



2024 GRAINS INNOVATION FUND: PROGRAM OVERVIEW GRAIN FARMERS OF ONTARIO

Grain Farmers of Ontario is the province's largest commodity organization, representing Ontario's 28,000 barley, corn, oat, soybean and wheat farmers. The crops they grow cover 6 million acres of farm land across the province, generate over \$4.1 billion in farm gate receipts, result in over \$18 billion in economic output and are responsible for over 75,000 jobs in the province.

Under this Market Development initiative, funding is available to support development of new and reformulated products and processes which have the potential to expand the market for Ontario barley, corn, oat, soybean and wheat crops or crop residues. Projects which satisfy the eligibility criteria established for this fund can receive up to 60% of the cost of the project, up to a maximum of \$75,000. **Applications will be accepted until 4 pm on Friday, November 3rd, 2023.**

ELIGIBILITY

To qualify for a partnership with Grain Farmers of Ontario and receive monetary support under this fund, a company must demonstrate to the satisfaction of the Grain Farmers of Ontario that the project **utilizes a minimum of 40 metric tonnes per year of Ontario barley, corn, oats, soybeans or wheat crops or crop residues**. The project must also meet at least one of the following criteria:

- Open new markets for Ontario grains or grain residues,
- Expand the use and demand for Ontario grains or grain residues,
- Promote Ontario grains or grain residues as the best choice,
- Support development of novel, value-added products derived from Ontario grains or grain residues,
- And/or increase the value (premiums) of Ontario grains or grain residues.

Each project is subject to review by Grain Farmers of Ontario and will consider all merits of the project and benefits accruing to Ontario grain farmers, in addition to the amount of grain utilized and the degree of innovation. The 40 metric tonnes per year requirement may be waived for pilot projects that initially use smaller volumes but must demonstrate the potential to significantly increase future utilization of Ontario grains or grain residue.

INNOVATION THEMES

This year, Grain Farmers of Ontario has identified themes in which it would like to target Market Development investment. Emphasis will be placed on project proposals targeting the following innovation areas:

- Food processing projects that have potential to utilize large volumes of commodity grains and oilseeds for novel uses,

- Projects that position Ontario grains and oilseeds to play a role in next generation bio-economy solutions e.g., heavy duty fuels or drop-in chemicals like renewable diesel and sustainable aviation fuel, other high-value molecules, biobased materials like compostable plastics,
- Transformative projects for the feed industry that maximize the potential for Ontario grains in animal's diets,
- Projects that will support new, scalable, value-added processing opportunities becoming realized in the province of Ontario,
- Projects with significant market reach that promote Ontario grain- and oilseed-based products in a positive manner that can demonstrably increase customer awareness and demand.

Proposals in other areas will still be comprehensively assessed and eligible for funding.

AMOUNT OF FUNDING

If a project proposal is deemed eligible, the amount of funding to be provided shall not exceed 60% of the eligible costs associated with the project, up to a limit of \$75,000. Grain Farmers of Ontario reserves the right to determine the amount of funding to be allocated to a project based on its ability to contribute to the growth and innovation of the Ontario grain industry.

Eligible Costs

Eligible costs must be reasonable and directly related to the project and activities listed in the application form.

- Marketing activities related to the promotion of the product (i.e. website design, social media)
- Promotional material (i.e. brochures, handouts, pop-up signs, banners)
- Advertising fees (i.e. cost of ad space in print, online or TV mediums)
- Consultant fees associated with marketing or advertising initiatives
- Product development (i.e. formulation testing, focus groups, sensory panels)
- Capital expenditures (this is limited to the purchase of new equipment only and cannot be used for the purchase of land, buildings or vehicles. This equipment must be for the sole purpose of carrying out this project and cannot be used in conjunction with any other processing)

Ineligible Costs

- Capital expenditures on land, buildings or vehicles,
- Salary costs
- Travel costs, including flights and accommodations,
- The purchase of grains and oilseeds

METHOD OF PAYMENT

Projects approved for financial support will be contacted directly and payment terms will be determined on an individual basis.

APPLICATION PROCESS

Grain Farmers of Ontario reserves the right to approve more than one project proposal submitted by an applicant. Applications which exceed the scope and financial limits assigned to this Fund may be reviewed by the Board for further evaluation.

All projects must be submitted for consideration by Friday, November 3rd, 2023. A decision will be rendered on any application which falls within the scope of Grain Farmers of Ontario Market Development initiatives and notified in January of 2024. If your project requires funding prior to January 2024, please contact Grain Farmers

of Ontario to discuss revised timelines. Successful applicants will be required to enter into a formal agreement with Grain Farmers of Ontario.

All applications will be held in strict confidence and will only be known to Grain Farmers of Ontario. Grain Farmers of Ontario retains the right to report on the general activities of this funding program to Grain Farmers of Ontario representatives (Delegates), in which case the information to be reported will be aggregated to protect the privacy of individual companies.

EVALUATION CRITERIA

All applications will be evaluated on the following criteria:

- Direct impact on Grain Farmers of Ontario farmer-members
 - Increase returns to farmers (premiums and/or price)
 - Increase in the use of Ontario grains
- Potential for demand influence
 - Tell the positive story of originating Ontario grains and oilseeds.
- Grain minimum utilization requirement
 - 40 metric tonnes per year of barley, corn, oats, soybeans or wheat crops or crop residue
 - Smaller pilot projects (less than 40 metric tonnes in year one) must demonstrate the potential to significantly increase future utilization of Ontario grains or grain residue.
- Degree of innovation
 - Demonstrate potential to creatively expand opportunities for Ontario grains through new product, processes or marketing tactics.

Interested companies are encouraged to contact Grain Farmers of Ontario before preparing and submitting an application to discuss your project idea. Grain Farmers of Ontario can provide feedback on whether your project meets the program criteria. Contact Hayley Micallef at hmicallef@gfo.ca or 1-519-830-5612.

To access Grain Farmers of Ontario support, the company is required to prepare and submit the application form found at www.gfo.ca/market-development/ and submit it to Grain Farmers of Ontario via email to hmicallef@gfo.ca.

Receipt of all proposals submitted will be confirmed by email.