

The Fertilizer Accelerating Solutions & Technology Challenge Frequently Asked Questions (FAQs)

GENERAL QUESTIONS

Q. When is the application deadline?

A: Friday, November 4th, 2022 at 11:59am EDT.

Q. What is Bioenterprise's confidentiality policy?

A: Bioenterprise operates under a strict confidentiality policy. Any documentation shared will be treated as highly confidential. Please click here to review the policy.

Q: If I have multiple alternative fertilizer solutions, can I apply and receive funding for more than one project?

A: Applicants may submit more than one proposal if multiple alternative fertilizer solutions exist however, only one project will be approved per applicant.

Q: Is stacking of funds permitted under the Fertilizer Accelerating Solutions & Technology Challenge?

A: As this is a grant funding Challenge, stacking of funds is not permitted on eligible activities and project costs. However, if the proposed project contains ineligible activities and costs (i.e., expenses that will not be reimbursed through this Challenge), applicants can use additional funding to cover those costs. Stacking will be assessed and approved on a case-by-case basis.

This applies in the same way to the <u>SR&ED program</u>. Any costs covered by a government funding initiative should not be included as part of SR&ED expenses. However, costs not incurred through the Challenge may be eligible for SR&ED tax credits. Organizations should consult the SR&ED program for further eligibility information.

Q. What counts as matching dollars?

A: The matching dollars for the project (i.e., the remaining 30% of the project budget) must be from the applicant's available capital (i.e., sales revenues or investment). However, for projects greater than \$286,000, the applicant can use additional grant funding to execute all project activities that are not supported with funding through the Challenge.

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Q: Will proof of funds be required for an applicant to be accepted?

A: Yes, since funding through this Challenge is released on a claims-reimbursement basis, wherein the applicant must provide evidence of payment of eligible project costs prior to receiving reimbursement, applicants are required to provide the following financial appendices with their application:

- Two (2) years of financial statements reviewed and reported on by an independent external accountant with a minimum "Notice to Reader Report" to the most recently completed year-end.
- Internally prepared financial statements for the current fiscal year to the date of application submission.
- Evidence of funding available or accessible by the Applicant to complete the project, such as:
 - Proof of available operating line of credit.
 - Letter of Comfort from the applicant's bank or accounting firm

Q: How much total funding in available through this Challenge, and can you share the number of projects that will be funded?

A: This Challenge is supported with up to \$2 million in funding from the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA). The number of projects approved will depend on the size of the projects and corresponding budgets.

Q. When can projects start and when must they be completed?

A: Projects can begin no earlier than September 8, 2022 and must be completed by November 15, 2023.

Q. Is HST included in the total eligible project budget?

A: No, costs submitted for reimbursement under the total eligible project budget must be net of any refund or eligible tax credits (including HST).

Q: How does the Challenge define a "solution"?

A: A solution is defined as a product, process, technology, or system that will reduce the dependency on fertilizer imports and/or reduce reliance on traditional fertilizers.

Q: Is the Challenge only available to SMEs?

A: No, there are no eligibility stipulations on the organization size to apply for the Challenge.

ELIGIBILITY QUESTIONS

Q: Are solutions that increase fertilizer efficiency eligible for the Challenge?

A: Unfortunately, solutions that increase fertilizer efficiency are not eligible through this challenge. An eligible alternative fertilizer solution may include or be a combination of:

- New products that reduce the dependency on fertilizer imports
- Solutions that reduce reliance on traditional fertilizers

Q: If my organization is headquartered in a different province but all our project activities take place in Ontario and the outcomes will benefit Ontario, am I eligible?

A: You will be eligible to apply if the entirety of project activities occur in Ontario with all eligible project costs also incurred in Ontario. Additionally, all project benefits and outcomes must be realized in Ontario.

Q: Is the Challenge eligible for organizations that are not currently Ontario-based, but plan to set-up a facility within Ontario as part of the project (with all project activities taking place within Ontario)?

A: Due to the short timelines of the Challenge, organizations must have a substantial operation in Ontario at the start of the project. If a facility is not already in place in Ontario, your organization would not be eligible.

Q: Can project costs be incurred anywhere in Canada?

A: No, as it is an Ontario-based Challenge all project activities and costs must be incurred in Ontario. Exception may be granted only with prior approval in extenuating circumstances.

Q: Are there any expenditure caps set out by the Challenge?

A: Yes. The following expenditure types have funding limitations:

- Equipment (leased or purchased): Limited to 50 per cent of the total eligible project budget, to a maximum of \$100,000
- Legal fees, including Intellectual Property costs, are limited to 10% of the total eligible project budget to a maximum of \$15,000

Q: What is the TRL scale? How do I determine the TRL of my technology?

The TRL scale is a scale that helps categorize a technology's development stages, from Level 1 (Concept Evaluation) to Level 9 (Successful Deployment). The Fertilizer Challenge will only consider projects focused on technologies that are a minimum TRL 7 at the start of the project

and will advance to TRL 9 by Fall 2023 latest. To determine the TRL of your technology, click here.

Q: How strict is the TRL requirement for the Challenge?

A: The Technology Readiness Level (TRL) requirements outlined in the <u>Project Guidelines</u> are a strict eligibility criterion for the Challenge. Due to the tight project timelines, applicants must have an alternative fertilizer solution (i.e., product, process, technology, or system) at or beyond TRL 7 at the start of the project.

Q: Can an Innovation Centre (IC) or a consultant/service provider apply to the Challenge with a project on behalf of one of their clients?

A: No – The organization receiving services (for the alternative fertilizer solution in question) from an IC should be the applicant (i.e., IC is the contractor, the applicant company would pay for their services and submit those expenses for reimbursement).

The IC would be able to apply to commercialize their own alternative fertilizer product/solution.

Q: If I am a service or technology provider, can I be part of more than one project?

A: Yes, you can participate in more than one project as a service or technology provider if you have the resources to do so. Given the tight timelines of the Challenge, service providers should ensure that the execution of multiple projects are feasible and all outcomes will be achieved by the project end dates.

PROJECT-SPECIFIC QUESTIONS

Q: We have virtual materials (i.e., images, videos) that best describe our solution. How can we include this information in our application to ensure the reviewers fully understand our solution?

A: There are two options if you would like to include this kind of information in your Challenge application. You can either include the link to videos/images that the reviewers can click and access directly from the Application Workbook, or you can include them as attached Supporting Documents on the Challenge Intake Form.

Q: The <u>Project Guidelines</u> state "the total project budget can include eligible and ineligible project costs. However, the approved eligible project costs will be considered as the total eligible project budget." Can you clarify what this means?

A: In order to properly evaluate the value and impact of the project we would like to understand the full scope and budget of the proposed project. Therefore, applicants should include all project costs, both eligible and ineligible. Please note, only eligible activities will be funded through the program, up to a maximum of 70% of the total project budget.

Q: My project has already begun, am I still able to apply for this Challenge?

A: Yes, as long as the proposed alternative fertilizer solution is at TRL 7 by the project start date and the project will advance the solution to successful commercialization and market entry (TRL 9) by Fall 2023. Projects may start as early as September 8, 2022. Eligible costs can only be incurred, invoiced, and paid for on or after the eligible start date.

Q: What kind of activities are eligible under this Challenge?

A: Please review pages 6-7 in the **Project Guidelines** document.

ASSESSMENT PROCESS

Q: Will projects be assessed based on the amount of funding they request (i.e., will projects with a smaller funding ask be more favourable than projects asking for larger grants)?

A: There is no preference in the amount of funding requested. Rather, our reviewers will be assessing the funding requested based the criteria found on Page 11 of the Project Guidelines.

Q: Who will be on the review committee and/or when will it take place?

A: The review committee will be populated by external experts representing the alternative fertilizer sector. Review committee meetings will take place in November 2022 with awarded applicants notified by November 30, 2022.

Q: How will my application be evaluated?

A: Applications will be evaluated based on whether the organization and project meet the eligibility criteria outlined in the <u>Project Guidelines</u>. Review Panels will evaluate the proposals according to the criteria found on Page 11.