# Sustainable Canadian Agricultural Partnership

Competitive. Innovative. Resilient.

# Market Development

# **Program Guide**

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This Program Guide has been updated for the May 2025 intake.



### Section 1 - Program Description

The Market Development program will advance the agriculture, agri-food and agriproduct sector's innovation and business capacity to enter new markets, maintain existing markets and capture emerging market opportunities. The program will provide financial assistance to eligible applicants for market development activities that enhance interprovincial and international export capacity of individual businesses and improve overall domestic and international trade access for the sector.

# Section 2 - Program Eligibility

The Market Development program is open to:

- Agri-food processors
- Agri-product processors
- Abattoirs
- Brand owners
- Indigenous government, businesses, communities, and organizations

Eligible applicants must:

- be registered with the Manitoba Companies Office in Manitoba.
- be directly involved in activities that contribute to the transformation of agri-food and agri-products into end products. Products can be involved in further value-added processing or be a finished product.
- have a significant portion of business sales revenue in wholesale trade, including sales to food and hospitality service establishments, institutions, retail stores and wholesale distributors (versus direct sales to consumers).
- provide a copy of:
  - their most recent balance sheet and income statement if their business has been in operation for more than one year, or
  - pro forma balance sheet and income statement if their business has been in operation for one year or less.
- have a Manitoba Premises Identification Number if they operate an Abattoir.
- ensure that they meet all:
  - o program eligibility requirements, and
  - o Manitoba and Canada government laws and regulatory requirements.

A business with multiple divisions, operating names, or units, will count as one business.

Government of Manitoba employees, who are the majority shareholder (50 per cent or higher) in a business, are not eligible to apply for funding.

Current or former members of the Legislative Assembly of Manitoba who hold an ownership interest in a business are ineligible to apply for funding. Additional factors may be considered in determining the eligibility of the applicant, including:

- The provision of false or misleading information by the applicant under other Sustainable Canadian Agricultural Partnership (Sustainable CAP) programs.
- Amounts due and owing by the applicant under other Sustainable CAP and Manitoba programs.

### **Section 3 - Cost Share Funding**

Activities are cost shared between the government and applicant. The cost share ratio is up to a maximum of 50:50. The minimum project size that will be accepted is \$3,000 in eligible expenses. There is a maximum program funding cap of \$30,000 per applicant per intake.

#### Project Length

- All projects shall start on April 1, 2025, or later.
- All projects must be completed, and reporting submitted, on or before September 30, 2026.
- Specific project start and end dates will be stated in the funding agreement.

#### Eligible Expenses

Eligible expenses must be directly related to the execution of an approved project. The applicant must provide expense details for each program funding activity in the Application Worksheet.

The following expenses are **eligible** for reimbursement:

- Venue, facility and equipment rental
- Materials and supplies
- Professional fees
- Subcontracted services
- Travel for export training, product sampling, Business-to-Business (B2B) trade shows, missions and meetings outside of Manitoba
- Provincial sales tax (PST)

The marketing of fish and seafood products to new or existing international markets will be considered an eligible expense under this program. All other activities which involve fish and seafood products will be considered ineligible under this program.

The applicant is solely responsible for all project expenses, including all ineligible expenses and any project deficits or over-runs.

#### Ineligible Expenses

The following expenses are **ineligible** for funding:

- Where a project is approved, no eligible expense will be reimbursed unless the Funding Agreement is signed
- Expenses incurred outside of the dates listed in the Funding Agreement
- Expenses invoiced or paid before April 1, 2025, with the exception of trade show deposits. Trade show deposits must not have been invoiced or paid before January 1, 2025, and must relate to trade shows occurring during the project period.
- Expenses not directly associated with the eligible expenses approved in the Funding Agreement
- Any expense, including a tax, which is eligible for a rebate, credit, or refund such as Goods and Services Tax (GST)
- In-kind contributions such as use of capital asset and equipment, materials, or staff labour (e.g. in-house product and process research and development, testing, laboratory testing and analysis, nutritional labelling, label and review, attending a B2B trade show, mission or meeting, marketing and sales)
- Purchase of capital infrastructure (e.g. building, land, signage), capital equipment and accessories
- Regular and on-going company operating expenses (e.g. conducting business operations, insurance, telecommunications or WIFI) and maintenance expenses (e.g. repairs, upgrades/renovations, and replacement of building and capital equipment and accessories)
- Regular and on-going registration or subscription fee(s)
- Regular and on-going website maintenance or use fee(s)
- Multi-use items (e.g. phones, cameras, batteries, clothing and footwear, tools, tents/canopies)
- Listings fee(s) (e.g. retailer, wholesaler, distribution)
- Purchase of labels, packaging, and promotional materials
- Travel expenses incurred by professional service providers related to conducting primary market intelligence and research reports and studies outside of Manitoba
- Printing expenses (e.g. marketing intelligence and research report, study, label, packaging, promotional materials)
- Execution of advertising and promotional activities such as product showcase/display, promotional products (e.g. bags, pens, cups, decals), online or print advertising, vehicle wrap, social media or influencer campaigns, pricing discounts or giveaways and event/activity hospitality or sponsorship
- Food ingredients, products and product samples
- Marketing activities that do not have a B2B focus and are mainly consumer focused (e.g. farmers markets, flea markets, festivals, fairs)
- Trade shows within Manitoba
- Network only focused activities and events
- Booth design and labour to set-up and dismantle including booth signage
- Signage design and labour for set-up and dismantling MD - v03.01

- In-market market development activities that are subsidized by another business, organizations, associations and/or government (e.g. Canadian Pavilion Program)
- Professional fees for consulting, agencies and firms associated with identifying, contacting, and securing in-market sales leads and negotiating sales
- Expenses incurred:
  - more than one day before and after an interprovincial B2B trade show, mission or meeting
  - more than two days before and after an international B2B trade show, mission or meeting
- Extended warranties
- Expenses associated with lobbying
- Project-related activity that generates revenue during the execution of the project
- Financing charges, loan interest payments, bank fees and charges
- Any compensation to any government employee for organizing or delivering parts of the project
- Any other expense deemed ineligible by the program administrator

#### Funding from Government

The applicant must adhere to the stacking limit. The stacking limit refers to the maximum level of total Canadian government funding (federal, provincial, territorial, and municipal) a successful Applicant can receive towards total approved eligible expenses of a project.

The maximum level of total government funding must not exceed:

- 100 percent of total approved eligible expenses; or
- If the Applicant is a for-profit business or organization, 75 per cent for capital items that are approved eligible expenses.

#### **Other Sources of Funding**

The applicant must provide information on the source of other funding, amount and description of non-Sustainable CAP funds that will be used to pay for the project, including funds provided by the applicant. If non-Sustainable CAP funds are being used for a specific item it should be clearly specified.

### **Section 4 - Funding Activities**

The Market Development program will support the growth and expansion of Manitoba's agriculture, agri-food, and agri-product sectors through four funding activities.

Program funding activities include:

- Market Intelligence and Research
- Market Development Planning and Training
- Product Commercialization
- Market Development

### **Market Intelligence and Research**

The Market Intelligence and Research funding activity supports increasing marketplace knowledge and identifies the viability of a product's successful entry into a new market or expansion in an existing market.

#### **Eligible Expenses**

- Professional fees for consulting, agencies, or firms associated with:
  - conducting, analyzing and reporting primary market intelligence and/or research to gain market insights and support the development of a interprovincial or international export strategy.
  - conducting, analyzing, reporting and implementing recommendations to improve supply chain management.
  - o identifying and sourcing warehousing, distribution and transportation.
- Purchase existing marketing intelligence and research reports and studies.

### **Market Development Planning and Training**

The Market Development Planning and Training funding activity supports building interprovincial and international export capacity that will support business growth and market access.

#### Eligible Expenses

- Export capacity training registration fees and purchase of educational materials (e.g. workshops, webinars, courses).
- Travel expenses, including economy airfare, ground transportation or mileage, hotel, and meal(s) that are:
  - $\circ$  directly related to participating in export capacity training outside of Manitoba.
  - associated with applicants directly participating in in-store product sampling outside of Manitoba (capped at \$2,000 of eligible expenses per city per intake)

- Professional fees for consulting, agencies, or firms associated with:
  - preparing or confirming business and products are Foreign Trade Agreement (FTA) compliant (e.g. CUSMA compliant)
  - creating interprovincial or international export strategies to market products outside of Manitoba.
  - developing marketing materials including designing a business logo, branding, point-of-sale (POS) materials and production set-up fees.
  - o building company representative presentation and negotiation skills.
  - developing and enhancing a website.
  - o creating a social media strategy.

### **Product Commercialization**

The Product Commercialization funding activity supports the pre-commercialization, commercialization, and enhancement of new and existing innovative products.

#### Eligible Expenses

- Professional fees for consulting, agencies, or firms associated with:
  - product or process development and scale-up
  - o product adaptation or enhancement
  - o identify ingredient, packaging and equipment suppliers
  - o conducting a shelf-life study
  - label and packaging compliance including Nutrition Facts Table (NFT), ingredient listing, allergen declaration, nutritional claims, language translation and label and package information review).
- Product testing and analysis including micro testing, pH, water activity and sensory analysis.
- Facility and equipment rental fees associated with the product and process development, scale-up, adaptation or enhancement, of a product.
- Creation of printing plates and set-up fees for printing labels or packaging.

### **Market Development**

The Market Development funding activity supports business expansion in new and existing interprovincial and international markets outside of Manitoba.

#### Eligible Expenses

- B2B trade show, incoming and outgoing mission and/or meeting expenses directly associated with participation in the activity to facilitate entering a new market or expanding an existing market outside of Manitoba including:
  - registration fee(s)
  - trade show deposits made on or after January 1, 2025, relating to trade shows occurring during the project period
  - o membership (only if mandatory to participate in tradeshow or mission)

- booth space, equipment, accessories, electrical, lighting, cooler, freezer and/or ambient storage rental
- o contract catering services to prepare food samples
- translator service(s) (onsite only)
- o venue rental
- o vehicle rental while attending the events
- o speaker fees
- material handling and shipping fees related to shipping an exhibit, equipment, accessories, samples, signage, marketing materials and back to Manitoba
- travel, including up to two economy airfares and ground transportation or mileage, hotel, and meal(s)
- Professional fees for consulting, agencies, or firms associated with applicants participating in in-store product sampling outside of Manitoba

See Appendix A, B and C for additional information on program parameters and eligible expenses.

### Section 5 - Application Worksheet Assessment

Application Worksheets will be assessed according to the following criteria:

- Project description
- Project deliverables and outcomes
- Alignment with program objectives, such as:
  - o an increase in number of new jobs or increased payroll value
  - an increase in supply chain efficiency
  - o an increased use of Manitoba agri-inputs
  - o displacement of imports from outside of Canada
  - o an increase in interprovincial or international sales revenue
  - o an increase in market diversification
  - $\circ~$  enter a new market and/or expand an existing market
- Marketing plan
- Production capacity
- Management capacity
- Financial capacity

### **Section 6 - How to Apply for Funding**

The Applicant Information Form and Application Worksheet are available on the Manitoba Agriculture website. Go to <a href="https://www.gov.mb.ca/scap/marketdevelopment/index.html">https://www.gov.mb.ca/scap/marketdevelopment/index.html</a>.

Manitoba Agriculture will publish deadline dates through their newsletter, website, and social media channels.

The Applicant must complete all applicable questions within the Applicant Worksheet and Budget Template. Incomplete Application Worksheets and Budget Templates may result in the delay or rejection of an application.

Funding amounts received from all sources must be declared on the Application Budget Template. Failure to disclose all funding sources for a project may nullify the funding request.

The Applicant Information Form, Application Worksheet and Budget Template must be submitted to the program administrator at <u>agriculture@gov.mb.ca</u> by the application deadline. Late submissions will not be accepted.

The Applicant must acknowledge and agree to any terms and conditions contained in the Application Information Form, Application Worksheet, Budget Template, Program Guide and Program Terms and Conditions.

Applicants must comply with all Manitoba and Canada government laws and regulations applicable to their projects and to their business operations.

Only the applicant may sign the Applicant Information Form, Application Worksheet, and other program documents.

In the case of sole proprietors, partnerships and corporations, a designated person with legal authorization must sign the Applicant Information Form, Application Worksheet, and other program documents. The program administrator may require proof of authorization.

Funding for projects will be subject to the appropriation of funds by the Government of Canada and Manitoba.

Project activities must be completed, and all reports submitted on or before the date stated in the funding agreement.

### Definitions

Abattoir: a facility where live animals are harvested and dressed for further processing.

**Agri-business:** a person involved in for-profit commercial activity in the agricultural sector.

**Agri-food Processor:** person that transforms agricultural commodities or ingredients into value-added goods that are food products or ingredients; may be a good for further value-added processing or a finished good.

**Agri-product Processor:** person that transforms agricultural commodities into valueadded goods that are not food or ingredients; includes products created from primary commodities, waste, by or co-products from production or processing.

Agri-processor: a person actively engaged in agri-product and agri-food processing.

**Applicant:** a person who satisfies all the eligibility requirements set out in the terms and conditions and who submits an Applicant Information Form and Application Worksheet under this program.

**Brand Owner:** a person that owns intellectual property such as a brand identity, product formulation and/or process.

Business-to-Business (B2B) Activities or Events: activities or events in which businesses promote their goods and services to other businesses through trade shows, missions, and meetings.

For-profit Business: a person that operates to make a profit.

**Funding Agreement:** an agreement issued to applicants indicating an application decision and the next steps required for project implementation.

**Government Funding:** any financial assistance in the form of provincial or federal grants, loans, or other assistance.

**Incremental Expenses:** expenditures that can be directly attributed to the project outlined in the Application Worksheet and are over and above regular business expenses.

**Indigenous:** individuals who self-report an Indigenous identity, either First Nations, Metis, and/or Inuit, or a combination of those.

**In-kind Contributions:** non-monetary goods and services that are not reimbursable by the program.

**Manitoba Government Employee:** any full-time, part-time or term individual employed by the Government of Manitoba, including any special operating agency or Crown corporation.

**Manitoba Government Senior Public Servant:** the Clerk of the Executive Council; a deputy minister or equivalent or an assistant deputy minister; a chairperson, president, vice-president, chief executive officer or deputy chief executive officer of a Crown agency; a person who is designated or who occupies a position that is designated under section 31.1 of The Legislative Assembly and Executive Council Conflict of Interest Act; and includes a person who, on a temporary basis, occupies a position described here.

**Metrics:** a quantitative measure used for assessing, comparing, and tracking business and project outcomes.

**Minister:** refers to the Minister of Agriculture for the Government of Manitoba, and includes any person authorized to act on the minister's behalf.

**Non-profit Business:** a legal organization organized and operated for a collective, public, or social benefit that commits all profits to support the business operations and objectives earn profits.

Person: includes an individual, partnership, corporation or cooperative.

**Program:** refers to the Sustainable CAP program.

**Program Activity:** a specific action under Sustainable CAP program where applicants can apply for funding; may involve one or more funding streams.

**Program Administrator:** Manitoba Agriculture, or where applicable, any person engaged by the Government of Manitoba, to carry out administrative activities in connection with the program.

**Sponsorship Event:** an event where support is related to brand awareness, advertising and exposure and the funder may be compensated with complementary event passes, booth space, speaking engagements, promotional event materials, prizes, food, gifts, honorariums, etc.

**Stacking Limit**: the maximum level of total Canadian government funding (federal, provincial, territorial, and municipal) that a successful applicant can receive.

Sustainable Canadian Agricultural Partnership (Sustainable CAP): a five-year agricultural policy framework by Canada's federal, provincial, and territorial governments to encourage market development, innovation and research, environmental sustainability, value-added processing, improved public trust and risk management across Canada's agriculture, agri-food, and agri-product sectors.

**Terms and Conditions:** Sustainable CAP program rules that applicants accept and agree to follow as conditions for receiving funding; may be occasionally revised, altered or amended.

# **Appendix A - Program Parameters**

Market	Develo	nment
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Funding Activities	<ul> <li>Market Intelligence and Research</li> <li>Market Development Planning and Training</li> <li>Product Commercialization</li> <li>Market Development</li> </ul>
Maximum funding per Applicant per intake	Up to a maximum of \$30,000
Minimum project size accepted	\$3,000 in eligible expenses
Cost share (Government:Applicant)	50:50
Maximum project length	Project start and end dates will be stated in the Funding Agreement should the project be approved for funding. All approved projects and reporting must be completed by no later than September 30, 2026.
Reporting and claims	Number and timing of reporting/claim periods will be dependent upon project duration. Requirements and dates for approved projects will be stated in Funding Agreements.

### Appendix B - Eligible Business-to-Business (B2B) Trade Show, Mission and/or Meeting Expenses

Eligible Expense Description	Limit Explanation
Renting turnkey trade show booth	None
Rental of trade show booth space, equipment and accessories	None
Rental of conference room	None
Rental of electrical hook-up	None
Professional on-site translator	Maximum one (1) translator per activity
Rental of cooler, freezer or ambient storage	Maximum one (1) freezer, cooler or ambient space per activity
Subcontracted services for catering food product samples	None
Program or registration fee	Maximum of two (2) people per activity
Trade show membership fee (only if required to exhibit or participate in a trade show or mission)	Maximum of one (1) membership fee per business, per event, per year, up to a maximum funding cap of \$1,000
Trade show deposits to secure a spot, display area	Deposits must be made on or after January 1, 2025
Hotel	Maximum of \$300 per person, per night and per room.
Materials, handling and shipping	None

Eligible Expense	Limit Evaluation
Description Meals	Limit Explanation Per meal limits will follow the General Manual of Administration rates for meals within Manitoba and the National Joint Council rates for meals outside of Manitoba.
	Eligible meal expenses do not include any alcohol, gratuity, and GST.
	Meals are limited to one (1) breakfast, lunch, and supper per day, per person, up to a maximum of two (2) persons per activity.
	For the 2025-26 fiscal year, the meal rates are:
	<u>Within Manitoba:</u> Breakfast: \$8.64 Lunch: \$10.84 Dinner: \$18.37
	<u>Outside of Manitoba:</u> Breakfast: \$28.40 Lunch: \$27.40 Dinner: \$57.70
	Mileage rates will follow the General Manual of Administration rates for mileage within Manitoba and the National Joint Council rates for mileage outside of Manitoba.
Mileage	<ul> <li>The applicant will be required to provide a summary of each trip including:</li> <li>Start point</li> <li>End point</li> <li>Total kilometers</li> <li>Reason for trip</li> </ul>
	<ul> <li>For the 2025-26 fiscal year, the mileage rates are:</li> <li>Within Manitoba: \$0.46 per kilometer</li> <li>Outside of Manitoba: \$0.56 per kilometer</li> </ul>
Economy airfare	Maximum two (2) economy airfares per activity
Fround Transportation	None

### Appendix C - Eligible Expense Explanation



Expense Category	Explanation	
Venue, Facility and Equipment Rental	Items which are required for the successful completion of the project, but ownership is not retained. Examples may include: <ul> <li>B2B Trade show booth space rental</li> <li>Venue rental</li> <li>Facility rental</li> <li>Storage rental</li> </ul> <li>Equipment and accessories rentals items must be supported by a rental agreement which outlines the specific start date,</li>	
	end date and total cost of the temporary use of the item. Note: a lease is not the same as rent and is considered an ineligible expense.	
Materials and Supplies	Incremental, small value items which are used as part of the project implementation. Examples include: • Purchase of educational materials • Creation of printing plates and set-up fees	
Professional Fees	<ul> <li>Eligible activities which are performed by consultant, agency or firm who holds a valid designation and is hired specifically to ensure that the project is delivered.</li> <li>Eligibility will vary across funding activities, but examples include:         <ul> <li>Consultant wages</li> <li>Project Management fees</li> <li>Catering Food Product Samples</li> </ul> </li> </ul>	
Subcontracted Services	Eligible activities which are subcontracted out by the applicant to a third-party business or individual. Examples include: • Training • Market intelligence and research	

Travel Expenses – Training, Product Sampling, B2B trade shows and missions outside of Manitoba	Incremental travel expenses which are related to sending an eligible applicant (or representative) to outside of Manitoba to participate in: <ul> <li>Training</li> <li>Sample product</li> <li>B2B trade show, mission and/or meeting</li> <li>Travel expenses include:                 <ul> <li>Hotel accommodations</li> <li>Airfare</li> <li>Meals</li> <li>Transportation (e.g. taxi, Uber, subway, train, vehicle rental)</li> <li>Fuel (for a rented vehicle)</li> <li>Mileage (for a personal or business vehicle)</li> </ul> </li> </ul> <li>Note: travel expenses related to B2B trade shows, missions and/or meetings are subject to the following eligibility criteria:                     <ul></ul></li>
	<ul> <li>Departure to the event must occur no more than one (1) day before the event.</li> <li>Return trip must occur nor more than one (1) day after the event.</li> </ul>
	<ul> <li>International Travel:         <ul> <li>Departure to the event must occur no more than two (2) days before the event.</li> <li>Return trip must occur not more than two (2) days after the event.</li> </ul> </li> </ul>