

# Expression of Interest

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Green Transition Fund



Issue Date: June 6<sup>th</sup>, 2024

Expression of Interest/Application Deadline:

4:00 PM NST July 12<sup>th</sup>, 2024

## **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 transition to a green economy is critical to Newfoundland and Labrador. The Green Transition Fund provides financial support to eligible businesses, organizations, post-secondary institutions, and industry associations for assisting with Newfoundland and Labrador's transition to a green economy in support of provincial priorities.

On May 31<sup>st</sup>, 2022, Government of Newfoundland and Labrador and the West White Rose Project (WWRP) partners announced a restructuring agreement to facilitate a restart of the WWRP. As part of the agreement, the Province will receive **\$100 million** over 12 years to support the establishment of a Green Transition Fund (GTF). In fiscal year 2024-2025 there will be \$6 million available through this program to deliver the GTF. IET is now requesting applications through this GTF Expression of Interest.

The purpose of the Expression of Interest is to encourage the development of projects that position the Province to increase economic opportunities associated with the transition to a green economy. The focus will be on projects that highlight strategic issues or overcome key concerns at the business level or broader sector level within the Province's traditional economies, and to further develop new opportunities associated with green transition.

This Expression of Interest is a two-step process with step one being the Expression of Interest Application, and step two being the submission of a full project proposal. Only those Expressions of Interest deemed suitable for funding within the GTF will be requested to complete step two. Applicants with suitable proposals from step one will be contacted in writing to request the submission of a full proposal.

Eligibility for this program will focus on all sectors of the economy that are strategic for the Province. There will be three streams of eligibility within this Expression of Interest: General, Indigenous focused, and Rural focused. Specifics on the streams are outlined in the proceeding sections.

*One of the priorities of the Government of Newfoundland and Labrador is the pursuit of diversified, modern and inclusive economic development. The Department encourages businesses and organizations owned or operated by women, Indigenous peoples, persons with disabilities and members of visible minorities to apply.*

## **Program Objective**

The objective of the GTF is to provide support to assist the transition to a green economy in Newfoundland and Labrador through:

- Facilitating green economy supply chain collaboration and technology adoption;
- Expanding local supply chain, export and diversification opportunities;
- Attracting investment in areas where there are gaps in innovation, technology and supply chain capabilities while not duplicating other funding programs;
- Improving natural resource industry competitiveness by reducing environmental impacts and promoting green processes, development, and operations;
- Contributing to economic growth in Newfoundland and Labrador; and
- Promoting the province as a world leader green economy excellence, sustainable development, and environmental stewardship.

## **Financial Assistance**

### ***Indigenous Stream:***

- Proponents must be an Indigenous business/organization or the project must primarily focus on Indigenous issues associated with the transition to a green economy.
- Approved Indigenous projects will be eligible for a maximum project contribution of \$3 million, with no minimum project size.

The terms of the funding may include:

- Non-Commercial: project funding will not normally exceed 50 per cent of eligible project costs, as a non-repayable contribution.
- Commercial: project funding will not normally exceed 40 per cent of eligible project costs, as a non-repayable contribution.
- Indigenous-focused projects may be eligible for a higher consideration where it is evident there are no other sources of funds to support project development.

### ***Rural Stream:***

- The rural program stream must have proponents based in rural Newfoundland and Labrador, or a primary focus on a major issue for the rural transition to a green economy.
- Approved rural projects will be eligible for a maximum project contribution of \$3 million, with no minimum project size.

The terms of the funding may include:

- Non-Commercial: project funding will not normally exceed 50 per cent of eligible project costs, as a non-repayable contribution.
- Commercial: project funding will not normally exceed 40 per cent of eligible project costs, as a non-repayable contribution.

***General Project Stream:***

- Projects that are not rural or Indigenous focused will automatically be considered for the general project stream. Approved projects under this stream will have a project scope requiring a minimum of \$75,000 requested from the Green Transition Fund, to a maximum project contribution of \$3 million.

The terms of the funding may include:

- Non-Commercial: project funding will not normally exceed 50 per cent of eligible project costs, as a non-repayable contribution.
- Commercial: project funding will not normally exceed 40 per cent of eligible project costs, as a non-repayable contribution.

***Eligible Applicants (all streams)***

***Eligible applicants must normally include:***

- Non-commercial applicants: industry associations, Indigenous Governments/ Organizations, business development organizations, postsecondary education institutions and other support organizations in Newfoundland and Labrador focusing on green economy projects; and
- Commercial applicants: registered incorporated businesses, primarily small-and-medium sized enterprises (SMEs) with operations in Newfoundland and Labrador. Larger businesses with higher risk R&D projects may be eligible on a case by case basis.

***Eligible applicants must normally:***

- be a registered business in the province of Newfoundland and Labrador;
- have an office and operations established in the province throughout duration of the project;
- demonstrate their ability to complete the work identified in the application; and
- demonstrate their ability to complete the proposed project within the identified timeline provided.

***Ineligible applicants (all streams)***

Ineligible applicants normally include: municipalities, non-registered organizations for commercial applications, and provincial and federal departments, agencies, and related entities. Normally Crown corporations or agencies would not be eligible, however certain projects may be considered if applicable.

**Eligible Activities (all streams)**

Contributions may be used to support continued, expanded or new operations in the province, including:

- Activities to increase education and awareness of key issues affecting the commercial ecosystem regarding the transition to a green economy;
- Incremental technical costs to support green economy supply chain development and production efficiencies;
- Costs associated with greening of commercial operations, including specialized consultants, feasibility studies, technical studies, green certification review and preparation, and incremental technology implementation costs (see capital costs below);
- Capital costs (specific to green transition projects) where specialized technology may be required for project development or completion. Only incremental costs would be eligible;
- Commercial research and development and demonstration/pilot projects supporting green economy technologies with Technology Readiness Levels three to nine (3-9);
- Market development activities including industry-wide promotion of capabilities, export readiness and market entry strategies, specific to the green economy; and
- Specialized labour costs, specifically assigned to green transition projects, may be eligible, which may include incremental wages and salaries for positions requiring new technical skills, supply chain or market development expertise, or other specialized skills required for project success, and not available through other funding programs.

**Ineligible Activities (all streams)**

Funds may not normally be used for:

- Building and land acquisition, leasehold improvements, renovations, furniture, structural/mechanical repair, and other non-specialized capital costs;
- Administration costs, non-incremental business development costs, or operating costs;
- Labour that is non-incremental, not directly assigned to the project, or is not in a specialized or skilled area identified for project success; and
- Any costs incurred prior to application. Specific costs such as proposal development are ineligible. Other costs may be deemed ineligible upon project assessment.

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### **Eligibility Criteria (all streams)**

Projects must support commercial activities that will encourage Newfoundland and Labrador's transition to a green economy. Eligible activities **must**:

- demonstrate economic and business need or opportunity to advance green innovation and/or commercial development;
- list the specific objectives (including environmental and economic impacts) of the project;
- provide projected results of the following:
  - Environmental considerations such as waste reduction, emissions reductions, improved energy usage, and other environmental benefits associated with the project;
  - new lines of business;
  - increased employment, sales, export readiness, inward investment, joint ventures, industry competitiveness; and
  - any business, industry-wide and economic impacts at the local, community or regional level.

*Projects that do not clearly demonstrate all eligibility requirements will not be considered for further evaluation. Applicants are asked to prioritize submissions. Normally, the Green Transition Fund will only consider three applications per Expression of Interest.*

### **Criteria for Evaluation**

This is a competitive process, therefore, all projects that meet eligibility criteria may not necessarily be approved. This Expressions of Interest will be evaluated based on criteria including:

- Environmental benefits and/or co-benefits that support a green transition;
- Demonstrated economic and social benefit/impact;
- Leveraged funding (applicant contribution and other funding sources);
- Project scope and timeline for implementation; and
- Local supply chain development/market penetration.

The level of support will vary from project to project; leveraging other sources of funding is an asset. Proponents are also encouraged to partner with other stakeholder groups that will help ensure the success of their proposed projects. Stakeholders may include other commercial enterprises, academia, municipalities, community-based groups, and other relevant stakeholders as required.

This Expression of Interest 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 Expression of Interest.

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### How to Apply

Proponents must provide a completed GTF Expression of Interest/Application no later than **4:00 pm on July 12<sup>th</sup>, 2024** via email at [GTF@gov.nl.ca](mailto:GTF@gov.nl.ca). The application must be signed by an authorized signing authority of the organization. **Late applications will not be reviewed.** The Expression of Interest/Application for the GTF can be found at: <https://www.gov.nl.ca/iet/funding/green-transition-fund-program/>

All relevant areas of the Expression of Interest/Application are required to be completed. The Expression of Interest/Application date will serve as the date the project was initiated with IET for the eligibility of expenses. The Expression of Interest/Application will be used for initial eligibility screening and program suitability. **Should the selection committee deem the application suitable under the GTF, the applicant will then need to provide a full project Proposal within a 60 day timeframe of written notification, for further consideration.**

For a full project approval, a completed Expression of Interest/Application **AND** Proposal are required, however **only Expression of Interest/Applications deemed suitable will be requested to submit a full Proposal.**

**NOTE:** For eligible Expression of Interest/Applications, IET staff will provide proposal guidelines and requirements for the Proposal submission. These proposal guidelines can be found at:

<https://www.gov.nl.ca/iet/files/Green-Transition-Fund-Public-Guidelines.pdf>

For questions or additional information, please contact [GTF@gov.nl.ca](mailto:GTF@gov.nl.ca)

### Timelines

Activity	Date
Expression of Interest Release	June 6 <sup>th</sup> , 2024
Expression of Interest/Application Deadline	4:00 PM NST July 12 <sup>th</sup> , 2024
Proposal Submission Deadline	60 days from written notification of project suitability