FAQ

Export Development Program



1. What is the Export Development Program?

The Export Development Program (EDP) supports Nova Scotia businesses looking to increase their sales outside Nova Scotia, improve their competitiveness, and positively impact the Nova Scotia economy. The program provides financial incentives to offset the costs of projects that assist a business' ability to overcome barriers to export growth. These include:

- o Travel to market
- o In-person and virtual trade show/conference costs
- Hiring a consultant/service provider

2. What is the application submission deadline?

Applications are accepted anytime between March 21, 2023, and January 12, 2024 (or until program funding is fully subscribed).

3. What is the project/activity completion deadline?

All projects must be completed by March 31, 2024. In the case of Stream 1 projects, claims must be submitted online within 30 days of completion of each project/trip.

4. What are the categories for financial incentives under EDP?

EDP offers two streams:

- Stream 1: Travel and Trade Missions (In-person and Virtual)
- **Stream 2:** Hiring a Consultant/Service Provider to address challenges or barriers to selling products/services outside of Nova Scotia

5. Is there a minimum project size or cost?

Yes. The minimum project cost for Stream 1: Travel and Trade Missions (In-person and Virtual) is \$1,000 CAD. The minimum cost for Stream 2: Hiring a Consultant/Service Provider to address challenges or barriers to selling products/services outside Nova Scotia is \$5,000 CAD.

6. How much of the total cost of the project does the funding cover?

EDP contributes up to a maximum of \$15,000 CAD of eligible costs.

7. What is the maximum funding allowance my company is eligible to apply for within the fiscal year?

The maximum funding allowance for each company within a fiscal year is \$15,000 CAD total across all streams.

8. If I receive funding through other provincial government programs for this project, will this affect the maximum funding allowance?

Yes. The total amount of all Canadian government funding (federal, provincial/territorial, or municipal) must be no more than 50% of the total eligible project cost in any single fiscal year (April 1 to March 31) to a maximum of \$15,000 CAD.

9. Can I apply for funding after I have started my project?

No. Only a project commencing <u>after</u> a completed application is submitted is deemed eligible. Costs incurred prior to submitting a completed application are <u>not</u> eligible.

10. What information is publicly released if my business is approved for funding?

The following information is released publicly if you are approved for funding:

- Name of business
- Sector of focus of the business
- Provincial region/county location of the business
- Amount of funding approved

11. How are Full Time Equivalents (FTE) calculated?

An FTE is the equivalent of one person working full time. Full time is considered to be 2,080 payroll hours for the year. To calculate the number of FTE for your organization, calculate the total payroll hours worked per fiscal year by all employees, then divide it by 2,080.

Note: FTE is not the total number of employees. Each employee is counted only once.

Examples of FTE:

One (1) employee working full time (2,080 hours) = 1 FTE

Two (2) employees, each working 4 hours per day, 5 days per week = 1 FTE

If total payroll hours for all staff is 13,200 hours, this equals 6.3 FTE (13,200/2,080 = 6.3)

12. What is Total Payroll?

Total payroll (\$CAD) is for the operation in Nova Scotia for the fiscal year.

13. How is revenue defined?

- a) **Total Revenue:** Total gross sales (\$CAD) of the Nova Scotia operation for the fiscal vear.
- b) **Export revenue outside Nova Scotia:** Total gross sales (\$CAD) outside Nova Scotia for the fiscal year. This represents your domestic (national) sales to other provinces, plus your international sales outside Canada.
- c) **Export revenue outside Canada:** Total gross sales (\$CAD) outside Canada (international sales only) for the fiscal year.

14. How do I calculate revenue for the prior fiscal years?

Revenue should be the figure from your financial statements or tax return (line 101 from GST 34 or line 8299 from the General Index of Financial Information).

15. How are capital investments and business expenditures defined?

- a) Capital Investment: Capital investment for the fiscal year.
- b) **Business Expenditures on R&D:** Business expenditures on research and development for the fiscal year.

16. If my project activities are not eligible under EDP, what other options are available for Nova Scotia businesses?

For more information about additional funding options, please contact the <u>Regional Business</u> <u>Development Advisor for your area.</u>

17. How long does it take to process an application?

Every effort is made to get back to applicants within (15) business days.

18. What happens if my application is approved, but plans for eligible activities change?

If plans for approved eligible activities change after your application is approved, please contact your <u>Regional Business Development Advisor</u> immediately.

19. What happens if I have an amendment to the projects listed in my Agreement?

Minor adjustments can be made to an approved project that does not increase the project budget or change the project scope. All requests must be made in writing <u>prior</u> to the dates listed in your funding agreement.

Amendment considerations include:

- Change to travel dates
- Add or change a travel destination within the approved market
- Decrease an approved project budget
- Extend a project completion date, as long as the amending date does not extend past March 31.
- Change in Consultant. A new Statement of Work will be required for review.

Note: Approval of your amendment request is required <u>prior</u> to making any changes to your project.

20. Who do I contact if I have questions about the application form?

Please contact your <u>Regional Business Development Advisor</u> for any questions regarding your application.

21. How do I submit my application form?

Applicants must submit a completed application via the online form. Please refer to the EDP Guidelines for further information on what is required for an application to be considered completed.

22. How will the incentive be paid?

The incentive is only payable against eligible project costs as outlined in the Agreement. Applicants are required to pay all invoices prior to receiving the incentive. Payment is issued when all required deliverables are submitted and approved.

23. What is the per diem and how do I claim it? (Stream 1)

The per diem rate is \$200 CAD per day for each approved traveler. This covers costs for accommodations, mileage, and in-market ground transportation/standard car rental (up to two representatives of the business) for all days of travel to and from market and days within the market.

Details are to be entered into the online form, along with other eligible project expenses. For the per diem rate to be an eligible expense, you must provide proof of travel in the form of airline **boarding passes** or **hotel invoices** to validate the per diem calculation. The eligible

rate of \$200 per night is calculated by the number of nights of your stay to a maximum of (7) nights. A per diem does NOT include the last day of travel and any portion of travel within Nova Scotia. All accommodation and ground transportation invoices and proof of payment should be kept for (5) years, as the information may be required in the event of an audit.

24. What expenses are covered under the airfare stipend? (Stream 1)

The airfare stipend is only eligible to claim for round trips from Nova Scotia (some exceptions may apply). The airfare stipend includes all associated flight costs – airfare, baggage, seat selection, and change fees.

For the complete list of airfare stipends per destination, please refer to Page 3 of the <u>EDP</u> Guidelines.

- 25. Is technology implementation or development still covered under Stream 2?

 Yes; however, businesses should first consider applying to the <u>Canada Digital Adoption</u>

 Program (CDAP) for projects related to technology implementation or development.
- **26.** Is e-commerce development or improvement still covered under Stream 2? Yes; however, businesses should first consider applying to the CDAP for projects related to e-commerce development or improvement.

27. How do I apply to the CDAP and how much funding is provided?

To apply, go to Canada Digital Adoption Program. There are two options to choose from:

- 1. The CDAP Grow Your Business Online delivered by Innovation, Science and Economic Development Canada (ISED) is a micro-grant of \$2,400 and provides access to e-commerce advisors.
- 2. The CDAP Boost Your Business Technology (ISED) provides a grant of up to \$15,000 for companies with revenue above \$500,000 to develop a digital plan.

28. If I receive funding through the CDAP, do I need to submit proof of funding to receive additional support from EDP?

Yes. Businesses must disclose all funding received towards the cost of a project whether it's federal, provincial/territorial, or municipal.

29. If my request for funding through the CDAP is rejected, do I need to submit proof of rejection?

Yes. Please provide all details regarding additional funding for projects, whether funding is approved or rejected.

30. How will the private sector consultants and/or digital consultants / software / hardware providers be recruited for my project? (Stream 2)

It is your business' responsibility and decision to engage with a private sector consultant, software or hardware provider.

For additional information, please refer to the <u>EDP Guidelines</u> or contact the <u>Regional Business Development Advisor</u> for your region of the province.