## **1. What we support**

FedDev Ontario is investing in people, potential, and possibilities. We want to help you grow so you can reach your potential and unlock new possibilities.

We have an easy-to-use application process and are here to answer your questions. You do not need to sort through our programs to apply for funding. Leave that part to us.

You are encouraged to contact us at any time if you have any questions.

Apply by June 24, 2024, to be considered for the spring intake.

### **Applications can be submitted for**

No-interest, repayable contributions from $125,000 up to $10 million per project for incorporated businesses that:

* develop, commercialize or produce innovative products, processes and services
* improve productivity, capacity and competitiveness
* scale-up and expand to develop new business opportunities, enter new markets, or reach new customers

### **We are looking for projects that**

Focus on one or more of our spring 2024 intake priorities:

* **Clean economic growth** – projects that support the greening of the economy, that can contribute to emissions reductions, and that create sustainable and green jobs.
* **Growth companies** – projects that accelerate business development and growth.
* **Technology** – projects in cutting-edge sectors (e.g., artificial intelligence, cybersecurity, medical technologies, digital health and agri-tech).
* **Industrial transition** – projects that support change in traditional sectors to adopt new technologies and other innovations to improve their competitiveness and build new opportunities (e.g., the adoption of automation in manufacturing to increase efficiency and productivity).

Priority may be given to projects that support the transition to **zero-emission vehicles** and **housing manufacturing innovation**.

**Inclusive growth and regional coverage are** cross-cutting investment principles. FedDev Ontario wants to help you grow your business. We welcome projects that create new opportunities for underrepresented groups and promote growth across urban centres and small and rural communities alike.

## **2. Who can apply?**

Growing and established businesses, co-operatives and Indigenous (First Nations, Métis and Inuit Peoples) businesses located or expanding in southern Ontario that:

* are for-profit entities
* are incorporated in Canada or Ontario
* have a minimum of 5 full-time employees
* have at least 3 years of business operations

## **3. How funding works**

All funding is project-based, meaning that it must result in incremental outcomes for the applicant linked to Government of Canada priorities and is subject to a set of funding rules and reporting requirements.

An application does not constitute a commitment from FedDev Ontario for financial assistance.

If an application for project funding receives approval, you will be expected to sign a legally binding contribution agreement before funding can be provided.

### **Funding parameters**

| **Funding parameter** | **Funding parameter description** |
| --- | --- |
| **Funding amounts** | Applicants normally request a minimum of $125,000 up to a maximum of $10 million per project in repayable contribution funding. |
| **Matching requirement (cost sharing)** | Eligible project costs are shared between you and FedDev Ontario.   * Normally, the maximum rate of support from FedDev Ontario is 50% of eligible project costs. FedDev Ontario funding is not intended to replace available commercial financing or other sources of funding. Preference will be given to projects that maximize funding from other sources (i.e., where FedDev Ontario's contribution is less than 50%). * Your sources of funding (i.e., 50% or more of eligible project costs) can consist of cash contributions from your own business and other partners (e.g., private sector lenders, other government funding * [Footnote](https://feddev-ontario.canada.ca/en/funding-southern-ontario/funding-businesses-southern-ontario-how-funding-works#fn1) * [1](https://feddev-ontario.canada.ca/en/funding-southern-ontario/funding-businesses-southern-ontario-how-funding-works#fn1)). |
| **Eligible costs** | New costs essential to the project, such as labour, expertise and equipment costs. Refer to the [Application Guide](https://feddev-ontario.canada.ca/en/funding-southern-ontario-organizations/funding-businesses-southern-ontario-6-application-guide#toc1) for details on cost categories. |
| **Ineligible costs** | Costs deemed unreasonable, non-incremental and/or not directly related to project activities, for example: land and buildings, basic & applied research and development, refinancing of existing debts and more. Refer to the [Application Guide](https://feddev-ontario.canada.ca/en/funding-southern-ontario-organizations/funding-businesses-southern-ontario-6-application-guide#toc1) for details on cost categories. |
| **Project timeframe** | Project start dates may vary. Proposed activities and related costs cannot begin before the date the application intake closes (June 24, 2024). Should your project be approved, any activities and related costs that occur before June 24, 2024, cannot be funded and are at the applicant's own risk.  Projects, activities and budgets can span more than 1 fiscal year. On average, projects span between 1-3 years. |
| **Repayment terms** | Interest-free and unconditionally repayable (see key funding conditions below).  Should your project be approved, repayment will normally begin 1 year after the completion of the project. The schedule of payments will be set out in your contribution agreement.  There is no penalty for early repayment. |

### **Key funding conditions**

* The contribution amount is subject to availability of funding. FedDev Ontario reserves the right to make the final determination on the value of the contribution.
* FedDev Ontario's funding contribution is based on a number of factors, including:
  + the minimum amount required for the project to proceed,
  + the extent to which other available funding sources have been leveraged, and
  + the ability to repay the contribution.
* If a project is approved, you will be expected to sign a contribution agreement within 30 days of being notified, including confirming all sources of the matching funding (e.g., bank statements, term sheets, letters of conditional funding, other government funding).
* Funding will be reimbursed based on approved costs incurred and claimed throughout the project's duration.

### **Important Note**

* Financial assistance may have tax implications for your business. It is recommended that applicants obtain advice from a qualified tax professional to determine the full implications of receiving funding.

**Footnotes**

**Footnote 1**

Total government assistance (including federal, provincial and municipal) for a project cannot exceed 75% of eligible non-capital costs and 50% of eligible capital costs. Refer to the [Application Guide](https://feddev-ontario.canada.ca/en/funding-southern-ontario-organizations/funding-businesses-southern-ontario-6-application-guide#toc1) for more information.

## **4. How projects are assessed**

Projects are assessed based on the information provided by applicants. Although FedDev Ontario may engage companies directly on outstanding questions or issues, applicants are advised to submit a complete and thorough application.

### **Assessment criteria**

Complete applications are reviewed and assessed based on multiple criteria, including:

* alignment with [intake priorities](https://feddev-ontario.canada.ca/en/funding-southern-ontario-organizations/funding-businesses-southern-ontario-1-about#intakepriorty)
* expected results of the project
* degree to which the project supports new or expanded initiatives for your company (i.e., incrementality of the project)
* quality of the project plan and budget, including contributions of project partners and ability to repay
  + factors to be assessed include managerial, technical, operational and financial capacity
* degree of risk

In addition to the quality of your application, FedDev Ontario reserves the right to base funding decisions on the breadth, representation and diversity of its projects.

Applicants will also be assessed for their compliance with applicable legislation and regulatory requirements. Intellectual property (IP)-intensive projects may be assessed for the quality of their IP strategies before funding can be offered. Refer to the Application Guide for more details.

## **5. When to apply**

Submit your application between April 29, 2024, to June 24, 2024, at 4:59 pm Eastern Time.

You are encouraged to [contact us](https://feddev-ontario.canada.ca/en/contact-feddev-ontario) as early as possible before the intake closes if you have questions.

Your business can only submit one application to an intake.

### **Intake timeline**

The scheduled intake periods are:

* spring 2024 (deadline to apply is June 24, 2024)
* fall 2024
* winter 2025