

The Plastics Action Fund Phase 2

Program Guide



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Program Guide

1. Program Overview

The CleanBC Plastics Action Fund was first established by the Government of British Columbia at the end of 2020. This \$5M fund bolstered the province's developing circular economy by providing funding to British Columbia-based businesses that were working to increase the capacity of post-consumer recycled (PCR) plastics processing and the use in manufacturing, testing, design, and research.

The second phase of the CleanBC Plastics Action Fund builds upon the work of Phase 1 of the Fund, supporting the development of a circular economy by funding innovative plastic recycling and plastic waste reductions projects across the province.

1.1. Intake Objectives

The second intake of the CleanBC Plastics Action Fund will support innovative plastic waste reduction projects across the province promoting the development of a circular economy in B.C. The funding will continue to support recycling and remanufacturing of recycled plastics and will expand the Fund scope to include businesses that support plastic waste reduction through business models that support reuse, refill, sharing or repairing opportunities.

Through the expanded scope, the Fund also seeks to support projects led by Indigenous people, communities, businesses, and organizations focused on reuse, remanufactured, micro-recycling, and capacity building activities.

1.2. Program Scope

Applicants will reduce plastic waste in the province through funding provided by the the CleanBC Plastics Action Fund, which will support projects with the following expected outcomes:

- Develop the growth of recycling and reuse businesses, to support the phase out of single-use plastics and grow B.C.'s circular economy;
- Support Funded Projects led by Indigenous people, communities and businesses as well as businesses in rural and remote communities to stimulate circular economy activities to prevent plastic waste;
- Support plastic waste reduction, reuse, and repair in the Industrial, Commercial and Institutional (ICI) sectors;
- Increase BC's processing capacity to supply more post-consumer recycled ("PCR") plastics to plastic products and packing manufacturers;
- Increase the use of PCR plastic and the reuse of plastic in plastic manufacturing; or
- Support PCR plastic product and reuse research, design and testing, including pilot projects and trials that increase the use and reuse of PCR plastic.

The grant will pay for up to 2/3 of eligible expenses. The grant recipient must cover 1/3 of the cost, which can be covered from other programs or directly by the businesses.

One application per business may be submitted.

1.3. Application Process Overview

Grants will be awarded in the order received.

Online applications will remain open until 11:59PM PST on February 28th, 2023, or until all funds are subscribed. Applications will be assessed in the order received, so early applications are strongly encouraged.

The application form must be submitted and approved by Alacrity Canada before funding can be awarded. Meeting the program intake criteria does not guarantee that application will be approved for funding. Applicants must ensure that the application form and all required information and attachments are completed and submitted. An incomplete application cannot be approved to receive a grant.

The program application has three steps:

Step 1: Complete the online application demonstrating that you meet the eligibility criteria and submit your project proposal.

Step 2: Eligible applicants will be asked to develop a detailed grant proposal that explains how you plan to use the funds. The proposal should be broken out into the different costs fields as identified in section 3.2.1 of this document. Businesses need to show a cost estimate that includes how much funding you need and how the money will be spent for each cost grouping.

Applicants who are requesting funding in excess of \$100,000 will be required to participate in a discovery interview in addition to submitting a detailed grant proposal.

Step 3: Applicants will be contacted as soon as processing is complete with the outcome of their application. For the projects to have an immediate benefit, the funds will be issued and provided to the grant recipient as soon as the application has been approved.

1.4. Program Timelines

Pending review of the detailed grant proposal, successful applicants will be conditionally approved to the program. They will be contacted to provide copies of the documents demonstrating proof they meet all eligibility requirements. At final approval, the grant agreement and payment will be issued to the applicant by Alacrity Canada.

Following project completion, the business must submit to Alacrity Canada the expense summary report listing all expenses incurred in completing their project.

Successful applicants will be required to provide a report every 3 months (90 days) after the transfer of initial payment until the project conclusion.

All Projects must be completed by Feb 15, 2024.

2. Applicant Eligibility

Eligible applicants must meet the following General Conditions:

- Applicant must agree that the qualified expenses are used solely towards their project which aims to achieve one or more of the expected outcomes outlined in section 1.2.
- Applicant must participate in an audit, if selected. The audit will require that receipts and invoices of the eligible expenses be submitted for review.
- Applicant must participate in a follow-up survey to demonstrate the outcomes resulted from the Program. Aggregate results only will be made public.

Eligible applicants:

Applicants must meet all of the following eligibility criteria:

- The business is owned by a B.C. resident or residents;
- The business's sole or primary operations are located in B.C.

The business:

- Is currently operating;
- Is registered in B.C.*;
- Pays taxes in B.C.
- Maintains a:
 - Federal business number
 - GST number
 - PST and WorkSafeBC number

**Only BC-based businesses and non-profits are eligible to apply to the Plastics Action Fund Phase 2. You must be registered and headquartered in B.C. and have a fixed place of business in B.C. The Program does not include B.C.- based subsidiaries of organizations that maintain a corporate headquarters outside B.C.*

Applicants who do not meet the eligible criteria are unable to apply for the Program.

3. Funding

The maximum grant amount is determined on a project basis, which can be used to cover up-to 66% of eligible expenses.

General Conditions:

- All funding decisions are final;
- At the sole option of Alacrity Canada, any portion of the funding that remains at the end of the project shall be returned to the Minister of Finance within 30 days upon written request from Alacrity Canada or the Province of B.C.;
- On the happening of an Event of Default, or at any time thereafter, Alacrity Canada may, at its option, elect to do any one or more of the following:
 - by written notice to the Funding Recipient, require that the Event of Default be remedied within a time period specified in the notice;
 - pursue any remedy or take any other action available to it at law or in equity;
 - by written notice to the Funding Recipient, terminate any future funding with immediate effect or on a future date specified in the notice, subject to the expiration of any time period specified;
 - suspend any installment of the funding or any amount that is due to the Funding Recipient subject to the satisfactory remedy through notice; or
 - require repayment of any portion of the funding not spent in accordance with this Agreement prior to termination;

3.1. Awarding of Funding

Approval of funding to successful applicants will be conditional upon the terms and conditions set out in the grant letter. The program reserves a right to award partial contributions towards the total funding request.

General Conditions:

- Funding agreements will require the applicant to follow program guidelines and requirements, including submitting progress and final reports and financial reporting documents.
- Failure to meet the requirements of the grant agreement could result in the requirement for the repayment of funding to Alacrity Canada and disqualify the applicant from further applications.

3.2. Eligible/Ineligible Expenses

Alacrity Canada will assess the eligibility of costs.

3.2.1. Eligible Expenses (Costs)

The grant funding must be used towards expenses outlined in the grant proposal and must align with the objectives outlined in section 1.2. Further, eligible expenses include the following:

- Capital expenditures related to the project
- Salary costs for project specific labour
- Retrofit costs to enable the project
- Contractor or partner organization fees
- Installation costs
- Freight or transportation charges
- PPE

3.2.2. Ineligible Expenses

The grant funding cannot be used towards expenses that are not related to the project described in the grant proposal and cannot be used for activities that have already begun before the project start date. Further, funding cannot be used for:

- Operating expenses (selling, general and administrative expenses)
- Marketing and media-related expenses
- Salary costs for general staff
- General website or IT upgrades
- Hosting an existing website
- Credit card processing fees
- Packaging materials for product shipping and related shipping costs
- Real estate capital purchases
- Purchase or lease of private/personal vehicles
- Labour costs associated with ongoing operations
- Travel and hospitality for staff or contractors
- Structural renovations not specific to the project

4. Application Process

Applicants must submit an online application form that can be accessed at <https://alacritycleantech.com/plasticsactionfundapplication/>. The application must demonstrate that the applying business meets the eligibility criteria set out in section 2 of this document.

Applications must be submitted in English. Applications which are deemed eligible for the grant will be contacted and asked to submit a detailed grant proposal.

The program application has three steps:

Step 1: Complete the online application demonstrating that you meet the eligibility criteria and submit your project proposal.

Step 2: Eligible applicants will be asked to develop a detailed grant proposal that explains how you plan to use the funds. The proposal should be broken out into the different costs fields as identified in section 3.2.1 of this document. Businesses need to show a cost estimate that includes how much funding you need and how the money will be spent for each cost grouping.

Applicants who are requesting funding in excess of \$100,000 will be required to participate in a discovery interview in addition to submitting a detailed grant proposal.

Step 3: Applicants will be contacted as soon as processing is complete with the outcome of their application. For the projects to have an immediate benefit, the funds will be issued and provided to the grant recipient as soon as the application has been approved.

4.1. Grant Proposal

Applicant businesses are to develop a grant proposal that explains how they plan to use the funds. Businesses must show a cost estimate that includes how much funding they need and how the money will be spent, including descriptions of the objectives which the funding will help achieve.

The grant proposal must include information on the following:

- Applicant Information
- Financial Information
- Project Information
 - What problem or challenge does your project address?
 - How do you plan to address the problem/challenge?
 - Project timeline and milestones
 - Project risks and mitigation
 - Additional Project Benefits
 - New technology or intellectual property
 - Total project budget
 - Funds requested
 - Other funding utilized

5. Application Assessment

Applications will be assessed in the order received. Applicants will be notified of the outcome of their application as soon as processing is complete.

6. Successful Applicant Information

Successful applicants must review and comply with the criteria outlined in this section.

- Applicant will receive a grant letter that will outline the terms and conditions for the agreement and eligible expenses under the Program.
- Once the applicant has accepted the terms and conditions, the grant payment can be issued.

6.1. Reporting Requirements

Successful applicants will be required to submit progress reports on a quarterly basis based upon the date of project approval and fund disbursement. The progress reports will be submitted to Alacrity by means of survey and will collect information pertaining to fund usage, project status, volume of plastic recycled or materials reused, and other metrics as identified by the Province of B.C or Alacrity Canada.

Upon project completion, applicants are required to complete a short follow up survey to demonstrate the outcomes they have experienced as a direct result of the grant funding. The survey will assess sales and customer acquisition intel related to the Program outcomes. Additionally, applicants will be required to submit high-resolution photographs of the completed project.

Only aggregate information will be included in the final report, which may be made available to the public.

6.2. Expenses Report Assessment and Audits

A percentage of applicants' reports will be audited, and expenses will be reviewed in detail, by an independent auditor. The applicant must keep invoices and receipts related to project expenses, and proof of payment, in case of audit.

The reports will be reviewed and will be assessed against a set of criteria.

6.3. Events and Communications

Throughout the project there may be a number of occasions that require communication support for events and/or publications. As such, the following is required:

Funding recipients must keep Alacrity Canada informed in advance (with a minimum notice period) of any promotional activities or events related to the project.

The Program funder (the Province of British Columbia) and Alacrity Canada must be acknowledged in project communications, events and signage. Funding recipients must acknowledge the financial contribution made by the Province to the Recipient by printing on all materials the following statement:

"We gratefully acknowledge the financial support of the Province of British Columbia and Alacrity Canada through the Ministry of Environment and Climate Change Strategy."

The Province and Alacrity Canada are required to provide consent to publish project details in reports and in promotion of the Fund.

6.4. Freedom of Information

Applications submitted under the Program are subject to the Freedom of Information and Protection of Privacy Act. The information being collected is for the purpose of administering the Program and evaluating eligibility of the proposal.

7. Application Support/Contact Information

If you have a question, support is available from Alacrity Canada. Support is provided in English. Please contact Alacrity Canada at:

250-412-5801

cleantech@alacritycanada.com