

# Sustainable Canadian Agricultural Partnership

Competitive. Innovative. Resilient.

## Market Development

### Program Guide



# Contents

Section 1 - Program Description.....	3
Section 2 - Program Eligibility.....	3
Section 3 - Cost Share Funding.....	4
Section 4 - Funding Streams .....	7
Section 5 - Application Worksheet Assessment.....	9
Section 6 - How to Apply for Funding .....	9
Definitions .....	11
Appendix A - Program Parameters.....	13
Appendix B - Eligible Business-to-Business (B2B) Development Activities.....	14
Appendix C - Eligible Expense Explanation .....	16

# Section 1 - Program Description

Market Development program will advance the agriculture, agri-food and agri-product sector's innovation and business capacity to maintain existing markets and capture emerging market opportunities. The program will provide financial assistance to eligible applicants for market development activities that enhance interprovincial trade and export capacity of individual businesses and improve overall domestic and international trade access for the sector.

## Section 2 - Program Eligibility


Market development program is open to:

- Agri-food processors
- Agri-product processors
- Abattoirs
- Brand owners
- Indigenous government, businesses, communities, and organizations
- Primary producers

Eligible applicant:

- Must be directly involved in or affiliated with activities that contribute to the transformation of agri-products into end products. This includes value-added activities that result in products that are ready for direct sales to consumers, ingredients for additional value-added processing and/or cleaning or packaging of agri-products into post-harvest market ready goods
- Must have a significant portion of company sales in wholesale trade including retail outlets, food service establishments and wholesale distributors (versus direct to consumers)
- Must have a permit to operate a food handling establishment, if applicable, before submitting a claim form
- Can be from inside or outside of Manitoba, as long as the activities occur in Manitoba or have a positive outcome for the province
- Must provide a copy of:
  - the balance sheet and income statement for business in operation over one year, or
  - pro forma balance sheet and income statement for business in operation less than one year
- Must have a Manitoba Premises Identification Number, if applicable
- Must ensure that they meet all eligibility requirements

A business or organization with multiple divisions, operating names or units, will count as one business or organization.



Government employees, who are the majority shareholder (50 per cent or higher) in a business or organization, are not eligible to apply for funding. A business or organization, which includes a provincial government employee as a minority shareholder, will be eligible to apply for funding.

Additional factors may be considered in determining the eligibility of the applicant, including:

- the provision of false or misleading information by the applicant under other Sustainable Canadian Agricultural Partnership programs
- amounts due and owing by the applicant under other Sustainable Canadian Agricultural Partnership and Manitoba programs

## Section 3 - Cost Share Funding

Activities are cost shared between government and the applicant, the cost share ratio is up to a maximum of 50:50. There is a maximum funding limit of \$30,000 per project.

The minimum project size that will be accepted per market development project is \$3,000, which may be eligible for funding of up to a maximum of \$1,500.

### Eligible Expenses

Expenses directly related to the execution of an approved project. The applicant must provide expense details for each funding stream activity in the Application Worksheet. The following expenses are eligible for reimbursement:

- Facility and equipment rentals
- Knowledge Transfer
- Professional fees
- Materials and supplies
- Subcontracted services
- Travel for market development and export training and in-market domestic and international Business-to-Business (B2B) market development activities or events such as trade shows, missions and meetings
- Provincial sales tax (PST)


The applicant is solely responsible for all project expenses, including all ineligible expenses and any project deficits or over-runs.

### Ineligible Expenses

The following expenses are **ineligible** for funding:

- Where a project is approved, no eligible expense will be reimbursed unless a funding agreement is signed

- Any expense, including a tax, which is eligible for a rebate, credit or refund such as Goods and Services Tax (GST)
- In-kind contributions such as staff labour, use of assets and equipment, materials, technical, consulting and professional services (e.g. in-house product research and development, testing and lab work)
- Any expenses incurred before or after the dates listed in the funding agreement
- Any expenses not required for the execution of the project
- Normal operating expenses associated with carrying out business operations
- Extended warranties
- Expenses associated with lobbying
- Financing charges, loan interest payments, bank fees and charges
- Any compensation to any government employee for organizing or delivering parts of the project
- Purchase of land, buildings and facilities, associated taxes and fees (e.g., land transfer tax)
- Any additions or upgrades to new or existing buildings and facilities, associated taxes and fees
- Purchase of typical farm equipment (e.g., tractors, skid steers, combines, etc.) and related accessories and attachments
- Normal, current or ongoing maintenance expenses (e.g. repairs to exiting equipment, replacing aged or damaged equipment, upgrades to existing plumbing or electrical systems)
- Expenses related to establishing a commercial operation
- Expenses for office renovations
- Multi-use items (e.g., items that are not directly related to the project activities, such as computers, tablets, phones, cameras, batteries, clothing and footwear, tools, fuel, etc.)
- Any project-related activity that generates revenue
- Travel expenses incurred by professional service providers related to conducting primary market research and developing market intelligence reports and studies
- Purchase of labels, packaging and promotional materials
- Printing expenses (e.g. marketing intelligence reports and studies, labels, promotional materials)
- Regular and ongoing subscriptions, listings and registration fees related to market intelligence and/or marketing activities
- Regular and ongoing website use/maintenance fees
- Paid advertising and promotional activities including participating in trade show marketing programs including demonstrations, product showcase, show guide advertising, badge inserts, trade show online advertising, decals, show inserts, social media or influencer campaigns, marketing material giveaways and sponsorship of events or initiatives
- Ingredients, semi-finished, or finished product(s) for product enhancement, product scale-up, product and sensory analysis and shelf-life studies

- 
- Label, bar code or quick response (QR) code acquisition and/or printing
  - Business-to-Consumer (B2C) activities including farmers markets, flea markets, festivals, fairs that are mainly consumer focused
  - Expense related to attending trade show without exhibiting
  - Trade show booth development
  - Signage design
  - Labour to set-up and/or dismantle a trade show booth and signage
  - Networking activities or events
  - Trade show samples
  - Purchasing of trade show equipment and/or accessories
  - Trade show insurance
  - Rental of telecommunications or Wi-Fi
  - Trade show booth cleaning
  - Vehicle parking
  - Vehicle rental insurance
  - Market development activities that are subsidized by another business, organization and/or government including the Canadian Pavilion Program
  - Consulting and/or professional fees associated with identifying, contacting and securing in-market leads
  - Expenses incurred more than:
    - one day before and after a domestic trade show, mission and/or B2B meeting
    - two days before and after an international trade show, mission and/or B2B meeting

## **Funding from Government**

The applicant must adhere to the stacking limit. The stacking limit refers to the maximum level of total Canadian government funding (federal, provincial/territorial, and municipal) a successful Applicant can receive towards total approved eligible expenses of a project.

The maximum level of total government funding must not exceed:

- 100 percent of total approved eligible expenses; or
- If the Applicant is a for-profit business or organization, 75 per cent for capital items that are approved eligible expenses

## Section 4 - Funding Streams

Market development will support growth and expansion of Manitoba's agriculture, agri-food and agri-product sectors through four funding streams. Projects will have a maximum of twelve months to be completed, specific project start and end dates will be stated in the funding agreement.

Funding Streams:

- Market Information and Research
- Market Development, Planning and Training
- Product Commercialization
- Domestic and International Development Activities

### Market Information and Research

Supports increasing marketplace knowledge and identifies the viability of a product's successful entry into a new market.

#### Eligible Expenses

- Professional fees for consulting, agencies, or firms associated with conducting primary research and developing market intelligence reports and studies
- Purchase existing marketing intelligence reports and studies

### Market Development, Planning and Training

Supports building business market development and export capacity that will address non-tariff related market access barriers and support business growth domestically and internationally.

#### Eligible Expenses

- Registration fees associated with market development and export training (e.g. workshops, webinars, courses)
- Purchase of educational materials that are directly related to market development and export training
- Travel expenses that are directly related to participating in market development and export training outside of Manitoba including airfare and/or ground transportation, hotel and meal(s)
- Professional fees for consulting, agencies, or firms associated with:
  - creating long-term marketing and export plans
  - developing marketing materials including designing a company logo, branding, point-of-sale (POS) materials and set-up fees for production

- website development and enhancements including implementation of e-commerce capability
- creating a social media strategy
- expenses associated with participating retail marketing programs in-store

## **Product Commercialization**

Supports the pre-commercialization, commercialization and enhancement of new and existing innovative products to market.

### **Eligible Expenses**

- Professional fees associated with product enhancement, production scale-up, shelf-life studies and the design and acquisition of required information from a service provider to ensure label compliance including Nutrition Facts Table (NFT), ingredient listing, allergen declaration, nutritional claims, language translation and label and/or package information review
- Facility and equipment rental fees associated with the product development or enhancement and scale-up of production
- Professional fees related to performing product analysis including micro testing, pH, water activity and sensory analysis
- Creation of printing plates and set-up fees for printing labels or packaging
- Commercial printer for bar codes, best before dates and lot codes

## **Domestic and International Development Activities**

Supports business expansion in new and existing domestic and international markets.

### **Eligible Expenses**

- Business-to-business (B2B) trade show and/or mission expenses directly associated with:
  - exhibiting outside of Manitoba including registrations, membership (only if mandatory to exhibit), rental of booth space, equipment, accessories, electrical, freezer and/or cooler space, contract catering services to prepare food samples and shipping fees related to shipping trade show booth, equipment, accessories, samples, signage, marketing materials to the trade show
  - participating in trade show meeting program including registration fee and language translator
  - travel, including up to two economy airfares, or ground transportation, hotel, and meal(s)
- B2B meeting expenses associated with:



- coordination and participation in meetings outside of Manitoba including conference room rental, language translator and booth, equipment, food samples and marketing materials shipping expenses
- travel, including up to two economy airfares, or ground transportation, hotel, meal(s)

See Appendix A, B and C for additional information of program parameters and eligible expenses.

## Section 5 - Application Worksheet Assessment

Application Worksheets will be assessed according to the following criteria:

- Project description
- Project deliverables and outcomes
- Alignment with Manitoba government objectives, such as:
  - the creation of new jobs or increased payroll value
  - an incremental increase in processing value and volume
  - an increased use of Manitoba agri-inputs
  - the production of goods which displace imports from outside of Canada
  - an increase in interprovincial trade and export sales outside of Canada
  - an increase in the value or volume of production of plant and animal proteins
- Capital and financial capacity
- Management capacity
- Production capacity
- Marketing plan

## Section 6 - How to Apply for Funding


The Applicant Information Form and Application Worksheet are available on the Manitoba Agriculture website. Go to [www.manitoba.ca/agriculture](http://www.manitoba.ca/agriculture) and click on Sustainable CAP.

Manitoba Agriculture will publish deadline dates through the newsletter, website and social media channels.

The Applicant Information Form and Application Worksheet must be submitted to the program administrator by the specified deadline.

The Applicant Information Form and Application Worksheet can be emailed to Manitoba Agriculture at [agriculture@gov.mb.ca](mailto:agriculture@gov.mb.ca).

One Application Worksheet must be submitted for each funding stream.



Applicant must acknowledge and agree to any terms and conditions contained in the Application Worksheet, Program Guide and Program Terms and Conditions.

Only the applicant may sign the Applicant Information Form, Application Worksheet or other program documents.

Applicants must comply with all Manitoba and federal government laws and regulations applicable to their projects and to their business or organization's operations. Applicants must also accept and agree to all of the terms and conditions of the program.

In the case of partnerships, corporations and other business organizations, a designated person with legal authorization must sign the Applicant Information Form, Application Worksheet and other program documents. The program administrator may require proof of authorization.

Project activities must be completed and all reports submitted on or before March 31, 2028 or no payment will be issued, unless otherwise stated in the funding agreement.

Funding for projects will be subject to the appropriation of funds by the Government of Canada and the Manitoba government.

Funding amounts received from all sources must be declared on the Application Worksheet. Failure to disclose all financial sources for a project may nullify the funding request.

## Definitions

**Abattoir:** a facility where live animals are harvested and dressed for further processing

**Agri-business:** a person or entity involved in for-profit commercial activity in the agricultural sector, other than an agri-processor or a primary producer

**Agri-food Processor:** person or entity that transforms agricultural commodities or ingredients into value added goods that are food or ingredients; may be goods for direct consumption or sold as ingredients for further value-added processing

**Agri-product Processor:** person or entity that transforms agricultural commodities into value added goods that are not food or ingredients; may include bio-products created from primary commodities, waste products from production or waste products from processing

**Agri-processor:** a person or entity actively engaged in agri-product and agri-food processing

**Applicant:** a person or entity who satisfies all the eligibility requirements set out in the terms and conditions and who submits an Applicant Information Form and Application Worksheet under this program

**Brand Owner:** a person or entity that owns intellectual property such as a brand identity, product formulation and/or process

**Business-to-Business (B2B) Activities or Events:** activities or events in which businesses or organizations in a particular industry promote their products and services to other businesses or organizations through trade shows, missions and meetings

**Funding agreement:** an agreement issued to applicants indicating an application decision and the next steps required for project implementation


**Government Funding:** any financial assistance in the form of provincial or federal grants, loans or other assistance

**Incremental Expenses:** expenditures that can be directly attributed to the project outlined in the Application Worksheet and are over and above normal business operational expenses

**Indigenous:** individuals who self-report an Indigenous identity, either First Nations, Metis, and/or Inuit, or a combination of those

**In-kind Contributions:** non-monetary goods and/or services that are not reimbursable by the program

**Primary Producer:** an individual grower, rancher, sole proprietor, partnership, corporation, co-operative or any other association of people actively engaged in farming



**Provincial Government Employee:** any full-time, regular, part-time or term individual employed by the Manitoba government, including any special operating agency or Crown corporation

**Manitoba Government Senior Public Servant:** the Clerk of the Executive Council; a deputy minister or equivalent or an assistant deputy minister; a chairperson, president, vice-president, chief executive officer or deputy chief executive officer of a Crown agency; a person who is designated or who occupies a position that is designated under section 31.1 of The Legislative Assembly and Executive Council Conflict of Interest Act; and includes a person who, on a temporary basis, occupies a position described here

**Minister:** refers to the Minister of Agriculture for the Manitoba government, and includes any person authorized to act on the minister's behalf

**Non-profit:** a type of organization that does not earn profits for its owners using all money earned or donated to pursue the organization's objectives and support its operations

**Person:** includes an individual, partnership, association or corporate body (entity)

**Primary Producer:** an individual grower, producer or rancher, partnership, corporation, co-operative or any other association of people who is actively engaged in farming.

**Program:** refers to the Sustainable Canadian Agricultural Partnership program

**Program Activity:** a specific action under Sustainable Canadian Agricultural Partnership program where applicants can apply for funding; may have one or several funding streams

**Program Administrator:** Manitoba Agriculture, or where applicable, any person engaged by the Manitoba government, to carry out administrative activities in connection with the program

**Stacking Limit:** the maximum level of total Canadian government funding (federal, provincial/ territorial and municipal) that a successful applicant can receive

**Sustainable Canadian Agricultural Partnership:** is a five-year agricultural policy framework by Canada's federal, provincial and territorial governments to encourage market development, innovation and research, environmental sustainability, value added processing, improved public trust and risk management across Canada's agriculture, agri-food and agri-product sectors

**Terms and Conditions:** Sustainable Canadian Agricultural Partnership program rules that applicants must follow as conditions for receiving funding; can be occasionally revised, altered or amended from time to time

# Appendix A - Program Parameters

Market Development	
Funding Streams	<ul style="list-style-type: none"> <li>• Market information and research</li> <li>• Market development, planning and training</li> <li>• Product commercialization</li> <li>• Domestic and international development activities</li> </ul>
Maximum Funding Per Project	Up to a maximum of \$30,000
Minimum Project Size	\$3,000
Cost Share (government:applicant)	50:50
Maximum Project length	Up to a maximum of 12 months
Number of Interim Payments	One

## Appendix B - Eligible Business-to-Business (B2B) Development Activities

Eligible Expense Description	Limit Explanation
Renting turnkey trade show booth	None
Rental of trade show booth space, equipment and/or accessories	None
Rental of conference room	None
Rental of electrical hook-up	None
Professional onsite translator	Maximum one translator per activity
Rental of cooler and/or freezer space (including expenses associated with moving of product in and out of the cooler and/or freezer)	Maximum one freezer and/or 1 cooler space per development activity
Subcontracted services related to catering for product preparation	None
Program or registration fee	Maximum of two persons per activity
Tradeshow membership fee (only if required to exhibit at a B2B trade show)	Maximum of one membership fee per company, per event, per year, up to a maximum of \$1,000.
Hotel	Maximum \$300 per person, per night, per room, maximum of two hotel rooms

Eligible Expense Description	Limit Explanation
Shipping/transportation of trade show booth, equipment, accessories, samples, signage, and/or marketing materials	None
Meal	Per meal limits include: <ul style="list-style-type: none"> <li>• Breakfast: \$23.60</li> <li>• Lunch: \$23.90</li> <li>• Supper: \$58.60</li> </ul> Maximum of two persons per activity
Economy airfare	Maximum two economy airfares per activity

**Note**

- Eligible expenses can be incurred one day before, one day after and for each day of a domestic B2B market development event
- Eligible expense can be incurred two days before, one day after and for each day of the international B2B market development event

## Appendix C - Eligible Expense Explanation

Expense Category	Explanation
<p>Facility and Equipment Rental</p>	<p>Items which are required for the successful completion of the project, but ownership is not retained. Examples vary across program activities but may include:</p> <ul style="list-style-type: none"> <li>• Venue and facility rentals</li> <li>• Equipment rentals (including audio and visual)</li> <li>• Land rentals</li> </ul> <p>Items must be supported by a rental agreement which outlines the specific start date, end date and total cost of the temporary use of the item.</p> <p>Note: a lease is not the same as rent and is ineligible.</p>
<p>Knowledge Transfer</p>	<p>Communication tools and products which are used to share information to industry stakeholders. Examples include:</p> <ul style="list-style-type: none"> <li>• Manuals, brochures and factsheets</li> <li>• Transitional planning guides</li> <li>• Instructional videos</li> <li>• Social media items</li> <li>• Communication materials</li> <li>• Printing, postage, envelopes</li> <li>• Advertising (radio, newspaper and online)</li> <li>• Website design</li> <li>• Business and risk management tools</li> <li>• Retailer fees for in-store marketing programs</li> <li>• Educational materials</li> <li>• Market intelligence reports and studies</li> </ul>



Expense Category	Explanation
Materials and Supplies	<p>Incremental, small value items which are used as part of the project implementation. This category differs from Capital Assets and Equipment as the value would be less than \$10,000. Examples vary across programs but may include:</p> <ul style="list-style-type: none"> <li>• Small equipment (valued at less than \$10,000)</li> <li>• Consumables</li> <li>• Lab supplies</li> <li>• Office supplies</li> <li>• Chemicals</li> <li>• Construction materials</li> </ul> <p>Note 1: inventory items (i.e. materials and supplies purchased before April 1, 2023), are ineligible.</p> <p>Note 2: expenses related to repairs, maintenance, upgrades, consumables, like fuel, are ineligible and are not to be included under Materials and Supplies.</p>
Professional Fees	<p>Eligible activities which are performed by a third-party organization, business or individual, who holds a valid designation and is hired specifically to ensure that the project is delivered. Eligibility will vary across programs but examples include:</p> <ul style="list-style-type: none"> <li>• Consultant wages</li> <li>• Project Management fees</li> <li>• Accounting fees</li> <li>• Legal fees</li> <li>• Engineering fees</li> </ul> <p>Terms of the work (including travel if applicable) would be captured in an agreement between the applicant and the third-party who is providing the work.</p>

Expense Category	Explanation
Subcontracted Services	<p>Eligible activities which are subcontracted out by the applicant to a third-party organization, business, individual Examples include:</p> <ul style="list-style-type: none"> <li>• Custom work</li> <li>• Casual labour</li> <li>• Shipping of materials and supplies (by a third-party)</li> </ul> <p>Terms of the work (including travel if applicable) would be captured in a subcontracted agreement between the applicant and the third-party who is providing the work.</p>
Travel Expenses – Seminars, Conferences, Tradeshows and Workshops	<p>Incremental travel expenses which are related to either bringing a speaker to an event or sending an eligible applicant (or representative) to an event. Depending on the activity, the knowledge transfer event must have outcomes related to, research, public trust, market development, large-scale equipment use training, etc. Examples vary across programs but may include:</p> <ul style="list-style-type: none"> <li>• Travel and accommodation for speakers or representatives of the applicant, who are involved in the delivery of the project, examples include: <ul style="list-style-type: none"> <li>○ Hotel accommodations</li> <li>○ Airfare</li> <li>○ Meals</li> <li>○ Transportation (i.e. taxi, uber, subway, train, vehicle rental)</li> <li>○ Mileage (for personal or business vehicle)</li> <li>○ Registration fees</li> <li>○ Membership fees</li> </ul> </li> </ul>