









## In this Guide

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#### PROGRAM OBJECTIVE

The New Entrant Farm Business Accelerator (NEFBA) Program supports the growth of New Entrants by providing financial support for the development and implementation of farm business plans and growth strategies. For the purposes of this program, New Entrant is defined as an agricultural producer who has not reported farm income for more than 5 years. The Program supports business planning and cost-shared purchasing of commercial farm infrastructure and equipment (collectively, "Infrastructure") needed to accelerate the revenue growth of farm businesses.

Through the NEFBA Program, a new farm business can receive support to develop a growth strategy and to make investments necessary to achieve farm income growth goals, ensure commercial viability and strengthen financial sustainability.

#### PROGRAM OVERVIEW

The NEFBA Program is an application-based cost-shared funding program for new farm businesses. The Program consists of two Phases, **Phase 1** funding for support to update an existing business plan or develop a new business plan will be provided on a first-come, first-served basis to qualified applicants until funding has been fully allocated. **Phase 2** involves a competitive application process and will only be available to successful applicants from Phase 1 who are invited to apply for Phase 2 cost-share funding support for infrastructure. Phase 1 prepares and supports applicant readiness for Phase 2. Note that participating in Phase 1 prepares applicants for success in the Phase 2 application process, however, does NOT guarantee funding through Phase 2.

#### Phase 1-Business planning

The first phase of the Program supports applicants to update an existing business plan or develop a new business plan while improving their business management skills.

There are two (2) possible projects within Phase 1:

**Stream 1**: Applicants can receive \$1,250 and use these <u>Business Planning Resources</u> to update or complete their own business plan; or,

**Stream 2**: Applicants can apply to receive up to \$3,000 for support from a farm Business Consultant to further develop their farm's business plans.

#### Phase 2-Cost share for infrastructure

Approved Phase 2 applicants are eligible to receive between 50% to 75% of cost-shared assistance for the purchase of Infrastructure that meets the income growth goals of their farm business. The New Entrant Farm Business Accelerator Program may provide up to \$15,000 per successful applicant in cost-share funding for Infrastructure. Eligible expenses include the purchase of Infrastructure or expansion of physical structures. All commercial farm infrastructure and/or equipment investments supported through this Program must be used exclusively to generate income for primary commercial agricultural production. Your application must clearly state how your investment would support the growth of your business. For example, an applicant may demonstrate how their proposed commercial farm Infrastructure purchase would:

- Improve crop quality, increase crop yields, decrease losses to pests and wildlife;
- Increase production capacity;
- Increase labour productivity through tools, machinery, new technology;
- Increase productivity of livestock;
- Increase on-farm processing/primary value-added activities<sup>1</sup> (excludes food processing equipment used in a commercial kitchen setting such as canning, juicing, baking etc.); or,
- Increase market access (i.e., food safety/processing equipment such as wash basins, cold storage, high tunnels, on-farm market stalls, or mobile market trailer).

Eligible Activity	Program support
Phase 1	
Stream 1: Business Plan (Self-developed)	\$1,250
Stream 2: Business Plan Coaching from a Business Consultant	\$3,000
Phase 2	<u> </u>
Stream 1: Commercial Farm Infrastructure and Equipment Project of up to \$10,000	75% of project costs
Stream 2: Commercial Farm Infrastructure and Equipment Project of up to \$30,000	50% of project costs up to \$15,000

Note: No Infrastructure projects will be approved under \$1,000.

<sup>&</sup>lt;sup>1</sup> Equipment must be for use on farm and must be for processing primary products grown or raised on the farm (e.g. washing and packing infrastructure, seed cleaning)

#### **ELIGIBILITY**

To be eligible for the New Entrant Farm Business Accelerator Program, you must meet the following eligibility requirements:

- Be a Primary agriculture producer<sup>2</sup> growing or raising primary agricultural products<sup>3</sup> in British Columbia which are intended for sale.
- Not reported farm income for more than 5 years.
- Be a commercial farm business operation whose primary purpose is the production and sale of agricultural products and is either:
- a.) A sole proprietorship;
- b.) A B.C. registered business entity (partnerships, corporations, cooperatives, Indigenous economic development corporations, and band-owned businesses).
   OR
- c.) An unregistered business entity listed in (b) above, committed to registering as a business before the completion of the project in March of 2024.
- All owners, members, and shareholders must be residents of British Columbia and file income tax under the Income Tax Act in British Columbia.
- Have not received cost-share funding from the <u>Beneficial Management</u> <u>Practices Program</u> or the <u>On-Farm Food Safety Program</u> after April 1, 2023.
- Have not received funding for the same activities from the Indigenous Food System Partnership Program or the Indigenous Food Security and Sovereignty Fund.

<sup>&</sup>lt;sup>2</sup> Primary production is defined as an operation that produces agricultural products and reports revenues or expenses for tax purposes to the Canada Revenue Agency.

<sup>&</sup>lt;sup>3</sup> Agricultural products include:

<sup>1)</sup> Crops: grains, oilseeds, leguminous crops, potatoes, vegetables, fruits, berries, greenhouse products, mushrooms, sod, nursery, Christmas trees, maple tree taps, hay and fodder crops, cannabis, hemp, wild harvested products, and other crops.

<sup>2)</sup> Livestock: dairy and beef cattle (including feedlots), pigs, poultry and eggs (including hatcheries), turkeys, ducks, geese, sheep, goats, horses and other equines, bison (buffalo), elk (wapiti), deer, llamas and alpacas, rabbits, bees and other animals.

<sup>3)</sup> Health Canada licensed Cannabis and Hemp producers are eligible for participation in the New Entrant Farm Business Accelerator Program. Federally Licensed Cannabis and Hemp producers or processors must provide proof of either their standard-cultivators, microcultivators, processing, or industrial hemp license as issued by Health Canada under the Cannabis Act or Industrial Hemp Regulations by submitting their; 'License Holder Name', 'License Identification Number', and 'License Type' (Micro or Standard). The personal production of medicinal cannabis is not eligible for this program

#### **Ineligible Applicants**

- Aquaculture, seaweed, fish and/or seafood producers or processors.
- Aquaponic food producers.

#### To be eligible for Phase 2 funding:

Your business has either:

a.) Received a Statement of Completion from the Environmental Farm Plan Program.

OR

b.) Commits to apply for and, to the extent possible, complete an Environmental Farm Plan (EFP) prior to March 1, 2025.

**Please note:** Participation in the EFP program is free and confidential. Applicants are encouraged to start the EFP process as soon as possible.

Farm businesses that are not eligible for the program but require additional support for the growth of their business are encouraged to review the <u>Ministry of Agriculture and Food</u> website or contact <u>AgriService@gov.bc.ca</u>.



#### **Indigenous Applicants**

The Province is committed to supporting the success of Indigenous businesses in the agriculture and food sector. We understand that Indigenous business may have distinct characteristics reflective of regulatory, operational, cultural and other factors affecting their business history and operation. We aim for flexibility in our program delivery in order to reduce barriers and ensure the accessibility of our programs. If you are interested in applying to the program but have questions about the application process or eligibility criteria, please contact program staff at <a href="mailto:AgriBusiness@gov.bc.ca">AgriBusiness@gov.bc.ca</a>.

#### **Application Example**

The Jensen's are a couple that purchased 6 acres of farmland south of Nanaimo 3 years ago. The land is a long narrow parcel with approximately 3.5 acres in fenced pasture. The farm has one out building that was used for feed storage and outdoor feeding area.

The Jenson's are interested in crop production. They contracted a neighbour to till the 3.5 acres of field area. The pasture fencing has been replaced by deer fencing. They have planted day-neutral strawberries on a 2-acre portion of the 3.5 acres. They have had two years of production and expect volumes to double the next year. Their short-range marketing plan is to convert the barn into a farm market and pick your own stand. They are currently taking advantage of the 3 farmers markets close by to sell fresh picked strawberries.

There is significant competition in peak season from other producers that market strawberries through these same farmers markets. In order to capture more market-share they want to install high tunnels on 2 acres of their field and leave the remaining 1.5 acres uncovered as the pick-your-own area.

The cost of the high tunnels is significant but will increase the quality and quantity of berries during the shoulder seasons where prices and demand are higher. This technology is used in regions with similar climate conditions and is ideal for small operations with small equipment. They have looked at both commercial and custom-built tunnels. The flexibility, adaptability and durability of the manufactured commercial product is better suited to their long-range plans. The estimated cost of the high tunnels is between \$5.00 to \$7.00 per square foot installed.

Their aim is to purchase and add to the tunnels as funds are available so they can grow their business this coming season by increasing their ability to compete with other u-pick producers in the area.

## PHASE 1: BUSINESS PLANNING AND GROWTH STRATEGIES

#### **APPLICATION**

The application intake will be open from October 31<sup>st</sup> to November 30<sup>th</sup>, 2023, or until the funds for this Program have been fully allocated, whichever is first.

The program accepts applications online. Please visit the program website to submit your application online.

Applicants who are approved for **Phase 1** will receive support to update their business plan and complete a growth plan template provided by NEFBA that demonstrates how their business would grow with cost-share funding support for infrastructure. **Successful applicants will be notified in December 2023** and will then have until **March 1, 2024,** to submit their business plan and growth strategy for reimbursement.

#### FINANCIAL ASSISTANCE

Approved applicants are eligible to receive \$1,250 for a self-developed business plan under Stream 1 or up to \$3,000 through Stream 2 for support from a Qualified Business Consultant (as defined below) for business plan coaching or services. Applicants select a Stream when they apply to Phase 1. Learning outcomes through this approach will help the program applicant to:

- Better understand how to prepare core components of a business plan.
- Be better equipped to develop a solid relationship with their lender and/or potential investor(s).
- Be able to present their plan to their financial institutions and key business individuals, to improve access to funding and support.

#### **QUALIFIED BUSINESS CONSULTANT REQUIREMENTS**

Consultants must be registered with the <u>British Columbia Institute of Agrologist (BCIA)</u>, or exempt from registration as per the exception below for Indigenous persons, or as a <u>Chartered Professional Accountant</u>. It is recommended that applicants seek further info on consultants' areas of specialization, expertise, and experience in the selection process.

Note that the BCIA prohibition against non-registrants providing advice or services within the reserved practice of agrology, as defined and regulated by BCIA, does not apply to a person exercising the rights of an Indigenous person (as defined in the *Declaration on the Rights of Indigenous People Act*), including the right to maintain, control, protect or develop any of the following with respect to the Indigenous people: A. Cultural heritage; B. Traditional knowledge; C. Traditional cultural expressions; D. Manifestations of sciences, technologies, or cultures.

Consultants are responsible for adherence to professional standards and regulations governing regulated professions and practices. The Ministry of Agriculture and Food (the Ministry) is not responsible for ensuring that consultants adhere to professional standards and regulations.

#### **INELIGIBLE COSTS**

Program funds **cannot** be used for income growth of farm businesses through:

- Legal, accounting, and other costs associated with implementing the plan;
- Legal agreements between any stakeholders or separate businesses;
- Income tax preparation; or,
- Acquiring capital assets.
- Costs associated with the gathering of data (soil analysis, tissue analysis/germination and seed viability testing, crop scouting activities).
- Activities/costs associated with the preparation/compilation of applications and/or forms for other Provincial or Federal Programs (e.g., crop insurance, AgriStability, AgriInvest, AgriRecovery, Work Safe BC etc.)
- Costs incurred before receipt of the Program Approval Letter.
- Activities and Costs for which the Applicant has already received government funding.

# PHASE 2: COST SHARE FUNDING FOR INFRASTRUCTURE

#### **APPLICATION**

An invitation to apply for Phase 2, if any, will be offered after Phase 1 has been completed and the Phase 1 participant is deemed eligible, based on the Growth Plan Evaluation, described further below.

Your application package for **Phase 2** must include the following documents:

- 1. Partial Budget to describe how the investment will support the overall financial growth of the operation.
- 2. Supplier quotes associated with the requested infrastructure and/or equipment investments and any associated information (aerial designs, diagrams, etc.).

Your submission will undergo a merit-based evaluation and applicants will be notified in **May 2024** as to whether their application for cost-share funding for Infrastructure was approved. For more information on how your application will be evaluated, please see below.

#### FINANCIAL ASSISTANCE

Only those who submit an application during the initial Phase 1 application intake (October 31<sup>st</sup> to November 30<sup>th</sup>, 2023) and are admitted to the program will be invited to apply for Phase 2 cost-share funding for commercial farm Infrastructure.

For approved Phase 2 projects that are equal to or are less than \$10,000, program funding will reimburse 75% of your total project costs, with the remaining 25% coming from your business through cash or in-kind contributions. This means that for a project with a total cost of \$10,000, you can request \$7,500 from the program and the remaining \$2,500 must come from your business through cash or in-kind contributions.

For approved Phase 2 projects that are greater than \$10,000, program funding will reimburse 50% of total approved project costs, with the remaining 50% coming from your business through cash or in-kind contributions. This means that for a project of \$30,000 in value, you can request \$15,000 from the program and the remaining \$15,000 must come from your business through cash or in-kind contributions.

#### IN-KIND CONTRIBUTIONS

Defined as a non-cash contribution that is provided by your business in order to assist with the completion of the Phase 2 project. An example of an in-kind contribution is staff time for the installation of infrastructure. Cash and in-kind contributions will be required to show evidence of funding sources.

Applicants must provide evidence of both cash and any in-kind contributions at the completion of the project. Applicants must provide additional supporting documentation on budgets, designs, diagrams, etc. related to the infrastructure requested and/or depending on the type of eligible expenses for which they have applied. For applications for Infrastructure related to livestock handling systems and permanent field fencing, you must submit designs that show layout and measurements, including any existing structures related to the project.

#### **INELIGIBLE COSTS**

Program funds from Phase 2 cannot be used for income growth of farm businesses through:

- Community gardens for individual consumption;
- Equipment for providing custom work;
- Riding lessons and/or boarding horses;
- · Land and facilities rent;
- Aquaculture;
- Raising of animals for pets and/or domestic households;
- Agri-tourism initiatives;
- Forestry products;
- Waste recovery;
- Government program payments, or any other non-commodity income; or
- Secondary food processing (e.g., preserving, canning, juicing, baking, etc.).

#### For both Phase 1 and Phase 2, ineligible costs include, but are not limited to:

- GST:
- Interest payments on loans;
- Costs incurred before the approval of the project or after the project completion date (as specified on the approval of your application);
- Training and education courses;
- Normal and ongoing operating expenses, existing staff salaries and maintenance costs (e.g., phone, insurance, taxes, building and equipment repairs annual accounting fees, preparation of legal documents or agreements, etc.);
- Productive farm units (e.g., breeding stock, perennial plants, root stock, beehives, etc.);
- Used equipment unless from a reputable used dealership;
- Purchase of land;
- Sale of equipment;
- Perimeter fencing;
- Personal Protective Equipment; and
- Variable expenses for agriculture product (e.g., fertilizer, chemicals, livestock, seed, feed, fuel, etc.)

Determination of eligible and ineligible expenses is at the discretion of the Province.

#### APPLICATION PROCESS

To apply for the New Entrant Farm Business Accelerator Program, complete and submit the Program Application online. Late applications will not be accepted. Project expenses will only be eligible if incurred within the program activity period stated in the figure below.

#### Phase 1

# Phase 1 Oct 31 - TBD (funding dependant), 2023 Submit intake

Submit intake application. Applicant evaluated for eligibility and approved

#### Phase 1

Dec 1, 2023 to March 1, 2024 Applicant works on

Applicant works on Business Plan and Growth Plan strategy independantly or with Business Consultant

#### Phase 1

March 2 to March 31, 2024

Business Plan and growth plan evaluated.
Applicants reimbursed.

#### Phase 2

# Phase 2 April 1 to May 1 2024

Applicant invited to apply for Phase 2

#### Phase 2

May 2, 2024 to Feb 1, 2025

Complete cost-share funding project

#### Phase 2

Feb 2 to Mar 1, 2025
Submit receipts for reimbursement

#### **Approval Process-Phase 1 and Phase 2**

- 1. Applicants submit their application and accompanying documents through an online application form. Please visit the program website to submit your application online.
- 2. Applications submitted before or after the intake period will NOT be accepted. Please ensure that all files and forms submitted include the business name and document type (e.g., *Happy Valley Farms-Growth Strategy*).
- 3. Phase 1 Applications are reviewed by the Ministry of Agriculture and Food. Phase 2 applications are reviewed by the Ministry of Agriculture and Food and a panel of Farm Business Specialists. If approved, applicants will receive a Contribution Agreement in each Phase which identifies the eligible project activities, financial contribution offered, and reporting requirements under which assistance is approved.
- 4. Applicants must review, sign and return the Contribution Agreement within **14 days** of the date of the letter or funding will not be provided.
- 5. At completion of each Phase, applicant will submit the Project Reimbursement Form and Program Evaluation Survey. All Phase 1 projects must be completed, and Project Reimbursement Forms submitted by March 1, 2024. All Phase 2 projects must be completed, and Project Reimbursement Forms submitted by March 1, 2025. Project Reimbursement Forms must be accompanied by all invoices for eligible project costs incurred and paid for by the applicant in addition to proof of cost-share contribution (both cash and in-kind).

# Application Evaluation

#### **Application Example**

Jackie runs a small poultry operation where she raises and slaughters birds for the local community. For the past 2 years she has slaughtered her own birds and a few of her neighbours' flocks. Her operation has a Farmgate designated meat slaughter licence which allows her to process a small number of birds for direct sale within that region. Recently, there has been a much greater demand for local meat supply and custom slaughter than she currently is permitted to do under her current license. She is interested in upgrading her facility to become a Farmgate Plus slaughter facility. This would allow her to sell to the local butcher shop and custom kill for more producers in the area.

She has been working through the process which requires a considerable upgrade of her current facility. She is following the checklist for provincial Slaughter Establishment Approval. To date she has invested a significant amount money to upgrade her building to meet the required standards.

The checklist requires a "Certificates of accreditation and water potability for private wells". She has identified a need to increase both the quantity and quality of the processing water supply. She requires an upgrade to her water purification system and a food grade water holding tank to ensure an adequate water supply to meet the increased processing demand. She would like to get support for an outside evaluation of her options for water purification based on her recent well water test results, installation of a new purification system and food grade water holding tank.



#### APPLICATION EVALUTION

The New Entrant Farm Business Accelerator Program will run an application intake process between October 31<sup>st</sup> to November 30<sup>th</sup>, 2023, **or until funds have been fully allocated**. The program anticipates a high number of applicants, which will likely result in the requests for funding that exceed the amount of funds available. To allocate limited funding, applications will be evaluated against the eligibility criteria on a first-come, first-served basis. Program applications without all the required forms completed will not be considered.

#### **Phase 1 Application Form Evaluation**

The New Entrant Farm Business Accelerator Program requires the submission of the Program Application to be complete in order to be considered for program funding. The Program Application requires business and applicant information, a declaration of eligibility, acknowledgements and your agreement to the program Terms and Conditions included in this Program Guide (see below). Application forms that are incomplete will not be accepted.

#### Phase 1 Business and Growth Plan Evaluation

Submitted business and growth strategies will be used to assess the viability of the business and will be evaluated against the following elements in order to evaluate whether reimbursement will be paid:

**Executive summary:** The executive summary should provide a clear summary of:

- Who the business is;
- · What the business does; and
- Future business plans and how they will be successful.

Business Description, Strategy, Vision, Purpose, and Mission: This should include a clear description of the business':

- Vision what the farm business wants to become
- Purpose why the business exists
- Mission how the farm business wants to accomplish its goals

The business description should also include short, medium and long-term SMART (Specific, Measurable, Attainable, Realistic, Time based) business goals, including your action plan and key milestones for the sustainable growth and competitiveness of your business.

**Ownership, Management and Human Resources**: Clearly define the form of business ownership and any reasoning for the chosen form. Ownership and management descriptions should include any additional stakeholders and solicited professional services which are required for the business management.

The Human Resource Strategy should include organizational charts with members' and staff names, roles, and high-level job description and qualifications. It should also identify your plan for attraction, training and development, retention, succession and compensation strategies for any current or future key employee positions.

**Industry Analysis:** The business plan should identify the industry size, segments, maturity, trends, and outlook that align with the commodities developed. The description should include possibilities, threats, and potential barriers to entry. Analysis should include any competitive analysis, target markets and consumer demographics and any unique advantages to the farm business.

**Marketing Strategy**: The marketing strategy should provide a clear description of the overall marketing strategy and budget. It must include the target market and customer profiles, pricing strategy (e.g., margin vs. mark-up for farm gate/retail/wholesale) and any comparative market advantage. The marketing strategy should also include distribution channels, sales and marketing channels, media and PR strategies and any sales management plans. The marketing strategy should clearly define both current and future market profiles.

**Production Plan**: The production plan should describe current and future production systems (organic, conventional, crop rotation plan, etc.), production goals including production strategies (what to produce, when to produce, when to market, etc.), food safety requirements and strategies, cost to produce products, (projected) sales revenue, and (projected) net return.

**Operational Plan:** The operational plan should detail the facilities, technology, and infrastructure requirements for success. This should include any implementation timetables and progress monitoring. It should include any environmental impacts of the operation and any farm management practices minimizing potential impacts. The operational plan should also detail any legal implications on the operation including leases and regulations.

**Financial Plan:** The financial plan should provide a comprehensive report on values for assets, liabilities, equity, and key financial indicators of success. Financial plans should identify current and future financial needs through a balance sheet and a two-year cash flow statement.

**Risk Assessment and Mitigation Strategy:** The business plan should describe business strengths and weaknesses, opportunities and any significant threats/changes that could impact the operation (SWOT). Risk mitigation steps should also be discussed, including any steps the business has or plans to take regarding marketing risks, human resource issues (recruitment, retention, safety), interest rates & financial risks, food safety, quality assurance, regulatory inspections, and environmental management.

**Note:** Submitted business plans should include details that are specific, measurable, attainable, realistic, and time oriented. Business plans should be reviewed for grammatical errors and spelling mistakes. All plans should be clear and coherent with straightforward language and organized so that the reader can appropriately follow.

#### Phase 1-Growth Strategy Evaluation

The completed Growth Strategy will be used to assess the potential of your project to grow your business in order to determine whether you will be invited to apply to Phase 2. Evaluation of the strategy will review the following:

**Project Description:** The proposed project should be clearly described and include any steps required for completion. Timelines provided should meet the requirements of the program and should clearly state the availability and type of labour available (if required such as self, employee, contractor).

Goals and measurements of growth: The growth strategy must clearly detail the alignment of your project with business goals stated within your business plan. Your strategy must describe in detail the need for the investment and how the successful implementation will be measured against the growth of your business. This should be done through a thorough explanation of how the infrastructure will either increase your production, efficiencies, decrease direct expenses, etc.

**Note:** Stream 1 and Stream 2 applications will be evaluated by the same criteria for both Business Plan and Growth Strategy requirements.

#### Phase 2 Application Form Evaluation

#### **Phase 2 Application Must Include:**

- Partial Budget for Growth Plan (separate form provided)
- Supplier quotations and relevant material for your project plan (aerial maps, diagrams, etc.)

#### **Phase 2 Infrastructure Project Evaluation**

The New Entrant Farm Business Accelerator Program requires the submission of the Phase 2 Application to be complete and sent with all supporting documents in order to be considered for program funding.

**Supplier Quotes and Diagrams:** The application should include a minimum of two appropriate quotes for the proposed project. Quotes must clearly outline the items to be purchased, any installation fees, and delivery dates. Quotes must be written and received within the last two months and must be stated in Canadian dollars. Where applicable, diagrams, design plans, maps, and/or aerial photos should be provided. Supplier quotes should also include a narrative description of the rationale for the chosen suppliers and preferred agreements for purchasing.

**Plan for upfront payment:** Clearly describe the source and amounts of both cash and inkind contribution, as well as the funds to be used to complete the project prior to reimbursement. Applications will be evaluated on the likelihood of project completion and financial viability.

**Compliance with regulatory requirements:** Any requested infrastructure and equipment must meet any relevant regulations land share agreements, laws, and/or by-laws (local, provincial or federal permits, approvals or certifications required).

Goals and measurements of growth: Your plan must show the total added income assessed on the total value and the likelihood that your project will meet its goal. Your plan will be evaluated against the ability to demonstrate the net change in profit assessed on the total value and the likelihood that the project will meet its goal. These should also be demonstrated in the partial budget template provided.



#### **RESOURCES**

#### Stream 1: Business Plan (Self-developed)

For additional resources on the development of business and growth plans, please see below. Applicants should ensure that business and growth plans meet the evaluation criteria provided above. The resources below should not be considered exhaustive, or representative of the components required for the evaluation process. Additional supports for business planning are available through programs available from the Ministry of Agriculture and Food.

#### Business Planning Development Resources and Templates

- Ministry of Agriculture and Food
  - Business Plan Template and Self-Assessment
  - Writing a business plan checklist
  - Planning for Profits Sample Templates
- University of Guelph Foundations in Agricultural Management free business planning course - <u>Home | University of Guelph - Foundations in Agricultural Management</u> (guelphagriculturalmanagement.com)
- Farm Management Canada <u>Growing Your Farm Profits</u>
   (farmbusinessassessment.com) Online Farm Business Self-Assessment Tool
- Small Business B.C. Business Planning Resources
- BDC Business Planning Template
- Futurepreneur Canada Business Plan Writer

### Stream 2: Business Plan Coaching from a Business Consultant

Applicants can refer to the following resources to aid them in selecting a qualified business consultant to work with them to develop their business plan and growth strategy.

#### Resources in B.C:

- BC Institute of Agrologists (BCIA)
- Consultant List-AgriBusiness Planning Program, B.C. Ministry of Agriculture and Food

#### Other Resources:

- Choosing a consultant-Ontario Ministry of Agriculture, Food and Rural Affairs
- Choosing a consultant: An Investment in Your Business-Government of Alberta
- Canadian Association of Farm Advisors (CAFA)

#### **Application Example**

Maple and Cedar are recent agriculture graduates that are part of the Young Agrarians Land Matching Program in the Fraser Valley. They were matched with the owner of a 2.5-acre urban farm that was not in agricultural production prior to their lease. They have a written agreement with the owner to get field conditions and infrastructure to a point where a crop can be grown. In their first year they were successful in planting an acre of primarily mixed greens and seasonal vegetables that they sold through a CSA program and to local produce outlets.

However, land has a significant annual and perennial weed problem due to past years of inactivity. This resulted in several of the spring plantings being quickly over-run by weeds which had to be plowed under and re-seeded. Hired labour is also something they wish to avoid until they grow the operation and are better established.

The farmers have access to a 30-horsepower four-wheel drive tractor from a neighbouring farm friend. They want to purchase a plastic mulch layer to increase productivity early in the season, conserve water, reduce disease and weed pressure. The cost of the machinery is approximately \$5,000 but estimate it is well worth the time, labour saving and increase in production.



#### EVALUATION AND AUDIT OF APPROVED PROJECTS

Review and evaluation of projects in any stage of the program may be carried out by the Province of B.C. or other parties chosen by the Province of B.C. for the purpose of audit, analysis, evaluation, program development and determining financial assistance. This review and evaluation process may be conducted prior to project commencement, during work or upon project completion. Applicants may also be asked to complete, and in that case must complete and submit, an evaluation survey at the time they submit their final claim.

Program applicants agree that they will provide the Province or its contractors, on request, with full access at a reasonable time to the project site, and any documents or other information related to the program, for the purposes of:

- a) verifying any information submitted, by the applicant;
- b) confirming program, project, and funding eligibility; and
- c) assessing program, project, and funding impacts.

Evaluation and audits of approved projects continue in force indefinitely, even after the program ends or is terminated. Applicants who participate in this program are required to complete up to two, 15 to 20-minute questionnaires: after their participation in the Program and up to five years after their funded Project is completed. This feedback will help the Ministry understand the Program's short- and long-term outcomes. The Province of B.C. through the Ministry of Agriculture and Food may request success stories from successful applicants.

#### NUMBER OF PROJECT APPLICATIONS

Eligible applicants are limited to a single application. Neither a farm business nor an applicant may apply for more than one project.

#### EQUIPMENT AND INFRASTRUCTURE

Equipment (e.g., mowers, sprayers, spreaders, wood residue grinders, etc.) purchases must only be new equipment or if used, they must be from a recognized and reputable farm equipment dealer that indicates the equipment has been reconditioned and is in good working order. Equipment purchased with funding from the New Entrant Farm Business Accelerator Program may not be sold by the eligible applicant. The Province reserves the right to require repayment of any amount of funding spent on equipment that was later sold, as determined by the Province, in its sole discretion.

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#### IN-KIND CONTRIBUTIONS

The primary purpose for allowing in-kind contributions to cover a portion of the project costs is to reduce the cash cost to the applicant. Only the following may be eligible as in-kind contributions by the applicant:

- Reasonable hours of labour invested by the applicant, his/her dependents and business partner(s) may be claimed.
- Equipment costs associated with equipment already owned or leased by the applicant and considered essential to implement the approved project.
- The maximum allowable in-kind labour and equipment rates are:

o Labour: \$20/hour

o Machinery:

- Small Equipment & Operator labour \$60/hr (does not include hand tools or motorized tools less than 25HP)
- Farm Tractor and Implements up to 80hp (e.g., skid steer)
- Medium Equipment & Operator labour \$90/hr
- Farm Tractor and Implements 80 to 120hp (e.g., tandem axle dump truck)
- Large Equipment & Operator labour \$140/hr
- Farm Tractor and Implements greater than 120hp (e.g., excavator, loader backhoe or land scraper)

If a farm business plans to claim for in-kind contributions, accurate estimates must be reflected in the total project cost submitted with the project application. All proposed use of in-kind labour and equipment must be identified on the application. If the project is approved, these hours must be tracked and submitted. The Ministry of Agriculture and Food reserves the right to make the final determination as to the number of hours or metres (i.e. fencing) and the reasonable rate for those hours or metres which may be claimed as in-kind contributions, based on the project and the nature of the work performed. This may include referencing other Ministry cost-shared programs.

#### **FENCING & IRRIGATION**

For electric and cross-fencing, the maximum amount of eligible costs for materials, labour and equipment is \$15.00 (ex. at 75% cost share = \$12.00 from the program) per meter. This is regardless of whether the fence is installed by the applicant or by a fencing contractor.

Requests for funding for irrigation must provide proof of irrigation water license with sufficient capacity to irrigate the intended land. An irrigation plan by a Certified Irrigation Designer is highly recommended. A list of the designers can be found at <a href="Irrigation B.C">Irrigation B.C</a>. Applicants requesting funding for irrigation who do not qualify may instead be referred to the new BMP intake for climate change mitigation and adaptation projects. New funding for eligible projects is being made available through CleanBC and the new Climate Preparedness Adaptation Strategy (CPAS).

#### PROJECT INITIATION

Only projects initiated following acceptance of the funding approval letter will be eligible for reimbursement.

#### CHANGES TO PROJECTS

Once a project is approved it must be completed as per the application and NEFBA Approval Letter unless a Project Change Request is submitted to the Province and a Modification Approval Letter is granted by the Province. Projects may be subject to cancellation or deemed ineligible for reimbursement if they are not completed as approved.

#### PROJECT COMPLETION

All projects must be completed by the deadline outlined on the funding approval letter. Work, invoices and project summary report must be completed and dated on or before **March 1, 2024/25**. Projects will be considered cancelled if this paperwork is not received by the deadline date, and previously approved funding may then be reallocated to other applicants' projects.

#### **EVIDENCE OF PAYMENT**

The program requires a paid company invoice, cancelled cheque with invoice, or credit card transaction as evidence of payment. Proof of payment must be under the legal name on your application (both business and personal). Cash payments will not be eligible unless accompanied by an official company voucher and proof of payment. Barter/exchange transactions are not eligible.

#### **CANCELLED PROJECTS**

Any projects cancelled by the applicant or that do not meet a relevant deadline are considered cancelled. Any materials or services obtained for a cancelled project are not eligible for payment. A previously started but cancelled project may be considered eligible for any future iterations of the program (if any), however, all costs incurred for materials or services under the previous application will be ineligible for funding under the new application.

#### LIVESTOCK PREMISES ID

The Ministry of Agriculture and Food is responsible for providing a livestock and poultry premises identification system for the BC livestock sector. A premises is any parcel of land where animals are kept, assembled, raised or disposed of. Premises ID is an important part of a full traceability system that also includes animal identification and animal movement. In the event of an animal health or disaster emergency, the faster suspect animals can be identified, the better. Livestock operations are encouraged to register with the B.C. Premises Identification Program.

A Premises Identification number is a unique national number assigned to a piece of land by the government of British Columbia and is a critical component of the National Livestock Traceability System. If you have not previously registered your premises with the BC Ministry of Agriculture and Food, please visit the Ministry's website at <a href="https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs/premises-id">https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs/premises-id</a> or email <a href="mailto:BCPID@gov.bc.ca">BCPID@gov.bc.ca</a> or call (Toll Free) 1-888-221-7141 or (604) 556- 3001 to register your premises.

#### ARM'S LENGTH TRANSACTIONS

All businesses from which claimed goods or services are purchased must be at Arm's Length from the applicant, meaning not related to the applicant, not affiliated with the applicant, or controlled in any way by individuals who are connected by blood relationship, marriage, commonlaw partnership, or adoption.



#### **GENERAL TERMS AND CONDITIONS**

#### **AUTHORITY**

The Province of B.C. shall have the authority to deny an application if there is evidence of misrepresentation of pertinent information. The Province has the sole discretion to determine eligibility, costs, establish values and to approve or limit payments.

#### LIMITS ON FUNDING

Any payment to an applicant is subject to the Financial Administration Act, RSBC 1996, c. 138, which makes that payment subject to an appropriation being available in the fiscal year of the Province during which a payment may be made.

The Province makes no representations, commitments or guarantees with respect to the timing, number or value of any payments that may be provided to an applicant. The Province does not guarantee that by submitting an application, an applicant will receive any or all of the funding requested from the Province even where all eligibility criteria are met.

#### **LEGISLATION**

All projects must abide by all applicable federal, provincial and local government laws and regulations, including but not limited to, Federal and Provincial environmental and land use legislation, and zoning bylaws.

#### **AUTHORIZED SIGNATORIES**

Designates are not permitted to sign the program application or other program documentation on behalf of an individual, unless they are an attorney under a duly authorized power of attorney.

In the case of non-individual applicants, the application form and other program documentation must be signed by a properly authorized person with signing authority on behalf of the entity. If the person who signs is not properly authorized to do so, that person will be deemed to have submitted the application in their personal capacity and will be responsible for all amounts paid to them or for any overpayments owed by them under this program. Proof of authorization must be submitted upon request.

#### TERMINATION OF THE PROGRAM

The Program may be terminated or amended by the Province at any time, without prior notice.

#### VERIFICATION AND DECLARATIONS

Program applicants must supply all documentation or information required to verify and administer the program, upon request. This continues in force indefinitely, even after the program ends or is terminated.

#### COLLECTION AND USE OF PERSONAL INFORMATION

Any personal information collected by the Government of B.C. in relation to this program is for the purposes of administering the program, as well as for the administration, evaluation and development of Ministry of Agriculture and Food programs, and to advise you about Ministry programs and services. It is collected under the authority of s. 26(c) and (e) and s. 27(1)(a)(i) of the Freedom of Information and Protection of Privacy Act, RSBC 1996, c.165. Further information about the collection or use of this information may be obtained from Dennis Palmer, Director, Indigenous and Entrepreneur Services Unit, B.C. Ministry of Agriculture and Food, Ph. 1-888-221-7141.

#### **WAIVER OF LIABILITY**

Under no circumstances will the Province or its officers, servants or agents be liable to any applicant or participant in the program (or to their heirs, administrators or assigns) for any direct, indirect, special, incidental, consequential, or other damages arising out of any application to or participation in the program or arising from any advice, operation or any other activity related to the program, including, without limitation, any lost profits, business interruption, or loss of programs or information, even if the Government of British Columbia or the British Columbia Ministry of Agriculture and Food have been specifically advised of the possibility of such damages.

#### OVERPAYMENTS AND REFUNDS

If it is determined by the Province that the provision of funding to an applicant under the program was inconsistent with these terms and conditions, it is an overpayment. In that case, the Province may require the person to repay some or all of the overpayment. Until it is repaid, the amount of the overpayment is a debt owing by the applicant to the Province. An overpayment may result where an applicant:

- is not eligible to participate in the program;
- · claims costs that are not eligible;
- is overpaid by the program;
- has not complied with the terms and conditions of the program; or
- provides false or misleading information in the program application or to the Province.

The Applicant agrees to refund any overpayments received from the program back to the Province within 30 days of notice being provided to them by the Province. The applicant's failure to refund such payment by that deadline may result in the debt for that amount being set off against money owed by the Province to the Eligible Applicant. Interest charges for unpaid amounts will be compounded monthly and will be added to any debt not repaid by the deadline.

#### FALSE OR MISLEADING INFORMATION

Applicants who provide false or misleading information to the Province related to the program forego all program funding and are liable to repay all program funding they have received to the Province.

#### DEBTS TO GOVERNMENT OR THIRD PARTIES

The Province has the right to deduct from any payments to an eligible applicant under the program any amount due and owing by the applicant to the Province.





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