Sustainable Canadian Agricultural Partnership

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Sustainable Agriculture Manitoba: Manure and Livestock Management

Program Guide

Version 2.0





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Section 1 - Program Description

Sustainable Agriculture Manitoba (SAM) provides funding to primary producers and land managers to implement cost-shared beneficial management practices (BMPs). The objective of SAM is to increase the environmental and economic sustainability of agriculture operations in Manitoba. Priority areas include climate change adaptation and mitigation, air quality, water quality and quantity, soil health and biodiversity.

Section 2 - Program Eligibility

Eligible applicants include:

Primary Producers

- Must have a valid Statement of Completion for an <u>Environmental Farm Plan</u>
- Must manage agricultural land used to produce agricultural products.
- Must own land where the project will be executed or have permission from the landowner to execute the project.
- Must have a Manitoba Premises Identification Number (livestock producers only)
- Can be located outside of Manitoba if the project activities have a positive outcome for Manitoba and if they have a valid EFP from their province of residence.
 - Priority will be given to eligible applicants who own/manage agriculture land in Manitoba

Commercial Manure Applicators

Must have a valid <u>Commercial Manure Applicators License</u>

For businesses operating under a registered business name, regardless of business structure, all program documentation must be in the registered business name and supported by a unique Business Number. This includes the project application forms as well as all project invoices. Businesses operating under an unregistered business name or trade name must use their official business name on all program documentation. For example, a sole proprietor operating under a trade name without a registered business name must complete all documentation in their personal name and provide their unique Social Insurance Number.

For individuals that are involved in more than one farming business, each sole proprietorship, partnership, or corporation must each have a unique business number to qualify for separate funding. All invoices must be issued in the name of the applicant or else funding caps may be combined. It is up to the applicant to show evidence of independent operations.

All eligible invoices and proof of payment forwarded for claims must reference the original business name or the applicant's personal name.

Government employees who are the majority shareholder (50 per cent or higher) in a business or operation are not eligible to participate or receive funding as the ultimate recipient. A farm business or operation, which includes a provincial government employee as a minority shareholder, will be eligible to receive funding for project implementation.

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 programs
- amounts due and owing by the applicant under other Sustainable Canadian Agricultural Partnership and Manitoba programs.

Section 3 - Cost Share Funding

Eligible Expenses

Eligible expenses are directly related to the execution of an approved project and include:

- Incremental Personal Labour
 - Labour hours incurred by the applicant for eligible activities, capped at \$30/hour.
- Incremental Personal Equipment Use
 - Equipment owned by the applicant can be used for the successful completion of the approved project. Reimbursement will be determined using the appropriate rental rate guide (<u>Manitoba's Farm Machinery</u> <u>Custom and Rental Rate Guide</u>) or <u>MHCA Equipment Rental Rate Guide</u>)
 - Where rental rates are not identified in published guides (e.g., survey equipment, tree planter, etc.), applicants can specify the type of equipment and proposed hourly or daily rental rate in their Application Worksheet budget for review.
- Subcontracted Services
 - o Third-party services related to custom labour and equipment use.
- Professional Fees
 - Third-party service provided by an organization, business or individual, who holds a valid designation, examples may include consultant wages, engineering fees, etc.
- Capital Assets and Equipment
 - Purchase of specialized equipment or attachments related to composting, nutrient recovery, manure application, etc.
 - Purchase of new technology, examples include sensors, monitors, alarms, feed systems, feed processing equipment, etc.

- Equipment Rental
 - Equipment that is rented for the successful completion of the approved project.
- Materials and Supplies
 - Construction and building materials necessary for the completion of the approved project, examples include lumber, seed, plumbing components, etc.
- Provincial Sales Tax (PST)

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

Where a project is approved, no eligible expenses will be reimbursed unless a Contribution or Funding Agreement is signed.

If work is started on a project before formal written approval of program funding is received, the applicant does so at their own risk.

All expenses must be supported by an invoice and a valid proof of payment. All invoices must be dated on or after April 1, 2023.

The same invoice cannot be claimed by more than one applicant or business number or for multiple projects.

Additional eligible cost information, by BMP, can be found below.

Ineligible Expenses

The following expenses are ineligible for funding:

- Any expense, including a tax, which is eligible for a rebate, credit, or refund such as Goods and Services Tax (GST)
- In-kind
- Any expenses not required for the execution of the project.
- Normal operating expenses associated with conducting business operations.
- Extended warranties
- Spare parts not used as part of the project.
- Expenses associated with lobbying.
- Financing charges, loan interest payments, bank fees and charges
- Any compensation to any government employee for organizing or delivering parts of the project.
- Purchase of land, buildings, and facilities, associated taxes and fees (e.g., land transfer tax)
- Any additions to new or existing buildings and facilities, associated taxes and fees.

- Purchase of typical farm equipment (e.g., tractors, skid steers, combines, etc.)
 and related accessories and attachments.
- Normal, current, or ongoing maintenance expenses
- Cost of establishing a commercial operation or new farmyards
- Cost of office renovations
- Cost of sponsorship of seminars, conferences, workshops, events, or initiatives
- Multi-use items (e.g., items that are not directly related to the project activities, such as computers, printers, phones, cameras, pressure washers, general farm equipment, batteries, ATV, trucks, clothing and footwear, tools, fuel, etc.)
- Any project-related activity that generates revenue during the implementation of the project.
- Expenses incurred for other projects.
- Any other expense deemed ineligible by the program administrator.
- Any expense incurred prior to April 1, 2023.

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

Section 4 - Funding Streams

Activities will focus on the implementation of on-farm beneficial management practices that increase the environmental and economic sustainability of agriculture operations in Manitoba. Priority areas include climate change adaptation and mitigation, air quality, water quality and quantity, soil health and biodiversity.

Under the Manure and Livestock funding stream, the following BMPs are eligible:

Funding Stream	BMP Number	BMP Name
Manure and Livestock Management	2200	Improved Manure Application
	2700	Composting

Additional funding information, for each BMP listed above, can be found below.

BMP 2200: Improved Manure Application

Liquid manure can be applied using technologies and practices that reduce greenhouse gases and odours. The goal is to conserve nitrogen and create a more balanced, homogenous fertilizer of known nutrient concentration for crop production. By covering the manure with soil using direct injection, the risk of manure being lost to surface water in runoff is also reduced.

Eligible Applicants

- Primary Producers
- Licensed Commercial Manure Applicators

Cost Share Ratio and Funding Cap

BMP 2200 has a cost share ratio of 50 per cent government, 50 per cent applicant, and an overall funding cap of \$680,000 across all Eligible Practices. A single Application Worksheet can include any or all eligible practices within BMP 2200.

Code	Practice Description	Сар
2201	Equipment for direct injection of liquid manure including components that enhance the direct injection system (e.g., injection toolbar and furrow closure wheels)	\$150,000
2203	In-stream nutrient analysis for liquid manure (e.g., NIR) including associated controllers, specialized mapping software, consultation fees for the commissioning of enhanced manure application technologies	\$30,000
2204	Specialized equipment that is specifically designed for inseason application of liquid manure to land (after emergence of an annual crop)	\$500,000

Eligible Expenses

- Incremental Personal Labour
- Subcontracted Services
- Professional Fees
- Capital Assets and Equipment
- Materials and Supplies

Ineligible Expenses

- Incremental Personal Equipment Use
- Equipment Rental

Specific Ineligible Items

 Any system that does not deliver manure directly below the soil surface (Aerway, dribble bars or splash plates, etc.) or does not improve nutrient delivery when combined with the injection system.

BMP 2700: Composting

Manure composting can reduce odour, pathogens, reduce greenhouse gas emissions, and increases efficiency of nutrient management. Composting solid manure reduces the nutrient variability, makes for a uniform product that can be used to increase soil fertility and helps to build soil structure and soil organic matter. Composting manure reduces the overall volume of manure that needs to be hauled making compost an easier product to manage at time of application.

Eligible Applicants

Primary Producers

Cost Share Ratio and Funding Cap

BMP 2700 has a cost share ratio of 50 per cent government, 50 per cent applicant, and an overall funding cap of \$260,000 across all Eligible Practices. A single Application Worksheet can include any or all eligible practices within BMP 2700.

Code	Practice Description	Сар
2701	Permanent composting structures for deadstock and manure, such as compost bin systems, compost sheds, etc.	\$150,000
2702	Self-propelled or PTO-driven compost turner, forced aeration equipment, etc.	\$100,000
2703	Engineering, design, permitting. Eligible as a stand alone if project does not proceed for economic, technical, or environmental reasons.	\$10,000

Eligible Expenses

- Incremental Personal Labour
- Incremental Personal Equipment Use
- Subcontracted Services
- Professional Fees
- Capital Assets and Equipment
- Materials and Supplies

Ineligible Expenses

Equipment Rental

Specific Ineligible Items

- Compost pads, separate tractor, or power unit for compost turner
- Expenses for compost bagging equipment (if producers are wanting to sell compost)

Notes

 Permit to construct, modify or expand a manure storage must be obtained prior to beginning this project.

Section 5 - Application Worksheet Assessment

The primary objective of Sustainable Agriculture Manitoba is to make environmental improvements on agriculture operations in Manitoba.

To maximize positive environmental outcomes, project proposals are assessed using three criteria: the Environmental Benefit Assessment Index, Provincial Program Priorities, and project planning.

1) Environmental Benefit Assessment Index (EBAI): A system used to determine the level to which a project addresses environment risk. The index generates a rating of the environmental benefits that a specific activity would provide.

The EBAI takes into account the following categories:

- **Climate change**: mitigation of greenhouse gases (GHGs) and adaptive measures to climate change,
- **Water quality**: potential to improve water quality by reducing the nutrients (nitrogen and phosphorus), pesticides and pathogens that enter waterways,
- Water quantity: potential to address the storage, conservation, and efficient use of water.
- **Soil quality and fertility:** potential to improve soil quality, reduce erosion and maintain or increase crop productivity, and
- **Biodiversity and natural habitat:** potential to improve biodiversity and wildlife habitat through environmental farming practices.

Categories within the EBAI are weighted to stress the importance of specific environmental benefits as dictated by the goals of a given program. For example, if the main objective of a program is to improve water quality, the water quality category receives the highest weighting. The other co-benefits of the practice are considered, but with a lower weight or emphasis.

The EBAI summarizes the scores for each environmental outcome based on program priorities to give a final numerical value of environmental benefits offered by the project.

2) Provincial Program Priorities: Agriculture sustainability should promote a profitable and competitive agricultural sector, while reducing the impact of agricultural activities on the environment. Manitoba prioritizes the adoption of on-farm strategies that improve environmental stewardship and can reduce the risk of nutrient loss to water, mitigate and adapt to climate change, increase the level of carbon stored in the soil, assist in mitigating potential nuisance complaints and enhance public trust of farming operations.

3) Project Planning: Projects must be adequately designed, and applications must clearly identify locations, steps, process, and intent, especially with respect to environmental benefit. Project applications are scored on the ability to clearly show that the project design will result in the intended outcome.

Once all three aspects have been considered in the final rating, the resulting value is compared to other projects and funding is allocated based on ranking of the project; higher ranked projects are prioritized for funding.

A final inspection or other proof of completion may be required to confirm that the project was implemented in accordance with the project proposal.

Successful applicants are responsible for:

- identifying, obtaining, and complying with all necessary licenses, permits and approvals (municipal, provincial, federal, etc.), before starting the project
- incorporating any relevant and required mitigation measures for the project.
- ensuring that insurance requirements have been met regarding the changes implemented.

Additional Information

Please contact Manitoba Agriculture for further information by email at agriculture@gov.mb.ca or by phone at 1-800-811-4411

Section 6 - How to Apply for Funding

Applicant Information Forms and Application Worksheets, upcoming intakes and deadline dates are available on the Manitoba Agriculture website at https://www.manitoba.ca/scap/ under the Climate Change and Environment Priority Area.

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

Complete Applicant Information Forms and Application Worksheets can be emailed to Manitoba Agriculture at agriculture@gov.mb.ca must be submitted to the program administrator no later than the deadline.

Applicant Information Forms and Application Worksheets and required documentation can be emailed to Manitoba Agriculture at agriculture@gov.mb.ca.

Applicants must acknowledge and agree to any terms and conditions contained in the Applicant Information Form and Worksheet.

Applicants must comply with all provincial and federal government laws and regulations applicable to their project and to their business or organization's operations. Applicants must also accept and agree to all the terms and conditions of the program.

Only the applicant may sign the program application or other program documents. In the case of corporations, partnerships and other business organizations, a designated person with legal authorization must sign the application and other program documents. The program administrator may require proof of authorization.

The project duration for program activities may be single or multi-year. Multi-year projects can be up to two consecutive years.

Project activities must be completed, and all reports submitted on or before December 31, 2027, unless otherwise stated in the Contribution or Funding agreement.

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

Definitions

Agricultural Land: private land, leased agriculture Crown land, First Nation land or Association of Manitoba Community Pastures land and is used for agricultural crop production or pasture located in Manitoba.

Applicant: a person or entity who satisfies all the eligibility requirements set out in the terms and conditions and who submits an application under this program.

Beneficial Management Practice (BMP): a recognized agricultural management practice that mitigates or minimizes negative impacts and risk to the environment, by maintaining or improving soil, water and air quality and biodiversity; or improves adaptability and ensures the long-term health and sustainability of land-related resources used for agricultural production.

Contribution Agreement: the articles of agreement and annexes, as well as their amendments and the general terms and conditions applicable on the effective date of agreement.

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 Personal Equipment Use: equipment use hours incurred by the applicant for approved activities. Reimbursement is capped by the rates outlined in the <u>Farm</u> <u>Machinery Custom and Rental Rate Guide</u> and <u>MHCA Equipment Rental Rate Guide</u>.

Incremental Personal Labour: labour hours incurred by the applicant for approved activities, such as construction, installation, manual labour, etc. which is directly related to the execution of the project Reimbursement is capped at \$30 per hour and does not include time operating equipment, administration duties or other expense deemed ineligible by the program administrator.

Person: includes an individual, partnership, association, or corporate body (entity).

Primary Producer: an individual grower, producer or rancher, partnership, corporation, co-operative, or any other association of people who is actively engaged in farming.

Program: refers to the Sustainable Canadian Agricultural Partnership program.

Program Administrator: Manitoba Agriculture, or where applicable, any authorized person engaged by the Manitoba government, to conduct administrative activities in connection with the program.

Provincial Government Employee: any full-time, regular, part-time or term individual employed by the provincial government, including any special operating agency or Crown corporation.

Sustainable Canadian Agricultural Partnership: 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: the Sustainable Canadian Agricultural Partnership program rules that applicants must follow as conditions for receiving funding; may be occasionally revised, altered or amended from time to time.