

NORTHERN FOOD DEVELOPMENT PROGRAM GUIDELINES

The overall goal of this new program is to increase local food production and availability of northern food products for northern consumers.

The program offers support across all food production sectors, including agriculture, fisheries, wildlife harvesting, and non-timber forest products.

The Northern Foods Development Program (NFDP) aims to make investments which support:

- Community economic diversification;
- Northern food production and processing;
- Increasing local and regional agriculture and fishery participation and output;
- Encouraging/supporting local and niche food production and marketing initiatives; and
- Increasing availability of northern foods to northern consumers.

DEFINITIONS:

Agriculture is the business of cultivating soil, producing crops, and raising livestock.

Fishery is the harvesting of fish for commercial purposes.

Food includes vegetables, herbs, fruit, meat, fish, eggs, poultry, berries and other products typically consumed by northerners.

Food production is the commercial production of food through harvesting, fishing and agriculture.

Food processing is the cleaning, butchering of northern harvested products, and the storing and packaging of raw ingredients for the production of food.

Small livestock includes poultry, cattle, sheep, pigs and goats.

Commercial harvesting is the business of gathering, hunting and trapping of meat, fishing, and the harvesting of non-timber forest products.

APPLICANT ELIGIBILITY:

Specific eligibility criteria are as follows:

A land based applicant should have a minimum of 1 acre (.405 hectares/4,047 square meters/43,560 square feet) under production and be able to demonstrate commercial sales.

In communities where land base or market is limited, a lessor minimum acreage may apply on an exception basis. For land preparation, commercial growers with less than an acre, should demonstrate that the majority of production is being directed to the commercial markets. Maximum contributions will be based upon either the pro-rated amount of \$1,000 per acre or 25 percent of reported sales from the previous year's harvest to a maximum contribution of \$1,000.

A greenhouse grower should have a minimum of 1,000 square feet under full production and demonstrate commercial sales. For commercial greenhouse growers looking to develop or expand with less than a 1,000 square feet, they should demonstrate that the majority of production is being directed to the commercial markets. Maximum contributions will be based upon either \$2.00 per square feet or 25 percent of reported sales from the previous year's harvest to a maximum contribution of \$2,000.

A harvester of wild edibles, or syrups should demonstrate commercial sales. A commercial wildlife harvester should show proof of product sales.

A fisher should hold a valid commercial fishing license and where applicable, vessel certificate(s). A fisher should demonstrate commercial sales.

Applicants who are just starting commercial activities should be able to demonstrate relevant experience and a capacity to engage in food production, either, or in combination, through access to land, equipment, licenses and permits etc.

ELIGIBLE ACTIVITIES:

Investment may include but not limited to:

- Pre-design, design, construction and expansion of facilities (greenhouses, storage facilities, washing/grading/packaging facilities, irrigation, and food processing facilities).
- Introduction of new equipment and technology aimed at increasing yields in a cost effective and energy efficient manner.
- Land development costs including inputs such as fertilizer, seeds and soil.
- Specialized training.
- Marketing, promotion, product and packaging design and development.
- Food transportation costs.

For activities related to agriculture:

- Input freight assistance \$0.30/loaded kilometer (feed, seed, fertilizers, compost and amendments).
- Initial small livestock to a maximum of \$1,000.
- Small equipment materials and supplies \$200/acre (may be pro-rated as per land/greenhouses) plus applicable freight costs (fencing, covers, hoses, small pumps).
- Alternate energy technology 50 percent to a maximum of \$5,000.

- Land preparation (based on \$1,000 per acre for primary cultivation/\$200 per acre for subsequent cultivation, allowed to be pro-rated—refer Eligibility) to a maximum of \$5,000.
- Greenhouse development or expansion (based on \$2.00 per square feet) to a maximum of \$5,000 (allowed to be pro-rated – refer Eligibility).

For activities related to fisheries:

- Boat, motor, nets 50 percent to a maximum of \$20,000.
- Alternate energy technology 50 percent to a maximum of \$5,000.

For activities related to traditional harvesting:

- Wild harvest equipment and supplies to a maximum of \$5,000

Marketing Support:

- Market assessment 75 percent total costs to a maximum of \$1,500.
- Primary processing, (washers, grading equipment, small processing, packaging equipment) 50 percent to a maximum of \$5,000.
- Inter- settlement trade (max. \$2,500 per client applies to third party supported freight costs).
- Farmers market -- water/power supply, materials and supplies – 50 percent to a maximum of \$2,500, for the first year of the market only.
- Packaging and promotional materials max. \$2,500 per client.
- Fish fillets (FISP) -- \$.44 per kilogram apply to third party supported sales receipts only.

ELIGIBLE EXPENSES:

Costs must be directly related to the eligible activities listed in this program. In-kind donations of product or service will be considered in total project costs but will not be eligible for re-imbursement. In-kind costs must be clearly documented and reflect fair market value of related expense.

Ineligible Costs:

Contributions will not be provided to assist with the purchase/acquisition or payment of:

- Assets previously owned by the applicant, shareholder or partner in the project;
- Wages or payments to the applicant, shareholders, family members or businesses related by common effective control;
- Land; and
- Assets that have been purchased previously with the assistance of the Government of the Northwest Territories (GNWT) or the Government of Canada unless the amount of assistance is declared and deducted from the fair market value.

GENERAL TERMS AND CONDITIONS:

Meeting eligibility criteria of the NFDP does not in itself guarantee subsequent approval of financial support. Financial assistance may be provided to those projects providing the greatest economic benefit to the Northwest Territories.

Applicants must clearly demonstrate a need for funding in terms of being unable to obtain the requested assistance through other means or where the terms and conditions on funding are such that the proposed business venture is no longer viable.

Applicants must supply all supporting documentation deemed relevant by the Regional Superintendent. These may include evidence of community or regional support from Community/Regional Councils.

All recipients of contribution assistance must agree to public disclosure. In addition, recipients are responsible to account for funding received as per the Contribution Agreement.

A Contribution Agreement is a legal and binding commitment by the recipient to undertake a specific project within a defined time frame. Specific terms and conditions will vary according to the nature of the contribution and the project or activity being supported and will be attached as a schedule to the Contribution Agreement.

All recipients of contribution assistance must agree to provide production and sales records, and related statistics demonstrating results of the project.

Applicants will grant GNWT access to the project site or premises to inspect all books and related financial statements as well as obtain other information deemed relevant and necessary to carry out an evaluation of the project.

Applicants who fail to meet their commitments as outlined in the Contribution Agreement will be required to repay contribution assistance.