



# Value-Added Manufacturing Program Guidelines

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## 1. Program Purpose

Value-Added Manufacturing (VAM) funding is intended to support Nova Scotia-based businesses in manufacturing value-added products from materials recovered from a Nova Scotian waste stream. Projects should capitalize on business development opportunities created from the [Nova Scotia Solid Waste-Resource Management Strategy](#), with an emphasis placed on innovative projects.

## 2. Eligible Projects

This program will provide funding assistance for projects supporting solid waste innovation via:

- Prototype, pilot or demonstration of new technology for the collection, diversion, processing, manufacturing and distribution of materials diverted from a waste stream. Pilot or demonstration refers to the technical and commercial validation of a technology, process or service not previously available in Nova Scotia.
- Commercialization of new technology, products or services for materials diverted from a Nova Scotia waste stream. Favourable projects include those that possess market development potential and are designed to commercialize new technology, products or services in the following innovative areas:
  - Value-added manufactured products from solid waste
  - Development of new solid waste processing and handling technologies
  - Development of new or enhanced markets for waste materials
  - Increasing efficiency within diversion operations and processes

VAM projects must limit waste generation wherever possible in project implementation. Eligible projects must include waste reduction consideration throughout the planning and production process.

## 3. Eligible Applicants

Eligible applicants include individual businesses (sole proprietorships, partnerships, corporations), business associations or industry groups, and industry-led collaborative partnerships between the private and public sectors and two or more businesses or consortia.

Applicants must hold the necessary licenses, leases, and permits, where applicable. Applicants must confirm at least a **20% equity position** in the project to qualify for assistance. Applicants and/or project activities shall be

based in Nova Scotia, unless specifically approved by Divert NS. Divert NS encourages business alliances and partnered proposals for new products, services, and technologies of province-wide significance and benefit.

#### **4. Application Assessment and Analysis**

The *Value-Added Manufacturing Committee* (“the Committee”) shall assess all applications. Applications must be submitted to the committee in writing, using the application form (Appendix B) and should ensure that all requirements on the Funding Checklist have been met.

The applicant shall be expected to operate under the principle of full disclosure and provide all information necessary to ensure a complete evaluation of the project. Divert NS may collect and share information with such persons or organizations as Divert NS deems necessary (including government agencies, financial institution and contracted services) with respect to reaching a decision on applications.

Assessments and funding recommendations of the Committee shall be subject to approval by the Board of Directors and/or Chief Executive Officer.

All applicants shall be informed of the Board’s decision in writing. The letter to successful applicants shall include the terms and conditions of the offer, as well as details on payment and invoicing, records, reviews and audits.

#### **5. Eligible Costs**

Eligible costs are those considered essential to the startup and success of the project. Eligible costs must be incremental, arms’ length, represent fair market value, and not qualified for sufficient assistance through other programs. Eligible costs include capital costs, which are incurred to acquire, construct, develop, install or improve a capital asset.

Where a capital asset is acquired, costs include the purchase price and other acquisition costs such as brokers’ commissions, installation costs including design and engineering fees, legal fees, transportation charges, duties, testing and preparation charges.

Where a capital asset is constructed or developed, the cost would include direct construction or development costs, such as materials and labour, and overhead costs directly attributable to the construction or development activity.

#### **6. Ineligible Costs**

Ineligible costs include salaries and benefits, land, depreciation, general purpose vehicles and any other costs that are not considered essential to the project.

#### **7. Level of Assistance**

The maximum program contribution will generally be no more than 50% of total costs of the proposed project. In some instances, where in the opinion of the Committee the project is of particular strategic value, a higher level of assistance may be offered. The amount of funding available each year is limited.

Assistance will be provided in the form of a loan, forgivable loan, and/or non-repayable contribution depending on the projects perceived strategic value by the Committee.

If an application is successful, funding assistance will only be provided for project activities occurring after the date of application receipt by Divert NS. Program assistance will not normally be accessible prior to written confirmation of the availability of other project financing.

## **8. Evaluation Criteria**

Applications will be evaluated based on the following criteria:

1. Project Scope/timelines/budget/team
2. Innovation
  - a. Diversion impact
  - b. Efficiency
  - c. Market development
3. Economic impact and social benefit
4. Industry experience
5. Partnerships

*Refer to Appendix A for more details.*

## **9. Ownership of Applications and Project Information, and Access to Information**

All documents, including funding applications and project information, submitted to Divert NS become the property of Divert NS and are potentially subject to disclosure under the Nova Scotia *Freedom of Information and Protection of Privacy Act*. By submitting an application and providing documents to Divert NS, the applicant agrees and consents to public disclosure of this content. Any information the applicant considers 'personal information' or 'confidential information' which they want to be kept confidential should be marked as "confidential," and this will be given appropriate consideration. Please note that Divert NS cannot guarantee protection from disclosure regardless of any wishes regarding confidentiality. All contracts entered into with Divert NS are public documents.

Divert NS maintains the right to share application and project information with Divert NS personnel, committee members, and other entities for the purposes of program planning, evaluation and review, audits, and generating statistics. Divert NS may publish or otherwise disclose in its internal and external communications (including press releases and on its website and social media channels) information on approved funding applications and reports. The purpose of these communications is to advise and inform the public of projects that are funded by Divert NS. The disclosure may include the names, titles and affiliations of project leaders, amount of funding, and a summary of the project. By providing any such information to Divert NS you agree and consent to its disclosure as outlined above.

## **10. Intellectual Property**

Intellectual Property ("IP") includes rights protected by copyright, patent and trademarks, and trade secrets. Divert NS does not claim any rights of ownership to IP arising out of research funded wholly or in part by Divert NS.

### Terms of Access to Research Results and IP

Divert NS has the right to access research results and IP developed in the course of research done wholly or in part through use of Divert NS funds, including for the purposes of dissemination of research and results and partnering or funding future research based on research and results. Divert NS will protect the confidential information disclosed by successful applicants that constitutes a trade secret in accordance with and to the extent provided under the *Freedom of Information and Protection of Privacy Act*.

### IP Agreements

In order to protect successful applicants' rights and the mandate of Divert NS, applicants will be held to an IP agreement arising from and relating to Divert NS funding. This agreement shall include clauses that address the following:

1. Retention of Divert NS' right to access a successful applicant's research and results. The terms of access shall be determined based on the considerations set out above and in agreement with the successful applicant.
2. Retention of Divert NS' right to disseminate a successful applicant's research and results without restrictions.
3. Acknowledgment of Divert NS' right to a non-exclusive license to partner or fund future research based on a successful applicant's research and results.
4. Applicant retention of proprietary rights, subject to those rights explicitly granted to Divert NS.
5. Survival of the IP agreement following the end of the research grant and/or relationship between successful applicants and Divert NS.

## **11. Submission Date**

Applications can be submitted at any time. The Committee meets quarterly or as required - depending upon applications received. Applications should be submitted several weeks prior to a Committee meeting to allow adequate assessment and research of the application. Staff can be contacted any time to discuss application timing and Committee meeting dates.

- Electronic copies are accepted by e-mail at [klpooley@divertns.ca](mailto:klpooley@divertns.ca).
- Hard copies may be delivered to Divert NS' office at: 35 Commercial Street, Suite 400, Truro NS B2N 3H9

## **Appendix A – VAM PROJECT EVALUATION CONSIDERATIONS**

### **Project Information**

- Describe the project and the product/service/process that will be developed.
- Detail project objectives, including milestones, timelines and deliverables.
- Identify how the product/service/process aligns with Divert NS mandates
- Provide a detailed budget
- Identify other funding providers, if applicable
- Indicate the expenses and explain all budget line items.

### **Innovation**

- Outline how the product/service/process is innovative or novel.
- Provide a competitive analysis of similar products available in the market.
- Describe the marketability of the product/service/process.
- Detail any certification and/or regulatory approval required.

### **Impact (Diversion, End Market Enhancement, Improved Efficiency)**

- Outline why the waste material is problematic and if it requires increased diversion.
- Quantify tonnage of waste and if feedstock supply is confirmed.
- Explain any enhancements/value-add to existing end market
- Highlight specific efficiency benefits to new product/service/process

### **Economic Impact and Social Benefit**

- Detail if the project will create jobs now or in the future.
- Outline if the project will increase revenue or lower costs.
- Explain any social benefits of the product/service/process.
- Describe the path to market and how the product/service/process will become market ready.
- Detail if the product/service/process will be manufactured/developed and sold from NS

### **Industry Experience**

- Identify the applicant/company's experience/strengths.
- Detail the team's combination of skills, experience, and education.
- Describe the applicant/company's ability to develop and deliver innovative products to the market.

### **Partnership**

- Outline other funding agencies supporting this project and if funds are confirmed.
- Detail if other partners are providing in-kind support to the project.

## Appendix B- FUNDING APPLICATION FORM



<b>1. Funding Type</b>	
<input type="checkbox"/> Student Research Grant (SRG)	<input type="checkbox"/> Research & Development (R&D)
<input type="checkbox"/> Value-Add Manufacturing (VAM)	
<b>2. Legal Name of Applicant</b>	
Name:	Province:
Title:	Postal Code:
Current Address:	Tel:
City/Town:	Email:
<b>3. Contact Person (if different from applicant)</b>	
Name:	Province:
Title:	Postal Code:
Current Address:	Tel:
City/Town:	Email:
<b>4. Type of Organization (please check one):</b>	
<input type="checkbox"/> Agency	<input type="checkbox"/> Non-Profit
<input type="checkbox"/> Business	<input type="checkbox"/> Partnership
<input type="checkbox"/> Limited Company/ Corporation	<input type="checkbox"/> University
<input type="checkbox"/> Municipality	<input type="checkbox"/> Other:
<b>5. Title of Proposed Research:</b>	
<b>6. Project Location:</b>	
<b>7. Municipal, Provincial and/or Federal Permits Required:</b>	
<b>8. Brief Description of Project (250 words or less):</b>	
<b>9. State how the research is relevant to the <a href="#">Nova Scotia Solid Waste Strategy</a> and/or the <a href="#">mandates of Divert NS</a> (100 words or less):</b>	
<b>10. Timeline:</b>	
Estimated Start Date:	Estimated Completion Date:
<b>11. Student Projects ONLY</b>	
Institution:	Date Started:
Department:	Expected Completion Date:
Degree Type:	Previous Degrees & Institutions:
<input type="checkbox"/> Undergraduate studies	1.
<input type="checkbox"/> Graduate studies	2.
<b>12. Anticipated Presentation of Work (select all that apply):</b>	
<input type="checkbox"/> Thesis	<input type="checkbox"/> Public presentation
<input type="checkbox"/> Formal report	<input type="checkbox"/> Publication
<input type="checkbox"/> Conference presentation	<input type="checkbox"/> Other:
<input type="checkbox"/> Academic poster	
<b>13. Cost:</b>	

Total Cost of Project: \$  
 Total Request from Divert NS\*: \$  
*\*Approved program funding will be provided as a percentage of the total eligible costs, refer to specific funding program guidelines for maximum contribution expected.*

Have other organizations been requested to support the project?

- Yes
- No

If yes, please provide details:

Organization:  
Funding Amount Requested:

Organization:  
Funding Amount Requested:

**14. Please attach a detailed 20-page max. research plan (in Word/PDF format) that includes:**

- a. The details outlined in Appendix A of your program guidelines document

**15. Notice and Consent**

I certify that the information given is, to the best of my knowledge and ability, complete, true and correct and this will also apply to all information given in the future in connection with the review and/or implementation of the project.

I authorize Divert NS to make any enquiries of such persons or organizations, to collect and share information with them, as Divert NS deems necessary in order to reach a decision on this application, to administer and monitor the implementation of the project, and to evaluate the results of the project after project completion.

- I have read and I understand this notice and consent and the program guidelines of the applicable funding program. I voluntarily consent to the collection, use and disclosure as described.

	<i>Printed Name</i>	<i>Signature</i>	<i>Date</i>
Applicant			
Supervisor/Professor <i>(if applicable)</i>			
University Administration <i>(if applicable)</i>			

*Applications can be mailed, or emailed to Divert NS*

35 Commercial Street, Suite 400  
 Truro, Nova Scotia B2N 3H9

Phone: (902) 897-3250  
 Email: [klpooley@divertns.ca](mailto:klpooley@divertns.ca)