

# Northern Industries Innovation Fund Application Guide



## Program Overview

The **Northern Industries Innovation Fund** program provides funding for small and medium sized businesses in eligible industries for applied research and development, new or improved products, and services and testing of innovative equipment or technologies to support capital investment decisions.

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.

## Funding Terms

The program offers a rebate of up to 50% to a maximum of \$50,000 per project.

- The applicant must contribute a minimum 10% of the project budget
- Applicants must apply, receive notification of approval, and sign an agreement prior to beginning the project
- Projects must be completed as approved to receive funding and any change in the project scope must be communicated to Northern Development. Incomplete or partially completed projects may not be eligible for funding

## Application Intake Deadlines

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 Form](#) is available on Northern Development's website.

## Eligibility

### Eligible Businesses/Organizations

All applicants must be located/headquartered within the [Northern Development Initiative Trust region](#).

- Privately owned
- Incorporated
- Less than 500 employees
- Revenues less than \$100 million
- Registered non-profit organizations engaged in industrial activities
- Post-secondary institutions working with a private sector partner or an applied research project with private sector implications
- Community contribution companies

Priority is given to companies operating in the regions most impacted by the pine beetle epidemic.

\*We will also consider applications from community-based innovations hubs where the project deliverables are directly transferable to industry development.

## Eligible Industries

- Agriculture
- Aquaculture
- Energy
- Forestry
- High tech
- Industrial supply chain
- Manufacturing
- Mining
- Oil and gas
- Transportation

## Eligible Projects

- Innovation or improvements in harvesting and gathering, extraction or manufacturing techniques
- Advancements in site remediation, technology and processes
- 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/service manufacturing/development

## 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
- Wages for direct project labour
- 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

## Ineligibility

### Ineligible Costs

- GST
- Costs incurred (work started and/or deposits paid) prior to signing an agreement with Northern Development
- Purchases of construction equipment or tools that are not the primary subject of modification and research
- MERCs (CPP, EI, vacation pay, WCB) and other benefits
- Operational costs, overhead expenses, administrative staff wages, etc.
- 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](#)
- If relevant, include details on the impact the Mountain Pine Beetle epidemic has had on the organization and/or local economy. And, 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. These measurables will be reported on by successful applicants for a three year period after project completion
  - Direct permanent full-time jobs created
  - Direct permanent part-time or seasonal jobs created
  - Annual revenues
  - Operational cost savings
- A detailed budget for the project, including supporting detailed quote(s) and/or consultant proposal (if applicable)
- 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
- If applicable, copy of applicant's incorporation document
- If applicable, letter(s) of support

## 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:

- 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 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 Process

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

1. Applicant contacts Northern Development to discuss the proposed project scope and potential alignment with the funding program.
2. The applicant completes an application form and submits the application with the required attachments to Northern Development.
3. Northern Development will review the application in consultation with the business owner or key decision maker.
4. Northern Development staff complete the due diligence process.
5. Northern Development staff will notify the applicant of the funding decision by phone or email.
6. If approved, a formal letter is mailed to the applicant.
7. An agreement is emailed to the applicant for their signature.
8. Upon completion, applicant submits completed Northern Development reporting form with required attachments for funding.
9. Applicants are required to report annually for a three-year period on economic benefits specific to the project.

## Reporting

Applicants must submit a completed Northern Development reporting form along with the following required attachments:

- Project ledger detailing all project expenses, printed from applicant's accounting software
- Spreadsheet detailing all project expenses, using Northern Development's template
- Copies of invoices
- Evidence of work completed (i.e. photos, reports, studies, research) as applicable
  - Applicants must make project deliverables (i.e. business plans, studies, reports, documented procedures) available to Northern Development in order to undertake quality assurance. All documents will remain confidential.

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.

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

## Questions?

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