
1. What is the Innovation Rebate Program?

The Innovation Rebate Program (IRP) is intended to incent high-value investment in Nova Scotia companies with the goal of increasing their competitiveness in global markets. The program will assist existing Nova Scotian companies and inbound Foreign Direct Investment (FDI) firms. Eligible expenditures will include direct costs of Eligible Projects as defined in the IRP Guidelines.

2. What are the eligibility criteria for companies?

Please refer to *Section 2. Eligible Companies* in the **IRP Guidelines**.

3. What types of companies are eligible to apply?

Companies engaged, as a primary business activity, in the following industries are eligible to apply:

- a. advanced manufacturing and processing;
- b. development of non-traditional sources of energy;
- c. life-sciences;
- d. aerospace and defence;
- e. information and communication technology (ICT);
- f. ocean technology; and
- g. professional, scientific, and technical services excluding the following: legal services; accounting; tax preparation; bookkeeping and payroll services; advertising and related services; photographic services; veterinary services; translation and interpretation services.

4. What types of companies are not eligible to apply?

Companies engaged, as a primary business activity, in the following industries are not eligible to apply:

- a. natural resource harvesting and extraction;
- b. primary agriculture (including cannabis);
- c. wholesale trade;
- d. Retail trade (personal and domestic services- including but not limited to esthetics, housekeeping, landscaping, home security);
- e. construction;
- f. car/appliance/general repair;
- g. film production;
- h. accommodations;
- i. food services;
- j. franchises;
- k. publishing companies, print centres and copy shops;

- l. electric power generation, transmission and distribution; and
- m. any industry not otherwise mentioned.

5. What is an Eligible Project?

An Eligible Project is a project approved by NSBI for purposes of the IRP and may include:

- implementation of new or significantly improved production processes or waste stream processing;
- investment in production capacity to enter new markets and/or produce new products; and
- establishment of new production facilities in Nova Scotia.

An Eligible Project must have a total budgeted Nova Scotia investment (excluding tax) of not less than \$2,000,000. The maximum amount of Eligible Project Costs to which the IRP rebate will be applied is \$15,000,000.

6. What is an Eligible Project Cost?

Eligible Project Costs will be determined by NSBI upon approval of the Eligible Project under the IRP. Eligible Project Costs must be a direct cost of the Eligible Project.

Please refer to *Section 4. Eligible Project Costs* in the **IRP Guidelines** for additional details.

7. What is the Eligible Rebate Amount?

A Company will be eligible for an IRP rebate of 25% of Eligible Project Costs. The maximum Rebate Amount for an Eligible Project, including related parties, cannot exceed \$3,750,000 over a 24-month period.

8. What is the deadline for application submission?

Applications for IRP must be approved by **March 31, 2020**. Companies must apply and submit an application prior to the deadline.

9. What is the deadline for Project completion?

All Projects must be completed within the three (3) year period specified in the Letter of Offer.

10. If I am receiving funding through other federal or provincial government programs for this project, will this affect the maximum rebate allowance?

The IRP is intended to supplement existing federal and provincial incentives. NSBI reserves the right to remove from the calculation of the Eligible Rebate Amount (Rebate Amount), any Eligible Project Costs that are eligible for assistance through any other federal or provincial incentive, and where the inclusion of these costs would represent a replacement of the federal or provincial funding with the IRP rebate.

11. How do I apply for IRP?

Companies must complete and submit an application to the NSBI [Regional Business Development Advisor](#) for their region.

An application to the IRP must include:

- Completed **IRP Application Form**;
- Schedule of Eligible Project Costs;
- Project plan acceptable to NSBI, which will include project timelines, identification of key technical and management resources, budgets, and anticipated impacts of the project on the Company's competitiveness in global markets;
- Historical and projected financial statements of the Company and any additional financial information, as required by NSBI, to assess the financial viability of the Company; and
- Any other information required by NSBI to evaluate the request.

The IRP Application Form is available for download at www.novascotiabusiness.com/irp

12. How will I know if my Project is approved?

Applicants will be contacted by the NSBI [Regional Business Development Advisor](#) for their region and advised of the status of their project.

Upon approval of the Eligible Project under the IRP, the Company and NSBI will enter into a Letter of Offer which will include, but not be limited to:

- List of Eligible Project Costs;
- The Eligible Rebate Amount; and
- Reporting Requirements.

Approval under the IRP will be evidenced by a Letter of Offer between NSBI and the Company, which will outline the terms of the innovation rebate.

Approval under the IRP is subject to budget availability.

13. What is the Evaluation Criteria based on?

Applications will be evaluated for eligibility based on the **IRP Guidelines**. The Company must demonstrate to the satisfaction of NSBI that:

- The proposed investment will have a beneficial impact on the Company's ability to compete in global markets;
- The Company has properly evaluated the technical feasibility of the Project;
- The Company has access to the required technical and project management expertise to complete the Project;
- The Company possesses the required financial resources to complete the Project;
- The Project is aligned with provincial economic development priorities (refer to the current [Nova Scotia Business Inc. Business Plan](#)).

14. When can I start my Project?

A Letter of Offer must be executed, prior to substantial commencement of the Project.

15. How do I claim my rebate?

Upon completion of the Eligible Project, the Company will submit a Disbursement Claim.

Reporting requirements, in support of a Disbursement Claim, will be provided in the Letter of Offer and will include an external auditor's report verifying project costs, and may include, but not be limited to, the following:

- Invoices and acceptable external proof of payment for purchases of goods or services from external suppliers;
- Engineer's certificate confirming project completion;
- Independent appraisals to support market rates in the case of related party transaction;
- Project cost reports in support of Company incurred labour and wage costs; and
- Management representation letters verifying information provided for purposes of the claim.

The Company consents to NSBI having full access to the external auditors including any documentation provided to the auditor for purposes of preparing the report.

16. What information will be publicly released if you are approved for funding?

Approved companies will consent to participate in any public announcement and/or release of information relating to the IRP rebate and its purpose. The Company shall not make announcements related to the IRP rebate without prior approval of NSBI.

For more information, visit www.novascotiabusiness.com/irp, or contact the [Regional Business Development Advisor](#) in your region.