



Agriculture and  
Agri-Food Canada

Agriculture et  
Agroalimentaire Canada



# The Agricultural Flexibility Fund

[www.agr.gc.ca/agriflexibility](http://www.agr.gc.ca/agriflexibility)

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Delta, Duncan and Kelowna, BC

Canada 

# Three priority elements

- AgriFlexibility is a five year (2009-2014), \$500 million program that will facilitate the implementation of new initiatives, both federally and in partnership with provinces, territories and industry
- It will support initiatives in three key priority elements:
  - Investments to help reduce production costs or improve environmental sustainability for the sector
  - Investments in value-chain innovation or sectoral adaptation
  - Investments to address emerging opportunities and challenges for the sector

# Investments to help reduce the cost of production or improve environmental sustainability for the sector

For example...

- Expand adoption of management practices and technologies that result in lasting reduction of costs of production (e.g., long-term increase in farm profitability)
- Expand adoption of management practices and technologies that result in reduced environmental footprint (e.g., long-term improvements to environmental sustainability in the areas of soil, water and air quality)

# Investments in value-chain innovation and sectoral adaptation

For example...

- Increase the available supply of high-quality Canadian-made agri-food and bio-products both domestically and internationally (e.g., in the medium to long-term, commercialization of new agri-food and bio-products)
- Enable proactive adaptation to changing market conditions that result in viable businesses (e.g., medium and long-term development and achievement of business goals)

# Investments to address emerging opportunities and challenges for the sector

For example...

- Expand or recapture market access for Canadian food and agriculture products and increased market demand for Canadian food and agriculture products (e.g., short, medium and long-term growth)
- Enabling technologies, research and development capacity of the sector, traceability, biosecurity and assurance systems or consumer education.



# Key principles

- AgriFlexibility funding will be guided by key principles:
  - Be non-Business Risk Management (BRM)
  - Complement *Growing Forward* initiatives and policy directions
  - Be consistent with Canada's international interests and obligations

# Other criteria

- Be compatible with at least one of the three priority elements
- Be incremental initiatives - Not duplicate, overlap or displace Growing Forward or other existing PT programming
- Have no other available source of funds in another AAFC or provincial program
- Not displace existing or planned private sector investment
- Not distort the competitive advantage of one province or territory over another (e.g., no "buy local" campaigns) or one sector over another
- Able to be implemented in a timely manner
- Be completed by March 31, 2014

# Funding Criteria

- The funding level will be considered on a case by case basis.
  - Where industry participates, preference will be given to proposals with industry contributions of twenty-five percent (25%) or more, with a target of fifty percent (50%), of the total eligible proposal costs.
  - Provincial initiatives are to be cost shared on a 60:40 basis
- May include in-kind contributions
  - Contributions, other than monetary, which defray a portion of the project's eligible costs
- Repayable contributions:
  - Contributions over \$100,000 to for-profit business (including farmers)
  - Repayable within 9 years of completion



# Who is eligible?

- Eligible recipients may include:
  - individuals;
  - partnerships;
  - universities and colleges;
  - cooperatives;
  - marketing boards;
  - provincial, territorial and municipal governments, including their institutions, agencies and corporations;
  - non-profit organizations; and
  - for profit companies.
- Any of these eligible recipients, with the exception of individuals, may act as initial recipients and provide funding to other eligible recipients.

# Other AgriFlexibility Initiatives

- Livestock Auction Traceability Initiative
  - \$20 million over 3 years to enhance traceability capacity where live animals routinely co-mingle.
  - Alterations to animal handling structures, which could include physical infrastructure changes, building modifications and technical and trade services, for example, purchasing and installing gates and pens
  - Call AgriFlexibility 1-877-290-2188
- Canada Brand Marketing Initiative
  - \$32 million to fund market analysis, advertising campaigns and public opinion research that will promote the Canada Brand in strategically selected key markets chosen in consultation with industry
- AgriProcessing Initiative
  - \$50 million to enhance the competitiveness of the agri-processing sector

# AgriProcessing Initiatives

- For companies/cooperatives predominantly engaged in the physical or chemical transformation of raw agricultural commodities or ingredients.
- Provides repayable contributions of up to \$2 million or up to 50% of eligible costs
- Projects are not eligible if funding is available from another AAFC program.
- For the purchase and installation of new (novel to facility) machinery/equipment in Canadian facilities to enable the adoption of new manufacturing technologies and processes.

# AgriProcessing Initiative cont.

The new technology or process must:

- Be proven and available in the marketplace
- Contribute to at least one or more of the following factors:
  - Increased operational efficiency (improved productivity, reduced costs)
  - Improved environmental sustainability (lower energy, less packaging, improved waste)
  - Introduction of new or improved product
  - Access to new markets or Increased market share
- Must provide one of the following benefits to Canada:
  - Increased number of jobs or retain jobs
  - Increased demand for primary agricultural products or agri-based ingredients
  - Increased production and sales

# How to Apply

## AgriFlexibility

Website [www.agr.gc.ca/agriflexibility](http://www.agr.gc.ca/agriflexibility)

Toll free line 1-877-290-2188

Email [Agriflex@agr.gc.ca](mailto:Agriflex@agr.gc.ca)

- Industry Proposal Guide
- Industry Proposal Form (PDF and Word format)

## AgriProcessing Initiative

Toll free line 1-877-246-4682

Email [API@agr.gc.ca](mailto:API@agr.gc.ca)

- Initiative description
- Project Summary and Screening Form