

# Traceability Adoption Program PROGRAM GUIDE 2025/26



Traceability Adoption Program provides cost-shared funding towards the purchase and installation of traceability systems, practices, technologies, or infrastructure to help industry meet new and existing regulatory requirements for the traceability of food, animals, and seafood products.

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Funding for this program has been provided by the Governments of Canada and British Columbia through the Sustainable Canadian Agricultural Partnership, a federal-provincial-territorial initiative. The program is delivered by the Investment Agriculture Foundation of BC (IAF).











# PROGRAM OVERVIEW

#### Background

The Traceability Adoption Program (TAP) is funded by the Governments of Canada and British Columbia through the Sustainable Canadian Agricultural Partnership, a federal-provincial-territorial initiative. The program is delivered by the Investment Agriculture Foundation of BC (IAF).

TAP seeks to increase the implementation of traceability systems in production and processing to enable the BC agrifood and seafood sector to meet new and existing regulatory requirements for the traceability of food, animals, and seafood products.

#### **Program Objectives**

TAP seeks to increase the adoption of traceability systems across BC's agrifood and seafood sectors. The program's intent is to help to enable industry to meet both existing, and new, regulatory requirements for traceability systems.

#### Stream 1: Traceability Adoption for Private Businesses

The objective of Stream 1 is to increase and support the implementation of facility-based traceability systems for private businesses across BC's agrifood and seafood sector.

#### Stream 2: Traceability Adoption for Sector Organizations

The objective of Stream 2 is to enhance and streamline information sharing across a value chain or sector to improve supply chain transparency and execute emergency response procedures (e.g. food recalls) when required.

# **Program Structure**

Applicants can apply for On-Farm or Post-Farm activities. Note: One application form is used for both On-Farm and Post-Farm. If you would like to apply to both, two unique applications are required.

Per the eligibility criteria, applicants are eligible for either Stream 1 or Stream 2, not both.



# **APPROACH**

Applicants are required to complete an online application. Applications will be accepted on a continuous basis starting May 1, 2025. Application submissions will be accepted through the <u>IAF Client Portal</u>. IAF will provide notice of application closure via the <u>TAP webpage and newsletter</u>.

Following the submission of an application and prior to funding decisions being made, project applications are screened and reviewed by IAF. Applications may be assessed by a technical expert to ensure viability and reasonableness.

Applications from the Livestock, and Seafood and Aquaculture sectors and for Stream 2, will be prioritized for funding until funding targets for those sectors/stream are met (see Prioritization below). Upon reaching the funding targets, all remaining program funds will be adjudicated on a first-come, first-serve basis until available funds are fully committed.

Submitting an application is not a guarantee of funding. Funding is limited and IAF expects funding to be fully allocated quickly. To maximize your chance of receiving funding, prepare all required documents (quotes, assessments, etc.) before applications open and ensure your application is complete at submission.

Funding decisions will be sent by email within 8 weeks of the complete applications submission. Applicants will have three months to complete their projects from the date of project approval, or by January 31, 2026, whichever is first.

#### Prioritization

BC's Livestock and Seafood & Aquaculture sectors and Stream 2 applications have been prioritized by the Government of BC for TAP funding. Funding target of approximately 20% and 10% of the overall budget have been set aside for the livestock and seafood and aquaculture sectors respectively with 15% funding target to Stream 2 applications. Those sectors and Stream 2 applications will be prioritized above others until the targets are achieved. After that time, first-come, first-served across all sectors is in effect.

It is important to note that the prioritization between sectors and Stream 2 are not mutually exclusive. For example, a livestock application submitted under Stream 2 would be counted towards both the livestock sector target and the Stream 2 target.



#### TAP Definitions

For the purposes of this program, the following are defined as:

**Traceability:** (Food product) traceability is being able to locate and track a food product from its source (including its various components) through manufacturing (including packing, processing and warehousing) to its destination (such as distributor, further processing, wholesale or retail, consumer).

**On-Farm:** Examples include growers, packers, and ranchers.

**Post-Farm:** Examples include processing, packaging, warehousing, transporting, distributing, and importing operations.

**Livestock Sector:** Includes businesses whose primary business activities are in Cattle ranching and farming, Hog and pig farming, Poultry and egg production, Sheep and goat farming, Dairy product manufacturing and Meat product manufacturing.

**Seafood & Aquaculture Sector:** Includes businesses whose primary business activities are in Aquaculture and Seafood product preparation and packaging

**Sector Organizations**: Cooperatives, industry associations, boards or councils; or other non-profit agriculture, food, and beverage, and/or seafood organizations.

#### NEW THIS YEAR! BOOK A CALL

There are now more ways to get in touch with the IAF Team!

Starting on the May 1, 2025, you can book a 10-minute phone consultation with an IAF staff member to discuss your TAP application.

Prior to booking an appointment, you must start your draft application and provide the ID number (TAP-202###-0####). This gives you and the IAF staff member a specific application to reference and provide support for during the 10-minute phone call.

Applicants are limited to one phone call appointment. Visit the <u>TAP webpage</u> to book.

As always, the IAF Team is still available at 250.940.6150 during business hours and by email.



#### **Funding Limits**

#### Stream 1: Traceability Adoption for Private Businesses

Each participant may receive up to \$20,000 per fiscal year (April 1 to March 31) for eligible activities, regardless of whether they are seeking funding for on-farm or post-farm activities, unless otherwise stated. Activities will be cost-shared at up to 70%, see the table below. If you successfully completed a project in 2024/25, please note, there is a program lifetime funding limit of \$40,000 over the four-year operation of the program (April 1, 2024, to March 31, 2028).

**NEW FOR 2025/26!** Livestock Tag Reader purchase and installation is now eligible for up to \$20,000 funding (these costs are included in the program lifetime funding limit).

#### Stream 2: Traceability Adoption for Sector Organizations

Each participant may receive up to \$75,000 as a Sector Organization. Activities will be cost-shared at up to 70%, see the table below. Funding will not exceed \$75,000 over the program lifetime (April 1, 2024, to March 31, 2028).

Note: In-Kind expenses and GST are not eligible for reimbursement under either Stream.

Eligible Activities Categories	Cost- shared ratio	Activity Funding Limit (Maximum)	Fiscal Year Funding Limit (Maximum)	Program Lifetime Funding Limit (Maximum)
Consultant Fees				
Hardware purchase and installation		Stream 1:	Stream 1:	Stream 1:
Software purchase / licence and installation	Up to 70%	\$20,000	\$20,000	\$40,000
Staff Training		Stream 2:	Stream 2:	Stream 2:
Custom Software Development		\$75,000	\$75,000	\$75,000
GS1 Registration				(April 1, 2024, to March 31, 2028)
Electronic Devices (multi- use)	Up to 50%			MUICH 31, 2020)



# ELIGIBILITY CRITERIA

#### **Eligible Applicants**

#### Stream 1: Traceability Adoption for Private Businesses

Eligible participants for Stream 1 include agriculture, food, or seafood businesses such as:

- Producers
- Transporters
- Packagers
- Harvesters
- Warehouses
- Importers
- Processors
- Distributors
- Exporters

#### Applicants must:

- Have an active 9-digit CRA business number.
- Constitute a legal entity.
- Be based and operating in BC and file business or farm income taxes in BC.
- Be registered with the BC Premises Identification Program if animals are raised (as defined in the Premises Identification Regulation made under the Animal Health Act)

Ineligible participants for Stream 1 include:

- Sector Organizations
- Health and/or nutrition supplement processing/handling operations.
- Pet food processing/handling operations.
- Restaurants or other food service operations.



#### Stream 2: Traceability Adoption for Sector Organizations

Eligible participants for Stream 2 include sector organizations in agriculture, food or seafood sectors.

• Sector organizations are defined as legally incorporated provincial entities representing members in the agriculture, food or seafood sector in British Columbia such as a cooperative, industry association, board or council, or other non-profit agriculture, food or seafood organization.

#### Applicants must:

- Have an active 9-digit CRA business number.
- Represent members involved in agriculture, food and seafood production, processing or handing activities
- Provide a plan demonstrating how funding will improve information sharing and traceability within your sector.
- Be based and operating in BC and file business or farm income taxes in BC.
- Constitute a legal entity capable of entering legally binding contracts.
- Be registered with the <u>BC Premises Identification Program</u> if animals are raised (as defined in the Premises Identification Regulation made under the Animal Health Act)

#### Ineligible participants for Stream 2 include:

- National sector organizations and non-BC based members of these organizations
- Sector organizations of tobacco and tobacco product producers, manufacturers or processors
- Sector organizations of pet food producers, manufacturers, processors or related facilities
- Sector organizations of health and/or nutrition supplement processors
- Sector organizations operating as food charities or food rescue and recovery organizations
- Private for-profit businesses

#### Arm's Length Transactions

All businesses from which goods or services are purchased must be at Arm's Length from the applicant, meaning not related to the applicant, not affiliated with the applicant, or controlled in any way by the applicant.



# Eligible Activities and Costs

#### Hire an Accredited Third-Party Consultant

- Consultant fees for assessing, planning and/or implementing the project.
- Consultant fees for developing or improving recall plans, specific to the newly implemented traceability system.
- Consultant fees for conducting recall exercises of the newly implemented traceability system.
  - o IMPORTANT: Fees related to recall plans/ exercises cannot be the sole activity in an application.

Note: Consultants must be accredited third-party individuals.

#### Purchase/License and Install Hardware

- Purchase and installation of hardware for traceability systems, including:
  - Livestock tag readers (hand-held or panel readers) and installation from <u>Canadian Cattle</u> <u>Identification Agency's Approved Livestock Tag Reader List (as of Nov 2021)</u>
  - o Radio Frequency Identification (RFID) or barcode readers.
  - o Label printers (including those with bag closure functionality).
  - o On-site database and web servers.
  - Wireless or wired connectivity within the enterprise, as required for the traceability system.

#### Purchase/License and Install Software

• Purchase, licensing (subscription) and installation of traceability software to gather, store, process, report, and track information. Including for Livestock Tag Readers.

#### Train Staff

• Staff training by vendor (preferred) or approved accredited third-party consultant to implement traceability systems.

#### Purchase Electronic Devices (multi-use)

- Incremental costs for the purchase of a multi-use electronic device(s) to support traceability systems. (Examples: Computers, laptops, tablets, smart phones.)
  - o IMPORTANT: Multi-use electronic device(s) cannot be the sole activity in an application.

# NEW FOR 2025/26! Develop and Install Custom Software

- Custom software development and installation that enhances and meets the traceability needs of a business or sector (i.e. to gather, store, process, report, and track information).
- If custom software development is included in a TAP application, an internal review with a technical specialist will assess whether the software development is essential and significant to the traceability project.



o IMPORTANT: Custom software must significantly enhance traceability within the business or sector. Comparable 'off-the-shelf' traceability software must not be available on the market.

#### **GS1** Canada Registration

• First time (initial) registration fee for GS1 Canada for unique company prefix number.

# Ineligible Activities and Expenses

Ineligible activities and expenses, regardless of TAP Stream, include:

- Good and Services Tax (GST)
- In-kind expenses
- Capital costs (such as vehicles, furnishings, land, and buildings).
- Equipment purchased and/or facility modifications intended to increase capacity.
- Project consisting solely of multi-use electronic device purchase.
- Software development project plans not relevant to the traceability system.
- Software maintenance and updates.
- GS1 Canada subscription fees (on-going fees and costs)
- Taxes and duty or shipping costs.
- Costs inherent in the day-to-day operations of the business or for ongoing maintenance (e.g. ongoing expenses for employee salaries, existing software subscription costs, etc.).
- Consumables including livestock ear tags, labels, printer ink, load bars, livestock handling systems, etc.
- Purchase of multi-purpose/commonly used equipment such as computer hardware/software, digital cameras, GPS; and drainage activities for non-traceability use (e.g. for personal use or general office use).

Note: Purchases made prior to receiving the approval decision and funding approval letter will not be reimbursed.



# **APPLICATIONS**

#### **Important Program Dates**

Applications will be accepted starting on May 1, 2025, and will remain open until funding is fully committed. IAF will provide notice of application closure via the <u>TAP webpage and newsletter</u>.

Funding decisions will be sent by email within eight weeks of the complete application submission.

Approved projects may begin upon approval. Applicants will have three months to complete their projects from the date of project approval. All projects must be completed by January 31, 2026.

IAF will provide notice of application closure via the <u>TAP webpage</u> and TAP newsletter a minimum of three business days in advance on closure. IAF strongly encourages all those interested in applying to subscribe to the TAP newsletter.

Applications open: May 1, 2025

Application closure: Announced via TAP webpage and newsletter

Project start date: At approval

Project close date: Within 3 months of project start date\*

Projects must be complete by: January 31, 2026

\*While IAF encourages participants to complete and report on their projects promptly, applications for projects requiring longer timelines will also be considered, provided the project is able to be completed prior to January 31, 2026. If approved for custom software development the project close will be 6 months of project start date, or by January 31, whichever is sooner. If you are not able to complete your project within the timelines approved, please contact the IAF Team as soon as possible at tap@iafbc.ca.

REMINDER: High demand is expected for TAP. Submit completed application(s) as soon as possible to increase your funding chances.

# **Application Process**

Applicants can apply through the IAF Client Portal. The application process will generally consist of:

#### Create an Account & Organization Registration

- Create a personal profile (name and email)
- Provide your organization's information, this includes information such as:
  - o Legal Business Name
  - o Organization address and contact information
  - o Organization registration date
  - o BC Registration ID (<u>look up your BC ID</u>)
  - o Signatory Contact details
  - o CRA Business Number
  - o and more
- IAF will validate your account, then you will receive an email granting you access to the portal



Please note this can take up to two business days.

#### Applying for Project Funding

Select the Traceability Adoption Program from Funding Opportunities, and provide:

- Project-specific Information (such as Project location, farm status, etc.)
- BC Premises ID number (if applicable)
- Demographic Information
- Traceability information
- Designate if you are applying as a Sector Organization
- Select a Stream, activities and project costs per activity
- Copies of relevant documents (includes supplier quotes, and other documents that support your requested activities/costs)
- Funding request / project budget

Applicants are required to provide supporting documents (such as quotes, document with links to relevant websites, etc.) in support of their application. These documents 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. IAF may also contact applicants for additional information or clarification to assess their application. Applicants can contact <a href="mailto:tap@iafbc.ca">tap@iafbc.ca</a> with any questions about the program.

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

#### Review & Adjudication

Applications from the Livestock, and Seafood and Aquaculture sectors and for Stream 2, will be prioritized for funding until funding targets for those sectors/stream are met (see Prioritization above). Upon reaching the funding targets, all remaining program funds will be adjudicated on a first-come, first-serve basis until available funds are fully committed.

Prior to funding decisions being made, project applications are screened and reviewed by IAF and may be reviewed by a technical expert. This review involves:

- Ensuring application completeness
- Organization/Applicant eligibility check
- Project alignment and eligibility check

IAF staff will return incomplete applications to applicants via the IAF Client Portal for resubmission with missing information/clarifications requested – this may affect your position in the first-come, first-served queue. IAF will email a funding decision via the IAF Client Portal within eight weeks of submitting a complete application. The status of an application can be found anytime in the <u>IAF Client Portal</u>.

All decisions regarding application status are final.



# NOTIFICATIONS AND OBLIGATIONS

#### Funding Notifications and Contracts

If the project is approved, IAF will inform the applicant by email of the details of the decision and any associated terms and conditions. Notification will be provided within eight weeks of a completed application submission.

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

Approved projects may begin on or after May 1, 2025, and must be completed within three months of approval or by January 31, 2026, whichever is first. If the project is not approved, the applicant will receive an email response from IAF. Those approved for Custom Software Development must be completed within 6 months of approval, or by January 31, 2026, whichever is first.

#### **Funding Acknowledgements**

This program is funded by the Governments of Canada and British Columbia through the Sustainable Canadian Agricultural Partnership. As such, acknowledgement of funding is required when publicly communicating about a project and/or funding. To ensure appropriate acknowledgement, all communications and marketing materials, including public announcements or social media posts, must be pre-approved by the IAF Communications Team. Details on correctly acknowledging funding can be found on the project resource hub. Materials must be submitted via the IAF Client Portal.

#### Reporting Requirements

Successful applicants must complete a project report prior to receiving funds from the program. This report must be filled out and submitted to IAF along with all invoices for the project to be considered for funding reimbursement. It is important the final report is submitted on time and with all required information. Expenses will be reimbursed based on the submitted receipts, the approved project budget, and the corresponding cost-share ratio. All reporting will be completed via the IAF Client Portal.

IAF must ensure all cost-shared funding is used for approved activities only. IAF is required to provide quarterly financial reconciliation reports to the Ministry of Agriculture and Food, detailing disbursements, outstanding claims, and administrative expenditures. Any misuse or misallocation of funds will require immediate corrective action, including potential recovery by IAF or the Ministry.

# **Project Audit**

Projects may be audited. Please retain all project documentation for up to three years. The IAF Team or a representative will reach out if your project has been selected for audit.

Recipients may be invited to take part in an evaluation survey or phone interview with the Ministry within 6 to 12 months after finishing your project.



# Changes to Contracted Projects

If you are not able to complete your project according to the approved application, please inform the IAF Team as soon as possible using the <u>IAF Client Portal</u>.

