government programs. Applicants must have clear title or a

long-term lease on the land to be eligible for funding. Where reasonable, the existing land base will have to be up to environmental standards and full production potential before further land activity is approved. Drainage or peatland development work funded by the APF and performed by the Department of Natural Resources is not eligible for further assistance from AAP.

Application Process

The Department of Natural Resources will accept project applications that meet the objectives of the program outlined above. Applicants must:

- demonstrate how the project meets the program objectives;
- identify the need for the project;
- outline the expected benefit and reach to the applicant and the agrifoods industry;
- identify all funding sources for the project, both cash and in-kind sources;
- demonstrate the viability of the project; and
- demonstrate how project benefits exceed project costs.

Applications will be evaluated based on various criteria, including the following:

- eligibility of the applicant and project activities;
- the commercial viability of the project;
- the identified need of the project; and
- the expected impact, reach, and results of the project.

Applicants who are approved for funding will be required to enter into a contribution agreement with the Department of Natural Resources detailing the funding offer and project conditions.

Payment Conditions

Once the approved project is complete, the applicant must submit a Project Claim Form provided by the Department of Natural Resources. All project claims must be supported by:

- **invoices for purchased goods and services,**
- **cancelled cheques for all third party labour.**
- in-kind resources are ineligible for reimbursement under this program.
- HST/GST is not an eligible project cost and will not be reimbursed with the exception of not-for-profit organizations who may claim the non-reimbursable portion of HST
- **invoices submitted for payment must be issued to the same entity that is named in the contribution agreement.**
- Any project reports that are required by the Contribution Agreement must be submitted with the Project Claim Form. Program Managers have the right to withhold payment until a satisfactory report is submitted and all other project requirements have been met.

Application Deadline

All applications and supporting documentation must be submitted to the Agricultural Representative on or before **May 30, 2007**.

Further information may be obtained by contacting:

Program Manager
Provincial Agrifoods Assistance Program
Department of Natural Resources
Agricultural Business Development Division
P.O. Box 2006
Corner Brook, NL, A2H 6J8
709-637-2474

APPLICATION FORM

SECTION I

Name of Legal Entity: _____

Contact Name: _____

Mailing Address: _____

Email address: _____

Phone Number: _____ Cell Number: _____

Fax Number: _____

SECTION II

This section must be completed in order to receive payments.

1. What is the business structure of your farm? Please check one of the following:
 _____ Sole Proprietorship _____ Partnership _____ Corporation _____ Other
2. If proprietorship or partnership, what is your Social Insurance Number?
 _____ - _____ - _____
3. What is your Canada Revenue Agency Business Number?

4. If your farm is incorporated, please provide the names of all shareholders:

Shareholder	_____	% ownership	_____
Name	_____		_____

5. Please provide the names of any other companies all shareholders have shares in:

Shareholder:	_____	Company Name:	_____
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6. Have you or any of your corporations had a loan or other debt written off by the Government of Newfoundland and Labrador in the past 6 years? _____

If Yes, please include details with your application.

SECTION III: Land Use

Please indicate the acreage by category for your farm in 2006.

Land Use	Acreage	Land Use	Acreage
Corn Silage		Sods/turf	
Grains		Horticultural Peat Products	
Pasture		Idle (improved land)	
Forage		Rough cleared	
Fruits		Undeveloped but suitable	
Vegetables		Undeveloped and not suitable	
Christmas Trees			
Total Acreage			

SECTION IV: To be completed by applicants for funding for land development and/or land improvement.

1. Please detail your requirement for additional land development based upon your current agricultural production and future land needs.

2. Quantify financial benefits of land development and improvement to your farm operation. Please be as specific as possible. (eg. Increase in forage production by 10 acres at 3 tons per acre = 30 tons of forage =\$ cost savings vs. buying forage).

3. Please provide details on land ownership for the parcel of land you wish to develop in the table below. Applicants will be required to show proof of title to any land which is approved for development or improvement prior to a contribution agreement being drafted.

4.

Property Number	Location	Property Type Grant/Lease/Deed/Lic. to Occupy/Rented	Property ID Number	Owner (if rented)	Total Acres
1					
2					
3					
4					
5					
6					
7					
8					

If you are requesting funding assistance for non-land development activities then please proceed to Section V, otherwise proceed to Section VI.

SECTION V continued

- Outline the expected benefit to your farm operation and the reach to the agrifoods industry such as increases in sales, reduced feed costs, enhanced storage capacity, etc. Please be specific, quantifying the benefits (eg. Cost savings, increased sales, etc.) as much as possible.

SECTION VI To be completed by ALL applicants.

- Identify all funding requests including both cash and in-kind sources and identify all project costs.

Funding Requested		Total Project Costs	
<u>Contributor</u>	<u>Amount</u>	<u>Land, Equip., Bldg.</u>	<u>Amount</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total Funds Requested	_____	Total Project Costs	_____

Please attach price quotes for building construction and equipment purchases where available.

SECTION VII: To be completed by ALL applicants

- Indicate the viability of the project and demonstrate how the project benefits exceed project costs. Projected Revenue and Expense Statements for two years will assist you in providing this information.

Please complete the Revenue and Expense Statement on the next page. This section must be completed by ALL applicants in order to be considered for funding.

SECTION VII: Continued

REVENUE AND EXPENSE STATEMENT

INCOME	PROJECTED YEAR 1	PROJECTED YEAR 2
Crops	_____	_____
Livestock	_____	_____
Livestock Products	_____	_____
Other	_____	_____
GROSS FARM INCOME	_____	_____
EXPENSES		
Feed	_____	_____
Veterinary Medicine & Breeding	_____	_____
Seeds & Plants	_____	_____
Fertilizer & Lime	_____	_____
Chemicals, Sprays	_____	_____
Packaging, Twine	_____	_____
Trucking, Haulage	_____	_____
Levy	_____	_____
Machinery & Truck (Repairs & Fuel)	_____	_____
Building & Fence (Repairs & Maint.)	_____	_____
Labour (Inc. Benefits)	_____	_____
Insurance	_____	_____
Livestock Purchases	_____	_____
Interest expense	_____	_____
Custom Work Fees	_____	_____
Telephone	_____	_____
Electricity	_____	_____
Small Tools/Hardware	_____	_____
Professional Fees (Acct., Office)	_____	_____
Other	_____	_____
TOTAL EXPENSES	_____	_____
NET FARM INCOME/LOSS	_____	_____

Your application must be completed in full and submitted through your local Area Agricultural Office.

Any payments made by the Department are subject to the right of Government, under the Financial Administration Act, to set off any amounts owing to it by the applicant. Additionally, the amount of assistance made available to you under this Program may be released as public information under the Freedom of Information Act.

I certify that the information provided in this document is complete and accurate.

Applicant's Signature

Date

To complete your application, please attach your:

- **Statement of Farming Activity T2042 form for non-CAIS participants or**
- **T1273 Statement A-Harmonized CAIS Program Information and Statement of Farming Activity for Individuals for CAIS participants or**
- **T1274 Statement B-Harmonized CAIS Program Information and Statement of Farming Activity for Additional Farming Operations**
- **For Incorporated entities, audited Financial Statements for 2006 are required.**

- **Community Pastures must complete and submit the Pasture Information Form with the completed application form.**