



Food Storage, Distribution and Retail Program

PROGRAM GUIDE 2023/24



The Food Storage, Distribution and Retail Program supports food systems partnerships in BC to advance practices, processes, infrastructure, and collaborations that will strengthen and streamline food system logistics, storage, and transportation and address supply chain bottlenecks.

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PROGRAM OVERVIEW

The Food Storage, Distribution and Retail Program (FSDR) is an up to \$15.5M program funded by the Government of BC through the Ministry of Agriculture and Food (AF) and delivered by the Investment Agriculture Foundation of BC (IAF).

Background

The FSDR program is funded through the Food Affordability and Innovation Fund (FAI), an up to \$20M fund. FAI aims to improve food affordability in BC through targeted investments in supply chains, food system innovations and partnerships. Specifically, the Fund supports approaches and collaborations at strategic nodes along the food supply chain to strengthen and streamline logistics, storage and transportation and improve access to affordable food, particularly in remote, rural, and/or indigenous communities.

Program Goal

To support food systems partnerships in BC to advance practices, processes, infrastructure, and collaborations that will strengthen and streamline food system logistics, storage, and transportation and address supply chain bottlenecks.

Program Objectives

The Food Storage, Distribution and Retail Program aims to:

- Improve and enhance food aggregation, storage, and distribution.
- Improve infrastructure and supply chain logistics within BC's food system.
- Improve the supply of food to rural, remote, and/or Indigenous communities.
- Increase access to affordable food for British Columbians.



APPROACH

Funding will be allocated to support eligible activities in two key focus areas:

- Stream 1: \$10.5M to improve regional distribution networks and shared storage capacity.
- Stream 2: \$5M to improve the operational capacity of independent grocery retailers.

Each funding stream will have set cost-share ratios and funding limits as outlined below.

Program Structure

<i>Funding Stream</i>	<i>Project Funding Limits</i>	<i>Cost-Shared Ratio</i>
S1: Regional distribution networks and shared storage	Min. \$100K - \$3M Max ¹	75%
S2: Independent grocery retailers	Min. \$25K - \$150K Max.	75%

Stacking of funds from other government programs is allowed up to 100%, provided other funds are not from programs delivered by IAF.

Note: If there is a discrepancy between this program guide and www.iafbc.ca/fsdr, the website will take precedence.

¹ Exceptions may be made on case-by-case basis for projects targeting indigenous communities that are below the \$100,000 Stream 1 minimum size but are strongly aligned with program objectives.



ELIGIBILITY CRITERIA

Eligible Applicants

To be considered eligible to apply for this program, an applicant must be a BC-based organization working within BC's food system and with a minimum of 2 years of operations.

Stream 1: Eligible organizations or partnerships can include:

- Input suppliers
- Producers
- Processors
- Co-packers
- Distributors
- Wholesalers
- Independent retailers
- Industry associations
- Commercial food hubs²
- Indigenous nations and organizations

Other value-chain/industry members, such as academic or agritech companies, can be partners on projects, but not direct applicants for funding.

Stream 2: Only Independent Grocery Retailers are eligible to apply.

Maximum Funding Limits

The total funding limit per applicant by Stream:

- **Stream 1:** Maximum of \$3,000,000³ for regional distribution networks and shared storage projects.
- **Stream 2:** Maximum of \$150,000 for independent grocer projects.

² Commercial food hubs refer to shared-use food and beverage processing facilities that offer food and agriculture businesses access to commercial processing space, equipment, expertise and resources to support business development and growth.

³ Exceptions may be made on case-by-case basis for projects targeting indigenous communities that are below the \$100,000 Stream 1 minimum size but are strongly aligned with program objectives.

Eligible Projects

All projects and activities must align with the program goal of supporting BC food systems partnerships to advance practices, processes, infrastructure, and collaborations that will strengthen and streamline food system logistics, storage, and transportation and address supply chain bottlenecks.

Note: For this program, the term “broad benefits” means the benefit of the project activities extends beyond a single person or business. For example, the benefits extend to the community, environment, or towards increasing food security within their food system.

Eligible Activities and Expenditures

Eligible project activities and costs are those that support improvements to regional distribution networks and shared storage capacity, and/or improvements to the operational capacity of independent grocery retailers.

This can include purchasing, developing, or upgrading equipment, facilities, and infrastructure.

Project activities must clearly demonstrate alignment with the program goal and objectives. This can be by:

- Having a direct impact on rural, remote and/or Indigenous communities (essentially, areas that are more prone to being cut off from their food supply during emergencies or have difficulty accessing food affordably due to high costs/challenges of transporting food to those communities).
- Supporting the role of independent grocers in providing access to affordable food in rural, remote, and/or indigenous communities.
- The purchase, development, or upgrade of facilities, equipment or infrastructure that support stronger food system partnerships.
- The establishment or development of food system partnerships.

Partnerships are not required for independent grocers applying to Stream 2, however, may be prioritized for regional distribution and shared storage projects to determine funding allocations and broad benefits.

Examples of Eligible Projects

Below are some examples of eligible projects under the Food Storage, Distribution and Retail Program. This list is provided to assist applicants in project development and is not exhaustive.

Stream 1: Regional distribution networks and shared storage:

- Warehousing and storage facility improvements that reduce costs and increase food volumes, such as shared facilities at key nodes along the supply chain.
- Innovative transportation models that reduce costs and increase food volumes, such as shared transportation networks that pool shipments.
- Partnerships to improve collaboration within the supply chain and increase food supply to specific communities, including through direct sourcing or bulk purchasing of ingredients (by processors) or produce (by independent retailers) and freight optimization.
- Practices and processes that reduce strengthen supply chains, and increase food availability, such as mobile grocers, inventory management, or aggregation initiatives.
- Implementation of technologies that improve the efficiency of the food supply chain, such as digitized inventory management.

Stream 2: Independent Grocery Retailers:

- Purchase of equipment that improves the operational capacity of independent grocery retailers to enable to them to increase the supply of affordable food to local communities, such as cold storage.

Ineligible Activities and Expenses

The following participants, activities and expenses are not eligible to be funded under the Food Storage, Distribution and Retail Program. This list is not exhaustive and is meant to be used as a guideline.

Ineligible Participants:

- Non-independent retailers (e.g., national/chain retailers).
- Manufacturers of alcoholic beverages.
- Pet food, cannabis-infused products, and/or nutritional supplements.
- Restaurants and food service, including catering services.
- Provincial or federal agencies.
- Non-BC based businesses.
- New entrants, with less than two years of operations

Ineligible Activities / Expenses:

- In-kind activities.
- Any costs not specifically required for the execution of the project.
- Equipment, facilities, and infrastructure investments that do not support B.C.'s food supply chain and address supply chain bottlenecks.
- Direct income support.
- Core operational expenses.
- Existing operating expenses.
- Staff wages not directly related to the implementation of project activities.
- Regular capital expenditures, machinery costs, and general operating expenses made in the ordinary course of business.
- Export subsidies.
- Direct advertising/promotion.
- Costs related to activities that directly influence or lobby any level of government.
- Research and development-specific projects.
- Planning or training specific projects.
- Individual business support for food safety and other certification processes.



APPLICATIONS

Stream 1: Regional distribution networks and shared storage

- Applicants are required to complete a two-step application process. An Expression of Interest (EOI) can be submitted starting September 28, 2023, until October 26, 2023, at 4:30 pm PST. EOI submissions will be accepted through the [IAF Client Portal](#).
- Eligible applicants/projects will be notified with an Invitation to Apply and be invited to complete a full application. If you are invited to apply, you will have **30 calendar days** to submit a complete online application and provide documents.
- An invitation to complete a full application is not a guarantee of funding.

Stream 2: Independent Grocery Retailers

- Applicants are required to complete an online application. Applications will be accepted on a continuous basis starting September 28, 2023, until November 9, 2023, at 4:30 pm PST. Application submissions will be accepted through the [IAF Client Portal](#).

All Stream 1 and Stream 2 projects must receive IAF approval before starting activities or incurring any project costs. Approved projects can be 24 months in duration and must be completed no later than February 1, 2026.

Reminder: Don't wait to create your account on the [IAF Client Portal](#). It can take up to two business days for IAF Staff to verify your Organization Registration.

Important Program Dates

- **September 28, 2023** – Stream 1 EOI & Stream 2 Application Intake Open
- **October 26, 2023**, at 4:30 pm PST - EOI Intake Closes
- **November 24, 2023** – Notification of 'Invitation to Apply'
- **November 9, 2023**, at 4:30 pm PST – Stream 2 Application Deadline
- **December 21, 2023**, at 4:30 pm PST – Stream 1 Application Deadline
- **January 1, 2024** – Earliest Project Start Date
- **February 1, 2026** – Project Close

Application Process

Applicants will apply through the [IAF Client Portal](#). The application process will consist of:

Create an Account and Organization Registration

Create a personal profile (name and email). Then, provide organization information, including:

- Name
- Contact details
- Type of organization
- BC ID / CRA numbers
- Primary contact
- and more

Submit an Expression of Interest (EOI) – Stream 1 ONLY

Once your organization is validated by IAF staff (this process can take **1-2 business days**), select Food Storage, Distribution and Retail Program from the Funding Opportunities, and provide:

- Funding stream and project type.
- A concise project description, including alignment with program goal/objectives.
- Outcomes/outputs.
- An indicative project cost.
- Proposed benefits/impacts.
- Partners.

Apply to the FSDR Program for Project Funding

Stream 2 Applications, as well as eligible applicants from Stream 1's EOI are invited to submit a full application. The purpose of the full application is to solicit all information required for the funding decision.

Select the Stream 2 Application or complete the new 'Full Application' section on your successful EOI. This will include:

- Project start & end dates.
- Detailed project description, project goals and objectives.
- Provide a description of key activities/outcomes, who will undertake work and a timeline.
- Intended benefits/impact.
- Partnerships and communications plan.
- Funding request/detailed project budget.

To Note:

Applicants may provide supplementary materials in support of their application (e.g., letters of support, CV's, quotes). These appendices can be uploaded through the IAF Client Portal as attachments to the application.

IAF staff are available to answer questions regarding eligible activities, costs and/or the application process. Applicants can contact fsdr@iafbc.ca with any questions about the program or to receive support in developing their application.

Applicants are encouraged to include only activities they are confident will be completed on time and within budget limits.

Review and Adjudication

All applications received by the application deadline will be reviewed by IAF for eligibility and completeness. Stream 1 EOI will be notified about the status of their application within 30 days of the application deadline.

Only eligible Stream 1 applicants/projects will be invited to submit a full application for funding by December 21, 2023. Complete applications will be reviewed against the program's prioritization criteria. Full prioritization details can be found on iafbc.ca/fsdr/. **Funding will be awarded based on eligibility and alignment with program priorities, on a first-come-first-serve basis, subject to available funds.**

IAF will complete adjudication within 60 days after the application intake deadline, followed by decision emails to applicants. All adjudication decisions are final.

EOIs and applications may be assessed by a technical review / advisory committee and/or the Ministry of Agriculture and Food as required. If funding is not fully committed through the first intake, a second intake may be considered.



NOTIFICATIONS AND OBLIGATIONS

Funding Notifications and Contracts

If the project is approved, IAF will inform the applicant of the details of the decision and any associated terms and conditions. The applicant then enters into a contribution agreement with IAF which outlines the obligations of each party.

Funding is application and project-specific and must be used for the approved project and related expenses. Funds are non-transferable.

If an Applicant is advised their project has been approved and the Applicant starts incurring costs, no costs are eligible for reimbursement unless a Contribution Agreement is ultimately signed between the applicant and the Investment Agriculture Foundation. Any costs incurred prior to signing of a Contribution Agreement, would be incurred solely at the applicant's risk without obligation of payment with program funds.

All project activities and expenditures must be approved to be eligible for funding reimbursement.

Notice of an 'Invitation to Apply' to Stream 2 applicants will be issued within 30 days; all other applicants can expect to receive a funding decision within 60 days of the application deadline. Projects may begin on or after January 1, 2024, and **must be completed within 24 months**. Retroactive costs may be considered on a case-by-case basis for Stream 1 projects.

All projects approved through the program must complete by February 1, 2026. If the project is not approved, the applicant will receive a written response from IAF.

Funding Acknowledgements

This program is funded by the Government of BC, therefore; acknowledgment of funding is required when publicly communicating about a project and/or funding. To ensure appropriate acknowledgments, all communications and marketing materials, including public announcements or social media posts, must be pre-approved by the IAF Communications Team. Materials can be submitted via the [IAF Client Portal](#).

Reporting Requirements

Successful applicants must complete one or more activity and financial reports to receive payment from the program. This report must be filled out and submitted to IAF to be considered for funding reimbursement. It is important that reports are submitted on time and with all the required information. Please retain all invoices and receipts, you may be asked to submit some or all receipts/invoices following a review of your report by the IAF Team. **Expenses will be reimbursed based on the approved project budget and/or audited receipts. All reporting will be completed via the [IAF Client Portal](#).**

Changes to Contracted Projects

If you are not able to complete your project according to the approved workplan, please inform the IAF Team as soon as possible using the [IAF Client Portal](#).

September 2023.

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