

Apple Industry Development Program 2021-2022 Guidelines

1) Objectives:

- To capitalize on apple development opportunities and to improve the profitability of New Brunswick apple producers.
- To advance the apple sector in New Brunswick through the establishment of more productive orchards (new trees and support systems).
- To increase the value of apples and apple products through the adoption of technologies that will improve apple storage systems, fruit quality assurance and orchard establishment.

2) Rationale:

The apple industry in New Brunswick continues to advance by seeking development opportunities and adopting new technologies to remain competitive and profitable. Strategic industry studies have identified that apple producers in New Brunswick can become more profitable through on-going renewal of the production base and by adopting more efficient production systems and storage technology.

3) Eligible Applicants:

- Activities must be carried out within the province of New Brunswick.
- Must be the current owner of the land where the orchard (trees and support system) will be established and until the project claim is paid.
- A member in good standing of the Apple Growers of New Brunswick (AGNB) as prescribed under the New Brunswick *Natural Products Act*.
- A new entrant may apply if their ultimate goal is commercial-scale apple production and approval is received from the AGNB.

No current or former public office holder, public servant, Member of the Legislative Assembly or Member of the House of Commons who is not in compliance with applicable conflict of interest guidelines and legislation shall derive any benefit from this program.

4) Program Elements:

Priority will be given to Element A items - new orchard trees and support systems. Element B items (apple storage systems, fruit quality assurance and orchard establishment) will be considered only if funds remain following the funding of Element A projects.

Element A: New Orchard Trees and Support Systems

Objective: To advance the apple sector through the establishment of more productive orchards.

Rationale: This element will facilitate the planting of new orchard trees (improved rootstock and higher value apple varieties) and installation of more productive orchard systems. This will generate better fruit quality and yields as well as increase grower competitiveness and profitability.

Eligibility Criteria:

- The applicant must describe the orchard planting site and indicate its suitability for apple production which includes the following information: a history of the site and what crops were grown previously; a list of soil improvements; a current description of soil texture, nutrients and drainage; a list of treatments for soil replant disease if apple trees were grown on the site. Refer to NBDAAF factsheet: [“Site Selection for Productive Apple Orchards”](#).
- A 5 year planting plan that includes a description of the new varieties of apples, rootstocks and trellis support system; sources of new apple trees; a short description that indicates how the fruit will be sold (retail/wholesale).
- Effective wildlife deterrents must be installed in the year of planting at orchard locations with known or potential wildlife damage. Exclusionary fencing must comply with industry standards. Refer to: NBDAAF factsheet [“Fencing Options to Mitigate Wildlife Damage”](#).
- The applicant must indicate the potential annual value or revenue that the new orchards and support systems will contribute to the growth or sustainability of the farm operation once they are established. Indicate what specific areas this value is coming from (e.g. increased volume, increased price, increased quality, access to new markets, development of a new value-added product or other items).
- Only new orchard trees and support systems installed in the current funding year and that meet all quality requirements will be eligible.
- Replacement trees for missing or dead trees that received funding through previous programs are not eligible for funding.
- Orchard plantings or purchases prior to April 1, 2021 are not eligible for funding.
- The applicant must be the current owner of the land where the orchard (trees and support system) will be established and provide proof of ownership.

Eligible Items:

- a) **New Orchard Trees and Support Systems**
- b) **Top Grafted Trees**

The applicant should consult with the New Brunswick Department of Agriculture, Aquaculture and Fisheries (NBDAAF) regarding all components of the orchard development plans and eligibility criteria.

Level of Assistance:

Prorating the eligible amount per tree and support system:

All applications for Element A will be reviewed after the application deadline (July 1). If the total number of eligible trees and support systems requested in approved projects exceeds the annual funding allotment for the program, funding will be prorated. The eligible amount

per tree will be prorated according to the total funds available and the number of trees approved for funding per level of assistance category - permanent support stake, trellis supported, top grafted.

a) New Orchard Trees and Support Systems:

Up to \$7.00 per supported tree (with a permanent support stake) and up to \$11.00 per trellis supported tree; the tree and support system must meet the following quality requirements:

Quality Requirements:

Trees must be planted in the permanent orchard location and have all support system components installed at the time of inspection. Trees must be healthy and vigorous and at least 120 cm (4 ft) in height with a trunk caliper at least 1.25 cm (1/2 in.) measured at 5.0 cm (2 in.) above the graft union at the time of inspection. The support system must include a 3.0 m (10 ft.) permanent support stake or a complete trellis system. The trellis system must include 3.7-4.3 meter (12-14 ft.) pressure treated support posts spaced at a maximum 10 m (33 ft.) apart, a minimum of 3 horizontal high tensile wire strands and a 3.0 m (10 ft.) stake or conduit attached to the trellis and to each tree. Refer to Perennia publication on "[Building Better Trellis Systems for N.S. Orchards](#)" for additional information. Trees and support system that do not meet quality requirements as described above may be ineligible or subject to reduced funding.

b) Top Grafted Trees:

Up to \$5.00 per tree; trees must have a permanent support stake and meet the following quality requirements:

Quality Requirements:

Top-grafted trees must be top grafted onto the central leader of a semi-dwarf or dwarf tree rootstock. At least one grafted scion must be at least 60 cm (2 feet) in height and with a stem caliper that is at least 10 mm (3/8 in.) measured at 50 mm (2 inches) above the graft union at the time of inspection and is secured with a support stake. Grafted trees that do not meet quality requirements as described above may be ineligible or subject to reduced funding.

Application deadline: July 1, 2021

Element B: Apple Storage Systems, Fruit Quality Assurance Technologies and Orchard Establishment Improvements (soil fumigation and in-field irrigation systems).

Objectives:

- To increase the value of apple production through the adoption of technologies that will improve apple storage systems and provide fruit quality assurance.
- To improve the establishment of new orchards using soil fumigation and in-field irrigation systems.

Rationale:

This element will facilitate the installation of new technologies to improve the efficiency of cold and controlled atmosphere (CA) storage rooms and fruit quality. Efficiency improvements in cold and CA storages will improve fruit quality and increase producer competitiveness in the marketplace. It will also facilitate the establishment of more productive orchards through orchard establishment improvements (soil fumigation and in-field irrigation systems).

Eligibility Criteria:

Priority will be given to the new tree planting and support system items in Element A. Element B items will be considered only if funds remain following the funding of Element A projects.

When funding is requested for Element B items, the applicant must submit a written description of how these items will improve farm productivity, fruit quality and orchard establishment. The applicant must also indicate where the increased potential value or revenue will come from e.g. increased volume, increased price, increased quality, increased savings/efficiencies, access to new markets, development of a new value-added product or other item(s).

Eligible items:

- Storage room monitoring and regulating equipment, calibration gas and canisters and specialized equipment required to improve fruit quality; other storage equipment and technologies e.g. bulk bins and bin trailers may be considered where significant benefit is demonstrated that these items will improve apple storage systems and fruit quality assurance.
- Soil fumigation and in-field irrigation systems.
- Items not eligible: building infrastructure, refrigeration systems and computer hardware.

Level of Assistance:

Fifty (50%) of the eligible costs to a maximum of \$10,000 per applicant.

Note: On-farm constructed wooden bins (16-20 bushel bulk fruit storage bins) will be funded at a flat rate of \$30 per bin.

All bins must be verified for identification purposes by the New Brunswick Department of Agriculture, Aquaculture and Fisheries (NBDAAF) and have a clearly visible, permanent date stamp that identifies the year constructed and applicant / farm name.

Costs incurred prior to project approval are not eligible for assistance under Element B.

Application deadline: July 1, 2021

5) Application Process and Administration:

Program Duration:

The Canada / New Brunswick 'Canadian Agricultural Partnership' policy framework is a five year federal, provincial and territorial Initiative which will operate from April 1, 2018 to March 31, 2023, unless otherwise announced. Program applications are welcome on an ongoing basis until funding is exhausted.

Approved projects must be completed within the fiscal year for which they were approved (April 1 to March 31). Multi-year projects will only be approved for one fiscal year at a time and subject to satisfactory progress. Unless otherwise notified in writing, costs incurred prior to the date of the written project approval will not be eligible for funding. Upon project decision, the applicant will be notified in writing. The name of the designated Project Officer will be included on each letter of offer.

Application Process:

Clients are responsible to submit a completed application form and attach any additional required documentation (as described in the program guidelines) and submit to any Department of Agriculture, Aquaculture and Fisheries (DAAF) regional office or directly to the CAP Administrator, Industry Financial Programs, Department of Agriculture, Aquaculture and Fisheries, P.O. Box 6000, Fredericton, NB E3B 5H1, or by e-mail to CAP.ADMIN@gnb.ca

Applicant Responsibilities:

Upon approval, applicants will receive a Letter of Offer which identifies the eligible activities, assistance offered, and the terms and conditions to which assistance is approved. **The Letter of Offer must be signed and returned within 30 days or funding will be forfeited.**

The Applicant must agree to provide access to records and/or premises to staff of DAAF and persons authorized by DAAF for inspection, evaluation, demonstration, audit and public information purposes upon request; provide DAAF any necessary information related to the evaluation of the project and demonstrate a significant contribution to the project. Successful applicants agree to participate in follow up surveys, either by mail, phone or electronically following completion of the project. Consolidated information will be used for program evaluation and policy development.

No current or former public office holder, public servant, Member of the Legislative Assembly or Member of the House of Commons who is not in compliance with applicable conflict of interest guidelines and legislation shall derive any benefit from this initiative.

New Entrants:

Agriculture producers considered New Entrants are eligible for an additional 10% contribution provided the contribution does not exceed the established maximums under each program. The total contribution from all government sources will not exceed 100% for the eligible costs. New Entrants are defined as individuals who has owned a farm for five

years or less. The Department of Agriculture, Aquaculture and Fisheries may ask for documentation to determine eligibility as a New Entrant.

Submission of Claim:

Upon project completion, the completed Claim for Reimbursement form must be forwarded to the designated Project Officer. These forms must be submitted together with a detailed invoice and proof of payment, which may include the following: an original receipt, image of cancelled cheque (front and back), or statement from financial institution showing transaction. The claim must be signed and submitted by the claim deadline as identified in the Letter of Offer. Costs included in the claim must be approved and incurred within the approved project dates as identified in the Letter of Offer.

Reimbursement of Claim:

Claims will be made payable to the name of the Applicant as indicated on the application form. Clients are encouraged to apply for direct deposit as a payment option to expedite reimbursement. Clients may contact [Service New Brunswick Accounts Payable](#) or their Project Officer to complete this form.

Tax Form:

Any Amount a client receives through Canadian Agricultural Partnership is funding considered declarable income to the client. DAAF will issue the appropriate tax form to the client.

Set Off:

Any funds eligible for reimbursement to the client will be applied to amounts outstanding owed to the Government of New Brunswick first, and remaining amounts (if any) disbursed to the client. Funds applied to outstanding debts will be reflected on the client account statement.

HST:

The non-reimbursable portion of HST may be provided as an eligible cost for certain organizations (i.e. Not-for-profit organizations). Appropriate documentation showing the applicant's eligibility for HST reimbursement must be provided at the time of the application. Any amounts for HST reimbursement requested must be included in the project application.

Arm's Length Transactions:

Unless otherwise stated in the program guidelines, all businesses from which eligible goods and services are purchased should be at arm's length from the applicant. A person or entity is considered to be at arm's length if they are not related to the applicant, and are not affiliated or controlled by another member of the applicant's business. Related individuals are defined as those that are connected by blood relationship, marriage, common-law partnership or adoption.