

# Northern Industries Innovation Fund Application Guide



## Program Overview

The Northern Industries Innovation Fund program provides funding for small and medium sized companies engaged in forestry, agriculture, aquaculture, mining, energy, oil and gas, manufacturing and the supply chain activities related to these sectors. The program will support applied research and development, new or improved products and services and testing of innovative equipment or technologies to support capital investment decisions. The program's objective is to support the diversification and expansion of the northern B.C. economy as measured through increased business competitiveness, incremental revenue and job creation.

The Northern Industries Innovation Fund program is established to provide incremental funding to support innovation projects that increase the competitiveness of local businesses in traditional industries across northern B.C. The program is also intended to support economic diversification and/or viability of businesses to mitigate the economic impact of the pine beetle epidemic.

### Features and benefits of the program

- The program supports the diversification of local and regional economies in central and northern B.C. through investment in innovation by businesses in forestry, agriculture, aquaculture, mining, energy, oil and gas and manufacturing.
- The program offers incremental funding to match and leverage existing funding programs from provincial and federal organizations or private sector investments that have the potential to create new jobs and increase revenues in central and northern British Columbia.
- Eligible companies must be privately owned, incorporated, have less than 500 employees, revenues less than \$100 million and be operating within the [Northern Development Initiative Trust region](#).
- The program provides funding, in the form of a rebate, to businesses to offset the cost of consulting and consultant travel, third party research, capital costs for new technology or equipment for prototype testing etc. for qualifying project.
- Companies may use preferred consultants, researchers or subject matter experts or request assistance to identify qualified consultants, researchers or subject matter experts.
- Applications are received and approved on a continuous basis throughout the year – no intake deadlines.
- Direct payments to reimburse the company within weeks of receiving verified completion of the project and payment of all expenses.
- The program gives priority to companies operating in the regions most impacted by the pine beetle epidemic and decreasing timber supply.

## Objective

To support the diversification of the central and northern B.C. industrial sectors through new and innovative technologies that optimize natural and renewable resources, increase business competitiveness, stimulate new job creation or job retention and create new opportunities for economic growth.

## Project Examples

- Innovation or improvements in harvesting and gathering, extraction or manufacturing techniques.
- Advancements in site remediation.
- Productivity improvements.
- Innovative utilization of marginal natural resources (forests, non-timber forest products, agriculture, aquaculture).
- Value add sector products.
- Implementation of new technologies.
- New product manufacturing.
- Technology transfer regionally, nationally and/or internationally.

## Funding Terms

Up to \$50,000 in rebate funding to a maximum of 50% of the total project budget. The applicant must contribute a minimum 25% of the project budget.

## Eligible Applicants

- Incorporated businesses.
- Registered non-profit organizations whose sole purpose is to create jobs and economic benefit in the specified industrial sectors, i.e. community forests, industry associations.

## Application Assessment

Northern Development staff will undertake comprehensive due diligence of each funding application received, which may include contacting relevant agencies and organizations as part of the review process.

All projects are assessed and scored on the key deliverables, leveraging, rationale, and strategic factors identified in the funding application package. Applicants may request a copy of the scorecard assessment for submitted funding applications that are under review.

Strategic factors:

- Is this the first time the applicant has accessed Northern Development funding?
- Has the applicant provided quote(s) supporting the entire project budget?
- Has the applicant demonstrated impacts, directly or indirectly, as a result of the Mountain Pine Beetle epidemic?
- Can the project outcomes be applied regionally to mitigate impacts of Mountain Pine Beetle?
- Will the project support diversification of the economy?

- Has the applicant provided evidence of broad based support from multiple stakeholders?
- Is there direct First Nations participation in the project?
- Will the project involve a new product, technology or patent?
- Will the project involve the adoption of technology that improves operational efficiency?
- Will the project involve new skill development of management and/or employees?
- Will the project contribute to resource or environmental sustainability?
- Will the project sell new products/services to markets outside the Northern Development region?
- Will the project sell new products/services to markets within the local/regional economy?

## Application Intake Periods

Northern Development will accept Northern Industries Innovation Fund applications on a continuous basis until the annual budget is committed. Northern Development's fiscal year is January to December.

The [Northern Industries Innovation Fund Application Materials](#) are available on Northern Development's website.

## Eligible and Ineligible Costs

### Eligible Costs

- Capital expenditures
- Direct third party project labour costs, including travel
- Innovative equipment for research trials monitored by National Research Council, FP Innovations or other agencies.
- Incremental third-party project management
- Contractor fees
- PST
- Monetized donations (donated materials, equipment, or services from third-parties) may be considered
  - When noting monetized donations in the budget and under other funding sources in the application form, applicants must attach confirmation of the committed donation(s)
  - Monetized donations must be documented once project commences and receipts must be obtained

### Ineligible Costs

- GST
- Costs incurred (work started and/or deposits paid) prior to signing an agreement with Northern Development
- Operational costs and staff wages
- Purchases of construction equipment or tools that are not the primary subject of modification and research
- In-kind (volunteer) labour

## Application and Program Requirements

All applicants are required to confirm and/or submit the following information. Only applications that meet these requirements will be processed.

- Submit a complete Northern Industries Innovation Fund application form.
- The project must be located within Northern Development's service region.
- If relevant, include details on the impact the Mountain Pine Beetle epidemic has had on the organization and/or local economy.
- Include details on how the project will have a positive impact on the organization and create opportunities for jobs and/or incremental revenues in the community.
- Include details on how the project will have outcomes that can be applied regionally to mitigate the impacts of the Mountain Pine Beetle or diversify the economy.
- The applicant must identify the following key deliverables in order to qualify for funding. Successful applicants will be required to report on the key deliverables for a three year period after project completion.
  - Direct permanent full-time jobs created
  - Direct permanent part-time/seasonal jobs created
  - Annual revenues
  - Operational cost savings
- A detailed budget for the project, including supporting quote(s).
  - Quotes must outline the proposed scope of work, the vendor and cost (excluding GST)
- Consultant proposal (if applicable).
- Identification of other project funding sources in addition to Northern Development's funding, including verification of approval where confirmed.
  - Project funding cannot exceed project costs
  - The applicant must cover a minimum 25% of the project budget

## Reporting

All Northern Industries Innovation Fund projects supported by Northern Development must be evaluated and verified following the completion of the project prior to releasing funding. A project is considered complete when outcome(s) of the completed project (e.g. photos, reports, studies, research) can be provided and all related expenses have been invoiced. Annual reporting for three years on the key deliverables will be required from all successful applicants. If an applicant fails to submit their reporting form(s), future projects will be ineligible for funding.

## Application Process

1. Applicant contacts Northern Development's office at 250-561-2525 or [info@northerndevelopment.bc.ca](mailto:info@northerndevelopment.bc.ca) to discuss the proposed project scope and potential alignment with the funding program.
2. Once Northern Development confirms alignment between the application and the funding program, the applicant completes a funding application and submits the application to Northern Development.
3. Northern Development staff conduct due diligence of the application with appropriate referrals.
4. Northern Development staff will notify the applicant of the funding decision by phone. A formal letter is mailed to the applicant.
5. A funding agreement (enabling Northern Development to disburse funding for the project) will be provided to the applicant for signature once the applicant has provided all necessary documentation.
6. Annual reporting for three years on key deliverables specific to the funding program is a requirement of applicants with approved funding agreements.

## To Apply

Please review all program documents in detail as incomplete applications will not be reviewed.

Completed application forms with all supplementary materials should be provided electronically to Northern Development by email.

[info@northerndevelopment.bc.ca](mailto:info@northerndevelopment.bc.ca)

## Resources

- [Funding Program Matrix](#)  
Available funding programs and eligibility criteria.
- [Application Process](#)  
Details on the process of applying and getting approved for Northern Development funding.
- [Post-Approval Process](#)  
Process and responsibilities for successful funding applicants.

## Questions?

### Northern Development Initiative Trust

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