



 **CANADIAN
AGRICULTURAL
PARTNERSHIP**
Innovate. Grow. Prosper.

ORGANIC INDUSTRY DEVELOPMENT PROGRAM

PROGRAM GUIDELINES



Agriculture
and Land



ORGANIC INDUSTRY DEVELOPMENT PROGRAM

Program Policy: *Supporting targeted actions to expand the growth, competitiveness and capacity of the Sector in order to increase overall competitiveness, productivity and profitability.*

CAP Outcome: Increase competitiveness, productivity and profitability.
CAP Priority Area: Value-Added Agriculture and Agri-Food Processing.

PROGRAM DESCRIPTION

The Organic Industry Development Program is designed to support the organic agriculture sector in Prince Edward Island by providing strategic assistance with projects which will increase competitiveness, productivity and profitability of the sector. This program is comprised of four sub-programs:

- I. The ***Increasing Market Competitiveness Sub-Program*** will support producers and processors in capturing a larger share of the certified organic market which will increase their profitability.
- II. The ***Specialized Equipment Sub-Program*** will support organic producers to purchase equipment which will assist the implementation of pest management and soil fertility practices which will improve efficiency and competitiveness on organic farms.
- III. The ***Certified Organic Land Conversion Sub-Program*** will support producers in mitigating risks associated with converting conventional farm land to certified organic farm land.
- IV. The ***Implementation of Strategic Initiatives Sub-Program*** will support activities which will allow organizations, which represent PEI organic stakeholders, to develop and coordinate projects which will increase the sector's strategic capacity.

Leasing Equipment

Note: If equipment is planned to be leased, rather than purchased, additional funding guidelines will apply. Please discuss with program administrator before submitting an application

I. INCREASING MARKET COMPETITIVENESS SUB-PROGRAM

Eligible Applicants

- Mi'kmaq First Nations and other Indigenous Organizations;
- Certified Organic Agricultural Producers;
- Organic Agriculture Industry Organizations, Clubs, and Associations;
- Agricultural Producers currently transitioning to Certified Organic;
- Small to Medium-Sized Organic Agri-Businesses; and
- Organic Agri-Processors.

Note: Applicants must have current Organic Certification or have made an application to an Organic Certification Body and have participated in an organic certification inspection.

Eligible Activities

- Technology to meet the certified organic market requirements and to improve efficiency; and
- Modification of a facility to meet certified organic requirements.

Ineligible Expenses

- In-kind material or labour;
- On-going production activities;
- Purchase of breeding stock and/or seed;

- Construction of new infrastructure or crop storages;
- Non arms-length transactions; and
- Feasibility studies, market scans, and business plans.

Funding

- 50% of assistance up to a maximum of \$30,000 per year is available for eligible program expenses.

Note: There is a maximum of \$40,000 available for eligible applicants from all Organic Industry Development Sub-Programs over the life of the CAP Framework Agreement (2018-2023).

II. SPECIALIZED EQUIPMENT SUB-PROGRAM

Eligible Applicants

- Mi'kmaq First Nations and other Indigenous Organizations who are certified organic producers;
- Certified Organic Agricultural Producers

Note: Applicants must have current Organic Certification or have made an application to an Organic Certification Body and have participated in an organic certification inspection.

Eligible Expenses

- Portable grain cleaners and dryers;
- Flame weeders;
- Mechanical weeders and inter row cultivators;
- Frost and green manure seeders;
- Pasture renovators;
- Cover crop technology; and
- Other specialized equipment

Note: Equipment and/or technologies not listed will be reviewed and assessed for eligibility under the Specialized Equipment Sub-Program.

Funding

- 50% of assistance up to \$5,000 per project is available for eligible equipment expenses.

Note: There is a maximum of \$40,000 available for eligible applicants from all Organic Industry Development Sub-Programs over the life of the CAP Framework Agreement (2018-2023).

III. CERTIFIED LAND CONVERSION SUB-PROGRAM

Eligible Applicants

- Agricultural Producers.

Eligible Expenses

- Land in the first year of Certified Organic production.

Ineligible Expenses

- Land which is not in the first year of Certified Organic production.

Funding

- Perennial horticultural crops - \$1,000/acre to a maximum of \$10,000 per year;

- Annual Vegetable crops - \$500/acre to a maximum of \$10,000 per year;
- Greenhouse crops - \$0.30/m² to a maximum of \$10,000 per year; and
- Cereals, oilseeds and pulses - \$40/acre to a maximum of \$10,000 per year.

Note: There is a maximum of \$40,000 available for eligible applicants from all Organic Industry Development Sub-Programs over the life of the CAP Framework Agreement (2018-2023).

IV. IMPLEMENTATION OF STRATEGIC INITIATIVES SUB-PROGRAM

Eligible Applicants

- PEI Certified Organic Producers Cooperative; and
- Atlantic Canadian Organic Regional Network (ACORN).

Eligible Activities

- Activities which will increase the organic sector's strategic capacity;
- Activities which will assist the organic sector's ability to capture emerging opportunities and/or address sector challenges;
- Market development activities;
- Consultant fees;
- Salaries;
- Material and supplies; and
- Administration/overhead fees (maximum of 10% of total eligible costs).

Ineligible Expenses

- Capital equipment purchases.

Funding

- Projects will generally be funded up to 70% up to a maximum of \$10,000 per initiative.

Note: The Department reserves the right to increase the funding level or the program share, based on industry impact and /or current industry trends. The Department will evaluate all project submissions and at its discretion may choose to limit funds associated with any of the sub-programs and may refuse projects even if they meet the minimum eligibility criteria.

CAP INELIGIBLE ACTIVITIES

- Business Risk Management-type activities (e.g. activities which are covered by AgriStability, AgriInvest, AgriInsurance, AgriRecovery and AgriRisk);
- Purchase and/or implementation of items which are considered normal or on-going farm operating expenses, except as otherwise specified;
- Purchase of common items that can be used for multiple purposes (e.g. digital cameras, GPS, smartphones, etc.), except as otherwise specified;
- Activities which do not provide a direct benefit to the Sector (e.g. demonstration of new technologies which are unrelated to agriculture and/or agribusiness);
- Activities related to aquaponics food production, and to aquaculture, seaweed, fish and seafood production and processing;
- Tax credits or rebates; and
- Development and/or enforcement of regulations;

PUBLIC TRUST

Projects approved for funding under the Canadian Agricultural Partnership which have demonstrable links to increasing public trust may be eligible for additional project funding.

EVALUATION AND CONTROL

A complete evaluation of this program is planned to ensure that the objectives and results are achieved and to assess the relevance of its renewal. Program metrics are collected and reported on an on-going basis.

GUIDING PRINCIPLE

CAP programs are available to all Canadians who are eligible to participate in those programs. Wherever possible, the needs of under-represented groups, including Indigenous Peoples, women, youth, and persons with disabilities, were considered during program development.

HOW TO APPLY

Completed applications may be submitted to the attention of the Organic Development Officer via regular mail or email.

E-Mail Applications:

Applications may be submitted via email at organic@gov.pe.ca
Please include the program name in the subject line.

Regular Mail Applications:

Applications may be submitted via regular mail at:
PEI Department of Agriculture and Land
11 Kent Street
PO Box 2000
Charlottetown, PE
C1A 7N8
(902) 368-4880 (telephone)
(902) 368-4857 (facsimile)

DEFINITIONS

Capacity Building

Capacity building focuses on understanding the obstacles that inhibit people, businesses and organizations from realizing their goals, and implementing initiatives such as education and training that enhance their abilities to achieve measurable and sustainable results.

Competitiveness

The ability of an enterprise to offer products and services that meet the quality standards of the desired market at prices that are competitive and provide adequate returns on the resources employed or consumed in producing them.

Feasibility Study

An analysis and evaluation of a proposed project to determine if it (1) is technically feasible, (2) is feasible within the estimated cost, and (3) will be profitable.

Infrastructure

The resources (as personnel, buildings, or equipment) required for an activity.

Market/Product Attribute

A market attribute is a characteristic or feature of a product that may appeal to consumers or buyers. These attributes or qualities can include various dimensions such as those that can be verified by the consumer/buyer (e.g. taste or colour) and credence characteristics (which cannot be verified easily, or at all, by buyers). These credence attributes often relate to the method of production or origin of a product.

Networking

An informal but systematic process by which people communicate, sharing ideas and resources in order to solve common problems or research mutual goals.

Organic

Organic production is a holistic system designed to optimize the productivity and fitness of diverse communities within the agro-ecosystem, including soil organisms, plants, livestock and people. Organic agriculture is a regulated production system, focused on methods that are sustainable and harmonious with the environment (Dalhousie University).

Priority Areas

The six broad agriculture and agri-food priority areas set out in the Canadian Agricultural Partnership Multilateral Framework Agreement.

Productivity

A measure of the efficiency of a person, machine, factory, system, etc., in converting inputs into useful outputs. Productivity is a critical determinant of cost efficiency.

Value-Chain

Interlinked value-adding activities that convert inputs into outputs which, in turn, add to the bottom line and help create competitive advantage.