

GTA Food & Beverage Cluster - Funding Programs

PROGRAMS FOCUSED ON R&D AND INNOVATION



FedDev Ontario

Program	Description
Industrial Research Assistance Program (IRAP)	Focused on helping businesses improve their commitment to internal R&D. IRAP's Business Innovation Access Program funding supports software implementation, productivity improvements, and production design or marketing projects.
Investing in Business Innovation (IBI)	Intended to provide financial support and mentorship to high-growth businesses and new entrepreneurs to help them grow and succeed. There are three separate streams of funding through IBI: for not-for-profit network organizations representing angel investors in southern Ontario, a stream for early stage businesses, and a stream for not-for-profit organizations.
Investing in Business Growth & Productivity (IBGP)	Aims to help southern Ontario businesses scale up to expand markets and facilities, increase adoption of new technologies and processes, and increase business capacity to participate in global markets. This program offers two streams: one for for-profit organizations and one for not-for-profit organizations.
Investing in Commercialization Partnerships (ICP)	Focused on encouraging the development of business-led collaborations with academic and research institutions across southern Ontario. The ICP program objective is to decrease the gap between research related innovation and getting innovation to the marketplace.
Advanced Manufacturing Fund (AMF)	Focuses on business innovation by helping for-profit and not-for-profit organizations enhance productivity and develop cutting-edge technology while encouraging collaboration between industry and post-secondary and research institutions.

Agriculture and Agri-Food Canada (AAFC) - Growing Forward 2

Growing Forward 2 (GF2) is a five-year (2013-2018) policy framework for Canada's agricultural and agri-food sector. It is a \$3 billion investment by federal, provincial and territorial governments. GF2 programs will focus on innovation, competitiveness and market development to ensure Canadian producers and processors have the tools and resources they need to continue to innovate and capitalize on emerging market opportunities.

In Ontario, GF2 offers free workshops, education and funding assistance to eligible producers, processors, organizations and collaborations to grow profits, expand markets and manage shared risks.

Program	Description
Growing Forward 2	<p>Projects that align with one or more of the six focus areas outlined below may be eligible for funding assistance. Innovation will be a consideration throughout.</p> <ul style="list-style-type: none"> • Environment and climate change adaptation • Animal and plant health • Market development • Labour productivity enhancements • Assurance systems (food safety, traceability, animal welfare) • Business and leadership development <p>The following types of organizations are eligible:</p> <p>Current Processor Businesses that:</p> <ul style="list-style-type: none"> • Actively and directly involved in the processing, modification, and/or transformation of agricultural commodities, food, beverages, or agricultural based bioproducts in Ontario • File business and/or far income/loss taxes in Ontario • Have a Premises Identification Number (PIN) <p>New Food and Bio-Products Processors that:</p> <ul style="list-style-type: none"> • As a new entrant, have business projections that demonstrate potential annual gross business income of \$30,000 or more within 3 years of applying • File personal income taxes in Ontario • Have not filed taxes as a food or agri-products processing business in the two years prior to applying for GF2 funding • Have a Premises Identification Number (PIN) if the processing facility is established • First Nations and bioproducts businesses that meet the above criteria are eligible <p>The Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) delivers GF2 cost-share for processors. GF2 offers two types of cost-share to processing businesses to help grow profits, expand</p>

markets and manage shared risks.

1. Capacity Building Cost-Share – Funding assistance supports eligible Capacity Building with up to 50% cost-share in three types of projects: a) Education, skill development and training b) Assessment and audit c) Planning
2. Implementation Cost-Share – Processors can access up to 35% cost-share towards projects and up to 50% cost-share towards innovation projects. Eligible projects are assessed on a competitive, merit-based system.

Program	Description
AgrInnovation Program	<p>Five-year (2013-2018), up to \$698 million initiative under the Growing Forward 2 policy framework. Of this, \$468 million is available for funding projects based on applications from industry. The remaining funds go towards AAFC-led research, development and knowledge transfer activities, as well as program administration that complement industry-directed activities. The program is designed to accelerate the pace of innovation by supporting research and development activities in agri-innovations and facilitating the demonstration, commercialization, and/or adoption of innovative products, technologies, processes, practices and services. The aim is to enhance economic growth, productivity, competitiveness, adaptability and sustainability of the Canadian agriculture, agri-food and agri-based sector and assist in capturing opportunities for the sector in domestic and international markets.</p> <p>Industry-led Research and Development stream – The objective of this stream is to support pre-commercialization research, development and knowledge transfer leading to innovative agriculture, agri-food and agri-based practices, processes and products. The stream may provide non-repayable contributions to approved applicants, and/or support in the form of collaborative assistance given by AAFC research scientists and experts for knowledge transfer.</p> <p>Enabling Commercialization and Adoption stream – The objective of this stream is to facilitate the pre-commercial demonstration, commercialization and adoption of innovative agri-based products, technologies, processes or services. The funding under this stream is designed to support, and reduce the financial risk associated with, these late-stage activities on the innovation continuum which is defined as the movement of innovation from research and development, through bench-scale testing, piloting, pre-commercial demonstration, to full commercialization. This stream provides repayable contributions to approved industry-led pre-commercial demonstration, commercial or adoption projects.</p>

The total maximum contribution to an applicant from all streams under the AgriInnovation program cannot exceed \$10 million per year.

Program	Description
AgriMarketing Program	<p>This program helps farmers and food processors compete in markets at home and abroad. \$341 million is available in the form of government projects and contribution funding during five years (2013-2018).</p> <p>Market Development stream – Builds and promotes Canada’s ability to expand markets at home and abroad. Promotional activities help position and differentiate Canadian products and producers, and ensure they meet market requirements. There is a Small and Medium-sized Enterprises (SME) component of this stream, for SMEs to undertake promotional and market development activities in markets other than Canada and the United States.</p> <p>Assurance Systems stream – Helps enhance the competitiveness of the agriculture industry by meeting buyer and market demands for assurance. The stream supports developing natural assurance systems or standards for food safety, animal and planet health, market attribute/quality and traceability.</p>

Canada Revenue Agency

Program	Description
Scientific Research & Experimental Development (SR&ED) tax incentive program	Federal tax program administered by the Canada Revenue Agency encourages Canadian businesses of all sizes and in all sectors to conduct research and development (R&D) in Canada. It is the single largest source of federal government support for industrial R&D. The SR&ED program gives claimants cash refunds and/or tax credits on eligible R&D work done in Canada. Claimants can apply for SR&ED investment tax credits for expenditures such as wages, materials, machinery, equipment, some overhead, and SR&ED contracts.

Government of Ontario

Program	Description
<i>Ministry of Economic Development, Employment and Infrastructure</i> Jobs and Prosperity Fund	10-year program with \$2.5 billion in funding designed to improve Ontario businesses’ global competitiveness through commitment to innovation, export expansion, and productivity improvements. Typically, eligible costs are covered at 20-50% based on the stream. Projects are typically 5-10 years in length. The fund offers three streams: 1) New Economy (minimum \$10 million project size) 2) Food and

Beverage Growth Fund (minimum \$5 million project size) 3) Strategic Partnerships (minimum \$10 million project size). This program is reserved for businesses that show significant impacts on industry innovation, job creation and export revenue.

New Economy stream – Provides funding for private sector organizations to:

- Build innovation capacity
- Improve productivity, performance and competitiveness
- Increase access to global markets

Food and Beverage Growth Fund stream – Provides funding for strategic investments that:

- Help create sustainable jobs
- Enhance innovation, productivity and market access
- Strengthen supply chains in the food, beverage and bioproduct processing sectors

Strategic Partnerships stream – Provides funding for industry partners that develop enabling technologies for Ontario’s priority sectors. It focuses on technologies with the potential to transform multiple industries across Ontario.

Program	Description
<p><i>Ministry of Finance</i> Ontario Research and Development Tax Credit</p>	<p>Qualifying corporations can claim a 4.5% non-refundable tax credit on eligible scientific research and experimental development expenditures performed in Ontario to reduce their Ontario corporate income tax payable. This tax credit and the Ontario innovation tax credit may be claimed on the same scientific research and experimental development expenditures.</p>
<p><i>Ministry of Finance</i> Ontario Innovation Tax Credit</p>	<p>Eligible corporations can claim a 10% refundable tax credit for qualified expenditures on scientific research and experimental development performed in Ontario. This tax credit and the Ontario research and development tax credit may be claimed on the same scientific research and experimental development expenditures. The maximum tax credit is \$300,000 based on an expenditure limit of \$3 million.</p>
<p><i>Ministry of Finance</i> Ontario Business Research Institute Tax Credit</p>	<p>Eligible corporations can claim a 20% refundable tax credit for qualified expenditures on scientific research and experimental development work performed in Ontario under contract with eligible research institutes. Small businesses may claim this tax credit and the Ontario innovation tax credit on qualified expenditures. Qualified expenditures are capped at \$20 million annually. The maximum annual tax credit is \$4 million.</p>

<p><i>Ontario Capital Growth Corporation</i> Ontario Venture Capital Fund (OVCF)</p>	<p>The \$205 million Ontario Venture Capital Fund (OVCF) is a joint initiative between the Government of Ontario and leading institutional investors to invest primarily in Ontario-based and Ontario-focused venture capital and growth equity funds that support innovative, high-growth companies.</p>
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Ontario Chamber of Commerce

Program	Description
<p>Export Market Access</p>	<p>Designed to assist small and medium sized enterprises (SMEs) to access and expand their growth in foreign markets. If your company has 5 or more employees and annual sales of \$500,000 or more, you may qualify for a contribution covering up to 50% of eligible costs incurred to develop export sales. Eligible activities include market research, marketing tools, direct contacts and foreign bidding projects.</p>

PROGRAMS FOCUSED ON LABOUR AND SKILLS

Government of Ontario

Program	Description
<p><i>Ministry of Finance</i> Apprenticeship Training Tax Credit</p>	<p>The apprenticeship training tax credit is a refundable tax credit. It is available to employers who hire and train apprentices in certain skilled trades during the first 48 months of an apprenticeship program. The tax credit is based on salaries and wages paid to an apprentice. Qualifying businesses can claim 35 per cent of eligible expenditures (45 per cent for small businesses) made during the first 48 months of an apprenticeship program. The maximum credit for each apprenticeship is \$10,000 per year. The maximum credit over the first 48-month period of the apprenticeship is \$40,000.</p>
<p><i>Ministry of Finance</i> Co-operative Education Tax Credit</p>	<p>Refundable tax credit available to employers who hire students enrolled in a co-operative education program at an Ontario university or college. The tax credit is based on salaries and wages paid to a student in a co-operative education work placement. Corporations can claim 25 per cent of eligible expenditures (30 per cent for small businesses). The maximum credit for each work placement is \$3,000. Most work placements are for a minimum employment period of 10 weeks up to a maximum of four months.</p>

Career Focus

Program	Description
Career Focus: Canadian Hiring Grants for Post-Secondary Graduates	As part of the Youth Employment Strategy, Career Focus offers employers the opportunity to hire recent Canadian post-secondary graduates into new roles within their company for gainful work experience. Career Focus offerings are available to a variety of industries and position types. The amount of funding is up to 50% or \$10,000-20,000 (stream dependent) of a recent post-secondary grad's wage covered for 3-12 months in grant funding. The candidate must be a graduate with a post-secondary diploma, be between 15-30 years old, a Canadian citizen/resident, out of school, and work a minimum of 30 hours per week.

Connect Canada

Program	Description
Connect Canada Internship	Supports the hiring of an intern in any research field. The company will tap into the intern's skill set in order to solve an R&D problem over a 4-6 month project. The contribution amount is \$5,000 from the partnership company and \$5,000 from Connect Canada. Eligible companies are private sector companies that derive the majority of their revenues from the sale of a product and/or service.

Mitacs Canada

Program	Description
Accelerate Ontario	Aimed at expanding small and medium-sized enterprise (SME) research and development for a \$7,500 investment. This program is open only to Masters and PhD students – it is a four month internship for a \$15,000 research grant. The program is designed to connect SMEs with university expertise for innovative research, methods and development of tools, prototype models, and technology or solutions to support challenges.
Accelerate InDev	Provides funding support for collaborative business development projects involving Canadian SMEs and universities. Businesses are able to acquire the expertise of a current Masters or PhD student to assist them in a 4-month small business development project. These projects may include product marketing, prototyping and design, and many other activities. MITACS will provide up to \$3,500 with an applicant contribution of \$7,500.
Accelerate PhD Fellowship: Ontario Business	3-year program to help connect industry with PhD fellows on R&D projects. The fellow must spend 50%

Grants Program	of their time on site with the partner and a minimum of 25% of their time at the university to receive direction from their academic supervisor. The program offers a maximum of \$90,000 in grant funding over 3 years. Company contributions of \$36,000 are required.
Mitacs Elevate Program	Provides support to industry/academic partnerships to solve critical industry issues through innovative means. The program provides \$57,000 over two years. The industry partner contributes \$25,000. To be eligible, it has to be a 2-year research project.

Natural Science and Engineering Research Council (NSERC)

Program	Description
NSERC Engage	Connects businesses to university researchers for new R&D partnerships. The program is targeted toward short-term research or development project aimed at addressing a company-specific problem that can be extended up to 6 months. This program provides up to \$25,000 as a non-repayable grant from NSERC, with no cash required from the company.

Ontario Centres of Excellence

Program	Description
Ontario Centres of Excellence (OCE) TalentEdge Programs	Offer industry partners an opportunity to host a post-secondary or post-graduate researcher. The purpose of the fund is to offer industry partners highly skilled researchers to apply their knowledge. The program has two streams – a four-month internship valued at \$20,000 and a 12-month fellowship valued at \$85,000. Both involve a 50% contribution from OCE and 50% from industry. Internships and fellowships must be project-based. Interns must be a senior undergraduate student, graduate student or recent graduate (within three years of education). Fellows must hold a PhD in any discipline completed within the last five years.
Ontario Centres of Excellence (OCE) Voucher Program	<p>This is a collaborative funding program. The four funding opportunities provide Ontario businesses with financial support to work with academic partners to solve industry problems, develop new products and services, and to create online tools that support market expansion and exporting opportunities. The funding opportunities are:</p> <ul style="list-style-type: none"> • OCE Voucher for Innovation & Productivity – Collaborative industry/academic funding opportunity to assist in the development of new, innovative products and services

- OCE Voucher for Commercialization – Funding for the commercialization of innovations developed at academic institutions through the creation of a start-up or licencing
- OCE Voucher Industry Association R&D Challenge “Made in Ontario” – Competitive call for proposals to develop innovative solutions to key industry issues through collaborative industry/academic efforts. “Made in Ontario” is focused on innovation in the manufacturing sector.
- OCE Voucher for E-Business – Funding to support colleges that work with businesses to develop new online tools and content to support the business’ market expansion plans

Youth Employment Fund (YEF)

Program	Description
Youth Employment Fund (YEF)	Provides up to \$6,800 to organizations that hire recent graduates with barriers to employment an entry point into long-term employment. To be eligible, a company must be Ontario-based, have a licence to operate, and have safety insurance. The positions must be new. Candidates must be Ontario residents between the ages of 15 and 29, unemployed and not in school.