
Call for Proposals

NL Offshore Oil and Gas
Industry Recovery Assistance Fund



Issue Date: January 7, 2021

Submission Deadline: March 11, 2021

**Newfoundland and Labrador Offshore Oil and Gas
Industry Recovery Assistance Fund
Call for Proposals**

1. Introduction

The Department of Industry, Energy and Technology (IET) is the lead for innovation, economic development and diversification in Newfoundland and Labrador (NL). The department focuses on creating a competitive environment to support private sector investment and business growth; and supporting industries in Newfoundland and Labrador such as mining, energy and technology.

The oil and gas sector is critical to the Newfoundland and Labrador economy. During the last year, the COVID-19 pandemic and the global crash of oil prices has dealt a major blow to the provincial oil and gas industry including the local supply and service sector.

On September 25, 2020, the Province signed an agreement with the Government of Canada for \$320 million in federal funding. The goals of the NL Offshore Oil and Gas Industry Recovery Assistance Fund are to maximize employment for Newfoundland and Labrador residents and support the recovery of the Newfoundland and Labrador offshore oil and gas industry. To support the identified need and provide direct assistance for the local oil and gas sector value chain, Government has committed a total of **\$32 million** to support oil and gas supply and service sector projects. IET is now requesting applications through an NL Offshore Oil and Gas Industry Recovery Assistance Fund Call for Proposals.

2. Eligible Applicants

Eligible applicants include:

- *Non-commercial*: industry associations, business development organizations, post-secondary education institutions and other support groups in Newfoundland and Labrador involved in oil and gas projects.
- *Commercial*: Registered businesses involved in Newfoundland and Labrador's offshore oil & gas sector that have legal entities validly incorporated or registered in Canada and have operations in the province.
- Offshore project operators are not eligible for this funding.

3. Eligibility Criteria

Proposed projects must focus on industry-led activities that will sustain the NL offshore oil and gas industry in the short-term and drive the recovery of the NL oil and gas sector over the long term. Eligible activities **must**:

- Support direct and indirect employment in NL or the offshore area; and
- Generate environmental benefits or co-benefits*; and
- Support existing oil and gas installations or infrastructure linked to an existing installation**.

Projects that do not clearly demonstrate all eligibility requirements will not be considered for further evaluation.

**Co-benefits can be any additional benefits that are generated through the implementation of the project. (e.g. safety, socio-economic, gender equity and diversity, etc.)*

***An installation refers to any well, platform, pipeline, vessel or other fixed or moveable object involved in the exploration and drilling for and the production, conservation, processing and transportation of petroleum in the Offshore Area.*

4. Criteria for Evaluation

This is a competitive process, therefore, all projects that meet eligibility criteria may not necessarily be approved. Leveraging other funding is an asset.

This Request for Proposals does not create any binding obligation upon the Government of Newfoundland and Labrador. In particular, the Department of IET will have no obligation to approve any application or award any funding in relation to this request for proposal.

Proposals will be evaluated based on criteria including:

1. Demonstrated employment benefit/impact:
2. Leveraged funding (Applicant contribution and other funding)
3. Timeline for implementation
4. Local supply chain market penetration
5. Environmental benefits and/or co-benefits

5. Eligible Activities

Eligible activities span across the full spectrum of the local oil & gas sector value chain and will drive the recovery of the sector over the long term.

Eligible activities may include but are not limited to:

- Research, development and deployment activities related to improving the environmental performance of existing installations
- Safety improvements, maintenance activities and upgrades of existing installations

Ineligible activities include but are not limited to:

- Projects that support offshore petroleum exploration activities;
- Projects that directly or indirectly support equity or debt investments in offshore petroleum projects; and
- Mid-stream and/or downstream activities.

6. Eligible Expenses

Eligible expenditures shall include:

- *Salaries*: Net, actual documented cost based upon statutory payroll benefits and burdens

- *Materials and Equipment:* Any materials and equipment shall be broken out separately including, origin of source of supply and local content. All eligible expenditures shall be fully auditable.
- *Overhead:* Documented overhead costs are eligible to a maximum of 15% of total project costs, not including overhead.
- Only expenses incurred after Project Approval date. Eligible projects shall not include retroactivity.

The level of support will vary from project to project; leveraging other funding/contributions is an asset.

At the discretion of IET, reasonable in-kind contributions such as provision of space, access to equipment, meals and nutrition breaks, supplies, or travel reimbursement may be considered as the applicant's contribution.

Eligible expenses must be incurred on or after the contract approval date. Successful projects will receive an Advance Payment upon receipt of a signed Acceptance of Offer and meeting terms and conditions.

Start dates are on a case-by-case basis; however, all projects must be started no later than June 1, 2021. All projects must be completed by December 31, 2022.

7. How to Apply

Proposals must be submitted no later than **4:00 pm on March 11, 2021** via email at OGIRAFund@gov.nl.ca . A completed application form must also be included which can be found at www.gov.nl.ca/iet .

For questions or additional information, please contact OGIRAFund@gov.nl.ca .

The proposal must be signed by a designated official of the organization such as the CEO or Chair.

8. Timelines

Activity	Date
Call for Proposals Release	January 7, 2021
Proposal Deadline	March 11, 2021
Projects must commence no later than	June 1, 2021
Projects must be completed by	December 31, 2022