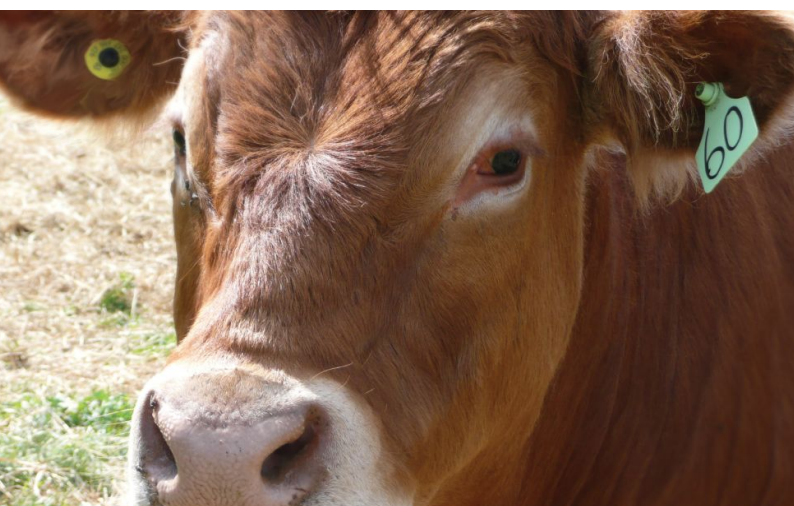


PROGRAM GUIDE

Traceability Value Chain Program 2020 - 2023



BC Traceability Funding Programs at a Glance

Traceability Adoption Program

To increase the implementation of traceability systems in primary and secondary production and processing sectors.



Traceability Value Chain Program

To increase the implementation of information sharing systems that will enhance food and seafood traceability among supply chain partners.



BC food and seafood industry

The goal of the programs is to increase the adoption of traceability systems, practices, technologies and infrastructure across the food and seafood sectors, enabling businesses to meet existing and emerging market and regulatory requirements.

The Traceability Value Chain (TVC) program is funded under the Canadian Agricultural Partnership, a federal-provincial-territorial initiative. This program provides cost-share funding towards the adoption of information sharing systems that will enhance agriculture, food and seafood traceability among value chain partners.

Traceability Value Chain program

The TVC program is directed toward agriculture, food and seafood sector organizations or value chain partners.

Sector organization: A sector organization is a not-for-profit, incorporated association or other entity legally incorporated or formed under the laws of its jurisdiction that represents members in an agriculture, food or seafood sector.

Value chain partners: A value chain is a group of three or more agriculture, food or seafood businesses connected along a supply chain that is producing and delivering agriculture or seafood products to consumers (e.g. a business partnership among a producer, processor and distributor).

Part A: Eligibility	2
Objectives	3
Eligibility	4
Mock recall exercise	9
Part B: Application Form	11
How to apply	12
Selection process	13
Application Form information	14
FAQs	19
Contact us	20

Part A: Eligibility



Objectives

The objectives of the TVC program are to:

- Enhance information sharing and increase the adoption of sustainable, voluntary information sharing systems that approach or achieve traceability to national or international standards across a sector or along a value chain;
- Assist participants to increase market access, substantiate product claims, or generate economic benefits for participants;
- Increase capacity to trace agriculture, food or seafood products and their associated attributes;
- Increase the ability of sectors and value chains to execute emergency response (e.g. food recall) procedures when required;
- Achieve cost savings through operation efficiency (e.g. reduce waste).

Anticipated benefits to the sector or value chain and/or province include:

- Enhanced emergency management capacity;
- Economic benefits from production efficiencies;
- Job creation; and
- Increased industry investment.

70%

of project costs, up to the maximum funding level is eligible.

\$75,000

 maximum

Maximum of funding available **for each application.**

For the list of approved **traceability system providers**, please see our website:
www.bctraceability.ca

Who is eligible?

Projects must fall under one of two categories:

1 Sector Organization Projects

Eligible applicants include:

Provincial not-for-profit, incorporated association or other entity legally incorporated or formed under the laws of its jurisdiction that represents members in an agriculture, food or seafood sector.

Eligible sector organization applicants must have the following:

- An active 9-digit business registration number (BRN) or an active GST number / CRA Business Number;
- Representation by a registered not for profit, incorporated association or other recognized legal entity;
- Based and operating in BC; and
- File business income taxes in BC.

Provincial organizations representing the following entities can participate in sector organization projects:

- Members involved in agriculture, food and seafood producing, processing or handling activities (i.e. producers, processors, packagers, transporters, distributors, wholesalers, etc.);
- Alcoholic beverage processors (e.g. wine);
- Retail food operations;
- Food service operations (e.g. restaurants);
- Agricultural input suppliers (e.g. feed suppliers, fertilizer suppliers, pesticide suppliers, etc.); and
- Packaging manufacturers.

Eligible applicants must be capable of entering into legally binding contracts.

Ineligible applicants include:

- National sector organizations and non-BC based members of these organizations;
- Sector organization of tobacco and tobacco product producers, manufacturers or processors;
- Sector organization of pet food producers, manufacturers, processors or related facilities; and
- Sector organization of health and/or nutrition supplement processor.

Who is eligible?

Eligible in-kind expenditures and activities:

Sector organizations may put in-kind contributions (staff and/or resources) towards meeting the applicant contribution requirement. Please note:

- In-kind contributions are expenditures, activities or resources provided by a sector organization in support of a traceability value chain project. Examples include:
 - labour or staff time
 - use of a building space for meetings or training
 - use of office supplies or resources
 - professional services
- In-kind expenditures and activities must be identified in the application.
- Eligible in-kind expenditures cannot exceed 30% of the total eligible project costs.
- In-kind contributions, as with all expenditures, will require documentation to demonstrate costs incurred and to support the set value of the expenditure (e.g. payroll information and log of activities performed).

2

Value Chain Applicants

Value chain partners will need to identify a lead applicant and a minimum of two other value chain partners participating in the proposed project (i.e. three or more value chain partners).

Value chain partners must come from two or more of the following stages of the value chain:

- Inputs
- Production
- Processing
- Distribution/Warehouse
- Transportation providers
- Retail

All applicants must be based in BC and operate within the Province of BC.

Eligible value chain applicants must have the following:

- An active 9-digit business registration number (BRN) or an active GST number / CRA Business Number;
- Based and operating in BC; and
- File business or farm income taxes in BC.

Who is eligible?

Eligible value chain applicants include:

- Producers directly involved in growing or producing agricultural crops including harvesting, sorting, grading, washing or packing;
- Producers raising livestock or poultry;
- Operations directly involved in the co-mingling, movement or storage and warehousing of livestock or poultry, agricultural and related products along the chain (e.g. transportation company);
- Processors directly involved in the processing of food products;
- Producers and processors directly involved in growing, producing or processing of seafood products including harvesting;
- Retail food operations;
- Food service operations (e.g. restaurants);
- Agricultural input suppliers (e.g. feed suppliers, fertilizer suppliers, pesticide suppliers);
- Transportation providers; and
- Packaging manufacturers.

Ineligible value chain applicants include:

- Partners or participants who are not a fundamental part of the value chain;
- Pet food producers, manufacturers, processor or related facilities;
- Equipment suppliers;
- Health and/or nutrition supplement processors; and
- Tobacco and tobacco product producers, manufacturers and processors.

What activities are eligible?

Eligible expenditures and activities under the TVC program may include:

- Consultant services for project management, including planning and development;
- Research and pilot testing of solutions, including but not limited to: needs assessment, gap analysis, evaluation of information sharing technologies;
- Information technology infrastructure, equipment associated with developing/maintaining information sharing networks;
- Software development and customization costs associated with developing/maintaining information sharing networks;
- First time training costs associated with new equipment purchases or procedures related directly to the implementation of the project;
- First time costs related to traceability implementation (e.g. first-time registration with GS1 for unique company prefix number, excluding identification tags, labels);
- Costs associated with mock recall (see following pages);
- In-kind activities directly related to the development and implementation of the project; and
- Other activities as deemed eligible prior to being incurred based on project assessment by the Province.

- - - Consultant fees and staff training costs combined may not exceed 25% of total project costs. - - -
- - - Eligible in-kind contributions may not exceed 30% of total project costs. - - -

What isn't eligible?

Ineligible expenditures and activities under the TVC program may include:

- All project-related expenses incurred prior to the date of the funding approval letter;
- Costs associated with day to day operations of an applicant's business or organization;
- Costs that have been reimbursed or eligible for reimbursement under another provincial, federal or municipal cost sharing or grant program (e.g. On-Farm Food Safety, Post-Farm Food Safety, Traceability Adoption, Livestock Tag Reader Rebate);
- GST, PST, or other items for which a refund or rebate is received;
- Ongoing costs of traceability (e.g. purchase of identification tags, labels, renewal fee of GS1 etc.);
- Costs to meet regulatory requirements;
- Market research (e.g. product, sector, customer);
- Costs associated with planning and creation of a value chain (e.g. partners facilitation/ coordination, agreements, business planning);
- Scientific testing;
- Food and beverage product research and development;
- Expansion of production capacity; and
- Expenditures and activities that result in facility level recording/storage of information without further information sharing between value chain partners.

Mock recall exercise

As part of the requirement to receive funding through the TVC Program, applicants must be able to demonstrate that the traceability information sharing system that has been implemented has the capability to enhance emergency response for the value chain or sector.

Costs associated with the mock recall exercise are eligible for reimbursement.

To prove that the information sharing system can effectively track animals/products through the value chain or within a sector, applicants must engage in a mock recall exercise. Supporting documentation must be provided to show the information sharing capability and responsiveness of the traceability system in an emergency.

The mock recall exercise does not need to demonstrate an investigation into the source of a problem or address any corrective action (e.g. revising sanitation procedures or personnel issues). The exercise should only test the information sharing system by allowing participants to access and share all pertinent information with regards to a specific product lot number, batch or animal.

The mock recall exercise needs to demonstrate that 100% of any selected product can be located. Information related to the product (inputs, production, storage, transport, handling) can be provided by each value chain partner or sector association member to the designated representative (see below) within 48 hours of the exercise being initiated. For the purposes of this exercise, lot numbers of all raw materials and finished products with their premises and movement information related to the identified product needs to be listed by each value chain partner or participating association member.



Mock recall exercise

By the end of the project, a mock recall exercise will be initiated by a designated representative for the project. The designated representative can be any person directly involved and knowledgeable about the project (i.e., the sector organization or its members, or a value chain partner). The designated representative will:

- Coordinate the mock recall exercise among all project participants
- Assemble and ensure completion of all supporting documentation for the mock recall exercise including, but not limited to:



A documented mock recall procedure.



Records generated by the newly implemented/expanded traceability information sharing system documenting the outcome of the mock recall exercise.



Records confirming the capability of the information sharing system to locate 100% of the identified animal, plants or product along the value chain or across a sector within a 48-hour period.



Any other reports, logs or schedules as generated by the information sharing system.

- Submit all required documentation to PwC as part of the final report

If you need a template to conduct the mock recall exercise, contact PwC for a template.

Part B: Application



How do I apply?

1 Application submission

June 1 to 30, 2020



Fill in Application Form

Visit bctraceability.ca to:

- apply directly online or
- download a PDF.

Refer to the following pages when completing your application.

Application window: June 1 to 30, 2020



Merit-based review and decision

The Program Administrator may request additional documentation or clarification on your application.



Decision email to applicants

If selected, you will receive a funding approval letter.

Purchases made prior to receiving the approval decision and notification will not be reimbursed.

2 Project execution

August 2020 to January 2021



Sign Funding Agreement

If your application is approved, you will receive a recipient funding agreement.

Please sign the agreement and return it via email or post. We will counter-sign the agreement and return it to you.



Purchase approved item

You are now able to purchase the approved items.

Please keep all invoices and receipts to evidence purchase and payment.

Purchases made prior to receiving the approval decision and notification will not be reimbursed.



Submit invoices, receipts, photos, and mock recall documents

Refer to the 'Instructions on how to submit a claim' on the website or send your invoices and receipts via email.

All claims must be submitted within 2 months of the completion of the project.



Review & reimbursement

Upon approval, we will complete a direct deposit or mail a cheque.

Your project may be selected for review as part of our annual audit.

What is the selection process?

Applications received during the application window will be assessed on a merit basis according to evaluation criteria established by the TVC Program, as listed below.

Evaluation Criteria

Applications will be evaluated against the following criteria and, as the case may be, other TVC applications:

- Develops new or expands current traceability information sharing system;
- Demonstrates close alignment with TVC program objectives;
- Shows effective, measurable and achievable performance measures;
- Presents well thought workplan activities and reasonable budget;
- Addresses training needs for implementation of the new system(s);
- Has the organizational capacity and resources to deliver and sustain success;
- Describes a mock recall plan and demonstrates capability to enhance emergency response for the value chain or sector;
- Has potential for expansion to or incorporation of new businesses (i.e., transferability); and
- Provides benefits to the sector or value chain and/or the Province of BC.

For sector organization applications:

- Displays a high-level of member support; and
- Demonstrates organizational capacity and clear plan to encourage member participation.

For value chain applications:

- Demonstrates the willingness of all partners to share information and enhance collective value derived from the project.

How do I complete the Application Form?

In order to be considered for funding under the TVC program, applicants must complete an Application Form that includes but is not limited to: details on the proposed project, outcomes and benefits, capacity and resources, proposed expenditures and activities, budget and sources of funding. **The application window is June 1 to 30, 2020.**

Please read each section of the Application Form carefully and refer to this part of the Program Guide for assistance.

Section 1A - Value chain applicants only

1. Read Part A: Eligibility section of the Program Guide thoroughly to determine if the value chain meets the TVC program eligibility criteria. All value chain partners participating in the proposed project must be identified.
2. Provide the contact information for the lead applicant, and eligibility section for all applicants.
3. Provide an overview of your value chain, completing all questions and columns.
4. Provide a short description of the value chain and business relationship of the value chain members:
 - How and what does each partner contribute?
 - How is / will the value chain be managed?
 - How are the value chain partners creating added value for themselves or the purchaser(s) of their products?

Once Section 1A is complete, value chain partners proceed to Section 2 of the Application Form.

Section 1B – Sector organizations only

1. Read Part A: Eligibility section of the Program Guide thoroughly to determine if the sector organization meets the TVC program eligibility criteria.
2. Provide complete and accurate contact details and organization information.
3. Provide an organization description including your mandate, capacity, membership description and your role within the sector.

Once Section 1B is complete, sector organization applicants continue to Section 2 of the Application Form.

How do I complete the Application Form?

Section 2 – Proposed information sharing project

Provide a description of the proposed project in the boxes. Below are some guiding questions to help you fill out the boxes. They may not be relevant to your project, and you may have additional information.

Project description

- What does your current information sharing system consist of?
- How does your current Information Sharing System work?
- What is the business case for the project? (e.g. why this project, purpose, capacity, need)

Project objectives

- How will this project improve your business (for value chain partners) or the success of member businesses (for sector organizations)?
- Will this project contribute to meeting new industry standards or certification requirements?
- Who will be impacted? How will project participants benefit from the project?

Proposed integrated information sharing system

- How, what, where, and with whom will information be recorded/stored and shared with to reach anticipated outcomes?
- What technology will be employed?
- Who will be trained and who will be training?
- How will it contribute to improved emergency management?

Transferability and benefits to the sector

- Is there a plan to expand participation in this traceability project to other businesses?
- Describe how this project will benefit your sector or value chain and/or the Province of BC.

Examples of benefits to the sector:

- Strengthens sector reputation and consumer confidence in provincial/national/international markets.
- Improved emergency response and ability to recall product resulting in reduced impact of food safety event on the broader sector.
- Reduce potential for illegal harvest and (or) food fraud.

How do I complete the Application Form?

Section 3 – Proposed project outcomes

When developing measurements for outcomes consider:

- Relevance to the project objectives and objectives of the TVC program;
- Ease of measuring the outcomes and benefits; and/or
- Cost for accessing, retrieving and analyzing the target data.

1. List your project objectives indicated in Section 3, completing all columns of the chart.
2. Describe the expected outcomes as a result of project activities. Outcomes may include but are not limited to the following:
 - The economic value the project will bring to the value chain or sector through:
 - Incremental sales; and/or
 - Market access.
 - Cost savings
 - Identify the improvements to emergency management capacity the project will support:
 - Improved identification and containment of risks;
 - Enhanced modeling and planning for emergency simulations;
 - Improved efficiency and effectiveness of emergency response; and/or
 - More rapid recovery through zoning and targeting of recovery efforts.
3. Indicate for each outcome described a measurement that will be used to evaluate how an outcome is met.

Measurements may include but are not limited to the following:

- Production volumes and efficiencies; and/or
- Enhanced market opportunities for the value chain or sector.

Sources of information for measurements could include:

- Sales reports;
- Cost analysis; and/or
- Production records.

How do I complete the Application Form?

Examples of performance measures:

- Percentage increase in sales;
- Number of new clients/customers gained;
- Access to foreign markets through ability to meet importing country traceability requirements;
- Number of new jobs created over a certain time period;
- Percentage reduction in operating costs;
- Percentage reduction in labour costs, re-training costs due to decreased employee turnover;
- Percentage reduction in product waste;
- Percentage reduction in energy use;
- Optimize crop plant timing to harvest at the best-selling price for greenhouse sector;
- Expansion across Canada with addition of new distributor for distributor sector;
- Reduction in time to trace 100% product in a mock recall exercise;
- Payback period of project investment; and/or
- Estimated return on investment.

4. Indicate the timeline for each outcome.

- Short term: is achievable and measurable within the project timeframe
- Long term: may be beyond project completion date

5. Target(s) that demonstrate an outcome has been met. A target should be related to the measurement, e.g. the measurement is percentage increase in sale and the target is 26% increase in sales.

How do I complete the Application Form?

Section 4: Mock recall exercise

By the end of the proposed project you will need to conduct a mock recall exercise to demonstrate your ability to trace, identify and contain 100% of infected or unsafe animals, plants, or products across a sector or along a value chain within 48-hour period. Refer to pages 9 and 10 of this Program Guide for more information on the mock recall exercise.

Explain how you will accomplish and measure a successful mock recall exercise. Please ensure the description includes the following but not limited to:

- What are the steps involved in the recall exercise?
- What are the roles and responsibilities of those undertaking the recall exercise?
- How will the relevant information be collected?
- What is the average time to complete a recall before and after the project?

Section 5: Workplan – Detail how you plan to carry out your proposed project and associated cost

See Part A: Eligibility in this Program Guide for a list of eligible and ineligible expenditures and activities.

Indicate the project timeline, and for each activity, indicate associated cost, requested funds, number of items.

The following information should be included in the table:

- Provide a start and end date for each expenditure/activity. Dates should be listed in chronological order and reflect realistic timelines. **Projects and claims must be complete and submitted by January 31, 2020.**
- Indicate a cost for each expenditure/activity:
 - For sector organization projects, if the expense is in-kind, check off the 'In-kind Expenditure?' column.

Section 6: Additional Information

Provide any additional information about your proposed project. For sector organizations, please provide information about in-kind contributions.

Frequently asked questions

I am part of a two-business value chain. Can I apply for the TVC program?

The TVC program has been updated to only consider applications from sector organizations or three or more value chain partners. If you are an individual business or two businesses along a value chain, please refer to the Traceability Adoption program.

What funding amount can I receive from the Traceability Value Chain program?

The maximum funding cap for the Traceability Value Chain Program is \$75,000 per application.

What does a merit-based review process mean?

The review process for the TVC program is merit-based. Applications will be evaluated against the criteria on page 13.

When is the application window?

June 1 to 30, 2020.

When will I be notified of the results?

Applicants will be notified of the results on July 31, 2020.

What is needed for the Mock Recall Exercise?

If your project is approved, a mock recall exercise must be completed after project implementation, and the documentation must be submitted alongside your claim. The cost of the mock recall exercise is an eligible activity for the program.

If I purchased the equipment before I was approved, can I still be reimbursed?

No. Purchases made prior to receiving the approval decision and notification will not be reimbursed.

Can I change my work plan once I have been approved?

Yes. Please contact the program team to assist you.

Can I purchase my items in stages?

Yes. Eligible participants may apply for funding each year for new eligible activities, however priority will be given to first-time applicants.

What if I can't complete my activities before the outlined deadline?

If you feel you will not meet your deadlines, please contact the program team as soon as possible:

bctraceability@ca.pwc.com.

My project has been approved and is now complete. How do I submit my claim?

Please submit your claim by following the claim reimbursement instructions document found on our website bctraceability.ca.

Contact us

PwC is administering this program on behalf of the B.C. Ministry of Agriculture. Interested applicants are encouraged to contact us.

By phone: (604) 484-3490
By e-mail: bctraceability@ca.pwc.com
By fax: (604) 806-7806 Attn: Jen McIntyre
By mail: Jen McIntyre,
B.C. Traceability Programs
PwC LLP
250 Howe Street, Suite 1400
Vancouver, BC V6C 3S7



Caroline Gibbeson
Program Manager



Jen McIntyre
Program Administrator