

Canada's first

ACCELERATE-ON

FOOD INNOVATION WITH CELLULAR AGRICULTURE

A competition in collaboration with
Canadian Food Innovation Network and Ontario Genomics

Competition Guide

November 2021

The AcCElLerate-ON - Food Innovation with Cellular Agriculture Competition is an Initiative of the Canadian Food Innovation Network and Ontario Genomics.

Canadian Food Innovation Network

The Canadian Food Innovation Network (CFIN) is an industry-led, not-for-profit corporation dedicated to becoming the world-leading innovation network for food and beverage. This vision means that over time Canada will develop benchmarks for measuring its relative global position in food innovation and it will continuously strive to bolster Canada's global ranking in food industry competitiveness. The result will be that Canada is recognized globally as an excellent place to undertake food and beverage innovation and that recognition, in turn, will draw more investment and talent to Canada that leads to world class outcomes.

CFIN's mission is to:

- Accelerate the food innovation performance of companies in Canada;
- Connect innovators and foster collaboration across enterprises and organizations of all sizes, disciplines, sectors, roles and geography to enable discovery, development and commercial deployment of innovation outcomes for Canada's benefit; and
- Drive the utilization of Canada's innovation capacity for economic advantage and higher returns on public and private investment.

CFIN will engage firms, research centres, providers of capital, and other partners in the food ecosystem to achieve success in increasing the innovation performance of its members.

Ontario Genomics

Ontario Genomics is a not-for-profit organization funded by the Ontario government and Genome Canada.

Established in 2000, Ontario Genomics leads the application of genomics and engineering biology-based solutions across key sectors of the economy to drive economic growth, improved quality of life and global leadership for Ontario. Ontario Genomics' vision is to enable healthy people, a healthy economy and a healthy planet through genomics innovations.

Ontario Genomics works with researchers, small and large companies, not-for-profits and governments to create public-private and public-public partnerships where every partner can leverage expertise and funding.

Ontario Genomics advances engineering biology and genomics¹ applied research and innovation to drive industry competitiveness, by providing access to high-risk investment, fostering connections between businesses, funders, investors and others, and advocating for policies that enable commercialization and implementation of genomics-based technologies. This enables a higher return on investments in genomics technology research, development and commercialization, filling a critical gap in Ontario's life sciences ecosystem.

This document provides information, guidance, and requirements specific to AcCELLerate-ON - Food Innovation with Cellular Agriculture.

¹ The term genomics includes related disciplines such as epigenomics, metabolomics, metagenomics, proteomics, transcriptomics, bioinformatics, etc, as long as the link to genetic information is clear.

Table of Contents

1. AcCELLerate-ON Overview	4
2. Eligibility requirements.....	6
2.1 Eligible Cost Activities	7
2.2 Technology Readiness Level Eligibility Requirements.....	7
2.3 Eligible Project Costs	8
3. Application Process	9
3.1 Program Timelines	9
3.2 Application Submission	9
3.3 Project Assessment/Evaluation Criteria.....	11
3.4 Final Funding Decisions	11
4. Funding Parameters	12
4.1 Cost Sharing	12
4.2 Government Funding and Stacking.....	12
4.3 Project Management Fee	12
4.4 Project Duration.....	12
5. Project Monitoring and Reporting	12
Appendix A – General Requirements	14
Appendix B - Technology Readiness Level (TRL) Scale	16
Appendix C – Guidelines for Eligible and Ineligible Costs.....	17



1. AcCELLerate-ON Overview

The joint Canadian Food Innovation Network (CFIN) - Ontario Genomics **AcCELLerate-ON - Food Innovation with Cellular Agriculture Competition** will provide teams with funding for novel and innovative projects in cellular agriculture with impact in/implications for the food sector. Projects must drive food innovation, address industry opportunities, solve challenges, and benefit the cellular agriculture ecosystem and food and beverage industry in Ontario. A growing world population and the negative effects of climate change on food production will lead to an expected 76% increase in food requirements by 2050. To meet this demand, current food production methods must be supplemented by novel and innovative food production methods, and the intent of this program is to drive economic growth and Ontario's global leadership in this new and sustainable way to produce food.

Cellular agriculture, for the purposes of this program, is the use of cell cultures, tissue-engineering, or precision fermentation-based techniques to create food products that have been traditionally produced through conventional production mechanisms. In addition to ingredients such as proteins, enzymes, flavour molecules, vitamins, pigments and fats, that can be incorporated with existing products to create value-added hybrid goods, cellular agriculture products consist of a wide variety of food products. This includes products produced through precision fermentation, e.g., dairy, eggs, chocolate, honey, as well as cellular/cultivated food products, e.g., red meat, poultry, seafood, foie gras, pet food and others. In addition to manufacturing products, this growing industry is supported by others in the ecosystem including technology and service providers (e.g., growth factors, media, scaffolding, production expression, other), food scientists, social scientists (e.g., regulatory, consumer perception, environmental, economic, etc.) and others that provide critical inputs and tools. The emergence of cellular agriculture has become possible in recent years due to the great strides made in the underlying technologies, primarily genomics and engineering (synthetic) biology.

Engineering biology is a cross-sectoral platform technology built on the convergence of genomics, molecular biosciences, engineering disciplines, computing, artificial intelligence, miniaturization, robotics and automation. The application of engineering principles to biological systems has led to extensive and rapid advancements in our ability to read, write and edit DNA, which in turn has enabled innovative re-programming or de-novo design of biological systems to create "biological factories". For food innovators working in the cellular agriculture space, engineering biology has rapidly advanced the sector, and the development of precision fermentation products and cultivation of meats and seafood, resulting in an entirely new way of creating food and other products.

CFIN strives to bolster Canada's global ranking in food industry competitiveness so that Canada is recognized internationally as a destination for industry growth and for food and beverage innovation. Ontario Genomics advances engineering biology/genomics applied research and innovation to drive industry competitiveness, and is a Canadian leader in supporting the development of a domestic cellular agriculture industry as part of a broader biomanufacturing strategy. The joint CFIN-Ontario Genomics **AcCELLerate-ON - Food Innovation with Cellular Agriculture Competition** intends to catalyze and support collaboration by application of genomics and engineering biology-enabled solutions to address opportunities and solve challenges identified by the cellular agriculture and food and beverage industries. This "industry-pull" approach is designed to result in market-appropriate outcomes and address barriers to capitalizing on innovations in cellular agriculture and food innovation. Project outcomes should enable the applicant to implement next steps (e.g., follow-on investment, increase technology readiness, obtain future partners, address consumer concerns, new product development, commercialization, etc.) and will ultimately result in social and/or economic benefits for Ontario and for Ontario's food and beverage industry, and help advance the cellular agriculture ecosystem in Ontario.

CFIN and Ontario Genomics are issuing an “**Open Call for Applications**” for genomics and engineering biology-enabled proposals, including those in the social sciences, to solve **industry and other end-user²identified challenges** within and across the Ontario cellular agriculture and food and beverage ecosystems. This program is open to Ontario-led creative partnerships and collaborative teams (e.g., teams comprising industry, academia³, industry-academia, industry-industry, industry-other) that are in the position to address the identified opportunity or challenge and implement the outcomes from the project. These projects could include partners or collaborators from provinces or territories outside of Ontario if crucial to the success of the project, however funding in this program must be spent and benefits from the project must be realized in Ontario.

Through the “**Open Call for Applications**”, CFIN and Ontario Genomics are looking for innovators to solve key **industry-identified opportunities and challenges in the field of cellular agriculture that align/fit with the call**. The applicable areas of food and cellular agriculture innovation could include, but are not limited to, the **innovation topics** and project examples listed below:

- **Sustainable Food & Ingredients Production:**
 - *New and alternative proteins and ingredients produced through cellular agriculture (e.g., proteins, enzymes, flavour molecules, vitamins, pigments and fats)*
 - *Upcycling/Reducing waste (e.g., feedstock optimization for cellular agriculture cell or chassis types, e.g. growth media for microbes, cells, etc)*
 - *Food Science (e.g., flavour, texture)*
 - *Business-to-business tools or products (e.g., growth factors, scaffolding)*
- **Genomic Diagnostics in Food Safety:**
 - *Standardized QC testing across the industry*
 - *Diagnostic tools applied to cellular agriculture*
- **Biomanufacturing and Scale Up:**
 - *Scale up of lab processes for new ingredients and food products*
 - *Novel approaches to biotechnology and biomanufacturing (e.g., cell-free production of proteins)*
- **Reducing Red Tape, Regulatory Burden or other Barriers:**
 - *Policy models for improving regulations in cellular agriculture*
 - *Addressing/improving consumer perception*

AWARDS/PRIZES:

CFIN and Ontario Genomics will provide 3 to 5 individual awards, each **matched with 25% cash contribution from the applicant** to a total project size of CDN **\$150,000 - \$200,000**, for 12 to 18 month projects. Applicants must ensure that the research funded through the **AcCELLerate-ON - Food Innovation with Cellular Agriculture Competition** is independent of current funding or is incremental to previously funded projects.

Start-ups, Small or Medium Enterprises (SMEs), a business with 499 or fewer employees and less than \$50 million in gross revenues, and large corporations⁴ have a wide range of needs to overcome barriers to food innovation and research projects that lead to commercializable innovation outcomes. Many of these needs can be traced to capacity limitations, as they do not have the expertise in-house to undertake pathfinding in order to advance their food innovation and research with sufficient scale to have impact and achieve results.

² Industry and other end-user include for-profit companies, and other users that can implement results from the projects for the benefit of Ontario

³ Universities and colleges

⁴ Large corporations can partner on projects but are not eligible to be lead applicants or receive funding.



The joint CFIN-Ontario Genomics **AcCELLerate-ON - Food Innovation with Cellular Agriculture Competition** is designed to provide flexible and rapid support on a cost-shared basis to enable start-ups, SMEs and large corporations to advance their cellular agriculture food innovation and research outcomes, using genomics or engineering biology technologies, or those that are genomics- or engineering biology-enabled.

The total eligible project costs should be between \$150,000 and \$200,000. The maximum level of funding from CFIN will be 50% of total eligible project costs and from Ontario Genomics will be 25% of eligible costs. The project must be led by an Ontario-based start-up, SME or academic researcher and must lead to innovations applicable to the food sector.

Applicants must register for a free CFIN membership through www.cfin-rcia.ca.

Program Guides and Applications will be available at cfin-rcia.ca

Contacts

CFIN: innovation@cfin-rcia.ca

Ontario Genomics: Laura Riley, lriley@ontariogenomics.ca

2. Eligibility requirements

To qualify for funding, all projects must:

- Be led by a start-up or SME⁵ that is incorporated in Ontario or an Ontario-based researcher⁶ in the food ecosystem. Multi- and cross-disciplinary innovators are encouraged to apply with resulting innovations that are applicable to the food sector;
- Identify a specific cellular agriculture food innovation and research project with a clear methodology and defined goal or outcome that has or will lead to commercial application, or benefit the Ontario cellular agriculture ecosystem more broadly;
- Include use of genomics or engineering biology technologies, or be genomics or engineering biology-enabled⁷;
- Demonstrate benefits both to Ontario and to the food and beverage industry;
- Conduct research and development at Technology Readiness Levels (TRL) 1 to 7. Projects including TRL 8 and 9 components will only be considered if they are part of a project that also includes a TRL 1 to 7 (see 4.3 Technology Readiness Level Eligibility Requirements for further information);
- Advance TRL during or shortly following the project, or describe how industry will utilise project outcomes to advance TRL level (applicable to academic lead applicants only);
- Include a financing plan/budget indicating what the estimated cost is to advance the food innovation and research forward from its current state to be closer to market readiness or at market readiness;
- Each project must be matched with 25% cash contribution from the lead applicant (to a total project size of \$150,000 - \$200,000).
- Be undertaken by members of CFIN (lead applicant).

⁵ Up to 499 employees and \$50 million gross revenue

⁶ Universities or colleges

⁷ Projects should directly employ genomics and/or engineering biology methodologies or build on previous genomics or engineering biology-derived innovations



Other Considerations:

- Principles of Inclusion, Diversity, Equality and Accessibility (IDEA): the applicant should take actions that will remove barriers to the recruitment and full participation of individuals from all underrepresented groups, including the four designated groups as defined by the Employment Equity Act (women, Indigenous Peoples, members of visible minorities, and persons with disabilities) on their team.
- Consumer engagement/perception: the applicant should describe current or future plans for consumer engagement to mitigate potential concerns about this innovation and cellular agriculture more generally, to ensure that there will be a market for these products in Canada.
- Large corporates can be included as part of a team, but are ineligible to receive funding.

Lead Applicant

The responsibilities of the Lead Applicant will include, but are not limited to:

- Ensuring compliance with the Master Project Agreement;
- Overseeing the performance of the project;
- Submitting requests for reimbursement of eligible project expenses and submitting them to CFIN; and,
- Monitoring and reporting on the progress of the project in line with information requests and performance metrics agreed with CFIN and Ontario Genomics.

CFIN's and Ontario Genomics' general applicant requirements and Intellectual Property details are further outlined in [Appendix A – Program General Requirements](#).

2.1 Eligible Cost Activities

Eligible Costs will generally include expenditures related to the following activities:

- i. Industrial research, including activities related to the discovery of new knowledge that aims to support the development of new technology-driven products, processes or services at early-stage technology readiness levels; and
- ii. Large-scale technology demonstration, including the advancement and development of new technologies into product-specific applications at mid-to-late stage technology readiness levels (TRL).

2.2 Technology Readiness Level Eligibility Requirements

There are nine TRLs, with TRL 1 being the least ready for commercialization and TRL 9 being ready to be used in real-life conditions. To be eligible for **AcCELLerate-ON- Food Innovation with Cellular Agriculture** competition funding all projects must conduct research and development at TRL 1 to 7 levels. Projects including TRL 8 and 9 components will only be considered if they are part of a project that also includes a TRL 1 to 7. For full TRL see [Appendix B – Technology Readiness Level \(TRL\) Scale](#).

Applicants will outline project activities in their project work plan, and identify the TRL associated with each activity.

2.3 Eligible Project Costs

Eligible Project Costs include:

- Costs incurred in Ontario, unless otherwise approved by CFIN and Ontario Genomics;
- Costs incurred and paid for by the Lead Applicant, which are necessary to carry out the approved project activities;
- Costs that are generally non-recurring and incremental to the ordinary business activities of the Lead Applicant;
- Costs that are reasonable, such that the nature and the amounts do not exceed what an ordinary prudent person would conduct in a similar business context;
- Costs that can be directly attributed to the completion of the approved project activities included in the Master Project Agreement; and,
- Costs that must be determined in accordance with the Lead Applicant's cost accounting practices as accepted by CFIN and Ontario Genomics and applied consistently over time.

2.3.1 Service Providers

Service providers must be independent of the Lead Applicant and have no conflict of interest in providing services for the project.

2.3.2 Affiliated Persons Clause

Affiliated Persons are to be understood and treated as defined in the Income Tax Act, which includes but is not limited to; two or more entities that have similar ownership personnel; or entities that have a working business relationship.

In the case of Eligible Costs for goods or services incurred and paid with an Affiliated Person, the amount of the costs incurred and paid must:

- not exceed their Fair Market Value;
- in the case of a good or service for which there is no Fair Market Value, the amount must not exceed the Fair Market Value of Similar Goods; or
- in the case of a good or service for which there is neither a Fair Market Value nor Similar Goods, the amount must not exceed the sum of the applicable Direct Costs with Indirect Costs (Overhead) at the rate stipulated by the Master Project Agreement, plus 5% profit.

Note: It is important for the applicant from the outset, to self-identify any related parties or Affiliated Persons who will be contracted to provide goods or perform services for completion of approved project activities. For wholly owned subsidiaries of the Lead Applicant completing approved project activities, its Eligible Costs incurred and paid will be claimed by the Lead Applicant on their behalf and costs are to be treated as if the wholly owned subsidiary is the Lead Applicant.

2.3.3 Eligible Cost Categories

All Total Eligible Project Costs required for completing the Approved Project Activities, as outlined in the Master Project Agreement, must align with the Eligible Cost Categories in [Appendix C](#).

3. Application Process

The Lead Applicant must register as CFIN members through www.cfin-rcia.ca.

3.1 Program Timelines

The application deadline is **February 28, 2022, 12:00 PM EST**. Incomplete submissions will not be accepted.

CFIN and Ontario Genomics at their sole discretion, reserve the right to alter or cancel the program timelines. Applicants will be advised of any changes.

3.2 Application Submission

To ensure the Lead Applicant meets the eligibility requirements, the application will ask applicants to certify that:

- They have read, understand, and are willing to comply with CFIN's and Ontario Genomics' project requirements;
- The project will be carried out in Ontario;
- The project is incremental and new;
- The project would not be undertaken to the same extent without CFIN and Ontario Genomics funding;
- They are willing to invest in and complete the project within an 18-month time frame;
- They have adequate financial means and project management capabilities to carry out the project; and,
- They agree to provide information necessary for CFIN and Ontario Genomics to conduct required due diligence including, but not limited to the last two years of external accountant prepared financial statements for the Applicant, upon the request of CFIN to assess financial capacity, as the Applicant is required to cash flow 75% of the total eligible project expenses.

Applicants will also be asked to provide an overview of their proposal, including:

- The name of the Applicant (this information may be disclosed publicly)*;
- If the Applicant is working directly with another business and/or researcher (i.e. they play an active role in the project, they are providing a cash contribution, etc.), these partners can be identified in the application.
- A short title and description of the project in lay language (maximum 150 words) (this information may be disclosed publicly)*;
- A short (maximum 150 word) project summary identifying a specific cellular agriculture food innovation project including the use of genomics or engineering biology technologies, or genomics or engineering biology-enabled; explaining why the proposed project is of strategic importance for Ontario; how the project will strengthen and contribute to greater collaboration within Ontario's cellular agriculture and food innovation network ecosystems, and why AcCELLerate-ON competition funding is required to carry out the project (this information may also be disclosed publicly)*; and,
- Detailed (maximum 500 word unless otherwise stated) responses to each of the following questions that will form the basis for assessing the proposal:
 - Project alignment with AcCELLerate-ON innovation topics;



- Background and the rationale (including industry pull/market need) for completing the project;
- Innovative aspects of the project, including cellular agriculture and genomics and/or engineering biology component;
- TRL progression including defined TRL start and TRL end points, or how this project will enable industry to advance TRL;
- Expected impact and outcomes, including direct or indirect benefits to Ontario and to Ontario's food and beverage manufacturing, and cellular agriculture ecosystems
- Next steps and pathway to implementation;
- Detailed project work plan including project objectives, design and methodology, activities, milestones, timelines with specific roles and responsibilities of the applicants and team (1,000 words); and,
- Budget.

Non-scoring but mandatory responses (maximum 250 words) should address the following considerations:

- Principles of Inclusion, Diversity, Equality and Accessibility (IDEA): the applicant should take actions that will remove barriers to the recruitment and full participation of individuals from all underrepresented groups, including the four designated groups as defined by the Employment Equity Act (women, Indigenous Peoples, members of visible minorities, and persons with disabilities) on their team.
- Consumer engagement/perception: the applicant should describe current or future plans for consumer engagement to mitigate potential concerns about this innovation and cellular agriculture more generally, to ensure that there will be a market for these products in Canada.

*Information may be disclosed publicly for the purpose of completing initial due diligence for the project.

Applicants will be notified within one business day, via email, that their full proposal has been received.

Full proposals will be reviewed by CFIN and Ontario Genomics to determine if the proposal is compliant with the eligibility requirements. If the requirements are met the proposal will proceed to the review process.

For applications that are accepted for review, CFIN and Ontario Genomics staff will conduct due diligence to verify the accuracy of information provided in the proposal and may request additional information to assist in the review process. CFIN staff may also undertake a video conference call with or site visit to the applicant. Applications will be assigned to independent expert reviewers (under non-disclosure agreements) to be evaluated according to the project assessment criteria. The results of these reviews will be discussed and proposals ranked at an external review panel comprised of all the external reviewers.

3.3 Project Assessment/Evaluation Criteria

Each application that meets the eligibility requirements will be assessed using the following criteria:

AcCELLerate-ON Assessment Criteria	Scoring
1. Background and the rationale (including industry pull/market need) for completing the project	15
2. Innovative aspects of the project, including cellular agriculture and genomics and/or engineering biology	15
3. Expected impact and outcomes, including direct or indirect benefits to Ontario and to food and beverage manufacturing and cellular agriculture ecosystems	15
4. TRL progression/advancement within project, or within the broader industry/ecosystem (academic projects only)	10
5. Next steps and pathway to implementation	15
6. Detailed project work plan, including project objectives, design and methodology, with activities, milestones, timelines with specific roles and responsibilities of the applicants and team	20
7. Comprehensive budget, including co-funding plan for industry partner	10
Total Score	100

An application package, including an application guide, are available for download from cfin-rcia.ca. The application guide is subject to change. CFIN and Ontario Genomics at their sole discretion, reserve the right to alter the project assessment criteria; applicants will be advised if any changes are made.

Benefits to Ontario, Ontario's Food and Beverage Manufacturing, and Cellular Agriculture Ecosystem are further detailed in [Appendix A –General Requirements](#).

3.4 Final Funding Decisions

CFIN and Ontario Genomics will communicate funding results by March 31, 2022.

Notifications of Award will be provided to successful applicants before or on March 31, 2022. Applicants approved for funding will be required to enter into a Master Project Agreement with CFIN and Ontario Genomics within 15 business days from the date of receipt of the Master Project Agreement. The funding decision is finalized upon the signing of the Master Project Agreement agreeing to, without limitation: reporting requirements, timelines, IP strategy and other performance management criteria and compliance requirements.

Projects will be expected to start on May 1, 2022.

Applicants who are not accepted for funding will be notified, with a summary of how their project proposal was evaluated outlining the reasons why they were not approved, as well as recommendations to strengthen their proposal. Projects may not be recommended for funding if they score low on the assessment criteria and/or there are insufficient funds available.

Should an application be unsuccessful, CFIN and/or Ontario Genomics may encourage applicants to apply to future calls for proposals or other CFIN and/or Ontario Genomics programs.

4. Funding Parameters

4.1 Cost Sharing

Total eligible project costs should be between \$150,000 and \$200,000. The maximum level of matching funding from CFIN will be 50% of total eligible project costs (between \$75,000 and \$100,000) and from Ontario Genomics will be 25% of total eligible project costs (between \$37,500 and \$50,000). The remaining 25% (between \$37,500 and \$50,000) must be provided by the applicant.

Applicants must justify the amount of CFIN and Ontario Genomics funding requested. CFIN and Ontario Genomics may choose to award project funding for less than the requested amount.

Costs incurred in the development of project applications will not be eligible for funding. CFIN will provide funding for projects by reimbursing approved applicants for a portion of their project expenses that are reasonable and eligible. Ontario Genomics funding will be advanced in one installment at the start of the project. For information about eligible expenses and costs, refer to [Appendix C – Guidelines for Eligible and Ineligible Costs](#).

4.2 Government Funding and Stacking

Stacking with other government funds (municipal, provincial or federal) is not allowable.

4.3 Project Management Fee

A non-refundable project management fee of 5% of total project costs eligible for CFIN and Ontario Genomics funding (as calculated in the budget template) is payable by the Lead Applicant to CFIN. The fee will be payable to CFIN prior to the first disbursement of any funds, as outlined in the Master Project Agreement. The total project management fee collected will be divided 75% to CFIN 25% to Ontario Genomics. This fee cannot be claimed as an Eligible Project Cost.

4.4 Project Duration

The start date for projects will be May 1, 2022. Project-related costs incurred prior to that date will not be considered eligible project costs. Projects must be completed in accordance with the Master Project Agreement and no later than 18 months from the start date.

5. Project Monitoring and Reporting

CFIN will assign a reporting coordinator to monitor the progress of each project in order to ensure that project participants are fulfilling their obligations, and report on the progress of the project against financial and performance metrics. CFIN and Ontario Genomics will track performance of applicants according to the key performance indicators as specified in the Master Project Agreement. Project monitoring will entail a quarterly submission of claims for reimbursement and reporting, and quarterly scientific progress updates and/or meetings.

The Lead Applicant will be responsible for monitoring and reporting on the progress of the project in line with information requests and performance metrics agreed with CFIN and Ontario Genomics.

Failure to complete the required reporting, as outlined in the Master Project Agreement, will impact timely reimbursement of eligible project costs from CFIN.

The Lead Applicant will also be responsible for approving requests for reimbursement of eligible project expenses and submitting them to CFIN. Financial reporting will be completed through CFIN's secure online portal. The Lead Applicant will be required to maintain accurate accounts of the project for at least seven (7) years after its termination and comply with the financial reporting and auditing requirements, as outlined in the Master Project Agreement.

At the conclusion of the project and on receipt of final reports and a close-out meeting, the project may be profiled in CFIN and Ontario Genomics communications. Where possible, the purpose of this is to share knowledge, learning and results gained to serve as a catalyst to other businesses and innovators across Canada's food ecosystem, and to highlight cellular agriculture, genomics and engineering biology innovation occurring in Ontario. There may also be opportunities to communicate the project, its progress and collaborative efforts throughout the duration of the project activities.

CFIN and Ontario Genomics reserve the right to contact project teams on an annual basis for five years following completion of the project to collect metrics, as defined in the Master Project Agreement.

Appendix A – General Requirements

Project Applicant Requirements

To be considered for project funding, applicants must:

- Certify that the same project they are proposing is not already approved or in progress, and that financial commitments would not otherwise have been made to the project in its current form;
- Ensure that funding is only used for eligible project costs defined under the competition guidelines (See [Appendix C – Guidelines for Eligible and Ineligible Costs](#));
- Agree to incur all expenses for which CFIN and Ontario Genomics funding is sought no earlier than the date of the signing of the Master Project Agreement and no later than 18 months after that date, unless otherwise stated in the Master Project Agreement;
- Agree to adhere to CFIN's and Ontario Genomics' conflict of interest policy (included in the Master Project Agreement); and,
- Agree that, if their project is selected, they will maintain auditable financial records substantiating their expense claims and provide CFIN and/or Ontario Genomics with the information it requires to monitor and report on the progress of their project.

Intellectual Property

Applicants must comply with the terms of the CFIN's and Ontario Genomics Intellectual Property Policy (included in the Master Project Agreement) and agree:

- Canadian Food Innovation Network (CFIN) and Ontario Genomics (OG) will take no stake or ownership in foreground intellectual property (IP) created or advanced as a result of this program or in the proceeds generated by the licensing of that new IP.
- CFIN and OG may publicly share non-confidential information about IP created or advanced through the AcCELLerate-ON competition in their public facing communications.
- All program participants and service providers must, in advance of submitting an application for the AcCELLerate-ON competition come to an agreement about how Background IP brought to the project and foreground IP created during the project will be shared, protected and commercialized. Neither CFIN nor OG will take responsibility in any IP ownership disputes that arise between the program partners and service providers.
- Ownership of all IP created as a result of the AcCELLerate-ON competition programming must remain in Canada for a minimum of five years after the end of the funding agreement unless otherwise approved in writing by the Minister of Innovation, Science and Industry.
- Program participants who hold ownership rights of IP created or advanced as a result of AcCELLerate-ON funding, agree to take reasonable measures to market and license such assets.

Neither CFIN nor Ontario Genomics will take any interest in IP in any project but CFIN and/or Ontario Genomics may assist with facilitating the commercialization of IP by applicants for Ontario's benefit.

Benefits to Ontario, and to Ontario's Food and Beverage Manufacturing and Cellular Agriculture Ecosystems

All projects that receive funding through this program should produce demonstrable benefits to Ontario and for Ontario's food and cellular agriculture ecosystems, including but not limited to the following examples:

- Increased collaborations with Ontario manufacturers and their food ecosystem partners;
- Advancement of the cellular agriculture ecosystem in Ontario;
- Production and commercialization of new products, processes, services and systems;
- Increased utilization of incubator, pilot and other food or technology innovation resources;
- Increased new investment deals closed;
- Increased number of businesses created or scaled up;
- The creation of new food innovation, cellular agriculture and research jobs from projects and activities;
- Increased total number of jobs (direct and indirect) gained and retained from projects and activities;
- The creation of new partnerships;
- Increased business enterprise research and development (BERD) investments;
- Private investments in advanced equipment, automation and digital technologies;
- An increased number of new graduates joining Ontario's food, genomics or engineering biology ecosystems;
- The creation and retention of Intellectual Property in Ontario;
- The creation or development of new markets and/or export opportunities; and,
- Lowering total per unit of output of carbon emissions, water use and waste.

Appendix B - Technology Readiness Level (TRL) Scale

Technology Readiness Level	Description
TRL 1—Basic principles observed and reported	Lowest level of technology readiness. Scientific research begins to be translated into applied research and development (R&D). Examples might include paper studies of a technology's basic properties.
TRL 2—Technology concept and/or application formulated	Invention begins. Once basic principles are observed, practical applications can be invented. Applications are speculative, and there may be no proof or detailed analysis to support the assumptions.
TRL 3—Analytical and experimental critical function and/or characteristic proof of concept	Active R&D is initiated. This includes analytical studies and laboratory studies to physically validate the analytical predictions of separate elements of the technology.
TRL 4—Product and/or process validation in laboratory environment	Basic technological products and/or processes are tested to establish that they will work.
TRL 5—Product and/or process validation in relevant environment	Reliability of product and/or process innovation increases significantly. The basic products and/or processes are integrated so they can be tested in a simulated environment.
TRL 6—Product and/or process prototype demonstration in a relevant environment	Prototypes are tested in a relevant environment. Represents a major step up in a technology's demonstrated readiness. Examples include testing a prototype in a simulated operational environment.
TRL 7—Product and/or process prototype demonstration in an operational environment	Prototype near or at planned operational system and requires demonstration of an actual prototype in an operational environment (e.g. in a vehicle).
TRL 8—Actual product and/or process completed and qualified through test and demonstration	Innovation has been proven to work in its final form and under expected conditions. In almost all cases, this TRL represents the end of true system development.
TRL 9—Actual product and/or process proven successful	Actual application of the product and/or process innovation in its final form or function.

(Source: <https://www.ic.gc.ca/eic/site/125.nsf/eng/00007.html#annex-a>)

Appendix C – Guidelines for Eligible and Ineligible Costs

Eligible Cost Categories

Eligible project costs must fall under one of these Eligible Cost Categories:

- Direct Labour
- Subcontractors and Consultants
- Direct materials
- Equipment

Other Direct Costs

In the following tables, applicant refers to the Lead Applicant and/or Partners.

Direct Labour
The portion of gross wages or salaries incurred and paid by the applicant for approved project activities which can be specifically identified and measured as having been performed for the project and which is so identified and measured consistently by the applicant's cost accounting system. The cost accounting system should sufficiently prove the hours worked by employees are directly related to the approved project activities.
Subcontractors and Consultants
The costs of Subcontracts or Consultants incurred and paid for approved project activities are the costs for work or services performed by an external third party, which can be specifically identified and measured as having been incurred and paid for the approved project activities. The applicant cannot be a recipient of CFIN funding and a Subcontractor for the same project.
Direct Materials
<p>The cost of materials which are incurred and paid and can be specifically identified and measured as having been processed, manufactured and used in the performance of the approved project activities, which are measured consistently by the applicant's cost accounting system.</p> <ol style="list-style-type: none">Materials purchased solely for the approved project activities shall be at the net laid down cost to the applicant, net of any sale taxes and after any discounts offered by the suppliers.Materials issued from the applicant's general stocks shall be measured in accordance with the material pricing method consistently used by the applicant. <p>Direct Materials include, but are not limited to any raw material that is "used up" by completing approved project activities.</p>
Equipment

The capital cost of Equipment, which are incurred and paid and can be specifically identified as having been purchased for approved project activities and measured consistently by the applicant's costing system. Significant Equipment required to complete the approved project activities should be detailed in the project work plan. See below scenarios for clarification of costs related to Equipment:

- i. If an applicant has built the equipment themselves, the costs would be allocated to the appropriate cost categories (Direct Material, Direct Labour, etc.);
- ii. If an applicant has equipment built by a third party, the costs would be allocated to the equipment category if readily identifiable, otherwise the equipment could be reported in Subcontractors category; and
- iii. If an applicant outright purchases a piece of equipment, the costs would be allocated to the Equipment category.

Equipment costs include but are not limited to, the purchase of equipment necessary for the approved project activities, costs to alter or modernize the equipment, costs to get the equipment into working order, and shipping costs.

Capital equipment acquired for the project may be subject to CFIN and Innovation, Science and Economic Development Canada approval for disposal, which will be outlined in the Master Project Agreement.

Other Direct Costs

These are eligible direct costs, not falling within the categories of Direct Costs mentioned above, but which are incurred and paid, and can be specifically identified and measured as having been incurred and paid by the applicant for approved project activities and which are so identified and measured consistently by the applicant's costing system.

Travel and Outreach Costs meaning those eligible direct costs incurred and paid by the applicant that are directly related to approved project activities. Travel expenses shall be appropriate, economical, reasonable and available to most of the employees of the applicant. Travel costs can be claimed, to the maximum allowance, as per the CFIN Travel Policy.

Indirect Costs (Overhead)

Indirect Costs (Overhead) are those costs which, though necessarily having been incurred and paid by the applicant for the conduct of the business in general, cannot be identified and measured as directly applicable to the carrying out of the approved project activities outlined in the project work plan.

Ontario Genomics funding cannot be used for indirect costs/overhead.

Indirect Costs (Overhead) include, but are not limited to:

- a. Indirect materials and supplies including but not limited to, supplies of low-value, high-usage and consumable items, such as paintbrushes and safety supplies, which meet the definition of Direct Material costs but for which it is commercially unreasonable, in the context of Network Activities, to account for their costs in the manner prescribed for Direct Costs. Costs such as stationery, office supplies, postage and other necessary administration and management expenses, small tools, such as ladders, drills, paint sprayer, and general inventory build-up;
- b. Indirect labour, approved project management, and general administrative costs, including but not limited to the remuneration of executive and corporate officers, general office wages and salaries, clerical expenses, HR, Accounting/Finance staff, overtime premiums, bonuses, all types of benefits paid by employer, for example, CPP, EI, fringe benefits, medical benefits, dental benefits, pension benefits and other taxable benefits;
- c. Indirect building costs including, but not limited to, snowplowing costs, public utilities expenses of a general nature including but not limited to, power, HVAC, lighting, and the operation and maintenance of general assets and facilities;
- d. Expenses such as property taxes, rentals of equipment and building (not covered as part of direct costs) and depreciation costs;
- e. Indirect equipment costs including, but not limited to, maintenance cost of assets, office equipment, office furniture, etc.; and
- f. Other indirect costs including, but not limited to, daily commutes, unreasonable modes of transportation, general software and licenses, and travel insurance.

Indirect Costs (Overhead) thresholds of 55% on eligible direct labour but no more than 15% of total eligible project costs will apply for each applicant (and for each project if an applicant is approved for multiple CFIN projects). In the case of applicants with high Subcontractors and Consultants costs or low Direct Labour costs: Indirect Costs (Overhead) thresholds calculated to a maximum of 5% on eligible Subcontractors and Consultants costs, but no more than 15% of total eligible project costs may apply. Such thresholds would be calculated for each applicant and each project if an applicant is approved for multiple CFIN projects.

Ineligible Costs

Ineligible Costs incurred and paid by the applicant are not eligible for CFIN or Ontario Genomics funding, regardless of whether they are reasonably and properly incurred and paid in the carrying out of the approved project activities.

Ineligible Costs includes:

- i. any form of interest paid or payable on invested capital, bonds, debentures, bank or other loans together with related bond discounts and finance charges; the interest portion of the lease cost that is attributable to cost of borrowing regardless of types of lease;
- ii. legal, accounting and consulting fees in connection with financial reorganization (including the set-up of new not-for-profit organizations), security issues, capital stock issues, obtaining of licenses, establishment and management of agreements with the applicant and prosecution of

- claims against CFIN or ISED. *Such legal costs associated with obtaining patents or other statutory protection for project intellectual property are considered eligible;*
- iii. losses on investments, bad debts and expenses for collection charges;
 - iv. losses on other projects or contracts;
 - v. federal and provincial income taxes, goods and services taxes, value added taxes, excess profit taxes or surtaxes and/or special expenses in connection with those taxes, except duty taxes paid for importing is Eligible Cost;
 - vi. provisions for contingencies;
 - vii. premiums for life insurance on the lives of officers and/or directors where proceeds accrue to the applicant;
 - viii. amortization of unrealized appreciation of assets;
 - ix. depreciation of assets paid for by CFIN;
 - x. fines and penalties;
 - xi. expenses and depreciation of excess facilities;
 - xii. unreasonable compensation for officers and employees;
 - xiii. product development or improvement expenses not associated with the work being performed under the project;
 - xiv. advertising, except reasonable advertising of an industrial or institutional character placed in trade, technical or professional journals for the dissemination of information for the industry or institution;
 - xv. entertainment expenses (including but not limited to, catering, alcohol, non-travel expenses);
 - xvi. donations;
 - xvii. dues and other memberships other than regular trade and professional associations;
 - xviii. extraordinary or abnormal fees for professional advice in regard to technical, administrative or accounting matters, unless approval from CFIN is obtained;
 - xix. selling and marketing expenses associated with the products or services or both being developed under the Master Project Agreement;
 - xx. in-kind costs; and,
 - xxi. recruiting fees.