



Growing Forward 2 Livestock Welfare – Producer Program Terms and Conditions

1.0 Purpose

The purpose of the Growing Forward 2 Livestock Welfare Producer Program is to provide financial support for Alberta Livestock Producers to adopt best management practices and technologies that improve livestock welfare thereby enhancing competitiveness and sustainability.

There is limited funding in the Growing Forward 2 Livestock Welfare Producer Program. Completed Applications will be considered for approval on a first-come, first-served basis, subject to the Program funding constraints.

If an Application is approved by the Minister, the Applicant will be sent an Approval Letter.

2.0 Definitions

In these Program Terms and Conditions, the following terms have the following meanings:

- 2.1 **AF:** means Alberta Agriculture and Forestry.
- 2.2 **Applicant:** means the legal entity that submits an Application and meets the eligibility criteria in s. 3.1.
- 2.3 **Application:** means the Program application form and all documents required to be submitted pursuant to that form and the Program Terms and Conditions.
- 2.4 **Approval Letter:** means the letter sent by AF to an Applicant notifying the Applicant that the Applicant has been approved for a grant, specifying the details of the grant, describing the Eligible Activities, and listing the Eligible Expenses, as may be amended.
- 2.5 **Board:** means the authorized board or commission as described in the Alberta *Marketing of Agricultural Products Act*.
- 2.6 **Eligible Activities:** means the activities described in the Approval Letter that have Eligible Expenses associated with them.
- 2.7 **Eligible Expenses:** means the expenses listed in the Approval Letter.
- 2.8 **Euthanasia:** means the act of inducing death using a method that causes a rapid and irreversible loss of consciousness with minimum pain and distress to the animal.
- 2.9 **Federal Crown:** means Her Majesty the Queen in Right of Canada.
- 2.10 **Fiscal Year:** means the 12 month period beginning April 1 of any year and ending March 31 of the following year.
- 2.11 **Growing Forward 2:** means the federal-provincial-territorial initiative to create a competitive, adaptable and sustainable agricultural sector in Canada.

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- 2.12 Livestock Producer:** means an individual or an Alberta registered entity:
- that is operating in Alberta;
 - that is responsible for the day to day management and work at the facility , including responsibility for input costs for livestock operations; and
 - does not include a landlord whose only interest in the livestock is that of ownership of the land.
- 2.13 Livestock Welfare Risk Assessment:** means an identification and analysis of gaps within the livestock production system that negatively impact livestock welfare.
- 2.14 Mass Destruction:** means the mass depopulation of large numbers of animals quickly and efficiently with as much consideration given to the welfare of the animals as practicable.
- 2.15 Minister:** means the Minister of AF and his authorized representative(s).
- 2.16 Premise ID:** means a unique identifying number assigned to the premises of the Livestock Producer by the Minister in accordance with the Animal Health Act;
- 2.17 Program:** means the Growing Forward 2 Livestock Welfare Producer Program.
- 2.18 Program Term:** means the time period from April 1, 2013 until March 31, 2018.
- 2.19 Program Terms and Conditions:** means the terms and conditions for the Program set out in this document, as may be amended.
- 2.20 Provincial Crown:** means Her Majesty the Queen in Right of Alberta.
- 2.21 Reimbursement Claim Form:** means the form to be submitted by the Applicant together with the required documentation to request payment from the Program.
- 2.22 Term:** means the period between the start date and the end date stated in the Approval Letter
- 2.23 Work Plan:** means the work plan in Part B of the Program application form submitted by the Applicant.

3.0 Eligibility

3.1 Eligible Applicants

- 3.1.1 Subject to section 3.2.1, to be eligible to apply to the Program an Applicant must:
- be a Livestock Producer;
 - have completed a Livestock Welfare Risk Assessment as outlined in the application requirements; and
 - have a valid Premise ID.

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3.2 Ineligible Applicants

- 3.2.1 The following are not eligible to apply to the Program:
- a) government agencies, research stations and post-secondary institutions;
 - b) not-for-profit organizations other than Hutterite Colonies;
 - c) industry organizations;
 - d) a landlord whose only interest in the livestock is that of ownership of the land;
 - e) fish and shellfish producers;
 - f) meat processing facility licensed to operate in Alberta; and
 - g) any other person deemed by the Minister to be ineligible.

3.3 Eligible Activities (must be approved by the Minister)

- 3.3.1 All activities listed in section 3.3.2 must be related to one or more of the following areas:
- a) implementation of humane methods of livestock Euthanasia;
 - b) adoption of internationally recognized Mass Destruction technologies for compromised livestock; and
 - c) the implementation of handling systems to improve animal welfare during regular handling activities.
- 3.3.2 The following activities, which must relate to one or more of the areas listed in section 3.3.1, may be included in an Application:
- a) planning and design of infrastructure changes;
 - b) purchase and installation of livestock equipment. Equipment must:
 - i. have a proven capability to improve livestock welfare;
 - ii. be based upon the behavioural and physiological attributes of the animal;
 - iii. meet or exceed national and international standards; and
 - iv. be based on technologies approved by the representative Board.
 - c) labor and salaried services and related employment expenses; and
 - d) building modifications.
- 3.3.3 In completing the Eligible Activities, the Applicant must:
- a) comply with all applicable laws and regulations;
 - b) obtain all required governmental approvals prior to commencing the Eligible Activities, including those related to public health and safety, labour codes and standards, care and use of animals in research, wildlife habitat, and environmental protection; and
 - c) comply with all applicable manufacturer training and operational guidelines.

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- 3.3.4 Acceptance of an Application under this Program creates no obligation on the part of the Provincial Crown or Federal Crown to provide licenses or approvals under any legislation, including the *Canadian Environmental Assessment Act*.
- 3.3.5 If an Application is approved, all Eligible Activities must be completed by the Applicant during the Term.

3.4 Ineligible Activities

- 3.4.1 The following activities are not eligible under the Program and must not be included in an Application:
 - a) decommissioning (demolition) of existing facilities;
 - b) the purchase of land or the construction of roads;
 - c) attendance at conferences, seminars and training events;
 - d) activities that primarily support traceability, on-farm food safety or biosecurity programs;
 - e) activities that occurred outside of the Term; and
 - f) any other activity deemed by the Minister to be ineligible.

3.5 Eligible Expenses

- 3.5.1 The following expenses, which must relate to one or more of the areas listed in section 3.3.1, may be included in an Application:
 - a) cost of planning and design of infrastructure changes;
 - b) cost of purchase and installation of approved livestock equipment;
 - c) incremental labor and salaried services and related employment expenses;
 - d) costs of building modifications;
 - e) costs associated with use of equipment following Program guidelines as posted; and
 - f) cost of conducting Livestock Welfare Risk Assessments.
- 3.5.2 In incurring Eligible Expenses, the Applicant must follow a process that is transparent, fair, and promote the best value for the money expended. Eligible Expenses incurred by the Applicant must be at competitive prices that are no greater than fair market value.
- 3.5.3 If the Minister, in his sole discretion, considers the amount of any Eligible Expense claimed by the Applicant to be unreasonable, the Minister may adjust the amount of that Eligible Expense to an amount the Minister considers reasonable.

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3.5.4 If an Application is approved, all Eligible Expenses must be incurred by the Applicant during the Term.

3.6 Ineligible Expenses

- 3.6.1 Expenses that are not eligible for reimbursement under the Program and which must not be included in an Application include:
- a) Goods and Services Tax (GST);
 - b) expenses for the purchase of land or the construction of roads;
 - c) cost associated with demolition of existing facilities;
 - d) costs associated with the renovations of shelters and feeding facilities;
 - e) costs associated with the installation of water systems and ventilation;
 - f) costs for the purchase of firearms, firearm ammunition or knives;
 - g) costs covered through any other federal or provincial government grants, programs or projects;
 - h) costs incurred outside of the Term;
 - i) expenses not incurred by the Applicant in carrying out the activities stated in the Approval Letter, in the sole discretion of the Minister;
 - j) rental or leasing expenses not directly related to the Eligible Activities;
 - k) expenses associated with the day-to-day operations of the Applicant's farming or livestock operation;
 - l) expenses related to the research and development of new technologies;
 - m) travel expenses; and
 - n) any other expense deemed by the Minister to be an ineligible expense.

4.0 Applications

- 4.1 Applications must include a completed Program application form which:
- a) is signed by an authorized representative of the Applicant;
 - b) includes a completed Work Plan which describes the activities to be completed by the Applicant, estimated completion date, the anticipated outcome/results of implementing the activities, and an estimated budget that is as accurate as possible;
 - c) includes an Applicant's Livestock Welfare Risk Assessment that either:
 - i. utilizes the National Farm Animal Care Council (NFACC) Animal Care Assessment Program based upon the Canadian Codes of Practice for the Care and Handling of Livestock;
 - ii. for those livestock industries having not yet completed the NFACC Animal Care Assessment Program, is an interim Livestock Welfare Risk Assessment developed through the representative livestock Board(s) and is acceptable to the Minister; or

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- iii. in exceptional circumstances in which a significant welfare threat occurs, or may reasonably be anticipated to the industry, a letter describing the operational deficiencies and required corrective action from a veterinarian with a valid client-patient relationship with the Applicant may be accepted, in the Minister's absolute discretion, in lieu of a Livestock Welfare Assessment in the form of (i) or (ii).

The Livestock Welfare Risk Assessment must be completed prior to the start of the Eligible Activities. A separate Livestock Welfare Risk Assessment is required for each Application;

- d) includes manufacturer's equipment specifications;
- e) any applicable welfare certifications/approvals;
- f) a dimensional concept drawing of any proposed building modification to accommodate project activities; and
- g) any supplementary documentation requested by the Minister.

4.2 Applications must be submitted to:

Growing Forward 2 Livestock Welfare Producer Program

Alberta Agriculture and Forestry
Animal Health and Assurance Division
Room 308, J.G.O'Donoghue Building
7000 – 113 Street
Edmonton, AB T6H 5T6
Or Email: livestockwelfare@gov.ab.ca

- 4.3** There is limited funding available under the Program in each Fiscal Year. Applications will be considered for approval on a first-come, first-served basis, subject to funding constraints.
- 4.4** Applicants will be notified if Applications are incomplete, if more information or documentation is needed. If an Applicant's revised Application or requested documentation is not submitted to the Minister by the requested date in the notice, to the satisfaction of the Minister, the Applicant will lose their position in the funding queue.
- 4.5** The Minister will not accept an Application for which the proposed Work Plan budget is less than \$1,500.00.
- 4.6** The Minister may reject any Application that is inaccurate, incomplete or ineligible in the sole discretion of the Minister.
- 4.7** Applications must be signed by the Applicant or on behalf of the Applicant by a properly authorized representative. The Minister may require evidence of authorization. Personal designates are not permitted to sign Applications unless they have Power of Attorney (submitted with the Application). Either executors or administrators can sign on behalf of estates.

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- 4.8** The Application will not be considered complete unless the Statement of Certification on the Program application form is signed.
- 4.9** Submission of an Application does not entitle the Applicant to a grant under the Program. The Applicant acknowledges that the grant may not be sufficient to cover the entire cost of the Eligible Activities, and that the Applicant shall be solely responsible for raising funds from other sources to complete the Eligible Activities. The Applicant acknowledges that the grant is the only financial assistance the Minister will provide under the Program to the Applicant for the Eligible Activities.
- 4.10** If an Applicant's Application is approved by the Minister, the Applicant will be sent an Approval Letter.

5.0 Amendments to the Approval Letter

5.1 An Approval Letter may be amended as follows during the Term:

- a) The Applicant may request that:
 - i. activities described in s. 3.3.2 be added to Approval Letter, or that Eligible Activities described in the Approval Letter be removed;
 - ii. expenses listed in s. 3.5.1 be added to the Approval Letter, or that Eligible Expenses listed in the Approval Letter be removed; or
 - iii. the Term be changed,by submitting a written request to the Minister outlining and justifying the proposed amendments.
- b) If the Minister approves a proposed amendment, the Minister will send an amendment letter to the Applicant.

5.2 The Minister is not required to approve any proposed amendment to an Approval Letter.

5.3 Prior to the Applicant receiving an amendment letter from the Minister, any activities undertaken by the Applicant or expenses incurred by the Applicant that are not described in the Approval Letter are undertaken and incurred by the Applicant at the Applicant's own risk as they may not be approved or funded by the Minister.

6.0 Funding Levels

- 6.1** The Program provides grants on a cost-shared, reimbursement basis to cover Eligible Expenses for Eligible Activities up to a maximum of \$50,000.00 per Applicant over the Program Term.
- 6.2** Eligible Expenses shall be cost-shared at 50% grant and 50% Applicant.
- 6.3** Livestock Welfare Risk Assessments by credentialed industry consultants are eligible for funding at the actual amount paid by the Applicant up to a maximum amount of \$500.00.
- 6.4** Costs for incremental labor are eligible for funding at the actual rate paid by the Applicant up to a maximum rate of \$25.00 per hour.
- 6.5** Funds received through any other Growing Forward 2 Programs may not be used toward the cost-share requirements of these Programs.
- 6.6** Eligible Expenses may not be cost shared with any other Program Applicant.

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- 6.7 Funding received through other federal, provincial and municipal governments cannot exceed 100% of the Eligible Expenses claimed by the Applicant and paid under the Program. The amount of the grant shall be adjusted so that the total government funding for Eligible Expenses does not exceed 100% of these expenses.
- 6.8 In the event that federal funding levels are changed to the extent that the money available to the Minister to make the grant is reduced or eliminated, the Minister may, in his sole discretion, cancel or reduce the amount of the grant.

7.0 Grant Payments

- 7.1 Grant payments will be made on a reimbursement basis based on Eligible Expenses incurred and claimed by the Applicant and approved by the Minister pursuant to the Approval Letter during the Term.
- 7.2 The only Eligible Expenses for which the Applicant may make a claim for reimbursement are the Eligible Expenses listed in the Approval Letter which are directly incurred by the Applicant in completing the Eligible Activities during the Term, unless otherwise authorized by the Minister.
- 7.3 To make a claim for reimbursement, the Applicant must submit the following:
 - a) a completed Reimbursement Claim Form with copies of all documentation (eg. time sheets, invoices, receipts, cheques, calculations, proof of payment) necessary to establish, to the satisfaction of the Minister, that the Applicant incurred and paid all of the Eligible Expenses claimed; and
 - b) any supplementary documentation requested by the Minister.
- 7.4 The determination of whether an expense incurred by the Applicant constitutes an Eligible Expense that is eligible for reimbursement is at the sole discretion of the Minister.
- 7.5 Eligible Expenses shall be calculated based on the actual out of pocket cost provided to the Applicant (i.e. cost of the Eligible Expense less any rebates, discounts, incentives and/or credits, whether provided at the time of purchase or at a later date).
- 7.6 Eligible Activities and Eligible Expenses qualify only once under the Program.
- 7.7 The amount of the grant stated in the Approval Letter will be adjusted based on Eligible Expenses claimed by the Applicant and approved by AF, but shall not exceed the amount stated in the Approval Letter.
- 7.8 Applicants cannot assign or defer any payment under this Program.
- 7.9 Payments may be considered farm support payments and AGR-1 tax slips will be issued in the name of the Applicant, if applicable.
- 7.10 The Applicant shall not return any items for which the Applicant has received a payment under the Program.
- 7.11 With the exception of items that are permanently affixed to the Applicant's land and the Applicant sells their land, the Applicant shall not sell or trade any items for which the Applicant has received a payment under the Program for at least three years after the end of the Term.

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8 Reporting Requirements

8.1 Unless otherwise specified by the Minister, the Applicant shall provide the Minister with a written report, to the Minister's satisfaction and by the date specified in the Approval Letter, detailing:

- a) a list of the Eligible Activities completed by the Applicant;
- b) a report describing the objectives that were met by the Applicant;
- c) the qualitative and/or quantitative impact of the Work Plan on the risks identified on the Livestock Welfare Risk Assessment or when applicable the veterinarian letter under 4.1(c)(iii); and
- d) any other information requested by the Minister.

8.2 The Minister may request the Applicant to submit additional reports during the Term which the Applicant shall submit, to the Minister's satisfaction, on the dates specified by the Minister.

9.0 Verification

9.1 The Applicant must submit documentation to establish, to the satisfaction of the Minister, that the Applicant incurred and paid all of the Eligible Expenses claimed. Documents the Applicant may submit to do this include:

- a) invoices for the claimed Eligible Expenses that are in the Applicant's name;
- b) proof of payment for the claimed Eligible Expenses.

The Applicant must also provide any other documentation requested by the Minister that the Minister requires to be satisfied that the Applicant incurred and paid the Eligible Expenses claimed.

9.2 All items on an invoice submitted by the Applicant must be listed separately, and the cost for each Eligible Expense must be clearly identified.

9.3 The Applicant consents to the Minister releasing any information contained in the Application, or related to it, and obtained by the Minister in the course of verifying or auditing the Application, to any other government department, agency or other body for the purposes of verifying the Application or determining the Applicant's eligibility for this Program. The Applicant expressly authorizes the Minister to obtain information from any government department, agency or other body to verify the contents of the Application and to determine the Applicant's eligibility for this Program.

9.4 The Applicant agrees to give representatives of the Minister access to examine their farming or business operation from the date of the Approval Letter until six years following the end of the Term. The Applicant agrees to make available to the Minister all records, books of account, invoices, and income tax returns and audit evaluation reports in relation to the Eligible Activities that are necessary for the audit and evaluation of the Eligible Activities. If the Applicant fails to provide records within a reasonable time on reasonable notice, as determined by the Minister, the Applicant may be required to refund any payments received under the Program, as well as forfeit any future payments under the Program.

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10.0 Inspection

10.1 If an Application is approved, from the date of the Approval Letter until six years following the end of the Term, the Minister is entitled, at a reasonable time and upon reasonable notice to the Applicant, to attend the farming or business operation of the Applicant for the purpose of examining items pertinent to the Eligible Activities in order to assess whether the Applicant is in compliance with these Program Terms and Conditions and the Approval Letter.

11.0 Refunds

11.1 The Applicant shall immediately refund to the Provincial Crown any payment received under the Program not in accordance with the Program Terms and Conditions or the Approval Letter upon notice being provided to the Applicant by the Minister. Failure to make repayment as required by the Minister creates a debt owing to the Provincial Crown that can be set off against any money the Provincial Crown owes to the Applicant.

12.0 Non-Compliance

12.1 Any one or more of the following shall constitute an event of default (“Event of Default”):

- (a) failure of the Applicant to make satisfactory progress on the Eligible Activities pursuant to the Approval Letter, in the sole discretion of the Minister;
- (b) failure of the Applicant to comply with any of its obligations under the Program Terms and Conditions or the Approval Letter, in the sole discretion of the Minister;
- (c) the Applicant ceases to carry out the Eligible Activities during the Term, in the sole discretion of the Minister;
- (d) the Applicant becomes insolvent or ceases to carry on its operations; and
- (e) a resolution is passed or an application is made for winding up, dissolution, liquidation or amalgamation of the Applicant.

12.2 Upon the occurrence of an Event of Default:

- (a) in addition to any other remedy under the Program Terms and Conditions, the Approval Letter, or at law, the Minister may do one or more of the following:
 - (i) withhold payments of the grant to the Applicant;
 - (ii) demand that the Applicant immediately repay to the Minister up to the full amount of the grant, together with interest at the prime lending rate of the Canadian Imperial Bank of Commerce from time to time in effect, calculated from the date of payment of the grant until the date the refund is paid to the Minister. Any such amount shall be a debt due to and recoverable by the Minister;
 - (iii) terminate the grant; and

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- (b) the Minister may require the Applicant to do one or more of the following:
 - (i) make no further commitments for expenditures and make no further disbursements that would be Eligible Expenses, except with the Minister's prior written approval;
 - (ii) pay to the Minister the amount demanded pursuant to s. 12.2(a)(ii); and
 - (iii) provide an accounting of the full amount of the grant with an audit report.

13.0 Right of Set-Off

13.1 The Applicant agrees that the Minister may set-off against any other grant or amount payable to the Applicant under any programs administered within AF any amounts that become repayable by the Applicant to the Minister under this Program.

14.0 False or misleading information

14.1 An Applicant who provides false, misleading or incomplete information under this Program forgoes all rights to benefit from this Program.

15.0 Debts to Provincial Crown or Federal Crown

15.1 The Minister has the right to deduct from the grant approved for an Applicant any amount due and owing to the Provincial Crown or Federal Crown by the Applicant.

16.0 Liability

16.1 The Applicant acknowledges that the Provincial Crown is not liable to the Applicant, the Applicant's heirs, administrators and assigns for the personal injury, property damage, or any other damage, injury, claim or loss whatsoever arising out of the Program and the Applicant's participation in it.

17.0 Representations and Warranties - The Applicant represents and warrants to the Minister that:

- (a) the person signing the Application is duly authorized to make the Application, bind the Applicant to the Program Terms and Conditions, and, in the case of a partnership, bind the partners to the Program Terms and Conditions on the basis of joint and several liability;
- (b) no Application has been made for the same activities by any other person, including without limitation, a person who is not arm's length or a related person as defined by the Income Tax Act (Canada) or by a shareholder, member or partner who is actively carrying on farming or business on behalf of a corporation;
- (c) it has made full, true and plain disclosure to the Minister of all facts relating to the activities that are material to its Application, including without limitation all sources of funding from federal, provincial and municipal governments;
- (d) it has the necessary financial resources to complete the activities listed in the Application;
- (e) no member of the House of Commons shall derive any financial advantage from the grant that would not be permitted under the *Parliament of Canada Act*;

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- (f) no employee, contractor or agent of the Applicant who is not in compliance with federal conflict of interest guidelines shall derive a direct benefit from the grant;
- (g) Any person lobbying, as that term is defined in the *Lobbyists Registration Act (Canada)*, on the Applicant's behalf is registered pursuant to that Act;
- (h) it is not aware of any discussions to effect a sale, transfer, assignment or pledge of interest which would result in a change of the control of the Applicant or of the disposition of all or substantially all the assets of the Applicant;
- (i) no application has been made for the same activities by any other person;
- (j) it has adequate human resources, experience and skills to carry out the activities described in the Application;
- (k) there is presently no action, suit, or proceeding being brought or pending or threatened against or affecting the Applicant which could result in the expropriation of any property of the Applicant, or which could affect its operations, properties, financial condition, or its ability to complete the activities described in the Application;
- (l) if activities described in the Application require authorization by an agency, the Applicant has obtained such approval prior to the commencement of the activities;
- (m) it is in compliance with all laws, orders and authorizations which relate to or affect it and is not subject to any order of any court or other tribunal affecting its operations;
- (n) it has the power and authority and all necessary licenses and permits to own and operate its properties and carry on its operations, to make the Application, and to perform its obligations pursuant to the Application and these Program Terms and Conditions; and
- (o) the execution of the Statement of Certification in the Application has been duly and validly authorized by the Applicant in accordance with applicable law, and shall constitute a binding legal obligation of the Applicant.

18.0 Grant Regulation and Disclosure of Grant Recipient Information

18.1 Payments under this Program are grants subject to the *Agriculture and Rural Development Grant Regulation*. The Applicant acknowledges that, in addition to complying with these Program Terms and Conditions and the Approval Letter, the Applicant must comply with the *Agriculture and Rural Development Grant Regulation*.

18.2 The Applicant acknowledges that AF publicly discloses the following information for all grant recipients: the grant recipient name, the amount of the grant, the program the grant is paid under, and the payment date.

19.0 Changes to the Program or Program Terms and Conditions

19.1 The Minister may change or terminate the Program, or revise the Program Terms and Conditions, by posting the revised Program Terms and Conditions on the Alberta Growing Forward 2 website.

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19.2 An Application shall be administered by, and the grant provided by the Minister to the Applicant shall be governed by the Program Terms and Conditions that were posted on the Alberta Growing Forward 2 website as of the date that the Application was received.

20.0 Ministerial Discretion

20.1 The Minister has the absolute discretion to determine the eligibility of any Applicant under this Program and any payments due under this Program. The decision of the Minister is final.

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