Sustainable Canadian Agricultural Partnership

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Sustainable Agriculture Manitoba: Cropland Management

Program Guide

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For any questions, contact the program administrator: Sustainable CAP agriculture@gov.mb.ca 1-800-811-4411

Section 1 - Program Description

Sustainable Agriculture Manitoba (SAM) provides funding to primary producers and land managers to implement cost-shared beneficial management practices (BMPs). The objective of SAM is to increase the environmental and economic sustainability of agriculture operations in Manitoba. Priority areas include climate change adaptation and mitigation, air quality, water quality and quantity, soil health, and biodiversity.

Section 2 - Program Eligibility

Eligible applicants include:

Primary Producers

- Must have a valid Statement of Completion for an Environmental Farm Plan
- Must manage agricultural land used to produce agricultural products.
- Must own land where the project will be executed or have permission from the landowner to execute the project.
- Must have a Manitoba Premises Identification Number (livestock producers only)
- Can be located outside of Manitoba if the project activities have a positive outcome for Manitoba and if they have a valid EFP from their province of residence.
 - Priority will be given to eligible applicants who own/manage agriculture land in Manitoba.

Commercial Manure Applicators

Must have a valid <u>Commercial Manure Applicators License</u>

Custom Pesticide Applicators

Must have a valid <u>Custom Pesticide Applicators License</u>

For businesses operating under a registered business name, regardless of business structure, all program documentation must be in the registered business name and supported by a unique Business Number. This includes the project application forms as well as all project invoices. Businesses operating under an unregistered business name or trade name must use their official business name on all program documentation. For example, a sole proprietor operating under a trade name without a registered business name must complete all documentation in their personal name and provide their unique Social Insurance Number.

For individuals that are involved in more than one farming business, each sole proprietorship, partnership, or corporation must each have a unique business number to qualify for separate funding. All invoices must be issued in the name of the applicant to ensure that funding caps are not multiplied. It is up to the applicant to show evidence of independent operations.

All eligible invoices and proof of payment forwarded for claims must reference the

original business name or the applicant's personal name.

Government employees who are the majority shareholder (50 per cent or higher) in a business or operation are not eligible to participate or receive funding as the ultimate recipient. A farm business or operation, which includes a provincial government employee as a minority shareholder, will be eligible to receive funding for project implementation.

Additional factors may be considered in determining the eligibility of the applicant, including:

- the provision of false or misleading information by the applicant under other Sustainable Canadian Agricultural Partnership programs
- amounts due and owing by the applicant under other Sustainable Canadian Agricultural Partnership and Manitoba programs.

A final inspection or other proof of completion may be required to confirm that the project was implemented in accordance with the project proposal.

Successful applicants are responsible for:

- identifying, obtaining, and complying with all necessary licenses, permits and approvals (municipal, provincial, federal, etc.), before starting the project
- incorporating any relevant and required mitigation measures for the project.
- ensuring that insurance requirements have been met regarding project implementation.

Project Length

- All projects shall start **April 1, 2025**, or later.
- Project activities and all reports must be completed by December 12, 2025

Section 3 - Cost Share Funding

Eligible Expenses

Eligible expenses are directly related to the execution of an approved project and include:

- Incremental Personal Labour
 - Labour hours incurred by the applicant for eligible activities, capped at \$30/hour.
- Incremental Personal Equipment Use
 - Equipment owned by the applicant can be used for the successful completion of the approved project. Reimbursement will be determined using the appropriate rental rate guide (<u>Manitoba Agriculture Farm</u> <u>Machinery Cost of Production Custom and Rental Rate Guide</u> or <u>MHCA</u> <u>Equipment Rental Rate Guide</u>)
 - Where rental rates are not identified in published guides (e.g., survey equipment, tree planter, etc.), applicants can specify the type of equipment

and proposed hourly or daily rental rate in their Application Worksheet budget for review.

- Subcontracted Services
 - Third-party services related to custom labour and equipment use.
- Professional Fees
 - Third-party service provided by an organization, business or individual, who holds a valid designation, examples may include consultant wages, engineering fees, etc.
- Capital Assets and Equipment
 - Purchase of specialized equipment or attachments related to reduced till, low disturbance fertilizer, seed, and pesticide delivery, prevention of soil compaction, etc.
 - Purchase of new technology, examples include sensors, monitors, meters, chaff deflectors, hi flotation tires, etc.
- Equipment Rental
 - Equipment that is rented for the successful completion of the approved project.
- Materials and Supplies
 - Construction and building materials, necessary for the completion of the approved project, examples include lumber, seed, plumbing components, etc.
- Provincial Sales Tax (PST)

The applicant is solely responsible for all expenses of the project, including all ineligible expenses and any project deficits or cost over-runs.

Where a project is approved, no eligible expenses will be reimbursed unless a Contribution or Funding Agreement is signed.

If work is started on a project before formal written approval of program funding is received, the applicant does so at their own risk.

All expenses must be supported by an invoice and a valid proof of payment. All invoices must be dated on or after **April 1, 2025**.

Trade-in allowances allocated by an equipment dealership or other retail party used to reduce the purchase price of an eligible item will not be accepted as satisfactory proof of payment for claim purposes. Claim reimbursement will be calculated on actual cash disbursement.

Financing of eligible equipment through a dealership or financing company will not be accepted as proof of payment for claim purposes.

The same invoice cannot be claimed by more than one applicant or business number or for multiple projects.

Additional eligible cost information, by BMP, can be found below:

Ineligible Expenses

The following expenses are ineligible for funding:

- Any item purchased before April 1, 2025, with the exception of inventory items (e.g. materials and supplies such as fence posts or wire). Project inventory items cannot have been purchased before April 1, 2023.
- Any expense, including a tax, which is eligible for a rebate, credit, or refund such as Goods and Services Tax (GST).
- In-kind contributions.
- Any expenses not required for the execution of the project.
- Normal operating expenses associated with conducting business operations.
- Extended warranties.
- Spare parts not used as part of the project.
- Expenses associated with lobbying.
- Financing charges, loan interest payments, bank fees and charges.
- Any compensation to any government employee for organizing or delivering parts of the project.
- Purchase of land, buildings, and facilities, associated taxes and fees (e.g., land transfer tax).
- Purchase of typical farm equipment (e.g., tractors, skid steers, combines, etc.) and related accessories and attachments.
- Normal, current, or ongoing maintenance expenses.
- Cost of establishing a commercial operation or new farmyards.
- Cost of office renovations.
- Cost of sponsorship of seminars, conferences, workshops, events, or initiatives
- Multi-use items (e.g., items that are not directly related to the project activities, such as computers, printers, phones, cameras, pressure washers, general farm equipment, batteries, ATV, trucks, clothing and footwear, tools, fuel, etc.).
- Any project-related activity that generates revenue during the implementation of the project.
- Expenses incurred for other projects.
- Invoices not issued in the applicant's name and/or payment not made by the approved applicant.
- Any other expense deemed ineligible by the program administrator.

Funding from Government

The applicant must adhere to the stacking limit. The stacking limit refers to the maximum level of total Canadian government funding (federal, provincial/territorial, and municipal) a successful Applicant can receive towards total approved eligible expenses of a project. Additional government sources of funding must be disclosed.

The maximum level of total government funding must not exceed:

- 100 percent of total approved eligible expenses; or
- If the Applicant is a for-profit business or organization 75 per cent for capital items that are approved eligible expenses.

Section 4 - Funding Streams

Activities will focus on the implementation of on-farm beneficial management practices that increase the environmental and economic sustainability of agriculture operations in Manitoba. Priority areas include climate change adaptation and mitigation, air quality, water quality and quantity, soil health, and biodiversity.

Under the Cropland Management funding stream, the following BMPs are eligible:

Funding Stream	BMP Number	BMP Name
Cropland Management	1100	Reduced Tillage Intensity
	1200	Low Disturbance Placement of Fertilizer
	1400	Reduced Pesticide Use
	1500	Soil Landscape Restoration
	1600	Perennial Cover for Sensitive Lands

Additional funding information, for each BMP listed above, can be found below.

BMP 1100: Reduced Tillage Intensity

Strip tillage for row crops leaves ²/₃ to ³/₄ of the soil untilled and reduces its vulnerability to erosion. Directed fertilizer placement in the tilled strip results in increased fertilizer efficiency of nitrogen.

Eligible Applicants

• Primary Producers

Cost Share Ratio and Funding Cap

BMP 1100 has a cost share ratio of 30 per cent government, 70 per cent applicant, and an overall funding cap of \$80,000 across all eligible practices. A single Application Worksheet can include multiple eligible practices within BMP 1100.

Code	Practice Description	Сар
1101	Reduced till attachments and strip till applicators such as trash whippers, row cleaners for row crop planters, roller crimpers (for late summer crops) OR rental/custom expenses for strip till applications	\$40,000
1102	Addition of low disturbance fertilizer delivery (including discs/knives/closing wheels etc. to enable single pass fertilization at time of strip till; tanks (for fertilizer) Not eligible as a stand-alone application, must be an add- on to Practice Code 1101. Eligible for equipment purchase / retrofits only (not rental / custom expenses).	\$40,000

Eligible Expenses

- Incremental Personal Labour
- Subcontracted Services
- Capital Assets and Equipment
- Equipment Rental
- Materials and Supplies

Ineligible Expenses

- Incremental Personal Equipment Use
- Professional Fees

Specific Ineligible Items

- Straw choppers/spreaders for combines.
- Vertical tillers, cultivators, discers.
- GPS/RTK guidance systems.

Notes

• Project costs may include either a portion of the new equipment, or cost for retrofits / upgrades to existing equipment. For new equipment purchases, eligible funding will be pro-rated as deemed appropriate by the assessment committee.

Reference Materials

For more guidance in developing your application, visit:

- Strip Till for Field Crop Production, North Dakota State University
- <u>Strip Tillage in Ontario: The Basics</u>, Ontario Ministry of Agriculture, Food and Rural Affairs
- <u>Strip Tillage in Ontario: Making it Work</u>, Ontario Ministry of Agriculture, Food and Rural Affairs



BMP 1200: Low Disturbance Placement of Fertilizer

Technologies that reduce soil disturbance while banding fertilizer and that direct precision amounts of nutrients are beneficial to the environment.

Eligible Applicants

• Primary Producers

Cost Share Ratio and Funding Cap

BMP 1200 has a cost share ratio of 30 per cent government, 70 per cent applicant, and an overall funding cap of \$65,000 across all eligible practices. A single Application Worksheet can include multiple eligible practices within BMP 1200.

Code	Practice Description	Сар
1202	Low disturbance fertilizer delivery, including discs/knives/closing wheels etc. to enable single pass fertilization while seeding; tanks (for fertilizer); etc.	\$40,000
1203	Technology that improves nitrogen management strategies such as sensors, monitors, and meters (section control) on seeder to enable variable rate fertilizer application	\$20,000
1204	Consultant fees: Zone mapping expenses up to enable variable rate. Not eligible as a stand-alone application, must be an add- on to Practice Code 1202, and/or 1203.	\$5,000

Eligible Expenses

- Incremental Personal Labour
- Subcontracted Services
- Professional Fees
- Capital Assets and Equipment
- Materials and Supplies

Ineligible Expenses

- Incremental Personal Equipment Use
- Equipment Rental

• Custom Field Work

Specific Ineligible Items

• Soil testing is not eligible as a stand-alone expense but, may be eligible when included as an activity under practice 1204.

Notes

- Certified Crop Adviser or Professional Agrologist certification required for consultant for fees to be eligible. Consultant must ensure valid proof of certification.
- The intention behind BMP categories 1202 and 1203 is an overall reduction in fertilizer application rate and tillage.
- For Practice Code 1202: Priority will be given to applications where reduced tillage will be adopted or increased because of the project.
- Projects costs may include either a portion of the new equipment, or cost for retrofits / upgrades to existing equipment. For new equipment purchases, eligible funding will be pro-rated as deemed appropriate by the assessment committee.
- Items purchased with down payments prior to the date of BMP program start are deemed ineligible.

BMP 1400: Reduced Pesticide Use

Practices that improve the effectiveness of pesticide applications and prevent weed spread are important in managing resistant weeds and farm profitability. Effective biological control agents may play a part in reducing dependency on chemical pesticides.

Eligible Applicants

- Primary Producers
- Custom Pesticide Applicators

Cost Share Ratio and Funding Cap

BMP 1400 has a cost share ratio of 50 per cent government, 50 per cent applicant and a funding cap of \$55,000 across all eligible practices. A single Application Worksheet can include multiple eligible practices within BMP 1400.

Code	Practice Description	Сар
1401	 Technologies that enhance pesticide application: Precision application technologies that reduce total pesticides applied, such as real-time precision herbicide application technology ('selective spot spray'), sensors, section control (e.g., individual nozzle shut off valves), continuous rinse systems, recirculating booms, etc. Harvest weed seed management technologies such as grain loss management system (e.g., drop pans) and harvest weed seed control (e.g., chaff carts, chaff lining/tramlining, weed seed destruction, etc.) Equipment that reduces pesticide drift during application, such as boom covers, shields, cones, shrouds, and low drift nozzles. 	\$50,000
1402	Cost of novel biological control agents (e.g., ladybird beetles, parasitic wasps, etc.) to reduce/in place of traditional pesticide use. All products or biological control agents must be recommended or registered for use with a valid PCP number, where applicable.	\$5,000



Eligible Expenses

- Incremental Personal Labour
- Incremental Personal Equipment Use
- Subcontracted Services
- Capital Assets and Equipment
- Materials and Supplies

Ineligible Expenses

- Professional Fees
- Equipment Rental

Specific Ineligible Items

- Pesticide application expenses
- Cost of traditional pesticide application equipment, pesticides, or standard sprayer nozzles

Notes

- Grain loss management systems are intended to quantify weed seeds and volunteer crop seeds coming off combine sieves. Harvest weed seed control is only eligible if used with grain loss quantification system. When applying for harvest weed seed control, please indicate if grain loss quantification system is already owned (e.g., chaff carts, chaff lining/tramlining, weed seed destruction, etc.).
- In your application, please be sure to outline your current pesticide practices and how they will be improved by your project.

Reference Materials

For more guidance in developing your application, visit:

- BioProtection Portal, CABI
- Management of Pesticide Spray Drift, Government of Canada

BMP 1500: Soil Landscape Restoration

Eroded knolls often have reduced productivity while receiving the same fertilizer and pesticide inputs as the remainder of the field. Placing soil from the depressional areas back onto the eroded upper landscapes may quickly restore productivity.

Eligible Applicants

• Primary Producers

Cost Share Ratio and Funding Cap

BMP 1500 has a cost share ratio of 50 per cent government, 50 per cent applicant, and an overall funding cap of \$30,000.

Code	Practice Description	Сар
1501	Moving topsoil from lower slope positions to eroded knolls; discing or tillage of topsoil once put in place to prepare seedbed.	\$30,000

Eligible Expenses

- Incremental Personal Labour
- Incremental Personal Equipment Use
- Subcontracted Services
- Equipment Rental

Ineligible Expenses

- Professional Fees
- Capital Assets and Equipment
- Materials and Supplies

Specific Ineligible Items

• The program will not compensate for removal of more than 8 inches of soil from lower slope positions nor placement of less than 4 inches of topsoil onto eroded knolls

Notes

- Projects must not remove more than 8 inches of topsoil from lower slope position.
- Projects must place at least 4 inches of topsoil on eroded knolls.
- Priority will be given to projects where zero tillage will be adopted (or already

has been adopted) after the soil has been restored.

• A diagram of the project area must be included with your application (see Attachments and Supplementary Documents in the Application Worksheet).

Reference Materials

For more guidance in developing your application, visit:

- <u>Understanding and managing the causes of soil variability</u>, Dr. David Lobb, University of Manitoba
- <u>Crop responses to topsoil replacement within eroded landscapes</u>, Schneider SK, Cavers CG, Duke SE, Schumacher JA, Schumacher TE, Lobb DA, Agronomy Journal. 2021;113:2938-2949

BMP 1600: Perennial Cover for Sensitive Lands

Perennial cover on sensitive lands will manage at-risk soils to minimize erosion and salinization and help to sequester carbon in soil while protecting sensitive species and habitats.

Marginal land may not be productive for annual cropping due to flooding, wetness, droughtiness, slope, salinity, etc., yet may receive the same fertilizer and pesticide inputs as the rest of the field. Re-establishing permanent perennial cover on such sensitive land can improve whole field profitability.

Eligible Applicants

• Primary Producers

Cost Share Ratio and Funding Cap

BMP 1600 has a cost share ratio of 50 per cent government, 50 per cent applicant, and an overall funding cap of \$10,000.

Code	Practice Description	Сар
1601	Seed, seed-bed prep and seeding expenses associated with the sowing of permanent perennial stands in sensitive areas; inoculants and fertilizer if required to establish the perennial crop	\$10,000

Eligible Expenses

- Incremental Personal Labour
- Incremental Personal Equipment Use
- Subcontracted Services
- Equipment Rental
- Materials and Supplies

Ineligible Expenses

- Professional Fees
- Capital Assets and Equipment

Specific Ineligible Items

- Annual crop seed (e.g., nurse crop)
- Seed mixtures that contain potentially invasive species

Notes

- Projects must be to seed sensitive or marginal lands into a permanent perennial cover.
- Projects are limited to a maximum of 40 acres per quarter section. Projects greater than 40 acres may considered.
- Seed mixtures must <u>not</u> contain potentially invasive species.
- A diagram of the project area must be included with your application (see Attachments and Supplementary Documents in the Application Worksheet).

Reference Materials

For more guidance in developing your application, visit:

- Managing Saline Soils in North Dakota, NDSU
- Forages for Improving Saline Soils, Manitoba government
- Soil Management Guide Soil Salinity, Manitoba government

Section 5 - Application Worksheet Assessment

The primary objective of Sustainable Agriculture Manitoba is to make environmental improvements on agriculture operations in Manitoba.

To maximize positive environmental outcomes, project proposals are assessed using three criteria: the Environmental Benefit Assessment Index, Provincial Program Priorities, and project planning.

1) Environmental Benefit Assessment Index (EBAI): A system used to determine the level to which a project addresses environment risk. The index generates a rating of the environmental benefits that a specific activity would provide.

The EBAI takes into account the following categories:

- **Climate change**: mitigation of greenhouse gases (GHGs) and adaptive measures to climate change,
- Water quality: potential to improve water quality by reducing the nutrients (nitrogen and phosphorus), pesticides and pathogens that enter waterways,
- Water quantity: potential to address the storage, conservation, and efficient use of water,
- **Soil quality and fertility:** potential to improve soil quality, reduce erosion, and maintain or increase crop productivity, and
- **Biodiversity and natural habitat:** potential to improve biodiversity and wildlife habitat through environmental farming practices.

Categories within the EBAI are weighted to stress the importance of specific environmental benefits as dictated by the goals of a given program. For example, if the main objective of a program is to improve water quality, the water quality category receives the highest weighting. The other co-benefits of the practice are considered, but with a lower weight or emphasis.

The EBAI summarizes the scores for each environmental outcome based on program priorities to give a final numerical value of environmental benefits offered by the project.

2) Provincial Program Priorities: Agriculture sustainability should promote a profitable and competitive agricultural sector, while reducing the impact of agricultural activities on the environment. Manitoba prioritizes the adoption of on-farm strategies that improve environmental stewardship and can reduce the risk of nutrient loss to water, mitigate and adapt to climate change, increase the level of carbon stored in the soil, assist in mitigating potential nuisance complaints, and enhance public trust of farming operations. 3) Project Planning: Projects must be adequately designed, and applications must clearly identify locations, steps, process, and intent, especially with respect to environmental benefit. Project applications are scored on the ability to clearly show that the project design will result in the intended outcome.

Once all three aspects have been considered in the final rating, the resulting value is compared to other projects and funding is allocated based on ranking of the project; higher ranked projects are prioritized for funding.

Additional Information

Please contact Manitoba Agriculture for further information by email at <u>agriculture@gov.mb.ca</u> or by phone at 1-800-811-4411.

Section 6 - How to Apply for Funding

Applicant Information Forms and Application Worksheets are available on the Manitoba Agriculture website. Go to https://www.gov.mb.ca/scap/climatechange/sustainableagr/cropland-management.html.

Manitoba Agriculture will publish deadline dates through the newsletter, website, and social media channels.

Complete applications, including Applicant Information Forms, Application Worksheets, and supporting documents must be submitted to the program administrator no later than the deadline.

Applicant Information Forms, Application Worksheets, and required documentation can be emailed to Manitoba Agriculture at <u>agriculture@gov.mb.ca</u>.

Applicants must acknowledge and agree to any terms and conditions contained in the Applicant Information Form and Worksheet, Program Guide, and Program Terms and Conditions.

Applicants must comply with all provincial and federal government laws and regulations applicable to their project and to their business or organization's operations.

Only the applicant may sign the program application or other program documents. In the case of corporations, partnerships and other business organizations, a designated person with legal authorization must sign the application and other program documents. The program administrator may require proof of authorization.

Project activities must be completed, and all reports submitted on or before **December 12, 2025**, unless otherwise stated in the Contribution or Funding Agreement.

Funding for projects will be subject to the appropriation of funds by the Government of Canada and the Manitoba government.

Definitions

Agricultural Land: private land, leased agriculture Crown land, First Nation land or Association of Manitoba Community Pastures land and is used for agricultural crop production or pasture and is in Manitoba.

Applicant: a person or entity who satisfies all the eligibility requirements set out in the terms and conditions and who submits an application under this program.

Beneficial Management Practice (BMP): a recognized agricultural management practice that mitigates or minimizes negative impacts and risk to the environment, by maintaining or improving soil, water and air quality and biodiversity; or improves adaptability and ensures the long-term health and sustainability of land-related resources used for agricultural production.

Contribution Agreement: the articles of agreement and annexes, as well as their amendments and the general terms and conditions applicable on the effective date of agreement.

Funding Agreement: an agreement issued to applicants indicating an application decision and the next steps required for project implementation.

Government Funding: any financial assistance in the form of provincial or federal grants, loans, or other assistance.

Incremental Personal Equipment Use: equipment use hours incurred by the applicant for approved activities. Reimbursement is capped by the rates outlined in the <u>Manitoba</u> <u>Agriculture Farm Machinery Cost of Production Custom and Rental Rate Guide</u> or <u>MHCA Equipment Rental Rate Guide</u>.

Incremental Personal Labour: labour hours incurred by the applicant for approved activities, such as construction, installation, manual labour, etc. which is directly related to the execution of the project.

In-kind Contributions: non-monetary goods and/or services that are not reimbursable by the program.

Person: includes an individual, partnership, association, or corporate body (entity).

Primary Producer: an individual grower, producer or rancher, partnership, corporation, co-operative, or any other association of people who is actively engaged in farming.

Program: refers to the Sustainable Canadian Agricultural Partnership program.

Program Administrator: Manitoba Agriculture, or where applicable, any authorized person engaged by the Manitoba government, to conduct administrative activities in connection with the program.

Provincial Government Employee: any full-time, regular, part-time or term individual employed by the provincial government, including any special operating agency or Crown corporation.

Sustainable Canadian Agricultural Partnership: a five-year agricultural policy framework by Canada's federal, provincial, and territorial governments to encourage market development, innovation and research, environmental sustainability, value added processing, improved public trust and risk management across Canada's agriculture, agri-food, and agri-product sectors.

Terms and Conditions: the Sustainable Canadian Agricultural Partnership program rules that applicants must follow as conditions for receiving funding; may be occasionally revised, altered or amended from time to time.