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Canada

Applying for federal clean tech funding: **A toolkit**

CLEAN GROWTH HUB

Tips and resources to help clean tech innovators and adopters apply for federal grant and contribution funds

Applying for federal clean tech funding: A toolkit

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Introduction

The Government of Canada is committed to taking action on climate change and supporting a clean growth economy. Grant and contribution programs enable the Government to provide important financial support to Canada's clean technology sector.

This toolkit was created to help clean tech innovators and adopters prepare grant and contribution funding applications. It includes information about federal grants and contributions, as well as tips and links to help you apply for federal funding in support of your clean tech project or initiative.

Clean Growth Hub

The Clean Growth Hub is an advisory service offered by the Government of Canada to help eligible clean tech producers and adopters find federal programs and services to advance their clean tech projects.

Disclaimer

This toolkit is for general reference only. You should not rely on it as formal or legal advice. **Be sure to consult the application guides provided by the specific funding program you are applying to** as each program is unique and has its own eligibility criteria and application instructions. You can find application guides on funding program webpages.

Section 1: What are grants and contributions?

Federal grants and contributions are two types of Government funding provided to an individual or organization, such as a business, research institution, charity or other level of government, to use for a specific purpose.

The Government uses funding programs to support projects and initiatives that advance its policy objectives and priorities. For example, in order to achieve its net-zero emissions targets, the Government uses funding programs to support clean tech projects that contribute to reducing greenhouse gas emissions.

A **grant** is unconditional funding, meaning that you aren't usually required to show how you use grant funds; however, you may be required to report on your project results achieved using grant money. Grants do not need to be repaid.

A **contribution** is conditional funding, meaning that, in order to receive contribution payments, you must achieve project milestones and report on the use of the funds and the results achieved. The Government can also audit your use of contribution funding. Contributions may be repayable or non-repayable, or a combination of these arrangements.

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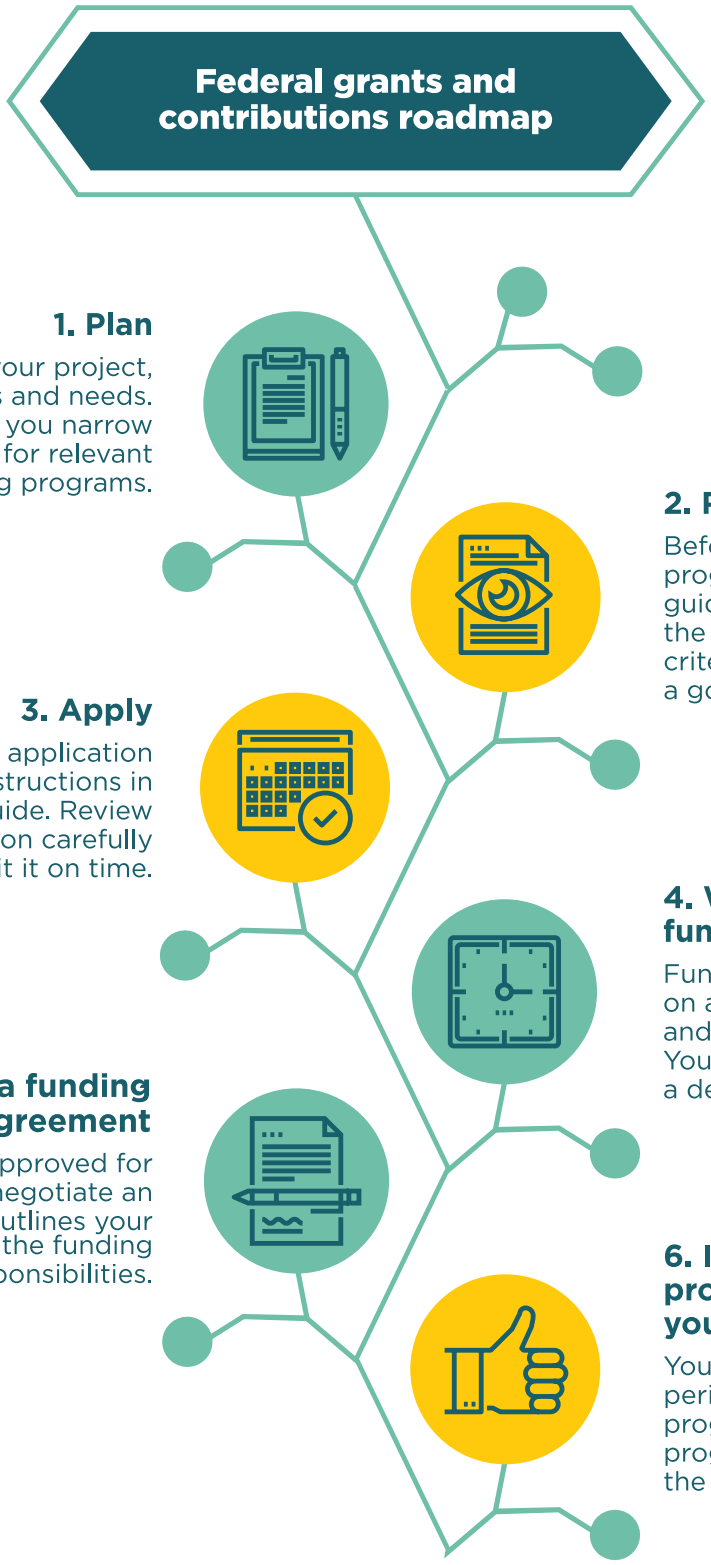
Section 2: Roadmap for federal grant and contribution applications

This roadmap describes the general steps involved in applying for federal funding.



1. Plan

Clearly define your project, objectives and needs. This will help you narrow your search for relevant funding programs.

2. Research

Before applying to any program, study its application guide to find out if you meet the program's eligibility criteria, and whether it is a good fit for your needs.

3. Apply

Prepare your application according to instructions in the application guide. Review yourapplication carefully and submit it on time.

4. Wait for funding decision

Funding decisions are based on a program's mandatory and merit-based criteria. You will be notified once a decision is made.

5. Sign a funding agreement

If your project is approved for funding, you will negotiate an agreement that outlines your responsibilities and the funding program's responsibilities.

6. Implement your project and receive your funding

You will likely need to submit periodic financial and/or progress reports to the program during and beyond the lifetime of your project.

Step 1 - Plan your project

Programs and projects – what's the difference?

Projects

A project is a set of planned activities carried out with a budget, resources, timeline, etc. to achieve specific objectives.

Programs

Funding programs are created to achieve specific objectives and outcomes that advance Canada's policy objectives and priorities.

Programs fund projects

Each program has a specific set of eligibility and merit-based criteria to ensure projects funded through the program will contribute to that program's objectives and outcomes.

Know your organization, your project and your project needs

It's very important to frame the activities that you are seeking funding for as a clearly defined project with objectives that align with those of the program.

A defined project has a clear:

- scope
- set of objectives and expected outcomes
- project team
- timeline
- budget
- risk management strategy
- business plan

Step 1 - Plan your project

It's important to start defining your project before you search for project funding. You will refine your project proposal as you research programs and develop your funding strategy, but you should **have a clearly defined project before you begin filling out funding applications**. Here are some questions to help you define your project:

- What are your project objectives and expected outcomes?
- What industry, sector and technology area align with your project?
- Who are the project stakeholders (the people and organizations who will be actively involved in completing the project)?
- Who will benefit from your project and how?
- Where does your project fall on the technology readiness level scale?

The technology readiness level scale

Many programs fund projects at specific stages of development. The technology readiness level (TRL) scale is an internationally recognized system for measuring a technology's maturity, from Level 1 (fundamental research) to Level 9 (early adoption). Knowing your project's TRL is important because clean tech funding programs often use TRLs as eligibility criteria.

- Use the Clean Growth Hub's TRL Assessment Tool to help you identify your project's TRL

- What activities are needed to complete the project and meet its objectives?
- What are your project timelines? Are they flexible?
- What are some of the major risks that may negatively affect the successful completion of your project?
- What are possible mitigation measures for major risks?
- What regulatory requirements do you need to carry out your project, if applicable?
- What intellectual property (IP) rights do you have, or need to obtain, to achieve your objectives, if applicable?
    - Learn more about IP

Step 1 - Plan your project

Licensing public sector intellectual property

Note: Much of the Government of Canada's IP is available to the public for use through various licensing arrangements. Some IP is available under free licenses, and some has commercial value and is available under royalty-bearing commercial licences.

- ExploreIP: Find public sector patents available for licensing and contact research institutions to discuss collaboration opportunities.

- What are your funding needs? Programs often specify how you may and may not use the program's funding to support your project. You'll want to consider all of your funding needs and then align them with the program(s) that can best support your project.

- What financial and in-kind contributions do you have, or expect to have, to support your project?

- What are your project's outstanding needs? Do you need financial support, general advice, expertise or connections?

  - First Things First: Check out Innovation Canada's series of articles about your options for Government supports.

  - The federal ecosystem of support for clean technology: Learn about the types of federal supports available for clean tech projects at different stages of innovation.

- If you require additional financial support, how much funding do you need and for what purposes?

- Grants and contributions are not the only forms of financial support that may be available for your clean tech project. What type(s) of funding is/are best suited to your project (e.g. grants, contributions, equity, debt financing, wage subsidies, tax incentives)?

  - Learn more about other sources of funding for clean tech projects

Step 1 - Plan your project

- Do you have an equity, diversity and inclusion plan?

Equity, diversity and inclusion plans

To help ensure that Canada's transition to a net-zero future is inclusive, equitable and just, many clean tech programs now require each applicant to submit an equity, diversity and inclusion (EDI) plan as part of their project proposal.

Generally speaking, an EDI plan should describe how your project will help improve gender balance and increase diversity within the clean tech industry. For example, a project's EDI plan could include efforts to increase the proportion of people who are typically under-represented in clean tech (e.g. women, Indigenous peoples, persons with disabilities) in the construction and operation phases of a project, or efforts to select suppliers that have gender and diversity plans.

- Do you have a business plan for your project?

Business plans

A business plan for a project is a written document that describes the project's objectives and how those objectives will be achieved.

Creating a business plan for your project will help you define your project's objectives, scope and needs, which can guide you in your search for appropriate funding programs.

- Learn more about business plans
- Business plan templates

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Step 2 – Research funding programs

2.1 Where to start

Clean Growth Hub

Navigating the wide range of federal funding for clean tech projects can be a challenge and the Clean Growth Hub is here to help! We provide no-cost tools and advisory services to help connect clean tech projects with federal supports.

- Visit the Clean Growth Hub website for a list of federal clean tech funding programs and services.
- If you have a clearly defined clean tech project and are ready to explore your funding options, reach out to us through our online Clean Growth Hub Service Request form.

Canada Business App
The Canada Business App is a one-stop shop for finding Government programs and services relevant to businesses, including federal clean tech funding. The app is available for iOS and Android mobile devices.

- Get the Canada Business App

Business Benefits Finder
The Business Benefits Finder is a web app you can use to generate a personalized list of financial and non-financial supports.

- Access the Business Benefits Finder

2.2 Application guides

Federal funding programs aim to achieve specific objectives and outcomes that advance Canada's broader policy goals and priorities. Therefore, programs set specific eligibility and merit-based criteria that they use to assess each application to ensure that projects funded through the program will contribute to those objectives and outcomes.

An application guide describes a funding program's funding, objectives, eligibility criteria, application process and requirements, and project selection process. Application guides are usually called "applicant guides" by federal funding programs.

Read a program's application guide carefully before you start writing an application

Before investing time and resources in preparing a funding application, read the application guide to make sure your project and everyone involved will meet the funding program's mandatory eligibility criteria. Reading the application guide will also help you assess whether a particular funding program is a good fit for your project.

Step 2 – Research funding programs

2.3 Selecting funding programs

Although you may be eligible for more than one federal clean tech funding program, it's a good idea to prioritize your applications, taking ino account your specific needs and situation.

Key questions to consider as you decide whether to pursue a particular funding opportunity:

1. Is my project eligible?

Funding programs are designed to support different types of clean tech projects and initiatives that contribute to achieving specific objectives. To be considered for funding through a clean tech program, **your project must meet the eligibility criteria** set out in the program's application guide. Applications that do not meet eligibility criteria will not be considered.

Project eligibility criteria can include:

- project objectives and anticipated innovation, economic, social and/or environmental benefits (e.g. job creation, diversity and inclusion, greenhouse gas emission reduction)
- relevance to specific sectors or technology areas (e.g. electric vehicles, oil and gas)
- project location
- technology readiness level (TRL)
    - Use the Technology Readiness Level Assessment Tool to help you identify your project's TRL
- particular activities (e.g. applied research and development, technology transfer activities)

Step 2 – Research funding programs

2. Am I eligible?

Funding programs may also be designed for specific types of applicants, which might include individuals, organizations (e.g. businesses, charities, research institutions) and/or levels of government (Indigenous, municipal, provincial, territorial). Individuals or organizations applying for funding may need to be affiliated or partnered with a post-secondary institution, business, municipality or other non-governmental organization. If so, the program will usually specify eligibility criteria for the affiliated institution and/or partner organization.

Applicant eligibility criteria may also include company location, size and stage of growth. Be sure to establish partnerships early in the project-planning process, including the roles and responsibilities of each partner. If you don't meet a program's eligibility criteria as an individual or organization, consider whether there are any opportunities for you to partner with an organization or level of government that does meet the eligibility criteria.

3. Does the opportunity align with my funding needs?

Maximum funding amount

The maximum amount of funding that a project could receive through a program will be stated in the application guide. However, the funding allocation among selected projects may be determined based on merit and need, and you may not receive the maximum amount available.

Certain programs also have minimum and maximum funding levels, meaning they will only fund projects requiring funding within a certain funding range.

Eligible costs

Contributions come with conditions, including the condition that the funding can only be used to support eligible costs, which could include costs for salaries, overhead, patents and equipment, etc. Programs may also set funding limits for particular categories of eligible costs. Eligible and ineligible costs vary from one program to another and are identified in program application guides.

Step 2 – Research funding programs

There are not usually restrictions on how you can use grant money to fund your project's activities. However, you usually cannot use grant funding to pay for expenses that took place before your project start date (such as, contingency fees to a professional grant writer).

Be sure to read application guides carefully and note any eligible and ineligible costs for both grants and contributions. You may use funds only as prescribed in the funding agreement, and be aware that your project finances may be audited.

Cost-sharing obligations

Many funding programs have cost-sharing obligations, which means the funding recipient must contribute a portion of the project's eligible costs (expressed as a percentage).

For example, a contribution program may agree to fund 60% of eligible project costs, up to a defined limit. The recipient would need to fund the remaining 40% of the eligible project costs using funding from their own resources or from other sources. The recipient would also be responsible for finding funding for eligible costs exceeding the defined limit and costs deemed ineligible under the funding agreement.

Stacking limits

Some funding programs may permit "stacking" of funding by multiple government funding programs (federal, provincial, territorial, municipal). This means that it may be possible to receive funding from more than one program to support different aspects of a project. However, a program may have a "stacking limit" – a maximum amount of total government funding (federal, provincial, territorial, municipal) that a recipient may receive for any one activity, initiative or project.

Basis of payment

The type of funding (grant or contribution) offered by a program will affect the basis of funding payments (when payments will be made and in what amounts, and any conditions that must be satisfied to receive payments). The application guide should indicate whether the funding is a grant or a contribution, but the details of a payment arrangement will be project-specific and set out in the recipient's funding agreement.

Step 2 – Research funding programs

Grant funding is typically paid as a lump sum or in installments, according to a payment schedule that will be set out in the funding agreement.

Contribution payments may be paid based on one, or a combination of the following:

- achievement of predetermined performance expectations or milestones
- reimbursement of eligible costs
- a costing formula

Contributions are usually paid as reimbursements to a recipient for eligible costs incurred in completing the project. In these cases, recipients must submit financial and progress reports according to the funding agreement, which must be approved by the program before they can receive reimbursement payments from a funding program. These arrangements require applicants to have enough cash flow to fund their activities in their entirety prior to being reimbursed.

Advance payments are sometimes available if needed to achieve project objectives. Some funding programs may provide for advance payments in the funding agreement, based on recipients' cash-flow requirements.

Usually, you will only be reimbursed for eligible expenses incurred after entering into a contribution agreement with a funding department. However, in some cases, a program may reimburse eligible recipients for eligible expenses incurred before the project start date. The program's application guide will state whether the program allows for this possibility and will also describe the nature of expenses that may qualify for retroactive reimbursement. Even if a program allows for retroactive reimbursements, they are not guaranteed to you, so if you rely on this possibility before entering into a funding agreement, you will be doing so at your own risk.

Step 2 – Research funding programs

Ability to fund total project costs

You will be asked to indicate that you have, or have conditionally secured, sufficient funding to support your project's total costs (eligible and ineligible). Consider your funding needs as well as all sources of funding available to you to support your clean tech project:

- Will you have enough funding to cover total project costs, taking into account all sources of government and non-government funding available to you, considering the permitted uses of funding and any stacking limits set by the program?
- Will you be able to meet the program's cost-sharing obligations?

In some cases, the more funding you can contribute to the project from non-government sources, the stronger your application will be.

It's a good idea to secure any non-governmental sources of funding early in the application process.

Timelines

Consider whether your project timeline aligns with the funding program's timeline, including:

- the application intake period
- the review and decision-making timeline
- project duration requirements
- the timeframe in which projects must be completed

Funding programs do not generally support expenses incurred before or after the end of the funding period set out in a contribution agreement, so it's important to set your timelines and plan your project activities accordingly.

Step 2 – Research funding programs

4. How well does my project align with the program's objectives and priorities?

You're not guaranteed funding through a funding program, even if your project meets the program's eligibility criteria. The degree to which your project's objectives and expected outcomes align with the funding program's stated objectives, priorities and expected outcomes is a very important consideration during project selection. This is because federal departments use funding programs to advance departmental objectives that reflect Canada's priorities and interests. The program's objectives, priority areas and expected outcomes will be program specific and found in the program's application guide. These can relate to innovation, technology advancement, job creation, regional economic development, environmental benefits and the promotion of equity, diversity and inclusion (EDI).

The more clearly you can articulate how your eligible project advances the program's objectives, the more competitive your project proposal will be. While a program's priority area(s) may change from time-to-time, it can be helpful to read the published descriptions of past and current projects funded by programs of interest to you. This may give you an idea of the types of projects that are typically supported by the program and help you assess your project's eligibility and competitiveness.

Step 2 – Research funding programs

5. Do I have an appropriate intellectual property strategy?

In most cases, it will be important to consider your intellectual property (IP) strategy as you plan your project and develop your project funding strategy.

Intellectual property

Intellectual property (IP) refers to creations and innovations resulting from intellectual activity in the industrial, scientific, literary and artistic fields. Virtually every innovation has some type of IP.

IP comes with legal rights that can help you reap the benefits of your hard work. These rights generally include the exclusive right to prevent others from exploiting your IP (making, using, selling, licensing, importing and exporting, with some exceptions), often for a time-limited period.

The most common forms of IP protection are patents, copyright, trademarks, industrial designs, trade secrets and plant breeders' rights. You can often protect different aspects of an innovation or creation using more than one type of IP protection. Some IP rights arise automatically (e.g. copyright). You must apply to the federal government for other types of rights, such as patent rights. Other forms of IP (e.g. trade secrets) are protected by law only through the use and enforcement of contracts.

- Learn more about IP

Intellectual property can help you secure Government funding

Funding programs want to support projects that are likely to succeed. The presence of IP assets often shows funding programs that your company has a certain degree of market exclusivity or competitive advantage and that it has a higher likelihood of success. Before you start applying to funding programs, consider developing a sound IP strategy as part of your business plan and taking steps to secure rights to existing IP that you will need to complete your project and benefit from its results.

Step 2 – Research funding programs

Background intellectual property and freedom to operate

"Background IP" is pre-existing IP that you can use during the course of your project. It may be as part of new IP that you create (called "foreground IP"). Owners of protected IP may take legal action against those who infringe on their rights, so it's extremely important to perform IP due diligence to ensure that you have freedom to operate. If you plan to use someone else's protected IP in the course of your project (including as part of new IP that you create), you must secure the appropriate rights through a formal contractual arrangement with the owner of that IP. Be aware that most funding programs will require you to agree to indemnify the Government if anyone sues you for IP infringement or royalties related to your project.

Foreground intellectual property

"Foreground IP" is IP you develop as part of your Government-funded project. Another important consideration as you search for federal funding opportunities is funding program policies on ownership of foreground IP that may result from projects funded through those programs. The Government believes that commercial exploitation of IP contributes to economic growth and job creation, and that such exploitation is best achieved by the private sector. Therefore, the Government's default position is to allow funding recipients to own the rights to foreground IP. This said, the Government might require a recipient to grant the Government a license to rights in foreground IP. The application guide will typically state whether the Government or the funding recipient will own foreground IP, as well as any license-back obligations to this IP and any relevant background IP.

Consider the IP implications of the funding program's IP policy for your organization's IP strategy and your obligations to any third parties, including your financing partners. You are strongly encouraged to negotiate contractual agreements with your project collaborators that outline the ownership and management of IP generated through your project.

As part of your IP strategy, also consider how you will protect any foreground IP that results from your project's activities. In most cases, it will be your responsibility to take appropriate steps to protect IP that results from your project. You may be required to provide the funding department with information regarding your IP strategy as it relates to your project's activities.

Step 2 – Research funding programs

6. Do I have the time and resources to prepare a high-quality application?

Time

Planning your project and preparing a quality funding application is time-consuming.

Programs fund projects that are likely to succeed and it is your responsibility to provide information in your application to demonstrate that your project is deserving of a program's funding.

Your application should show that you have a **clearly-defined**, comprehensive project proposal that meets the program's eligibility criteria and aligns with the program's objectives.

- Get tips for writing funding applications

You must also show that you are essentially project-ready, meaning that you will be able to implement your project according to the timelines you set out in your application. This means that by the time you submit your application, key elements are in order, such as any necessary permits, intellectual property rights, partnership agreements, etc.

You'll also need to gather any supplementary documents required by programs, such as financial statements and letters of support.

All of this takes time. Before starting an application, consider whether you have the time and resources you need to plan your project and prepare a strong application by relevant application deadlines. Most programs will not accept project proposals submitted after applications deadlines.

Step 2 – Research funding programs

7. Am I willing and able to meet the obligations and conditions attached to the funding?

Repayment obligations

Grants are non-repayable, whereas contributions may be non-repayable or repayable (in whole or in part). Consider whether you will be able to meet any repayment obligations attached to a contribution (these will be stated in the application guide).

A repayable contribution is funding you will be expected to repay at some point. A repayable contribution may be conditionally repayable or unconditionally repayable.

- Conditionally repayable contributions are repayable only when certain conditions are met. For example, repayments may be based on your project's revenue, meaning you would be expected to repay the contribution only when certain financial criteria have been met (e.g. once you have achieved a certain income threshold or profit margin). The specific conditions that will trigger your repayment obligations will be specified in your contribution agreement.

- Unconditionally repayable contributions must be repaid, regardless of your project's outcomes, according to the repayment schedule set out in your contribution agreement.

Note that contribution repayments, when due, are considered debt you owe to the Government and you may be charged interest on late repayments.

Reporting obligations

As a recipient of a grant or contribution, you will be required to submit reports to the funding program to show that you are completing your project according to the terms of your funding agreement.

Typically, reporting on grants is limited to information necessary to confirm your ongoing eligibility for grant funding. You may also be required to report on results achieved using the funding.

Contributions usually come with more reporting obligations than grants. As a recipient of a contribution, you must submit progress reports and detailed financial reports showing how you used the funding. Since contribution funds are usually issued on a reimbursement basis, the payments you receive for your eligible expenses will be given after the receipt and approval of your progress and financial reports.

Reporting obligations may extend beyond the lifetime of your project (sometimes for years). Many programs require recipients to report on additional work or follow-up activities related to their projects, as well as updates on project outcomes.

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Step 3 – Complete and submit your application

3.1 Application intake periods and deadlines

Some programs accept funding applications on a continuous basis until all funding has been given out or the program ends. Other programs have defined application intake periods with specific submission deadlines. Meeting application deadlines is crucial. Unless there are mechanisms in the application process that allow for late application submissions, your project proposal will be rejected if the program receives it after the deadline.

3.2 The two-step application process

Many programs have a two-step application process: (1) the screening stage and (2) the application stage.

The requirements at the screening stage vary by program and are specified in the program's application guide. For some programs, the screening stage may be as simple as sending an email to, or having a phone call with a funding program. Other programs may have more formal pre-application requirements. For example, some programs require that the applicant prepare and submit a letter of intent or statement of interest (LOI or SOI).

An LOI or SOI (or similar submission) helps the funding program understand the proposed project and what the applicant hopes to achieve with the project. An LOI or SOI also provides a preliminary indication of the applicant's basic management, technical and financial capacity to complete the project. Based on the funding department's preliminary assessment of the applicant's readiness and capacity to undertake the proposed project, the funding program may then invite you to apply through a formal application process.

3.3 Parts of a typical funding application

Application (and screening stage) requirements vary by program and will be set out in the program's application guide. The elements listed below are typical requirements of most federal funding applications (at the screening stage, in the full application, or both).

Overview: parts of a typical funding agreement

- **Title of project**
- **Applicant details** (i.e. legal name, address, business registration number (if applicable), contact information, sector, technology area, technology readiness level (TRL), name and contact information for authorized representative)

Step 3 – Complete and submit your application

- **Project overview**
  - Title of project
  - Contact person for project
  - Collaborators (if applicable)
  - Financial partners and other sources of funding (if applicable)
  - Location of project
  - Project timeline (expected start and end dates)
  - Funding request (amount of funding requested from program)
  - Summary of project proposal

- **Project proposal**
  - Project rationale (the need for the project)
  - Project objectives and outcomes and how they align with the program objectives
  - Project description (how you will achieve your project objectives and outcomes)
  - Project's economic, social and environmental benefits to Canada
  - Project management, key project personnel, and organization capacity
  - Project work plan, including required activities, the people responsible for various aspects of the project, the project schedule, risk assessment and mitigation, key deliverables, and major milestones to be achieved
  - Performance measurement strategy
  - Budget and costing
  - Next steps (e.g. path to commercialization, knowledge dissemination)
- **Supporting documents** (e.g. financial statements, letters of support, licenses and permits)

Step 3 – Complete and submit your application

3.4 Writing and preparing your application

Hiring third parties to help you with your application

There are many professional services available to help you prepare your funding applications, such as accountants and consultants. Some of which offer their services on a contingency basis, meaning that they are paid only if funding is awarded to you as a result of the application they help prepare. The fees for these services are usually a percentage of the funding awarded.

Please be aware that in most cases you will not be allowed to use the grant or contribution funding to pay for services you hired to help you prepare your application. You must maintain accurate financial records of how you spend federal funding and programs may revoke your funding if it is discovered to have been used to pay for services related to your application.

This does not mean that you cannot use these services; it means that you will be responsible for any costs for any services you use to prepare your funding application. If you are unsure about what costs are eligible, check the application guide or contact the program.

Tips to follow as you prepare your applications:

- Read the application guide carefully before you start writing an application
- Follow instructions in the application guide carefully
- Complete every section of the application
- Give yourself enough time to prepare your application
- Have a clear business plan
- Set clearly defined, attainable project objectives
- Write clearly and concisely, using plain language
- Respond directly, accurately and fully to what is asked in each part of the application
- Clearly communicate how your project's expected outcomes will advance the funding program objectives and explain how your project will benefit Canada and Canadians
- Tailor your answers to the program you are applying to

Step 3 – Complete and submit your application

- Be realistic
- Write your project summary last
- Seek advice
- Have others review your application
- Review your application before submitting it

- **Read the entire application guide carefully *before* you start writing an application**

  Before applying to a particular program, you should have a clear understanding of that program, including its objectives, expected outcomes, minimum eligibility criteria, and other aspects discussed in Step 2 – Research funding programs.

  - Your project and you, as the applicant, must meet the eligibility criteria set out by the program to which you are applying.
  - Make sure that the program is a good fit for your project needs.
  - Understand the application process (for example, whether or not you need to submit a statement of intent before submitting the full application) and information you need to provide.
  - Understand the criteria that reviewers will use to assess the merits of your application.

  You can contact the program if you need clarification about anything in the application guide.

- **Follow instructions in the application guide carefully**

  We cannot stress this enough. Failing to follow application instructions can be a deal-breaker for your application.

  - Use provided templates. A program's application guide often provides application templates for you to use.
  - Adhere to formatting requirements (e.g. margin size, font style, page count, word count, file format). Some programs will not consider any pages or content that exceed maximum page limits set out in the application instructions. Sometimes a program may reject an application if it exceeds the maximum number of pages.
  - Meet deadlines. Your application will likely be rejected if it is submitted after a stated application deadline. It is good practice to submit your application well before the deadline in order to avoid technical issues, such as computer problems, when you are submitting your application.

    Keep the application guide close by and refer to it regularly as you prepare your application.

Step 3 – Complete and submit your application

- **Complete every section of the application**

  Be sure to fill out each section of the application according to what is specifically asked and include all required supporting documentation in your application package.

- **Give yourself enough time to prepare your application**

  Writing funding applications takes time. Be aware of deadlines and make sure you allow yourself enough time to prepare a strong application.

- **Have a clear business plan**

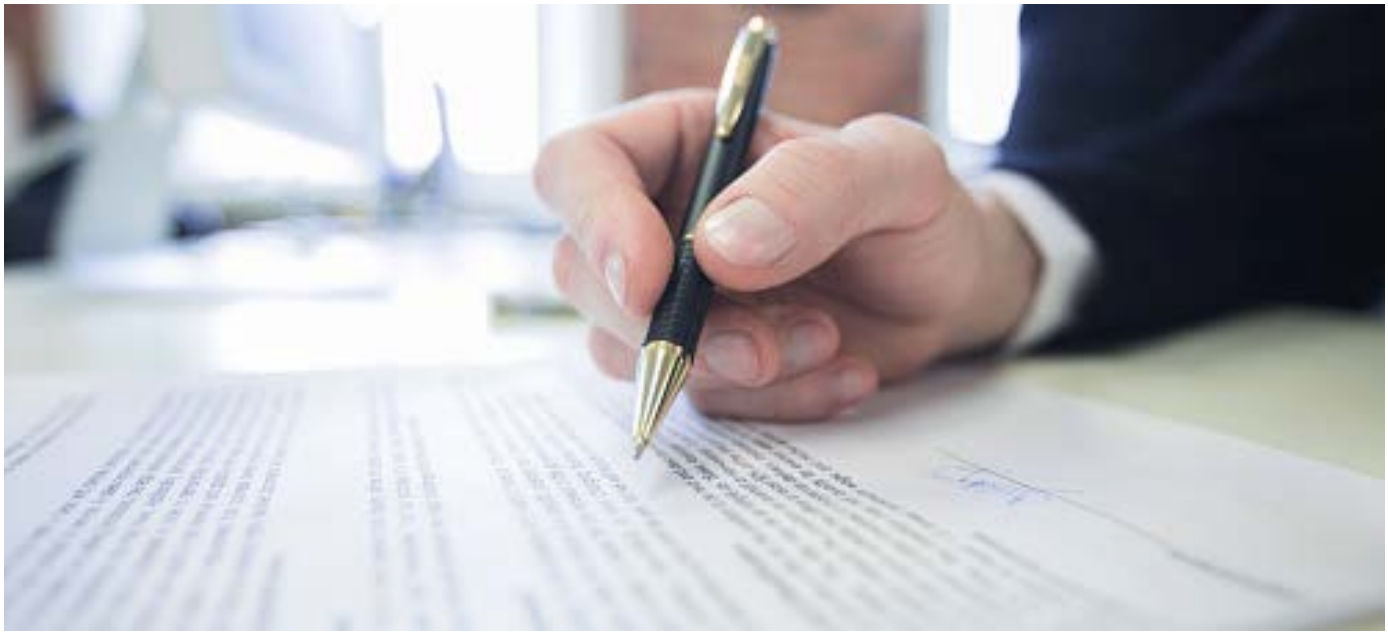
  Having a clear business plan can help you define your project and how your project aligns with the funding program's priorities. It can also help you answer questions in the application about your organization and project, such as your market, competitors and TRL.

  - Learn more about business plans

- **Set clearly defined, attainable project objectives**

  Objectives are statements of action that describe what you need to accomplish in order to meet your project goals. SMART objectives are specific, measurable, realistic, achievable and time-bound.

  - Learn about writing SMART objectives



Step 3 – Complete and submit your application

- **Write clearly and concisely using plain language**

  Write your application clearly, using plain language, and structure the information in a way that is logical and easy to follow. This does not mean that you should oversimplify or omit technical information from your answers. However, you should write for your reader. Keep in mind that application reviewers may not be familiar with all aspects of your particular area of expertise. It is a good idea to make sure that any unfamiliar concepts, terms and abbreviations are clearly explained. Even applications for highly innovative and impactful projects can be rejected if the project isn't communicated in a way that reviewers can easily follow and understand.

  Some application guides provide information about who will review your application (e.g. a specialist or a multi-disciplinary review committee). You can use this information to tailor your language to your audience (the people who will read and evaluate your application).

  - Learn more about writing in plain language

- **Respond directly, accurately and fully to what is asked in each part of the application**

  The information you include in your application should be communicated concisely, with enough information to provide reviewers with an understanding of your proposed project and to enable them to assess the likelihood that your project will succeed. If needed, provide enough background information so that someone who is unfamiliar with your work can understand your project.

- **Clearly communicate how your project's expected outcomes will advance the funding program objectives and explain how your project will benefit Canada and Canadians**

  Clearly explain the need for program funding and how it will be used. This will have a significant impact on the competitiveness of your project proposal. Be sure to include an equity, diversity and inclusion (EDI) plan in your project proposal if requested. Even if the program does not require you to submit an EDI plan, describing your project's EDI approach in your project proposal can strengthen your application.

Step 3 – Complete and submit your application

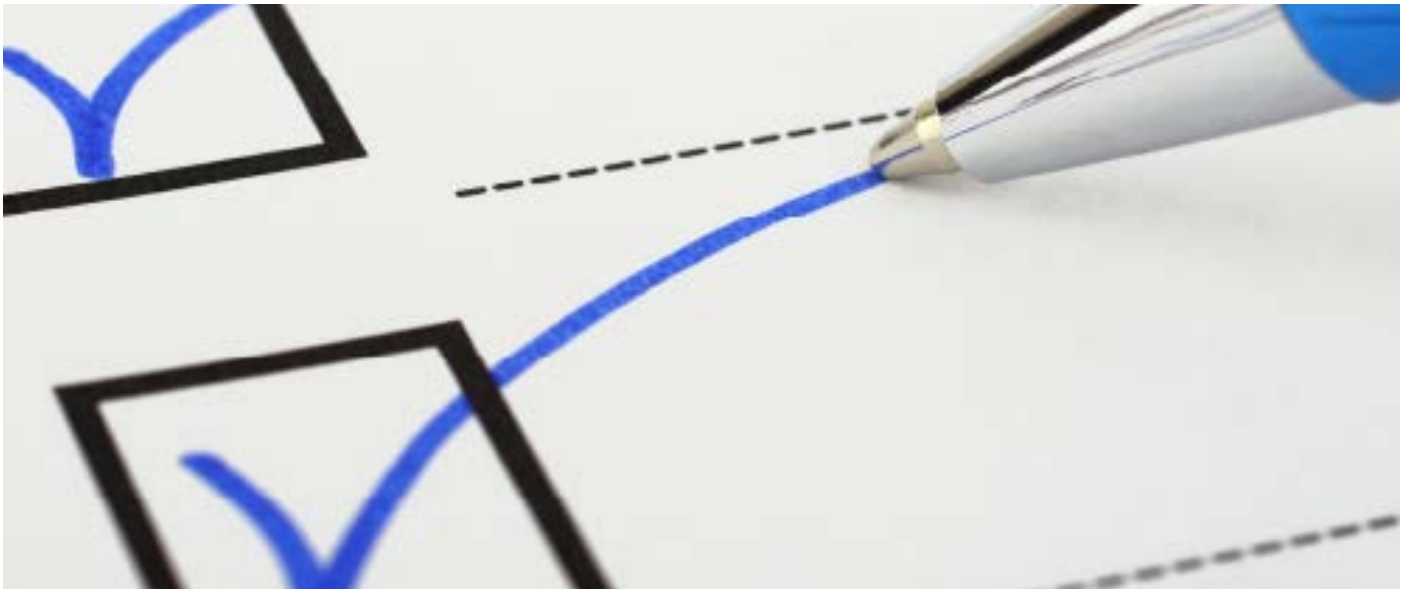
- **Tailor your answers to the program you are applying to**

  Remember that funding programs are created to support specific Government policy objectives. Tailor your answers to the objectives and priorities of the particular program to which you are applying. It is your responsibility to demonstrate that you meet each of the program's mandatory eligibility criteria. It's also a good idea to address the merit-based evaluation criteria that decision-makers will use to assess your application in your answers. These mandatory and merit-based criteria are stated in program application guides.

  You can think of your application like an investment or sales pitch. Your goal is to convince program decision-makers that your project proposal, among many other eligible project proposals, is worthy of the program's limited funding.

- **Be realistic**

  Be realistic about timelines and expected outcomes of your project. Reviewers want to know that you understand your project and can complete it in the specified timeframe. Be realistic in terms of your funding request. Ensure you are able to spend the amount of funds you are asking for and that you clearly identify any risks to the success of your project, and explain how you will address and mitigate those risks.



Step 3 – Complete and submit your application

- **Write your project summary last**

  The project summary should succinctly and accurately describe the "who", "what", "when", "where", "why" and "how" of your project. While this is the first section of your project proposal, we recommend that you write this section last. It will be much easier to provide an accurate overview of your project and communicate how it aligns with the funding program objectives once you have completed the other parts of your application.

  A well-written summary explains the "big picture" of your project, which will make it easier for your application reviewers to read and understand your project proposal. It is also the first part that application reviewers will read and it is your chance to make a good first impression in terms of the quality of your proposal and merits of your project.

- **Seek advice**

  Contact the funding program administrators for information and clarification on aspects of your application.

- **Have others review your application**

  It's a good idea to ask others to review your completed application. They may find something you've over-looked that could improve your application.

- **Review your application**

  Be sure to review your application for completeness and clarity. Pay attention to grammar and spelling errors because you wouldn't want anything to detract from the professionalism of your application.

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Step 4 – Wait for a funding decision

4.1 Decision-making timelines

Timelines for making and announcing funding decisions may range from weeks to months, depending on the program. Timing will also depend on an applicant's responsiveness to requests from the program for information during the due diligence review of the applicant's project proposal.

The number of applications programs receive will also impact timelines. While the Government strives meet its timelines (often called service standard targets), it is possible to receive a decision notification after the program's stated target date.

4.2 How decision-makers evaluate applications

Successful projects are chosen through different decision-making processes, which depend on the particular funding program. Projects are often selected through a competitive process that assesses the technical and business viability of the proposed project against mandatory and weighted merit-based evaluation criteria.

Applications are first reviewed by program officers and/or a review committee for whether they are complete and meet the program's eligibility criteria and mandatory application requirements, as set out in the application guide. In general, incomplete applications that do not meet these criteria and requirements are not given further consideration. This is typically a pass/fail assessment.

Step 4 – Wait for a funding decision

Applications that meet a program's eligibility criteria and mandatory application requirements are then assessed against merit-based criteria. This evaluation is typically performed by program authorities, expert panels of academics and members of industry, and/or financial experts. The merit-based criteria will vary by program and are usually set out in the program's application guide. Be sure to keep these in mind as you complete your application as they can give you an idea of what reviewers are looking for in successful project proposals.

The following are examples of assessment criteria used by program officers and/or review committees to evaluate funding applications.

Common selection criteria

- **Mandatory criteria** (typically pass/fail)
    - Application completeness
    - Project eligibility
    - Applicant eligibility
    - Funding request amount (whether the amount of funding you request falls within maximum and minimum amount of funding offered by the program)
    - Timeline alignment
- **Merit-based criteria** (weighted)
    - Scientific/technical merit of proposed project (the degree to which the project is expected to be technically feasible and generate the desired outcomes)
        - Capacity (in terms of resources, human resources, etc.)
        - Project management team experience and expertise
        - Appropriateness of work plan, milestones, deliverables
        - Reasonableness of budget
    - Innovativeness (level of technological innovation; potential for deployment, commercially or otherwise)
    - Partnerships (involvement of strategic partners)
    - Leveraged funds from non-governmental sources (a higher proportion of total project costs leveraged from partners or the applicant is typically viewed favourably)

Step 4 – Wait for a funding decision

- Relevance and significance (the project's alignment with a relevant need and/or opportunity)
- Business plan (including credible, strong financial and market analyses and a plan for the project once complete)
- Timing (realistic project timelines, scheduled for completion within the program's funding period)
- Appropriate identification of risks to the project and risk management strategies
- Project benefits (how the project could help advance innovation, economic, environmental and other relevant policy objectives)
- Company capability, including management, key project staff and track record

At this stage of the review, the funding program will likely perform **due diligence**. This due diligence is to validate the information you provided in your application and to identify risks that may impact your ability to successfully complete your proposed project, achieve your stated objectives and fulfil any repayment obligations. Factors taken into consideration may include managerial, technical and workforce capabilities, technical feasibility of the project and financial and market risks. For example, a technical committee composed of experts in your field may assess the technical aspects of your project proposal to ensure that any projections you have made are reasonable based on verifiable methodologies/technologies. A financial committee may also look at your financial strength and ability to complete the project.

The results of the merit-based assessment and due diligence will inform the funding department's final decision on whether to fund your project. You will be notified of your application status in writing, which will tell you if your application is conditionally approved or refused. Some programs also have waitlists. Applicants that are waitlisted may be contacted at a later date if additional funds or opportunities become available.

Note that receipt of a conditional approval for funding does not guarantee that you will receive funding through the program. Sometimes, approval is conditional on the results of additional due diligence during the negotiation of the funding agreement. A decision to award funding to a project will be final only when you have an official funding agreement in place. Any funding you receive from the Government will be subject to the terms and conditions set out in the agreement.

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Step 5 - Sign a funding agreement

After receiving conditional approval for funding, you will be contacted by a program officer to negotiate a funding agreement.

A funding agreement is a legally binding contract between the Government of Canada, represented by the funding department, and a recipient of federal funding. A funding agreement sets out the responsibilities and obligations of both parties with respect to the funding for the recipient's project through the federal funding program. The responsibilities and obligations imposed by the contract will be specific to the program, the funding recipient and project.

Typically, a funding agreement has two parts:

1. a generic section consisting of standard clauses

2. a mutually agreeable project-specific section, which details the parties' rights and obligations under the agreement

The project-specific section is often in the form of one or more appendices. In most funding agreements, the appendix will contain the expected deliverables, a budget, milestones, a list of allowable expenses by category, and all applicable terms and conditions that are not specified in the generic section. The Government of Canada will be responsible for drafting the funding agreement.

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The funding program may perform additional due diligence during the negotiations. Depending on the nature of your proposed project, you may be asked to participate in a Government-led impact assessment process at this stage. The impact assessment process usually involves Indigenous consultations and participation to foster reconciliation and ensure that Canada fulfils its legal duty to consult and, where appropriate, its duty to accommodate Indigenous Peoples whose Aboriginal and/or treaty rights might be adversely affected by Government decisions.

- Learn more about impact assessments

- Learn more about the Crown's duty to consult and Indigenous participation in impact assessments

The results of due diligence risk assessments conducted during the review of your application and at this stage will likely be used to identify any risk mitigation strategies to be included in the your funding agreement (e.g. monthly progress reports or holdback amounts).

Step 6 – Implement your project and receive your funding

6.1 Receiving your funding

The basis of payment for grant or contribution funding will be set out in the funding agreement. The funding agreement must be signed before any funding can be received through the program.

A grant is typically paid out as a lump sum or in instalments.

The basis of payment for a contribution will be specified in the funding agreement and may be based on one or a combination of the following:

- achievement of predetermined performance expectations or milestones
- reimbursement of eligible costs
- a costing formula

The most common basis for contribution payments is the reimbursement of eligible costs. These are typically paid monthly or quarterly (every 3 months). Under this basis of payment, the recipient will spend some of the funds and then claim for a reimbursement of eligible costs. In some cases, advance payments may be offered if required to achieve the objectives of the project. This provision will be outlined in the funding agreement and will be based on the recipient's cash flow requirements. The funding agreement will specify how and how often claims are to be made.

Keep in mind that there will be conditions and limitations on the use of contribution (and sometimes grant) funding. The funding agreement will indicate what costs and expenditures can be claimed, as well as any claim limits. Any expense that is not authorized in the agreement or that is claimed in excess of the maximum amount authorized, will not be eligible for reimbursement. The funding department will typically request documentation to support amounts claimed (e.g. invoices, receipts, timesheets).

Step 6 – Implement your project and receive your funding

6.2 Your reporting obligations

Progress and financial reports

Government funding is usually subject to reporting requirements to ensure that funded projects are completed according to the terms of the funding agreement. Recipients of both grant and contribution funding are usually required to submit periodic progress reports.

Reporting on grants is typically limited to information necessary to meet a department's performance measurement requirements and to provide assurance of ongoing eligibility. Recipients of grant funding may also be required to report on project results achieved using the grant funding.

Contribution funding is subject to additional requirements. In addition to progress reports, recipients of contributions must also submit financial reports showing how they have used the funding. In fact, receipts of contribution funding progress payments are often conditional on the recipient's submission of detailed progress and financial reports. The frequency and content of any required reporting will be set out in the funding agreement. You will be legally obligated to carry out your project according to the work plan and budget set out in your contribution agreement. If you need to make major changes from your approved project, you will need to seek approval from the funding program. If approval is received, your contribution agreement will be amended to reflect the changes. Minor changes do not require an amendment and always consult the agreement and/or the funding program about potential changes.

Step 6 – Implement your project and receive your funding

In some cases, funding may be subject to a holdback, which means that a portion of the total payment to the recipient, often 10%, is withheld by the funding program. Holdbacks are used to avoid overpayments to recipients and to act as an incentive for the recipient to complete the project according to the terms of the funding agreement. Holdback funds are typically released to the recipient upon the project's completion and submission of final reports. The terms related to any funding holdbacks will be stated in your funding agreement.

Your reporting obligations may extend beyond the lifetime of your project. The funding agreement may require you to report on further work or follow-up activities related to your project, as well as updates on your project's outcomes to help the Government evaluate the impact and value of the funding program.

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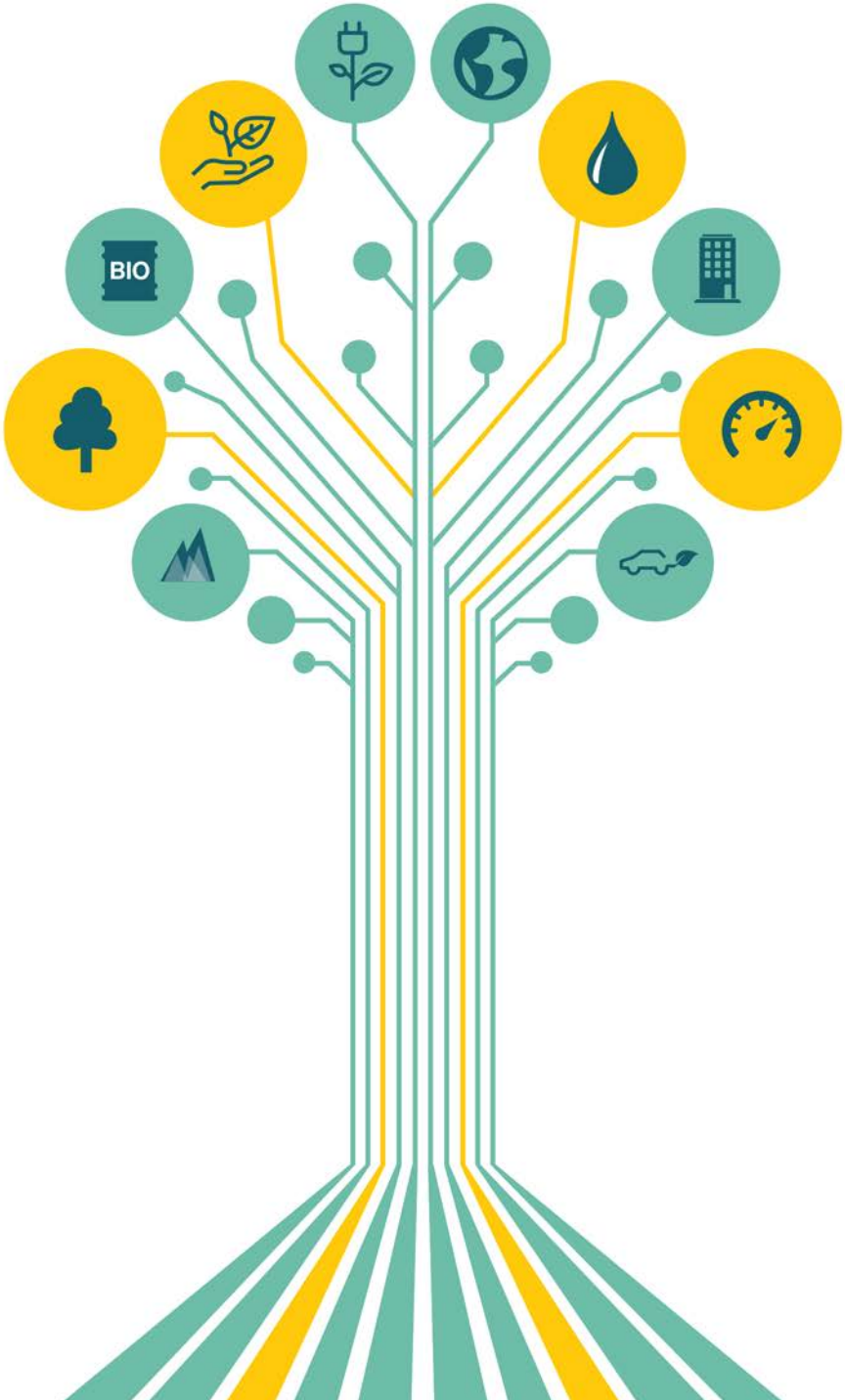
Financial management

To assist in the financial management of projects, we encourage recipients to set up a project accounting system to record and track project costs and funds received from all sources, as well as to produce financial reports required by the funding program. Accounting for projects should be kept separate from your regular operations, and project expenditures should be easily identified. Financial accounting should comply with generally accepted accounting principles. The goal of the project accounting system is to produce an audit trail for all project costs incurred, including documentation to support the amounts claimed.

Your annual fiscal year may be different from that used by the Government of Canada. The Government's fiscal year cycle is from April 1 to March 31 and it is important for recipients to align payment and reporting activities accordingly.

Appendices



Appendices

Disclaimer: Hyperlinks to external sites do not constitute endorsement by the Clean Growth Hub of those websites or any information, opinions, products or services expressed or described on them.

Glossary

This glossary explains some of the terms that you may come across as you search and apply for federal clean tech funding.

*Please note that these terms and definitions are for reference only. They may differ from those used by funding programs and, in such cases, please defer to the terms and definitions used by the programs. You can reach out to the programs themselves if you have any questions.

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

A

activity
Project activities are the tasks described in your project's work plan that must be completed to achieve your project's objectives.

Related: eligible activity, project objective, work plan

advance payment
Often, contribution payments are made on a retroactive basis, which means that you are reimbursed by the program for eligible expenses you already incurred. Often, you must meet certain progress milestones agreed-to in your funding agreement in order to receive your next payment. Advance payments are contribution payments made to you based on your cash-flow needs *before* you have met the performance obligations that would justify issuing your next payment.

Related: basis of payment, milestone, reporting requirements

applicant
An applicant is an individual, organization or government that has applied or is applying for federal funding.

Related: proponent, recipient

applicant guide
A program's applicant guide provides guidance and official instructions on applying for funding from that program. A program's applicant guide describes the program's:

- objectives
- funding
- eligibility criteria
- project selection criteria
- how to submit an application
- other program-specific information

We refer to an applicant guide as an "application guide" in this toolkit.

Appendices

application

A complete funding application includes all of the forms and supporting documentation that you must submit to a program to be considered for the program's funding. "Application" is often used interchangeably with the term "project proposal".

- Get tips for writing your application

Related: applicant guide, program, project

application guide

Refer to applicant guide.

audit

An audit is an independent assessment of a funding recipient's project that is conducted to provide assurance to a funding program that the recipient is meeting the terms and conditions in their funding agreement. An audit may address any of the recipient's financial and non-financial obligations under the agreement.

Related: funding agreement, reporting requirements

B

background intellectual property

Background intellectual property (IP) is IP that you, or your project collaborators or partners, own or have licensed before your project's start date that is necessary to complete your project and/or exploit any IP created during your project.

- Intellectual property 101
- Plan your IP strategy

Related: foreground intellectual property, intellectual property

basis of payment

The basis of payment for a grant or contribution describes how often and under what conditions you will receive your funding payments, and in what amounts. These terms will be set out in your funding agreement.

Related: advance payment, funding agreement, holdback, milestone payment, reimbursement

Appendices

benefits
Benefits are advantages that a project will or is anticipated to provide to Canada and Canadians.

economic benefits
Economic benefits relate to increased economic activity. For example, job creation and/or retention, impact in sales such as growth or market diversification, commercialization of project results.

innovation benefits
Innovation benefits relate to technological advancements. For example, creation of intellectual property, improvement of the commercialization potential of a product or technology by advancing it to a higher technology readiness level, or potential market disruption.

social benefits
Social benefits relate to the public at large. For example, environmental improvements, increased local community involvement, increased gender balance in the workforce.

Related: equity, diversity and inclusion; outcome; technology readiness level

budget
Your project budget is a financial plan that includes a detailed breakdown of costs that are expected to be incurred in completing your project and the sources of funding to be used for those costs. The program will use your budget and financial statements to assess the financial viability of your proposed project.

business
A business is economic activity carried out with the expectation of making profit.

Related: applicant, corporation

business number (BN)
A BN is a unique nine-digit business identifier issued by the Canada Revenue Agency (CRA) to an organization.

- Register your business with the CRA

business plan
A business plan for a project is a written document that describes your project's objectives and how those objectives will be achieved. While project business plans vary in length and scope, most address the following points:

- project rationale and objectives
- technical project information
- key project personnel
- risk and mitigation measures
- financial statements and forecasts
- other relevant information
- Learn more about business plans

Appendices

C

calendar year

A calendar year is a period of twelve months that begins on January 1 and ends on December 31.

Related: fiscal year

call for proposals (CFP)

A call for proposals (CFP) is a formal announcement of funding available through a particular federal program that invites the public to submit funding requests and proposals for projects that meet specific criteria set out in the CFP. May also be referred to as a "request for proposals (RFP)".

Related: application, applicant guide, funding program

cash flow

Cash flow is the money that moves in and out of your organization over a defined period of time.

Related: advance payment, financial statement

clean technology (clean tech)

Clean tech refers to any process, good, or service that reduces environmental impacts through any of the following:

- Environmental protection activities that prevent, reduce, or eliminate pollution or any other degradation of the environment
- Resource management activities that result in the more efficient use of natural resources, thus safeguarding against their depletion
- The use of goods that have been adapted to be significantly less energy or resource intensive than the industry standard

climate change adaptation

Adapting to climate change involves anticipating the adverse effects of climate change and taking appropriate action to prevent or minimize them. It can also include taking advantage of opportunities that may arise as a result of climate change. Adaptation can include changes in behaviour, technology, institutions, policies, and other aspects of human systems.

Related: climate change mitigation

Appendices

climate change mitigation
Climate change mitigation involves efforts to reduce or prevent emission of greenhouse gases, or to enhance carbon sinks. Mitigation can mean planting trees, using renewable energies, making older equipment more energy efficient, or changing management practices or consumer behavior. It can be as complex as a plan for a new city or as a simple as improvements to a cook stove design.

Related: climate change adaptation

conditionally repayable contribution
A conditionally repayable contribution is funding that you must repay to the Government when your project achieves certain success outcomes or milestones. Your specific repayment conditions will be agreed upon and set out in your contribution agreement.

Related: contribution, non-repayable contribution, repayable contribution, unconditionally repayable contribution

contribution
A contribution is conditional funding from the federal government to an individual, organization or other level of government to reimburse some portion of the costs incurred in carrying out a project that the Government has agreed to support. You must account for the use of contribution funds you receive and report back to the program on project results achieved with their use. A contribution may be non-repayable, repayable or conditionally repayable.

Related: grant, reimbursement, transfer payment

contribution agreement
A contribution agreement is a funding agreement between you and the Government that sets out both of your obligations with respect to contribution funding provided to your project through a federal funding program.

Related: funding agreement

corporation
A corporation is a legal entity created when one or more entrepreneurs register a business with a provincial or federal government through articles of incorporation. The law treats the corporation as a person that can sue and be sued. The corporation is distinct from the individuals who own it (shareholders).

Many programs require applicants to be legally incorporated in Canada.

Related: business number, incorporation

cost-share
Often program funding is only available to cover a certain percentage of your project's total eligible costs, up to a specified amount. That funding comes with cost-sharing obligations, which means that you will be responsible for covering the percentage of eligible costs not covered by the program. Some programs may permit you to fulfill your cost-share obligations with in-kind contributions.

Related: eligible costs, in-kind contribution

Appendices

D

due diligence
Programs perform due diligence evaluations of project proposals as part of their decision-making processes to validate the information provided in applications, and to assess the capacity of applicants to implement their proposed projects, achieve project objectives, and fulfill repayment obligations (if applicable). Factors taken into consideration may include the managerial, technical and workforce capabilities; technical feasibility; and financial and market risk.

duty to consult
The Government of Canada has a legal duty to consult with Indigenous peoples, and where appropriate to accommodate them, when Canada is contemplating funding a project that may negatively impact on existing or potential Aboriginal or treaty rights. This is true whether those rights have been established (proven in court or agreed to in treaties) or whether there is potential for those rights to exist.

The Government is responsible for understanding how and when project funding could have an adverse impact on Aboriginal and treaty rights. When applicable, the Government will consult prior to providing funding to a recipient.

- Learn more about Canada's duty to consult Indigenous Peoples

Related: impact assessment

E

eligible activity
An eligible activity is an activity that is required to complete a project and that is eligible for funding through a funding program.

Related: activity

eligible applicant
An applicant is eligible for funding if they satisfy all of the mandatory eligibility criteria set out in the program's application guide.

Related: applicant, eligibility criteria

eligible costs
Eligible costs are project costs to which funding from a program may be applied. They are program-specific and will be set out in program application guides and in your funding agreement. May be referred to alternatively as "eligible expenses", "allowable costs" or "allowable expenses".

Related: total project costs

eligibility criteria
Eligibility criteria are the set of requirements set by a funding program that you and your project must fulfill in order for the program to consider your project proposal for funding. Eligibility criteria differ from one program to another and are found in a program's application guide. Meeting a program's eligibility criteria does not guarantee that the program will approve your project for funding.

Related: applicant guide, eligible applicant, eligible project

Appendices

eligible project
A project is eligible for funding through a program if it satisfies all of the mandatory eligibility criteria set out in the program's application guide.

Related: eligibility criteria, project

equity, diversity and inclusion

equity
Equity is the removal of systemic barriers and biases enabling all individuals to have equal opportunity to access and benefit from the program.

diversity
Diversity is differences in race, colour, place of origin, religion, immigrant and newcomer status, ethnic origin, ability, sex, sexual orientation, gender identity, gender expression and age.

inclusion
Inclusion is the practice of ensuring that all individuals are valued and respected for their contributions and are equally supported.

Related: benefits

F

fair market value
Fair market value refers to the highest dollar value that goods or services would sell for in an open and unrestricted market, where both the buyer and seller are willing participants in the transaction, have all of the facts and are acting independently of one another.

Related: in-kind contribution

financial statement
Financial statements are documents showing a business's or other organization's financial situation. A complete set of financial statements includes an income statement, a balance sheet, a statement of changes in financial position and a statement of retained earnings.

- Learn more about financial statements

fiscal period / year
A professional's or business's fiscal period (fiscal year) is generally a twelve-month period for reporting on income-earning activities. It may or may not match the calendar year. The federal government's fiscal year runs from April 1st in one year to March 31st of the following year.

Related: calendar year

Appendices

foreground intellectual property (IP)
Foreground IP is IP created in the performance of a project. Your funding agreement will state who will own the rights to foreground IP resulting from your project.

- Intellectual property 101
- Plan your IP strategy

Related: intellectual property, background intellectual property

funding agreement
A funding agreement is a legally binding agreement between you and a funding department that sets out the responsibilities and obligations of both parties with respect to funding provided to your project through the funding department's program.

A funding agreement usually has two parts: (1) standard clauses that cannot be changed and (2) appendices with project-specific information and terms, such as:

- a description of the project and its objectives
- the project workplan
- the project budget

Related: budget, work plan

funding department
In this toolkit, a funding department refers to a department or agency of the Government of Canada that administers one or more federal funding programs.

Related: funding program, transfer payment

funding program
Government funding programs provide financial support to eligible projects and initiatives to advance specific federal policy objectives that the programs were designed to achieve.

Related: funding department, request for proposals

G

Government
In this toolkit, "Government" refers to the federal Government of Canada, unless stated otherwise.

grant
A grant is an unconditional transfer payment that the Government provides to individuals, organizations or other levels of government to fund projects that meet eligibility criteria set by a funding program. Grants may be subject to project progress and performance reporting obligations. You do not have to pay grant funding back to the Government.

Related: transfer payment

Appendices

grant agreement

A grant agreement is a funding agreement between you and the Government that sets out both of your obligations with respect to grant funding provided to your project through a federal funding program.

Related: funding agreement

H

holdback

A holdback is a percentage of a recipient's funding that a program may, if permitted by the funding agreement, temporarily withhold to avoid overpayments to the recipient and to ensure that the recipient carries out their project according to the terms and conditions of their funding agreement. A holdback is usually released to the recipient once the recipient has submitted all required final reports and deliverables to the funding program.

Related: funding agreement

I

impact assessment

An impact assessment is a process for identifying, predicting and evaluating the environmental, health, social and economic impacts of development proposals before allowing them to proceed. It includes opportunities for public engagement as well as Indigenous engagement, reconciliation and partnership.

- Learn more about impact assessments

Related: duty to consult

incorporation

Incorporation is the act of establishing a corporation under the provincial or federal law by filing the required documents.

- Learn more about incorporating and registering your business or organization with the government

Related: business number, corporation

Appendices

indicator
Refer to performance indicator.

in-kind contribution
In-kind contributions are non-monetary goods or services that you or your partner(s) contribute to your project. They are valued at fair market value.

Related: cost-share, fair market value

innovation
Innovation may include any of the following:

- an invention, new technology or new process that is not currently available in the marketplace
- significant modifications to the application of existing technologies/ process that are applied in a setting or condition for which current applications are not possible or feasible
- an improvement to an existing technology/process that represents a significant (usually patentable) improvement in functionality, cost or performance of goods and services that are considered state of the art or the current industry best practice

intellectual property (IP)
IP refers to creative efforts that can be protected through trademark, patent, plant breeders' rights, copyright, industrial design or integrated circuit typography. IP may also refer to know-how and trade secrets.

- Learn more about IP

Related: background intellectual property, foreground intellectual property

installment
Installments are partial payments of your grant issued to you periodically according to the payment schedule set out in your grant agreement.

Related: lump-sum payment

intake period
A program's intake is the period of time during which it accepts project proposals. Intake periods may have a set end date or be open ended, closing only when all of the program's funding has been allocated to projects.

K

key personnel
Your project's key personnel are the individuals directly involved in your project and essential to its progress.

Appendices

L

lead applicant
The lead applicant is the individual or entity responsible for submitting the funding application.

Related: applicant, application

lump-sum payment
A lump sum is funding paid as a single payment instead of in instalments paid over a period of time.

Related: instalment

M

milestone
Refer to project milestone.

milestone payment
Contributions are often paid out retroactively, meaning that you will submit a claim to the program for eligible project expenses you already incurred and the program will then reimburse you for those expenses. Usually, milestone-based payment arrangements require that you submit documentation to the program that shows you have met specified performance milestones in order to receive your next contribution payment. A payment schedule would be set out in your contribution agreement.

Related: basis of payment, contribution, project milestone

N

net-zero emissions
Canada is committed to reaching net zero greenhouse gas emissions. Net zero does not mean zero emissions. Emissions will still be produced in a net zero world, but they will be offset by the removal of emissions already in the atmosphere.

non-repayable contribution
A non-repayable contribution is a contribution that you do not need to repay to the Government, provided that you comply with the terms and conditions specified in your contribution agreement.

Related: contribution, contribution agreement, repayable contribution

North American Industry Classification System (NAICS)
The NAICS is an industry classification system developed by the statistical agencies of Canada, Mexico and the United States. It provides common industry definitions and a common conceptual framework to facilitate economic analysis.

NAICS has a numerical and hierarchical structure that divides the economy into 20 sectors, which are further divided into subsectors, industry groups and industries based on different economic activities in which businesses engage. You may be asked to identify your organization's six-digit NAICS code in your funding applications.

- Learn more about the NAICS

Appendices

O

objective
An objective is a high-level, enduring benefit that a program or project aims to achieve.

Related: program objective, project objective

outcome
Outcomes are the changes or impacts that result or are anticipated to result from your project. Examples: lowered unemployment rate, health improvement for a targeted group, increased industrial activities or productivity, enhanced foreign trade. Outcomes should be specific and measurable. They are critical factors in determining the success of your project.

Related: performance measurement, performance indicator

output
Outputs are the products or services produced directly through project activities and delivered to a target group or population. Examples: new jobs created, shelters for homeless, research reports, seminars, direct support to social or economic activities.

P

partner
A project partner is an organization or individual who will contribute cash and/or in-kind resources to your project according to terms negotiated between yourself and that organization or individual.

partnership (business)
A partnership is an unincorporated business established by two or more owners.

Related: business number, corporation, sole proprietorship

partnership (project)
In the context of a project, partnership refers to a formalized working relationship between two or more organizations with separate identities and independent accountabilities. A partnership is based on mutual benefit, shared goals and a clear agreement setting the terms of the arrangement.

performance indicator
A performance indicator is a qualitative or quantitative piece of information used to measure progress toward the achievement of an outcome. Performance indicators form the basis for performance measurement and reporting.

Related: performance measurement

Appendices

performance measurement
Performance measurement is the process of comparing a project's anticipated outcomes and the outcomes actually achieved.

Related: performance indicator, progress report

program
Refer to funding program.

program objectives
Program objectives are short-, medium- and/or long-term enduring benefits to Canadians that a funding department aims to a achieve through a funding program. Program objectives stem from the funding department's mandate and vision.

Related: benefits, funding department, funding program, objective

progress report
Progress reports are periodic reports you must submit to programs supporting your project. Programs use these reports to assess your project's progress and to determine whether to provide you funding for your project's next budget period.

Related: performance indicator, reporting requirements

project
A project is an activity or a series of activities that has a beginning and an end. A project is carried out to produce defined outputs and outcomes that support a program's specific public policy objective(s). A project has a clear work plan, a budget and performance parameters.

Related: program, project objective, outcome

project milestones
Milestones are pre-defined deliverables or significant events that will be achieved during the project.

project objectives
Project objectives are statements of desired changes that your project aims to achieve. They provide a context in which the progress of your project can be measured. They should be clearly linked to the objectives of the program to which you are applying.

Related: objective, program objective

proponent
A proponent is a person or other entity that proposes a project. The word "proponent" is sometimes used interchangeably with the word "applicant".

Related: applicant

Appendices

R

recipient
A recipient is an individual or entity that is a party to a funding agreement and has been authorized to receive funding through a program. Upon approval of a project and signing of a funding agreement, an applicant becomes a recipient.

result
Refer to outcome.

reimbursement
A reimbursement is a contribution payment paid to you as compensation for eligible project expenses that you already incurred in carrying out your project's activities. Typically, you will not be issued the payment until you have properly accounted for your expenditures by submitting an acceptable claim form, progress report and/or other documents required by the program.

repayable contribution
A repayable contribution is a contribution you must repay to the Government. Repayable contributions may be conditionally repayable or unconditionally repayable. Repayment conditions are typically performance-based.

Related: conditionally repayable, unconditionally repayable

reporting requirements
Funding recipients are required to submit periodic, project-related reports to the funding program, which may include financial, progress and/or performance reports.

Related: risk, risk management

request for proposals (RFP)
A request for proposals (RFP) is a formal announcement of funding available through a particular federal program and invitation to the public to submit funding requests and proposals for projects that meet specific criteria set out in the RFP. May also be referred to as a "call for proposals (CFP)".

Related: application, applicant guide, funding program

risk
Risk refers to uncertainty that can create exposure to undesirable future events and outcomes. It is the expression of the likelihood and impact of an event with the potential to affect the achievement of the project's objectives. Risks may be related to technical issues, business and financial aspects of the project, project performance and timelines, among other things.

Related: risk management

Appendices

risk management
Risk management is the systematic approach to setting the best course of action under uncertainty. It refers to the identification of the risks to a project, the quantification of those risks (in terms of impact and probability), and the development and implementation of mitigation plans to address them.

Related: risk

S

sole proprietorship
A sole proprietorships is a business that is not incorporated and is owned by a single individual.

Related: business number, corporation, partnership

stacking limit
A stacking limit is the maximum value of combined funding from federal, provincial or territorial, and municipal governments that a program permits you to receive for your project. Different programs have different stacking limits. Stacking limits are usually expressed as a percentage of eligible costs.

Related: eligible costs, total government funding

stakeholders
Stakeholders are the people and organizations that are actively involved in your project or whose interests may be positively or negatively affected by the execution or completion of your project. They may also be people or organizations that exert influence over your project and its results.

statement of interest (SOI)
A statement of interest (SOI) is a form that some programs require you to submit before you complete a full application. An SOI usually requires you to provide applicant information, an overview of your proposed project, as well as current and historical corporate information. It's usually an element of the screening stage of a program's application process. The SOI will be assessed by the program to determine if your project meets the program's stated objectives and whether you have the basic managerial, financial and technical capability to carry out your project. It may also be referred to as a "letter of intent" or an "expression of interest".

Related: application

Appendices

T

technology
Technology refers to the practical application of scientific knowledge and principles. While technology can be represented in physical form (patents, procedures, design documents, manuals, etc.), it is not a physical entity.

technology readiness level scale
The technology readiness level (TRL) scale is a system of nine stages of development used to assess the maturity of precommercial technologies. Many programs target projects at specific innovation stages and use TRLs as project eligibility criteria.

- Assess your project's maturity

Related: eligible project

term sheet
A term sheet is non-binding agreement that lays out the basic terms that will be included in a subsequent, legally-binding agreement, such as a grant or contribution agreement.

Related: funding agreement

total Canadian government funding
Total Canadian government funding refers to the total funding awarded to you by federal, provincial, territorial and municipal governments for any one activity, initiative or project..

Related: stacking limit

total project costs
Your total project costs include all of the costs you will incur in carrying out your project, regardless of the source of funds used to pay for them and including the value of any in-kind contributions you or a third-party provide to the project.

Related: eligible costs

transfer payment
Transfer payments are transfers of money from the federal government to individuals, organizations or other levels of government, to further government policy objectives.

- Learn about how the federal government uses transfer payment programs to implement federal policy objectives

Related: grant, contribution

U

unconditionally repayable contribution
An unconditionally repayable contribution is a contribution that you must repay the Government regardless of your project's outcomes. The required amounts and timing of your repayments will be scheduled in your contribution agreement.

Related: contribution, conditionally repayable contribution, repayable contribution

Appendices

W

work plan
A description of the activities required to achieve your project's objectives. It usually sets out the key personnel responsible for each activity and a schedule for completing these activities, as well as major project milestones and deliverables. The work plan also sets out your project's anticipated outcome(s) and the performance indicator(s) for measuring your project's performance.

An applicant proposes the project's work plan in their funding application. If the project is awarded funding, a mutually agreeable work plan will be attached as an appendix to the funding agreement.

Related: activity, outcome, performance indicator, project milestone, key personnel

Other glossaries

- Glossary for Entrepreneurs
  (Business Development Bank of Canada)
- Glossary of Intellectual Property Terms
  (Canadian Intellectual Property Office)
- Office of Energy Efficiency Glossary
  (Natural Resources Canada)

Additional resources

Help finding funding for clean tech projects

- Clean Growth Hub

  The Hub provides information and works with eligible clean tech producers and adopters to find federal programs and services to advance clean tech projects. Consult the website to see a list of clean tech funding opportunities, services, events and resources.

- Business Benefits Finder

  Get a personalized list of government funding, benefits and other support for your business.

- Grants and funding by category

  Find funding programs organized by project sector and need.

- Canada Business App

  An easy-to-use, all-access point for essential information, interacting with Government resources and accessing tools to help build your business.

- Article: 16 ways to finance your clean tech business

  Read about sources of financing often used by clean tech companies at different stages of development..

Appendices

- Article: 7 sources of start-up financing

  Read about seven common sources of financing for start-ups.

- Federal ecosystem of clean tech support

  Learn about different types of financial and non-financial support available through the Government for clean tech projects and initiatives at different stages of innovation.

Writing resources

- Clear communication: overview of the writing process and techniques

  Techniques to help you create clear, effective and reader-focused texts.

- Plain language, clear and simple

  A useful resource for those interested in producing writing that is accessible, precise and clear to experts and non-experts alike.

- Writing SMART objectives

  How to write objectives that are specific, measurable, achievable, realistic and time-bound.

- How to budget your proposal

  Tips and insights from experienced researchers about how to create winning budget proposals for research projects (*Science Magazine*).

Clean tech project tools and resources

- Technology Readiness Level (TRL) Assessment Tool

  Use the Clean Growth Hub's TRL Assessment Tool to assess the maturity of your technology.

- How to budget your proposal

  Tips and insights from experienced researchers about how to create winning budget proposals for research projects (*Science Magazine*).

- Research technologies and innovative solutions

  Software, tools and research technologies for your business improvement and development projects.

- Data analysis software and modeling tools

  Clean energy project analysis, modelling and simulation software tools designed by CanmetENERGY to help you:

  - assess various types of renewable energy and energy efficient technologies
  - reduce greenhouse gas emissions
  - reduce operating costs and comply with code requirements
  - qualify for funding and incentive programs

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- Calculators

  Calculators for identifying performance indicators for environmental funding applications.

- Map of Clean Energy Resources in Canada

  An interactive map that shows, among others things, clean energy projects that are planned or under construction, clean energy test centres, clean energy research and development projects and clean tech incubators and accelerators across Canada.

- ExploreIP

  An online tool for exploring possible licensing and collaboration opportunities with public sector patent holders.

- Research Facilities Navigator

  Locate and connect with research expertise, state-of-the-art equipment and labs found in publicly funded research facilities across Canada.

Help starting and growing your clean tech business

- How to start a business

  Advice and tools for starting a business in Canada..

- Registering your business with the Government

  Find out about registering and incorporating your organization, as well as how to apply for a business number and tax account.

- Business plan guide

  Learn about the key components of a business plan.

- Business plan examples and templates

  Free business plan examples, templates and tools.

- Conducting market research

  Learn about market research and analysis.

- Canadian Intellectual Property Office

  Access intellectual property (IP) services and information about different forms of IP, including patents, copyright, industrial designs, trademarks and integrated circuit typographies.

- Intellectual property resources for clean technologies

  Specialized IP resources for creators and owners of clean tech, including how you can fast-track the patent application process for your clean technology.

- BizPal

  Find the permits and licences you need for your business.

Appendices

- Business Development Canada (BDC)

  Loans, advisory services and resources for small- and medium-sized businesses.

- Export Development Canada (EDC)

  Canada's export credit agency.

- Regional Development Agencies

  Contact your Regional Development Agency for advice about tax obligations, regulations, permits and registering your business.

- Innovation Advisors

  If you're incorporated, ready to grow or scale, looking to create a new product, service or process, or looking for advice, you may be eligible to connect with an Innovation Advisor. Their extensive network of contacts can help you find, and make the most of Government programs and services at your disposal, from financing to technical advice to foreign market expertise.

Clean Growth Hub member webpages

- Agriculture and Agri-Food Canada
- Business Development Bank of Canada
- Canadian Commercial Corporation
- Crown-Indigenous Relations and Northern Affairs Canada
- Environment and Climate Change Canada
- Export Development Canada
- Fisheries and Oceans Canada
- Global Affairs Canada
- Indigenous Services Canada
- Innovation, Science and Economic Development Canada
- National Research Council Canada
- Natural Resources Canada
- Standards Council of Canada
- Sustainable Development Technology Canada
- Transport Canada
- Treasury Board of Canada Secretariat

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Intellectual property 101

What is intellectual property?

Intellectual property (IP) refers to the creations and innovations resulting from intellectual activity in the industrial, scientific, literary and artistic fields.

Just like other types of property, IP comes with certain legal rights, which generally include the exclusive right to prevent others from exploiting (making, using, selling, licensing, importing and exporting) your IP, often for a time-limited period.

IP can be very valuable for your business and developing a strong IP strategy to protect and leverage your IP can help to:

- prevent others from exploiting your innovations
- avoid costly legal issues
- protect your brand
- gain a market advantage over competitors and get a bigger return on your investment
- create new revenue streams (e.g. by licensing your IP)
- attract investors, financing partners and government funding

Types of intellectual property

In Canada, the most common forms of IP protection are:

- patents
- copyright
- trademarks
- industrial designs
- trade secrets
- plant breeders' rights

Often, you can protect different aspects of an innovation or creation using more than one form of IP protection.

Intellectual property 101

Learn more about the different types of IP

Patents	Plant breeders' rights	Copyright	Trade secrets	Trademarks	Industrial designs

Patents

Patents grant inventors the legal right to stop others from making, using and selling their inventions for 20 years in the country or region where the patent is granted. In Canada, patentable inventions include new products, chemical compositions, machines and processes, as well as new uses of or improvement to existing inventions.

Patents can be valuable IP assets to organizations, and are often the heart of a business because they essentially provide time-limited monopolies on their inventions in the marketplace.

You can apply for a patent from the Canadian Intellectual Property Office (CIPO), which offers a fast-tracked patent application examination process for green technologies.

In Canada, and in most other countries, the first applicant to file a patent application has priority over other applicants claiming patent rights for the same invention. Consider filing as soon as possible after you complete an invention in case someone else is on a similar track.

Note that you cannot patent ideas, theorems, discoveries, energy, higher life forms, business methods, or medical procedures or methods. While you cannot patent software code per se, you may patent computer-implemented inventions. Original software code is protected under copyright law.

- Learn more about patents
- Learn more about the fast-tracked patent application process for green technologies

Intellectual property 101

Plant Breeders' Rights

Plant Breeders' rights (PBR) are a form of IP protection that allow plant breeders to protect their new plant varieties, similarly to how patent rights allow inventors to protect their inventions. PBRs are legal rights granted to plant breeders to prevent others from propagating or exploiting their new plant variety. In Canada, varieties of all plant species are eligible for protection.

Once granted, plant breeders' rights can last for up to 25 years in the case of a variety of tree and vine, and 20 years in the case of all other varieties of plants.

You can apply for a PBR certificate for your new variety from the Canadian Food Inspection Agency.

- Learn more about PBR

Copyright

Copyright is an exclusive right to produce, reproduce, publish or perform your original literary, artistic, dramatic or musical work (or a substantial part of it). Some examples of works protected by copyright include original computer code, research reports, presentations, manuals, and some aspects of databases.

In Canada, copyright exists in an original work from the moment of its creation, for the lifetime of the creator of that work, plus 50 years following the creator's death.

Although copyright in an original work arises automatically, you may choose to register your copyright with the Canadian Intellectual Property Office (CIPO). When you register your copyright with CIPO, you receive a certificate of registration that you can use as evidence that you own your original work.

- Learn more about copyright

Intellectual property 101

Trademarks

Trademarks may be a word or a combination of letters, words, symbols, designs, tastes, textures, moving images, modes of packaging, holograms, sounds, scents, three-dimensional shapes or colours (or a combination of these) used to distinguish your goods or services from those of others in the marketplace.

If you register your trademark with the Canadian Intellectual Property Office (CIPO), the government grants you the sole right to use the mark across Canada for 10 years (the registration is renewable). A trademark registration provides evidence that you own the trademark.

You are not required to register your trademark with CIPO; by using a trademark for a certain length of time, you may have rights under Canadian common law. However, the scope of these rights is much narrower than those of registered trademarks. It is also typically more difficult (and costly) to defend or enforce an unregistered trademark right in a court.

- Learn more about trademarks

Trade secrets

Trade secrets include any business information that gets its value from its secrecy. Trade secrets can include, among other things, methods, techniques, processes, research results and analyses, data, formulas, recipes, and devices. Trade secrets can be sold, licensed and disclosed through contractual agreements.

You do not have to register a trade secret with the Government. They exist because they are secret. There are many ways to keep your trade secrets, such as, non-disclosure/ confidentiality agreements, passwords, encryption, etc.

- Learn more about protecting your trade secrets

Intellectual property 101

Industrial designs

Industrial designs are the visually appealing features of a product, which might include its shape, configuration, pattern or ornament (or a combination of these features). For example, the shape and decoration of a spoon could be an industrial design. Distinctive and attractive features can give your products a competitive edge in the marketplace, making them valuable IP assets.

You can protect your industrial designs by registering them with CIPO. When you register your design, the Government grants you an exclusive right to prevent others from making, selling, renting or importing for commercial purposes any product that embodies your industrial design. This right can last up to 15 years and applies across Canada.

- Learn more about industrial designs

Protecting your intellectual property abroad

There are international treaties and conventions that automatically extend copyright protection in Canada to foreign jurisdictions. However, patents, PBRs, industrial design, trademark, and copyright registrations are only valid and enforceable in the country or region in which they are granted. If you plan to operate your business in multiple jurisdictions, including selling products over the internet and/or manufacturing products overseas, consider seeking IP protections from each country or region's IP office. International agreements and application processes have been created that allow you to apply for patents, and register your industrial designs and trademarks in multiple jurisdictions at the same time, which can save you time and money.

- Learn more about protecting your IP outside Canada

Intellectual property 101

More intellectual property resources and services

- Canadian Intellectual Property Office website: Get information about IP, access IP services and tools, or apply for IP.
- IP Academy: Learn about IP and building an IP strategy using CIPO's online learning resources, seminars and training materials.
- IP resources for clean tech: Access CIPO's specialized resources for clean tech organizations on how to leverage their IP as part of their business and growth strategy.

Is something missing from this toolkit? Do you have suggestions to share?
We are always seeking to improve our resources for clean tech developers and adopters! Please send us your suggestions: info.cgh-ccp@canada.ca.

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