



Canada 

PROGRAM GUIDE

CO-OPERATIVE DEVELOPMENT INITIATIVE (CDI)

“RESEARCH AND KNOWLEDGE DEVELOPMENT” COMPONENT

2009-2013

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Section 1: Purpose and structure of the guide

The main purpose of this document is to guide project proponents in the preparation of a proposal and to assist recipients in the implementation of their approved projects under the Research and Knowledge Development (RKD) component of the Co-operative Development Initiative (CDI). This guide is referenced in all the contribution agreements that are concluded between Agriculture and Agri-Food Canada (AAFC) and project recipients, and contains general information about CDI, and specific information on the RKD component. It is also meant to supplement and clarify information contained in the contribution agreements. The section 2 of this guide presents an overview of the CDI program, while section 3 provides information specific on the RKD program component.

Section 2: Overview of the CDI program

2.1 Objective

The objective of CDI is to enhance the contribution of co-operatives to meeting the economic needs of Canadians by working collaboratively with local, regional and national co-operative, academic and government sector stakeholders to create an enabling environment for co-operative development and growth.

2.2 CDI program components

CDI has three interrelated components: Advisory Services, Innovative Co-operative Projects and Research and Knowledge Development, designed respectively to:

- Support the provision of **advisory services** that enable co-operative development in Canada;
- Support **innovative co-operative projects** in priority areas, including the documentation and dissemination of lessons learned from projects; and
- Support **research and knowledge development** to facilitate innovation and growth of the Canadian co-operative sector.

2.3 Program implementation

The Advisory Services and Innovative Co-operative Projects components of CDI are administered and delivered through a third party agreement with the Canadian Co-operative Association (CCA) and the Conseil canadien de la coopération et de la mutualité (CCCM). More information on those two program components can be obtained on the following website: <http://cccm.coopscanada.coop/>. The Research and Knowledge Development component is managed and delivered by the Rural and Co-operatives Secretariat at AAFC, through agreements with project proponents.

For more information on the Rural and Co-operatives Secretariat of the Government of Canada and the Research and Knowledge Development of CDI, please visit the following website: <http://www.coop.gc.ca/>.

Section 3: Research and Knowledge Development

3.1 Goal

The Research and Knowledge Development (RKD) component of the Co-operative Development Initiative seeks:

- to understand and document the incremental results Canadian communities achieve by adopting and using the co-operative business model as well as the impact of co-operatives on local economic development, social innovation and/or environmental practices;
- to enable and enhance policy research capacity on key policy initiatives by tapping into the external research community in Canada and by benefiting from the synergies created through collaborative research amongst the members of the policy research community;
- to provide evidence-based research and information to support the development of public policies and programming to capture new opportunities for communities and co-operatives.
- to disseminate research findings within the co-operative community and to new and/or interested audiences.

3.2 Guiding principles

Applicants must ensure that their projects' objectives and expected outcomes are consistent with the following guiding principles against which all applications will be assessed:

- **Research projects** could be, but are not limited to, applied research, theoretical research, literature review, cost benefit analysis, impact assessment, case studies, comparative studies and/or the development of studies on best practices.
- **Dissemination projects** will encourage understanding and collaborative synergies through mediums such as publications, exhibits, seminars, workshops, new media, radio, and/or video. We encourage the use of more than one dissemination medium. We understand that most projects will use websites to disseminate research findings; therefore, we will not fund website specific projects.
- All research projects will have a **dissemination plan**.
- Projects will **build on, not duplicate, research** already conducted or underway.
- Projects **should be transferable** to other co-operatives, communities or co-operative sectors.
- **Existing research networks and academic centres** should be used as a resource whenever possible.
- Research projects will give **priority to collaborative approaches**.
- Projects will stimulate interest for, and give rise to, **greater recognition to research** on co-operatives in Canada.

3.3 Activities

- 3.3.1 Researchers and co-operative sector stakeholders could undertake research projects that will advance the understanding of how co-operatives contribute to building more cohesive and competitive communities.
- 3.3.2 Researchers and co-operative sector stakeholders could undertake to disseminate and transfer research findings to optimize access for and use by a wide range of interested parties, including co-operatives, co-operative developers, co-op researchers and community groups.
- 3.3.3 The Rural and Co-operatives Secretariat will administer an application process, evaluate projects and manage the ensuing contribution agreements with approved recipients.

3.4 Process

Officials within the Rural and Co-operatives Secretariat will determine the eligibility of recipients and applications, assess and evaluate eligible projects, and manage the approval process within AAFC. The projects will be assessed and evaluated using defined and standardized criteria available to proponents before applying. The call for proposals will be distributed widely within and outside of the co-operative research and co-operative sector community using already established networks. Applicants should be aware that the Secretariat will announce approved projects and post on its website a list of approved projects, funded activities and expected results.

3.5 Program priorities

RKD will include a particular focus on identifying, understanding and enhancing the contribution of co-operatives to address key challenges in the following areas and for which we provide a short description:

- *Co-operatives and Local Community Economic Development*

Communities will continue to be affected by the global trends that currently pressure all the developed economies. In their process to adapt, Canadians communities have to build into capacity to mobilize resource, attract investment, shape the labour force and expand their entrepreneurial culture.

- *Co-operatives and Changing Community Demographics*

Looking forward, it is to be expected that Canada will continue to undergo complex social processes that have significant impacts on communities. Key trends that will have particular relevance to co-operatives include changes in the composition (e.g. age, diversity) of our population, calling for creative and local approaches. Because of their local dimension, co-operatives are well suited for the diverse demographic realities of Canadian communities and adapt to its evolution.

- *Co-operatives and Low-Carbon Communities*
Canadian communities will experience an unprecedented level of change concerning the environment, with associated social, culture and economic impacts. These changes will be driven by emerging trends such as climate change, resource scarcity, depleting sources of traditional energy, environmental awareness, and the growing interest in sustainable and green energy alternative.

Examples of types of research that the RKD will consider (within the above three focuses), include, but are not limited, to the following:

- Understanding the success factors that need to be in place within communities that are considering using the co-operative model to achieve their objectives.
- Identifying and understanding the impact of co-operatives and their role in moving communities towards more robust social, environmental and/or economic outcomes.
- Identifying, researching and raising awareness on how co-operatives address emerging trends and changes in cycles critical to communities.
- Identifying and addressing common obstacles to co-operative development.
- Contributing to the leadership and strategic direction of the co-operative sector to improve its position in existing and emerging markets, enhancing community competitiveness and innovation, and supporting local economic development.

Applicants should also be aware that collaborative approaches will be given priority.

3.6 Responsibilities

The following section provides more detailed information on the roles and responsibilities for organizations involved in the implement of RKD.

3.6.1 Rural and Co-operatives Secretariat:

- Has overall responsibility for managing RKD.
- Administers an application process, evaluate projects and manage the ensuing contribution agreements with approved recipients.
- Supports recipients in the effective implementation and management of their projects by providing appropriate forms, templates and guides and by responding to questions and comments as required.
- Receives reports and processes payment requests from recipients.
- Liaises with AAFC Communications and AAFC Minister regarding communications requirements and products.

3.6.2 Project Proponents (Recipients):

- Are responsible for implementing approved project activities, for working to attain identified project objectives and results, and for meeting all management, financial and reporting requirements, in accordance with the guiding principles and the contribution agreement.
- If the project is a research project, recipients are responsible for completing a dissemination plan that will briefly outline how their research will be/ is being disseminated.

3.7 Funding parameters

The funding range for projects is no more than \$50,000 per project per year. All projects must be completed before the program ends on March 31, 2013. Costs for activities occurring after this date will not be reimbursed by the Government of Canada.

While the Government of Canada may under exceptional circumstances pay up to 100% of project costs for research projects, proponents and their partners are normally expected to contribute at least 25% in cash or in kind to their project's overall costs. Collaborative approaches and partnership building are an important element of CDI, and priority will be given to projects that engage partners, financially and through other means.

The total funding breakdown for each project is detailed in a schedule B of the contribution agreement.

3.8 Eligible costs (as stated in contribution agreement)

- 3.8.1 Costs for labour, salaried employees and related employment benefits that are incremental to ongoing business of the organization, for each person to be employed on the project. Recipients will be asked to indicate the function/relationship each such employee will have to the project.
- 3.8.2 Costs for consultants who provide expertise that is not available within the recipient's organization or from project partnering organizations. Recipients will be asked to identify the services the consultant will provide and the costs associated with such services.
- 3.8.3 Direct materials and supply costs related to the project.
- 3.8.4 Costs associated with printing, information technology and communication services. It should be noted that eligible capital costs associated with the purchase of electronic equipment such as computers, monitors, scanners, video cameras will not normally exceed 10% of the total approved funding. In some cases, exceptions may be given consideration to an increased percentage of total approved funding. Exceptions will require prior approval by the Minister, or his designate.
- 3.8.5 Incremental costs for rental or lease of facilities, equipment or machinery necessary to carry out the project.

- 3.8.6 Domestic travel costs in accordance with the Treasury Board Travel Directive.
- 3.8.7 At the Minister's discretion, any project related direct costs incurred by eligible initial or ultimate recipients in relation to approved projects, and not otherwise listed as ineligible, may be eligible for reimbursement.

3.9 Ineligible costs

- 3.9.1 Costs for the purchase of capital items, with the exception of items listed above under paragraph 4 of Eligible Costs (see 3.8.4).
- 3.9.2 Capital costs related to the construction/renovation of structures and/or buildings, including the purchase of furniture and furnishings.
- 3.9.3 Costs related to the acquisition and/or development and preparation of land for any purpose (e.g. park and/or trail development, including purchase of tractors and other similar equipment, fertilizers, shrubbery, etc.)
- 3.9.4 Costs related to regular ongoing operational and managerial activities of the institution or organization. Any costs which cannot be directly tied to the project and which are not incremental to ongoing operations.
- 3.9.5 Costs related to the development and testing of commercial products for private benefit.
- 3.9.6 Any goods and services tax, value-added taxes, or other items for which a refund or rebate is received.
- 3.9.7 Legal fees associated with the incorporation of an organization.
- 3.9.8 Costs being reimbursed under an existing federal, provincial or territorial program.
- 3.9.9 Costs of international travel, except where deemed necessary to the project, and approved in advance by the Minister or his/her designate.
- 3.9.10 Hospitality or travel costs beyond Treasury Board Guidelines or gifts associated with the hosting of events.

3.10 Contribution agreement

A contribution agreement between AAFC and recipients is prepared for each approved project, and signed by both parties to the agreement. The agreement consists of standard clauses setting out expectations and responsibilities of the two parties, as well as project-specific clauses and schedules covering areas such as project duration, expected results, activities, and financial provisions.

3.11 Intellectual property rights

Any intellectual property resulting from the activities undertaken shall be owned by the Recipient. The Recipient will be asked to grant AAFC a non-exclusive, world-wide, perpetual and royalty-free license to reproduce, to publish and to translate the whole or any part of all reports via paper, Internet, or any other means now known or hereafter discovered, for non-commercial, Government of Canada purposes.

3.12 Payment and reporting schedule

The Rural and Co-operatives Secretariat will establish a payment and reporting schedule for each project based on a risk assessment of the recipient and the project. Factors taken into consideration to determine risk include the size of the project in dollar terms, complexity of the project or activities, and demonstrated internal control and capacity of the recipient.

The Rural and Co-operatives Secretariat may recommend advance payments if requested, as is required for the successful implementation of the project. In the case of advances, payments will be based on expenditures to date (if applicable) and a signed budget forecast.

3.13 Official languages, communications and confidentiality

Users of the guide should consult the appropriate sections of the contribution agreement for provisions related to the above, and should seek additional advice from Rural and Co-operatives Secretariat staff, if required.

3.14 Eligible recipients (project proponents)

The following types of applicants are eligible to the RKD program component:

- Not-for-profit organizations and associations;
- universities and colleges;
- co-operatives;
- individual researchers and co-operative developers, in collaboration with an established entity.

All recipients must be legal entities and capable of entering into legally binding contracts.