

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.

Applications are reviewed as received for eligibility and completeness. A decision is made within one week of receipt of a completed application, consultant proposal and additional supporting information as requested.

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
 - *Detailed timesheets must be kept for all employees working on the project and must include:*
 - *Employee's name*
 - *Date(s) worked*
 - *Description of work*
 - *Hourly rate*
 - *Daily hours – must break out the number hours worked on the project versus hours not worked on the project*
 - *Overtime hours will only be eligible at the straight time rate*
 - *ie. 4 hours of overtime can be claimed as 4 hours at the regular hourly rate*
 - *Paystubs and timesheets will be requested at Northern Development's discretion*
 - **We highly encourage the use of the Staff Labour Expenses Template to track each employee's time spent on the project.*
- CPP, EI, Pension (*employer portion eligible to a maximum of 9.85%*) related to direct project labour
 - **We highly encourage the use of the Staff Labour Expenses Template to track these expenses.*
- 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
- Vacation pay, statutory holiday pay, WCB, extended benefits or other benefits (*such as a fitness credit*), bonuses, or allowances (*such as vehicle, phone or living expenses*)
- 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 are to be provided electronically through the [Online Application System](#).

Questions?

Northern Development Initiative Trust

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Application Requirements – Step by Step

Select the program you want to apply to from the Active Programs menu.

*Please note that applications should contain all relevant information requested as part of the application form. Fields with a red asterisk * are mandatory and will need to be completed before you can proceed further through the application form.*

Applicant and Project Information

- Information about you, and the organization you are applying for, will populate automatically. Input the name of the project, the project's proposed start and end date, a concise description of the project and its rationale.
- You also have the option to include additional milestones/dates related to your project.

Project Funding Information

- Enter the detailed project budget, including all relevant expense items, into the budget section. You will have the ability to upload any quotes in this section that support the budget.
- Enter the grant amount you are requesting from Northern Development. Please refer to the program guide for funding terms.
- Enter all other funding sources. For funding sources that are confirmed, you will need to provide the date the funding was confirmed and upload a confirmation document. For funding sources that are NOT confirmed, you will provide the expected date of the funding decision. This information is required to proceed further with the application.
- *Please note that the application will not proceed further if the project budget and funding are not balanced.*

Attachments

- Through the application form, you will be prompted to upload documents, required or optional, that support information supplied as part of the application. The Attachment section is where you can upload any additional documents that you want to submit that supports the project scope, rationale or other details.

Industry Sector

- Select the industry your business operates in (drop down list provided), and the primary product or service provided.

Company Information

- Provide general information about your organization.

Pine Beetle Recovery Rationale

(Rationale for accessing Pine Beetle Recovery funding through the Northern Industries Innovation Fund, detailing the impact the epidemic has had on your organization and/or local economy)

- Provide information about the impact the Mountain Pine Beetle epidemic has had on the organization or local economy.
- Provide information about how the project will positively impact your organization and create jobs in the community.
- Provide details about how the outcome(s) of the project can be applied regionally to mitigate the impacts of the Mountain Pine Beetle or diversify the economy.

Employment

- Provides the company's current full and part-time/seasonal job numbers.
- If the project is successful, provide the projected full and part-time/seasonal job numbers anticipated to be created over the next three years.
- Provide details on how the project will sustain existing positions if no new positions are expected to be created.

Revenue Generation

- Provide the company's current annual revenue.

- If the project is successful, provide the projected revenue anticipated to be generated over the next three years.
- Provide details on how the revenue is expected to be generated, or how the project will sustain revenue if no additional revenue is expected to be generated.

Operational Cost Savings

- Provide the company's current operational costs.
- If the project is expected to create operational cost savings, provide the projected annual operation costs over the next three years.
- If applicable, provide details on how the operational cost savings will be realized.

Other Benefits

- Provide details on any additional benefits expected from the successful completion of the project.

Consultant Information

- Provide the consultant name and contact details, if applicable.

Attachments

- Upload any supporting documents not already included in the application such as letters of support or consultant proposals.