

What is it?

CanAdvance provides grants, loans and loan guarantees to projects that expand the agriculture and food sector's capacity to respond to current and emerging issues. It supports projects that position the sector to capture market opportunities and that share information to advance the sector.

The CanAdvance program is funded through Agriculture and Agri-Food Canada's (AAFC) Advancing Canadian Agriculture and Food Fund and is administered by the Agricultural Adaptation Council (AAC) in Guelph. The AAC will receive more than \$7 million each year until 2009 to deliver the CanAdvance program.



**Knowledge,
Connections
& Resources
for your
Business**

Who Qualifies?

You must be a legal entity and be either: an individual; a for-profit company; a not-for-profit organization or association; a university or college; a cooperative; a marketing board; or an aboriginal group. Only Canadian applicants are eligible.

What is the benefit to your company?

Applications submitted to CanAdvance should fall under one of the following three pillars:

1. *Pillar I: Industry-Led Solutions to Emerging Issues*

- This pillar is meant to expand the agriculture and agri-food sector's capacity to respond to current and emerging issues and to seize new opportunities. It suits national, multi-regional and regional projects that test new ideas and approaches. This includes the capacity to address new value-added products and processes that will enhance the sustainability of the agriculture and agri-food sector.
- Pillar I projects can include those related to one or more of the following areas: Environment, Food Safety and Food Quality, Science and Innovation, and Renewal.
- In addition, Pillar I activities can act as an incubator for pilots or projects which address emerging issues or hold promise for setting the direction of future policy or program approaches.



- **FOR EXAMPLE**, some successful applicants under Pillar I are:
 1. developing strategies to launch velvet antler products into Western Ontario's consumer and pet market.
 2. establishing a federally-inspected supply of Certified Organic Beef
 3. marketing processed Ontario apples through McDonalds's Restaurants across Canada.
 4. developing a coordinated marketing strategy that will eventually provide year-around marketing of Ontario strawberries.
 5. launching a new and innovative soy yogurt product using 100% Ontario-grown soybeans.

2. Pillar II: Capturing Market Opportunities by Advancing Research Results

- Pillar II focuses on helping to create market opportunities for the agriculture and agri-food sector by supporting the transfer of research results from governments, industry, and educational institutions. The goals are to leverage research results into market opportunities, strengthen the capacity of the sector to commercialize research results, encourage business growth, and improve sector international competitiveness.
- The focus of Pillar II is on pre-commercialization activities. So it will fund adaptive research projects, but not basic or applied research projects.
 1. **Adaptive research is defined as:** the transfer and adaptation of pre-existing research results to provide the basis for a potential market opportunity.
 2. **Basic research is defined as:** experimental or theoretical work which is undertaken primarily to acquire new knowledge without a specific application in view.
 3. **Applied research is defined as:** research aimed at gaining knowledge or understanding to determine how a specific, recognized need may be met in a timely manner.
- Pillar II activities may include:
 1. technical analysis and technical feasibility studies
 2. market and venture assessments
 3. economic feasibility studies
 4. adaptive research (eligible for partial funding)
 5. support for engineering prototypes
 6. strategic market plans and strategic business plans
- You must demonstrate that there is market potential for the product, process, or technology that results from research.
- Your project should be directed at benefiting the sector and maximizing the “public good” (a good or service aimed at maximizing societal, community, environmental and/or economic benefits).
- **FOR EXAMPLE**, some successful Pillar II applicants are:
 1. researching and developing a new line of ethnically oriented, ready-to-eat frozen meal entrées.
 2. investigating the potential of an innovative Canadian technology – a Liquid Solid Circulating Fluidized Bed -- for the recovery and isolation of soy protein and soy inputs.
 3. working on technical research and development to conduct in-depth pilot testing to modify a process that isolates protein from animal muscle.

3. Pillar III: Sharing Information to Advance the Sector

- Pillar III focuses on helping the sector gather, analyze, and share information. It includes projects that strengthen the sector's ability to participate in policy dialogue that helps shape the future of the sector. It will also support projects that address information needs or gaps identified by the sector that also contribute to the advancement of the agriculture and agri-food sector.
- Pillar III activities may include:
 1. bringing together representatives from a particular segment of the sector that has demonstrated a need to develop a strategy to address an emerging issue.
 2. meetings of national associations (including those outside of the sector) to address or examine common issues.
 3. studies on demographics and environmental trends, and information-gathering projects on trends in agricultural technologies.
- **FOR EXAMPLE**, some successful Pillar III applicants are:
 1. identifying the purchasing behaviour of ethnic consumers by researching demographic determinants including race, background, income and location.
 2. developing alliances and identifying foodservice stakeholders that would benefit from using locally grown produce and products, as well as identifying market-ready produce and gourmet food products produced in Durham Region.
 3. coordinating a meeting of farmers' markets representatives from across Canada, along with facilitating knowledge and skill transfer among provinces.
 4. launching a new exhibit at the Royal Agricultural Winter Fair called "To your good health" and updating curriculum materials for elementary school students in Ontario.
 5. holding a conference that will bring research, retail and consumer trends in the area of functional foods to producers and processors, with a goal of stimulating new products and markets.

Available Funds

1. Grants
2. "Fair cost" sharing is required. Support rarely exceeds 50% of eligible project costs.
3. "In-kind" contributions are accepted only for not-for-profit organizations.

How do I apply?

You can get pre-proposal and application forms by calling the AAC office or by visiting the AAC website:

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We're here to help!

To find out how the Business Development Branch at OMAFRA can provide you with knowledge, connections, and resources to help you grow your business, call toll-free at 1-888-466-2372 extension 64474 or e-mail at foodinvest@ontario.ca. For information about this program and others, as well as our branch, visit www.omafra.gov.on.ca/english/food.