

# Sustainable Canadian Agricultural Partnership

Competitive. Innovative. Resilient.

## Increasing Deadstock Capacity Initiative Guidelines

November 2024



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## 1. PURPOSE OF THE INITIATIVE

The purpose of the Increasing Deadstock Capacity Initiative (the Initiative) is to provide cost-share funding support for deadstock management to address immediate and short-term deadstock capacity needs at businesses and municipalities in Ontario through increasing capacity and improving sustainability.

The \$1.5 million Initiative, funded by the Sustainable Canadian Agricultural Partnership (Sustainable CAP), will run for two years subject to the availability of funding allocated to the Initiative.

Sustainable CAP is a five-year (2023-2028), \$3.5-billion investment by federal-provincial and territorial governments to strengthen competitiveness, innovation, and resiliency of the agriculture, agri-food and agri-based products sector. The Agricultural Adaptation Council (AAC) is delivering the Initiative on behalf of the Ontario Ministry of Agriculture, Food and Agribusiness.

### Definitions

[Read the definitions](#) to help you understand the terms used in these guidelines.

## 2. TARGET AUDIENCE

The following list includes eligible applicants under the Initiatives:

- **Primary Producer**, including:
  - a Person that is a Producer (livestock)
- **New or existing Deadstock Service Providers**, including:
  - Broker, Carrier, Collector, Composting Facility, Disposal Facility, Facility, Rendering Facility, Salvaging Facility, and Transfer Station
- **Commodity associations** in business to support producers of live animals, red meat and other animal products, including:
  - Live animal, red meat and other animal product organizations under the OFA ([www.ofa.on.ca/sort/commodity-organizations/](http://www.ofa.on.ca/sort/commodity-organizations/))
  - Accredited farm organizations - Christian Farmers Federation of Ontario, Ontario Federation of Agriculture (OFA), and National Farmers Union – Ontario
  - County federations of agriculture ([www.ofa.on.ca/federations/](http://www.ofa.on.ca/federations/))

- **Commercial operation requiring Deadstock services**, including:
  - Meat Processor
  - Livestock Auction Market
- **Waste management companies** for mass carcass emergency, including:
  - Waste Management of Canada Corporation
- **Municipalities**, including:
  - An upper-tier or lower-tier municipality in a two-tier structure or a single-tier municipality with (or establishing) a waste disposal site operating under an environmental compliance approval within the meaning of the Environmental Protection Act, that permits the disposal of dead animals.

See Section 7.1 for full Applicant Eligibility Requirements and Section 12 for Definitions.

### 3. INITIATIVE TIMELINES

#### Intake Dates

- **November 4, 2024** – Intake reopens. The intake will close on **March 15, 2025** or when the funding has been fully allocated.

#### Eligible Project Start Date

- The date outlined in the Funding Agreement.
- After September 15, 2024, the earliest Project start date will be the date the project is approved by AAC (the effective date).

#### Eligible Project Completion Date

- **October 1, 2025** or the date outlined in the Funding Agreement

#### Claim Deadlines

- **March 31, 2025** – For costs incurred from April 1, 2024 to March 31, 2025
- **October 31, 2025** – For costs incurred from April 1, 2025 to October 1, 2025

## **4. COST-SHARE FUNDING AVAILABLE**

### **4.1. MAXIMUM COST-SHARE FUNDING**

The maximum cost-share funding assistance available for a Project through the Initiative is:

- up to 40 per cent of total Eligible Costs to a maximum of one hundred thousand dollars (\$100,000.00) in funding per Project.

An Applicant can be approved for a maximum of three Projects and a maximum of three hundred thousand dollars (\$300,000).

### **4.2. STACKING OTHER COST-SHARE FUNDING**

Recipients can only access one funding source under the Sustainable CAP for a Project. However, a Recipient may access other government funding as long as those other programs also allow stacking. The maximum level of total assistance provided from all sources is 100 per cent of the total Eligible Costs. All funding for a Project, including from additional sources, must be listed in Part 6 Sources of Project Funding in Excel.

## **5. ELIGIBLE ACTIVITIES AND COSTS**

### **5.1. ELIGIBLE ACTIVITIES**

The following activities are eligible under the Initiative:

- a) Planning and assessment activities to determine capacity options and contingency planning for licensed activities under Ontario Regulation 105/09 (i.e., rendering, collection, composting, traceability management, biosecurity measures, etc.) and for municipalities;
- b) Purchasing, retrofitting, and/or modifying equipment to haul, store, or collect deadstock;
- c) Retrofitting or modifying site for transfer stations, rendering, salvaging, and composting; and,
- d) Activities for construction or modifications related to increasing deadstock disposal capacity (e.g., new rendering or composting capacity, compliance with regulatory requirements).

## 5.2. ELIGIBLE COSTS

Eligible Costs are those costs that are directly necessary to carry out the project, reasonable in nature, and incremental as well as incurred by the Recipient.

Note: costs incurred must reflect when goods and services are expected to be received, regardless of when payments are made. When purchasing goods or services, a Recipient must follow a process that is transparent, fair and promotes the best value for the money expended and at competitive prices that are no greater than fair market value after deducting trade discounts and/or any other discounts available to the Recipient; and must comply with all Requirements of Law applicable to how the Recipient acquires goods, services or both.

All suppliers from which goods or services are purchased must be at Arm's Length from the Applicant. If you have any questions about whether a supplier meets this requirement, please contact the AAC at [info@adaptcouncil.org](mailto:info@adaptcouncil.org).

Eligible Costs may include the following within any limits set out elsewhere in the Guidelines:

- a) Costs incurred for activities completed no earlier than the effective date (after September 15, 2024, the earliest Project start date will be the date the project is approved by AAC), and before October 1, 2025;
- b) Costs that reflect the actual costs to the Recipient, less any costs, including taxes, for which the Recipient has received, will receive or is eligible to receive, a rebate, credit or refund;
- c) Costs for qualified third-party services to provide an initial operational plan/ assessment related to the Applicant's deadstock capacity (e.g., deadstock management plan, environmental plan/assessment);
- d) Costs to establish an on-site facility to handle and store deadstock efficiently and securely as a preventive measure to reduce the risk of introduction and spread of disease to animals and humans, including, but not limited to:
  - i. Purchase or construction of a deadstock management system (e.g., composter, digester, incinerator [subject to regulatory requirements and restrictions], in-ground vessel) and associated runoff management equipment/systems;
  - ii. New construction or modifications to structures or buildings to facilitate the handling, storage, and removal of deadstock, or to securely store deadstock in a manner that prevents access or scavenging by wildlife and vermin;
  - iii. New freezer or cooler systems for the temporary storage of deadstock and parts thereof, or Specific Risk Materials;
  - iv. Waste management bins to accept non-bovine deadstock at municipal landfills; and,



- v. Technology that allows for improved and/or increased deadstock collection and disposal capacity (e.g., software, logistics, inventory/traceability management, biosecurity measures, etc.).
- e) One-time costs for rental of facilities, equipment or machinery required specifically for the completion of the Project.

## **6. INELIGIBLE ACTIVITIES AND COSTS**

### **6.1. INELIGIBLE ACTIVITIES**

Ineligible activities include the following:

- a) The following are restricted by the terms of section 6.7 of the Sustainable CAP multilateral agreement:
  - i. Normal and ongoing operations and maintenance;
  - ii. Purchase of common items that can be used for multiple purposes and not exclusively for the approved Project's purposes;
  - iii. Activities which provide tax credits or rebates; and,
  - iv. Development and enforcement of regulations; and,
- b) Any activity that is not set out under Section 5.1 Eligible Activities of the Guidelines.

### **6.2. INELIGIBLE COSTS**

Ineligible costs include the following:

- a) Costs that were incurred before the effective date (after September 15, 2024, the earliest Project start date will be the date the project is approved by AAC), and/or after October 1, 2025;
- b) Deposits (prepayments) prior to the effective date of the project (deposits made on or after the effective date may be eligible towards the project. Deposits may be reimbursed once all payments have been made. Deposits on their own are not eligible for reimbursement. The expense must be incurred and paid for reimbursement consideration);
- c) Costs associated with preparing an application and/or reporting materials for the Initiative;
- d) Purchase of vehicles, construction, and general agriculture machinery (e.g., tractors, skid steers, combines, livestock trailers);
- e) Costs for modifications and repairs as part of routine maintenance (e.g., replacing old surfaces with the same material; replacing or repairing doors, windows roofing, exterior walls, foundation, or fencing.);

- f) Legal fees;
- g) Costs related to activities that directly influence or lobby any level of government;
- h) Costs of basic research;
- i) Costs of ongoing activities;
- j) Costs of training and skills development that fulfill any academic requirements towards completion of a professional certificate, diploma or degree program;
- k) Costs of sponsorship of conferences and learning events or Initiatives;
- l) Costs of travel, meals, and accommodations;
- m) Consultant and other contractor expenses for any hospitality (e.g., provision of food or beverage at events), incidental or food;
- n) Costs of permits, approvals, or other such authorizations (except municipal assessments);
- o) Costs of purchase, lease or sale of land, buildings or facilities or associated taxes or fees (e.g., land transfer tax);
- p) Costs of new building construction (unless as otherwise specified under Section 5.2 Eligible Costs);
- q) Financing charges, loan interest payments, bank fees and charges;
- r) Costs of gifts and incentives;
- s) Costs of hand or power tools or attachments;
- t) Costs of maintenance or extended warranties;
- u) Administration costs such as office supplies, materials, space, telecommunications, audiovisual, computers, printers, postage, and freight;
- v) Costs of multi-use electronic items (e.g., items that can reach beyond the scope of the Project such as computers, printers, etc.);
- w) Costs for goods and services that are not acquired through a transaction with a third-party that is:
  - i. Transparent, fair and promotes the best value for the money expended at competitive prices no greater than fair market value after deducting available discounts; and,
  - ii. At Arm's Length from the business as determined within the criteria set out in section 251 of the Income Tax Act (Canada);
- x) Costs related to the Recipient's ordinary business operations (e.g., day-to-day business operating expenses related directly to producing the goods or services sold by a business, to selling goods and services, costs of running a business);
- y) In-kind costs;
- z) Any cost not specifically required for the execution of a Project;
- aa) Any other costs that are not set out under Section 5.2 Eligible Costs; and,



- bb) Any portion of any cost that, in AAC's opinion, exceeds the fair market value for that cost item, such as amortization that would not result in a direct, out-of-pocket expense for the Recipient.

## **7. APPLICANT ELIGIBILITY AND RESPONSIBILITIES**

### **7.1. ELIGIBILITY REQUIREMENTS**

To be eligible to participate in the Initiative, an Applicant will meet the following requirements:

- a) Be located in Ontario;
- b) Be involved in Deadstock collection in Ontario;
- c) Be a legal entity capable of entering into a legal binding agreement.
- d) Be one of the following:
  - Primary Producer;
  - New or existing Deadstock Service Provider\*;
  - Commodity association;
  - Commercial operation requiring Deadstock services;
  - Waste management company; or,
  - Municipality.

\*Deadstock Service Providers must be licensed and in compliance with the following for its business operations at the time of applying to the Initiative:

- Deadstock-related Requirements of Law,
- Environmental-related Requirements Of Law,
- Labour-related Requirements Of Law,
- Tax-related Requirements Of Law, and
- Material compliance with all other Requirements Of Law.

### **7.2. RESPONSIBILITIES OF THE APPLICANT**

Responsibilities of the Applicant include:

- Be the primary point of contact with the AAC;
- Enter into a Funding Agreement with the AAC;
- Manage the project;
- Provide the required claim and reporting documentation to the AAC for reimbursement funding; and,
- Receive a T4A for the total funds issued.

## 8. APPLICATION PROCESS

### 8.1. APPLICATION SUBMISSION

The second intake will close on 11:59 pm EST **March 15, 2025** or when the funding has been fully allocated. Applications submitted after the intake has closed will not be accepted.

Detailed instructions for completing and submitting the application are provided on the first page of the Application Form. It is critical that Applicants follow these instructions to ensure their application is complete and can be reviewed.

The Application Form can be found on the AAC website at:  
[www.adaptcouncil.org/program/deadstock](http://www.adaptcouncil.org/program/deadstock).

Complete applications and all supporting documentation (quotes) must be submitted by email to [info@adaptcouncil.org](mailto:info@adaptcouncil.org). If you apply and do not receive an acknowledgement email within two Business Days, please contact the AAC at [info@adaptcouncil.org](mailto:info@adaptcouncil.org) or call 1-800-769-3272.

### 8.2. APPLICATION REQUIREMENTS

Applicants **must** submit a complete application to the AAC, including:

- a) Application Form;
- b) Part 6 Eligible Project Costs and Activities and Sources of Funding in Excel;
- c) Quotes from the third-party providing the good or service or both to the Applicant;
- d) Attestation that an Environmental Assessment is completed, if required to meet regulatory requirements (unless applying for planning and assessment activities).

### 8.3. NUMBER OF APPLICATIONS

There is no limit on the number of applications submitted by an Applicant, however there is a maximum of three (3) approved Projects per Applicant. A separate application **must** be submitted for each proposed Project.

Where Applicants have submitted/are submitting more than one application under this or other Initiative(s) under Sustainable CAP, the Applicant must ensure that each proposed Project has distinct and separate expected outcome(s).

Applicants must not apply for a Project where the Applicant has already received Initiative Payment(s) for that Project through Sustainable CAP. Where Applicants have received funding for the Project through other sources, the total assistance provided from all funding sources cannot be greater than 100 per cent of the total Eligible Costs. All funding for a Project, including from additional sources, must be listed in Part 6 Sources of Funding in Excel.

## 8.4. APPLICATION REVIEW

The AAC will review complete applications to determine whether the Applicant is eligible to participate in the Initiative. Only complete applications will be reviewed on a first-come, first-served basis. If an application submission is found to be incomplete, the application will not be accepted. Applicants will be notified if they submit an incomplete application and receive an opportunity to resubmit if the intake is open.

Complete applications will be assigned to an AAC staff member. Applications will be reviewed by the AAC and may be reviewed by external third-party reviewers, and partners or advisors that are governed by confidentiality processes, as part of the due diligence review process.

A funding decision is expected to occur within 20 Business Days from confirmation of receipt of a complete application; however, timing may vary.

## 8.5. FUNDING DECISION NOTIFICATIONS

The Applicant will be notified by email once an application has been reviewed and a decision has been made. There are two possible outcomes:

- **Application is approved** - the Applicant will be contacted by the AAC to inform them of the approval and will be required to enter into a Funding Agreement with the AAC and comply with its terms and conditions. The Applicant will also receive confirmation of Claim procedures and submission deadlines, and reporting that must be submitted for the project.
- **Application is declined** - the Applicant will be contacted by the AAC and receive a brief explanation for the decision.

## 9. CLAIMS AND REPORTING

### 9.1. CLAIM SUBMISSION

All Projects must be completed no later than **October 1, 2025**. A Recipient must submit Claims to the AAC. Claim forms and reporting templates will be available on the AAC website.

All Claims and reporting must be submitted no later than:

- **March 31, 2025** – For costs incurred from April 1, 2024 to March 31, 2025
- **October 31, 2025** – For costs incurred from April 1, 2025 to October 1, 2025

A minimum of one claim **MUST** be submitted per Project per Fiscal Year. Claims submitted after the deadline will not be accepted for costs incurred in the previous Fiscal Year.

**What a Recipient's Claim package must contain:**

- Completed Electronic Funds Transfer (EFT) Form and VOID cheque (first claim only, or as changes are made to the Recipient's banking institution);
- Copies of all paid invoices;
- Proof of payment;
- Completed reporting (interim reports may be requested for Recipients submitting multiple claims); and,
- Photos of completed activities, including infrastructure and/or capital purchased.

**Proof of payment must verify:**

- The Recipient paid for all costs;
- Who received the payment;
- The goods and/or services that were provided;
- The amount of payment; and,
- The date of payment.

**Proof of payment may be any one of the following:**

- Copy of front and back of cancelled cheque/proof of EFT;
- Electronic image of processed cheque/EFT transaction;
- Statement from banking institution indicating to whom the processed cheque was written, or electronic payment made, and for what amount; and,
- Credit card or debit card receipt or statement clearly identifying amount and to whom the payment was made. Credit card or debit card numbers and other information, including costs that are unrelated to the project, should be blacked out.

The AAC may request any additional information from Applicants that is considered necessary (e.g., copies of any permits obtained by the Recipient in conducting the project, photos, additional reporting, etc.).

**9.2. CLAIM REVIEW**

The AAC will review all claims submissions on a first-come, first served basis.

The AAC may request additional information from the Recipient to verify the validity of a Claim. Where the AAC requests additional information, the Recipient will provide that additional information as soon as practicable and no later than any date set out in the request. Failure to meet the requested deadline will result in those costs for which additional information was requested being deemed to be Ineligible Costs.

The AAC will notify the Recipient regarding any Ineligible Costs/Activities and provide a reason why those costs are ineligible under the Initiative.

### 9.3. CLAIM PAYMENT

Approved cost-share funding is paid after the successful Applicant has incurred and paid for costs and has submitted a Claim and report that meets all requirements and has been approved by the AAC. Each Eligible Cost is reimbursed at the approved cost share funding percentage. Cost-share payments are made by EFT to an account in the legal name of the Recipient. All cost-share funding is considered income to the business for tax purposes.

Once the review of the claim is deemed successful and complete, the Recipient can expect to receive payment for Eligible Costs to the account information provided.

## 10. APPLICANT INSURANCE REQUIREMENTS

A Recipient will have and maintain at its own expense until the date the Recipient's Project is required to be completed all necessary and appropriate insurance that a prudent person carrying out the Project would maintain with insurers having a secure A.M. Best rating of B+ or better, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage to an inclusive amount of **not less than** \$2,000,000 per occurrence.

This insurance must show the AAC, and other indemnified parties as required in the Funding Agreement, as additional insureds on the policy and contain the endorsements specified in the Funding Agreement and is required to be maintained throughout the term of the Funding Agreement.

## 11. APPLICATION DECLARATION

In order to apply, the Applicant must agree to be bound by the terms and conditions of this Initiative.

The Applicant must be a legal entity that is eligible under the Initiative. The individual who signs the Application Form on behalf of the Applicant must be a person who is authorized by the Applicant to sign the form on behalf of the Applicant and to bind the Applicant to the contents therein. This person is referred to as "you" below.

You must certify on the application that:

- You have read, understand, and agree to abide by all requirements of the Initiative, as set out in this Guidelines.
- All information submitted on the application is true and complete, to the best of your knowledge, belief and understanding.
- All sources of funding for the proposed Project, other than the Applicant's, have been disclosed in this application, including sources and amounts from federal, provincial and

municipal governments, and such funds do not, and will, not exceed 100 per cent of total Eligible Costs.

- The Applicant does not currently owe any money to Ontario, or you have attached a description of the Applicant's debt to Ontario to this application.
- You are not, nor is any officer, director or employee of the Applicant (if any) a current or former federal public office holder or federal public servant, or, if you, or any officer, director or employee of the Applicant (if any) are a current or former federal public officer holder or federal public servant, you or that officer, director or employee of the Applicant (if any) are in compliance with the *Conflict of Interest Act*, the *Conflict of Interest Code for Members of the House of Commons*, the *Values and Ethics Code for the Public Sector*, and the *Policy on Conflict of Interest and Post-employment (Canada)*, as applicable and will remain in compliance during the term of the Funding Agreement.
- You are not, nor is any officer, director or employee of the Applicant (if any), a member of the House of Commons or the Senate, or if you, or any officer, director or employee of the Applicant (if any) are, you or the officer, director or employee of the Applicant (if any) are permitted under the *Parliament of Canada Act (Canada)* to receive funding from Canada under the this Initiative and will remain eligible to receive funding during the term of the Funding Agreement.
- You have completed an Environmental Assessment, if required to meet regulatory requirements for project activities.

You must further certify on the Application Form, that the Applicant:

- Shall retain all records relating to any payments made to you under this Initiative including, all invoices and proof of payment for at least seven (7) years from the date on which payment was received by the Applicant.
- Shall consent to the AAC, Ontario and Canada publishing information about the Recipient and its Project, including: the name of the Recipient; amount of funding the Recipient is eligible to receive under the Initiative; amount of Initiative Payments the Recipient received; and description of the Project.

You must further acknowledge and accept that:

- Funding under this Initiative is a discretionary, non-entitlement program and the Applicant is not entitled to funding merely as a consequence of submitting an application. Payment is subject to Ontario receiving all the necessary appropriations from the Ontario Legislature, Ontario receiving all the necessary monies from Canada, Ontario's program administrator receiving all the necessary appropriations from Ontario, the Applicant and the Applicant's project (including all activities) satisfying eligibility criteria, eligible expenses criteria, as well as the Applicant's compliance with all terms and conditions of the Partnership.
- The Initiative may be terminated at any time without prior notice. Where the Initiative is terminated, the following will apply: a notice will be placed on the website that hosts the Guidelines setting out the date on which the Initiative is terminated; and, Any Claims submitted: (i) Prior to the day on which the Initiative is terminated will, if eligible, be paid, and, (ii) After the day on which the Initiative is terminated will not be paid.



- If it is determined the Applicant has received a payment the Applicant was not eligible to receive, through administrative error or otherwise, the Applicant will repay any and all payments that the Applicant was not eligible to receive as well as any surplus funding.
- Any payments made to the Applicant may be subject to recovery or offset against the Applicant's pre-existing debts to the Crown in Right of Ontario or Canada.
- Canada, Ontario or, the AAC, including, their respective Ministers, directors, officers, agents, employees or representatives (as applicable) shall not be liable for any damage or loss whatsoever, or howsoever arising, including, damage or loss arising from any advice, opinions, representations, warranties or the provision of information under the Partnership.
- The information provided under this Initiative may be disclosed by Ontario or the AAC on behalf of Ontario to verify compliance with other provincial and federal funding initiatives administered by Ontario or another program administrator on behalf of Ontario or by Ontario in order to confirm the information provided, to verify eligibility and to ensure there is no duplication of funding.
- The Applicant will be asked to provide certain demographic information, such as whether Indigenous Persons, women and/or youth (namely, forty years old or younger) have an ownership interest in the Applicant. Providing this information is voluntary. Should the Applicant decline to provide this information, they will still be eligible to participate in the Initiative. The responses to the questions will have no impact on the assessment of an application. An Applicant may withdraw their consent at any time and the Ministry will not share the demographic information after the consent has been withdrawn.
- The information provided under this Initiative may, with the exception of the Social Insurance Number, be subject to disclosure under the *Freedom of Information and Protection of Privacy Act* (Ontario), the *Access to Information Act* (Canada).
- Any Applicant that is abusive toward any AAC staff responsible for administering the Initiative will receive one written warning regarding their conduct from the AAC. If the Applicant continues with their abusive behaviour, the Applicant will lose their eligibility to participate in the Initiative or will have their eligibility to participate in the Initiative revoked.
- The rights and obligations under the Initiative will be governed by Ontario law and applicable federal laws of Canada.
- Ontario's courts will have exclusive jurisdiction over any dispute arising under the Initiative.

You must consent to the following on behalf of the Applicant:

- To provide accurate, timely and full information, including supporting documentation, to the AAC and will notify the AAC within five (5) Business Days in the event there are any changes to information provided.
- To provide Canada, Ontario and the AAC, as well as their authorized representatives, with any information or access to a person, place or thing as soon as practicable after any request, field verification or audit.
- To comply with and provide reasonable assistance to the AAC, Ontario or Canada, including any of their delegates, who may, upon providing at least 24 hours' notice beforehand, conduct an audit of an Applicant in relation to the Initiative. To comply with

reviews by Ontario of information related to other programs and initiatives delivered by, or for, Ontario in which the Applicant is enrolled or has applied.

- The use of the Applicant's name and contact information by Canada, Ontario and/or the AAC to contact the Applicant for the purpose of evaluating the effectiveness and efficiency of this Initiative or other Sustainable CAP programming, or for any other similar purpose.
- In the event of a conflict or omissions between the Application Form and Guidelines, the Guidelines will prevail. In the event of a conflict between the Guidelines and the Minister's Order, the Minister's Order will prevail.
- The AAC may amend the Guidelines at any time without prior notice. Any amendments to the Guidelines will be posted on the same website as where the Guidelines was originally posted. Any amendments to the Guidelines will not have a retroactive effect.
- The authority for the Initiative comes from the Sustainable CAP and Minister's Order.

Errors and Omissions Excepted.

## 12. DEFINITIONS

For the purposes of the Guidelines, the terms set out in this section the Guidelines will have the meanings herein, unless the context indicates otherwise.

**“Agricultural Adaptation Council” or “AAC”** means the program administrator

**“Applicant”** means a Person who has applied to participate in the Initiative.

**“Application Form”** means the AAC document the Applicant submits to apply to the Initiative.

**“Arm's Length”** means an entity or person not related, affiliated, or otherwise controlled by the Applicant. Refer to section 251 of the *Income Tax Act* (Canada) for the detailed statutory provision for determining Arm's Length relationships.

**“Business Days”** means any working day, Monday to Friday, inclusive, but excluding statutory and other holidays and any other day in which the Ministry has elected to be closed for business.

**“Canada”** means His Majesty the King in Right of Canada and includes any successor, whether it is His Majesty the King or Her Majesty the Queen.

**“Claim”** means a Recipient's request to receive an Initiative Payment.

**“CRA BN”** means the Canada Revenue Agency Business Number the Canada Revenue Agency issues to businesses for tax purposes.

**“Deadstock”** means every dead animal that satisfies the following criteria:

- The animal belongs to any of the following groups or is a hybrid of an animal that belongs to any of the following groups:
  - i. Alpaca, bison, cattle, deer, elk, goats, llamas, sheep or yaks; ii. Horses, ponies or donkeys; iii. Pigs or other porcine animals; iv. Poultry; v. Ratites; and Rabbits;
- The animal was raised, bred or kept in captivity; and,
- The animal did not die from slaughter. O. Reg. 105/09, s. 2 (1).

**“Eligible Costs”** means the costs set out under Section 5.2 of the Guidelines.

**“Fiscal Year”** means April 1 to March 31.

**“Funding Agreement”** means an agreement from the AAC outlining the terms and conditions the Recipient must comply with.

**“Guidelines”** means this document, as it may be amended from time to time.

**“Indigenous Person”** includes:

- (a) An individual who is:
  - (i) Recognized as being an Indian in accordance with the *Indian Act* (Canada), or
  - (ii) Recognized as being a Métis by a Métis Nation within Canada;
- (b) An individual who identified as being an Indian or Inuit and is recognized as being an Indian or Inuit by their community;
- (c) A corporation:
  - (i) Where the majority of voting shares are owned by individuals that meet the requirements set out under paragraphs (a) or (b) of this definition,
  - (ii) Where a majority of voting members on its board of directors are comprised of individuals that meet the requirements set out under paragraphs (a) or (b) of this definition, or
  - (iii) Where a majority of shares are owned by a Band Council, as defined in the *Indian Act* (Canada) or a Métis Nation within Canada;
- (d) A partnership where more than fifty percent (50%) of the profit or loss of the partnership is allocated to individuals that meet the requirements set out in paragraphs (a) or (b) of this definition;
- (e) An unincorporated association where the majority of the decision-makers for that unincorporated association are comprised of individuals that meet the requirements set out under paragraphs (a) or (b) of this definition;
- (f) A Band Council within the meaning of the *Indian Act* (Canada); or
- (g) An organization whose primary objective is to represent entities set out in paragraphs (a) to (f) of this definition.

**“Ineligible Costs”** means the costs set out under Section 6.2 of the Guidelines.

**“Initiative”** means Increasing Deadstock Capacity Initiative.

**“Initiative Payment”** means the direct or indirect provision of money under the Initiative.

**“Livestock Auction Market”** means a livestock auction market where livestock producers and buyers gather to sell and/or buy animals licensed under the Livestock Community Sales Act.

**“Meat Processor”** means a Person that is a business that processes meat, including a slaughterhouse/abattoir, and has a provincial or federal meat plant operator license.

**“Minister’s Order”** means Minister’s Order 0005/2023, as it may be amended from time to time.

**“Ministry”** means the Ministry of Agriculture, Food and Agribusiness.

**“Ontario”** means His Majesty the King in Right of Ontario and includes any successor, whether it is His Majesty the King or Her Majesty the Queen.

**“Person”** means, if the context allows, any individuals, firms, partnerships or corporations or any combination thereof.

**“Personal Information”** means as defined in section 2 of the *Freedom of Information and Protection of Privacy Act*.

**“Primary Producer”** means a Person that is a producer (crop or livestock). The following are excluded: agricultural landowner and/or renter that solely owns or rents land; employer that solely provides housing to international agricultural workers.

**“New Primary Producer”** means a Person that is a new entrant to the agricultural production industry who:

- Files personal income taxes in Ontario
- Has proof of ownership or control of productive agricultural assets to generate farm income
- Has a valid and up-to-date Premises Identification Number for the farm property where the proposed Project is to take place
- Has not had more than \$7,000 in gross farm income two and three years prior to enrolling in the Partnership; and
- Has business projections that demonstrate potential annual gross business income of \$7,000 or more within three years of applying.

**“Project”** means the undertaking the Recipient carries out under the Initiative.

**“Recipient”** means an Applicant that has been approved to participate in the Initiative, has entered into a Funding Agreement with the AAC, and is eligible to receive or has received an Initiative Payment.

**“Requirements Of Law”** means statutes, regulations, by-laws, ordinances, codes, official plans, rules, approvals, permits, licenses, authorizations, orders, decrees, injunctions, directions and agreements.

**“Service Provider”** means one of the following:

- “broker” means a person who engages in the business of obtaining meat obtained from regulated dead animals and distributing that meat;
- “carrier” means a carrier within the meaning of Regulation 347 of the Revised Regulations of Ontario, 1990 (General — Waste Management) made under the Environmental Protection Act;
- “collector” means a person who engages in the business of collecting deadstock from one location and transporting it to another location;
- “composting facility” means a facility at which deadstock is composted but does not include,
  - a place at which dead farm animals are composted in accordance with Ontario Regulation 106/09 (Disposal of Dead Farm Animals) made under the Nutrient Management Act, 2002,
  - an approved waste disposal site, or
  - a place, except a place that would otherwise fall within this definition, where a regional veterinarian, acting under the authority of clause 91 (3) (d) of Ontario Regulation 31/05 (Meat) made under the Act, permits inedible material under that regulation to be disposed of by composting;
- “disposal facility” means a transfer station, salvaging facility, rendering facility or composting facility, the operator of which is a licensee;
- “facility” means any place that is used in any way for the purposes of the disposal of deadstock;
- “rendering facility” means a facility at which deadstock is rendered by heating it into one or more rendered products;
- “salvaging facility” means a facility at which deadstock is received for the purpose of salvaging; and,
- “transfer station” means a facility at which deadstock is received for the sole purpose of temporarily storing it before it is sent to a permitted disposal destination.

**“SIN”** means Social Insurance Number.

**“Specified Risk Material”** means the skull, brain, trigeminal ganglia, eyes, palatine tonsils, spinal cord and dorsal root ganglia (DRG) of cattle aged 30 months or older, as well as the distal ileum of cattle of all ages.

**“Sustainable CAP”** means the Sustainable Canadian Agricultural Partnership.

## 13. INTERPRETATION OF GUIDELINES

For the purposes of interpreting the Guidelines:

- a) Words in the singular include the plural and vice versa;
- b) The headings do not form part of the Guidelines – they are for reference purposes only and will not affect the interpretation of the Guidelines;
- c) Any reference to dollars or currency will be to Canadian dollars and currency, unless indicated otherwise;
- d) Any reference to a statute means a statute of the Province of Ontario, unless indicated otherwise;
- e) Any reference to a statute is to that statute and to the regulations made pursuant to that statute as they may be amended and to any statute or regulations that may be passed or made that have the effect of supplanting or superseding that statute or regulation, unless indicated otherwise;
- f) Any reference to a Minister’s Order is a reference to that Minister’s Order as it may be amended and to any Minister’s Order that has the effect of supplanting or superseding that Minister’s Order, unless indicated otherwise;
- g) All accounting terms used herein will be interpreted in accordance with the Generally Accepted Accounting Principles used in Canada; and
- h) The words “include”, “includes” and “including” denote that the subsequent list is not exhaustive.

## 14. VERSION UPDATES

Updates from the September 2023 to October 2024 Guidelines include the following sections:

**2. TARGET AUDIENCE.** Updated to include Primary Producer;

**3. INITIATIVE TIMELINES.** Updated to reflect the timelines for the intake reopening. Intake reopens November 4, 2024 and closes on March 15, 2025. After September 15, 2024, the earliest Project start date will be the date the project is approved by AAC (the effective date). Eligible project completion date October 1, 2025. Claim deadlines March 31, 2025 – For costs incurred from April 1, 2024 to March 31, 2025 and October 31, 2025 – For costs incurred from April 1, 2025 to October 1, 2025;

**5.2 Eligible Costs.** Updated to Eligible Costs may include the following within any limits set out elsewhere in the Guidelines: Costs incurred for activities completed no earlier than the effective date (after September 15, 2024, the earliest Project start date will be the date the project is approved by AAC), and before October 1, 2025;



**6.1 Ineligible Activities.** Updated to remove Activities located on-farm;

**6.2 Ineligible Costs.**

- a) Updated to Ineligible costs include the following: Costs that were incurred before the effective date (after September 15, 2024, the earliest Project start date will be the date the project is approved by AAC), and/or after October 1, 2025;
- b) Updated to Deposits (prepayments) prior to the effective date of the project (deposits made on or after the effective date may be eligible towards the project. Deposits may be reimbursed once all payments have been made. Deposits on their own are not eligible for reimbursement. The expense must be incurred and paid for reimbursement consideration);
- d) Updated to Purchase of vehicles, construction, and general agriculture machinery (e.g., tractors, skid steers, combines, livestock trailers);

**7.1 Eligibility Requirements.** Updated to include Primary Producer;

**8.1 Application Submission.** Updated to The second intake will close on 11:59 pm EST March 15, 2025 or when the funding has been fully allocated.

**9.1 Claim Submission.** Updated to All Projects must be completed no later than October 1, 2025. All Claims and reporting must be submitted no later than:

**March 31, 2024** – For costs incurred from April 1, 2024 to March 31, 2025

**October 31, 2025** – For costs incurred from April 1, 2025 to October 1, 2025

**12. DEFINITIONS.** Updated to include:

**“Primary Producer”** means a Person that is a producer (livestock). The following are excluded: agricultural landowner and/or renter that solely owns or rents land; employer that solely provides housing to international agricultural workers.

**“New Primary Producer”** means a Person that is a new entrant to the agricultural production industry who:

Files personal income taxes in Ontario

Has proof of ownership or control of productive agricultural assets to generate farm income

Has a valid and up-to-date Premises Identification Number for the farm property where the proposed Project is to take place

Has not had more than \$7,000 in gross farm income two and three years prior to enrolling in the Partnership; and

Has business projections that demonstrate potential annual gross business income of \$7,000 or more within three years of applying.