



# Forest Innovation Program– Canadian Wood Fibre Centre

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## Contribution Agreement Program – Application Guide – Research and Development Projects

*2023-2026*

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Cat. no: Fo146-2E-PDF

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Ottawa, ON K1A0E4

A pdf version of this publication is available through the Canadian Forest Service Publications database:  
<http://cfs.nrcan.gc.ca/publications>.

Cet ouvrage est publié en français sous le titre : *Programme d'innovation forestière*  
– *Centre canadien sur la fibre de bois* – *Programme d'accord de contribution* –  
*Guide de présentation d'une demande* – *Projets de recherche et développement*

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## Table of contents

1.	Context .....	3
1.1	About the Canadian Wood Fibre Centre .....	4
1.2	CWFC Research areas .....	4
1.3	2023-26 Contribution Program Research Priorities .....	4
2.	Application Form.....	5
2.1.	Applicant information.....	5
2.1.1	Type of organization/Legal entity .....	5
2.2	Authorities and Contacts.....	5
2.2.1	Project lead and authority .....	5
2.2.2	Other key contacts.....	5
2.3	Research and development project information .....	6
2.3.1	Overview.....	6
2.3.2	Statement of needs and end-users .....	6
2.3.3	Approach.....	6
2.3.4	Statement of benefits.....	6
2.3.5	Detailed work plan.....	7
2.4	Budget information.....	7
2.4.1	Financial management capacity .....	7
2.4.2	Project management capacity.....	7
2.4.3	Funding requested .....	7
2.4.4	Leveraging of partner contributions .....	8
3.	Proposal evaluation .....	9
3.1	Completeness.....	9
3.2	Eligibility.....	9
3.3	Financial and Project Management Capacity.....	9
3.4	Relevance.....	9
3.5	Collaboration and leveraging of partner contributions.....	9
3.6	Stacking provisions .....	10
3.7	Inclusion, Diversity, Equity and Accessibility requirements .....	10
4.	Additional evaluation criteria.....	11
5.	Subcontracts.....	11
6.	Basis of payment and reporting .....	11
7.	Submission Deadline and Process Timeline .....	12
8.	Recipient audit .....	13
	Annex I. Questions and Answers .....	14

## 1. Context

Supported by the [Forest Innovation Program](#) (FIP) of the Canadian Forest Service (CFS) of Natural Resources Canada (NRCan), the [Canadian Wood Fibre Centre](#) (CWFC) Fibre Solutions Program will contribute to innovation and transformation in the forest sector particularly in the areas of the understanding and use of wood fibre attributes and characterization, enhanced forest inventory, and ensuring a sustainable supply of wood fibre in Canada. Funding through the FIP will enable the CWFC to develop more effective tools and techniques in forest inventory, optimize value of the current resources and develop future forests with desirable attributes. This in turn will result in greater economic returns through the optimized use of wood fibre, enhanced information about Canada's forest resources and the increased resilience and productivity of those resources.

In addition to managing CFS's internal scientific program *Developing Sustainable Fibre Solutions*, the CWFC supports complementary external activities through the FIP Contribution Agreement program. A Contribution is a transfer payment subject to performance conditions for specific activities such as research and technology development and is subject to audit. For more information on contributions, please consult the Government of Canada's [Policy on Transfer Payments](#).

This Call and application guide are for three (3) options. **Targeted research priorities for each stream are outlined in section 1.3 of this Guide:**

- **Option 1:** Projects must run from 2023-24 and be completed by March 31, 2024;
- **Option 2:** Projects must be carried out in 2023-24 and 2024-25, and completed by March 31, 2025;
- **Option 3:** Projects must be carried out in 2023-24, 2024-25 and 2025-26, and completed by March 31, 2026.

All project applications will be reviewed for completeness, eligibility, and relevance. See sections 3 and 4 of this Guide for more information on evaluation criteria that will be used to assess proposals and guide the overall allocation of funds.

For more information on the Forest Innovation Program (FIP) or any of the organizations referenced in this request for proposals, please visit the following web sites:

- Natural Resources Canada (NRCan): <http://www.nrcan.gc.ca/home>
- Canadian Forest Service (CFS): <http://www.nrcan.gc.ca/forests>
- Forest Innovation Program (FIP): <http://www.nrcan.gc.ca/forests/federal-programs/13137>
- Canadian Wood Fibre Centre: <http://www.nrcan.gc.ca/forests/research-centres/cwfc/13457>

Graphic of past CWFC Contribution Agreement recipients can be found on the Forest Innovation Program webpage listed above.

## 1.1 About the Canadian Wood Fibre Centre

The CWFC is a research centre within the CFS with employees located at all five CFS Research Centres, at the National Capital Region as well as at the Petawawa Research Forest. Part of the CWFC's mandate is to produce and provide knowledge, tools, and approaches aimed to grow resilient forests, mitigate the impacts of climate change, and de-risk the supply and support the enhanced use of wood fibre in Canada. The CWFC works closely with forest sector stakeholders across Canada in the development and uptake of end-user relevant wood fibre research. This collaborative model aligns federal research with high priority research needs of the forest sector facilitating rapid uptake of government research.

In support of its research portfolio, the CWFC also operates the Petawawa Research Forest (PRF), which is available to scientists and collaborators from across federal and provincial departments, academia and industry.

## 1.2 CWFC Research areas

The research areas supported by the CWFC are divided into five Collaborative Research Projects (CRP):

1. **CRP 1.1:** Characterize – Provide tools and approaches to characterize forest biomass and wood attributes in order to optimize the value chain;
2. **CRP 1.2:** Produce – Fibre production to support the forest sector and the emerging bioeconomy;
3. **CRP 2.1:** Anticipate - High resolution tree and stand projections leveraging new technologies to increase precision and anticipate changes in future wood supply;
4. **CRP 2.2:** Adapt – Operational-scale silviculture research to improve resistance, resilience or transform forest stands, and to secure fibre production;
5. **CRP 3.1:** Integrate – Digitalization of the value chain to advance the digital transformation of the forest sector and support the emerging bioeconomy.

## 1.3 2023-26 Contribution Program Research Priorities

Within the context of the foregoing CWFC research areas, the Contribution Program will focus on the following research priorities:

1. Adaptive Silviculture (forest management practices to increase adaptation to climate change impacts);
2. Forest Value Chain Optimization (digitalization; mapping potential supply, including post-harvest and salvage material);
3. Traceability and Fibre Characterization (Knowledge, Tools, and Data including to match supply to product to support emerging bioeconomy);
4. Forest Monitoring tools and techniques (Enhanced Forest Inventory (EFI), Big Data).

## 2. Application Form

The application form is available online in [French](#) and [English](#).

### 2.1 Applicant information

#### 2.1.1 Type of organization/Legal entity (section 2.1.4 in the application form)

Eligible recipients for contributions under this allocation include:

- Universities, colleges, and other academic institutions located in Canada;
- Canadian Provinces, territorial, regional, and municipal governments and their departments and agencies where applicable;
- Indigenous organizations/groups;
- For profit enterprises and/or consortiums that harvest forest products in Canada or that produce forest products and that have existing forest product manufacturing facilities (for example, pulp, paper, or lumber mills) located in Canada;
- For profit enterprises and/or consortiums that supply materials, products, technologies or services to forest products enterprises defined above;
- Not-for-profit institutions; such as research, associations and standards organizations;
- Canadian citizens or Permanent Residents.

### 2.2 Authorities and Contacts

#### 2.2.1 Project lead and authority (section 2.2 in the application form)

This is the official contact for notices in the agreement and should be someone of sufficient level that can receive any notices of Amendment or Default. [Authorized signatory \(section 2.3 in the application form\)](#)

This is the individual(s) authorized to sign on behalf of the Legal Entity to enter into agreements to legally bind that organization.

#### 2.2.2 Other key contacts (section 2.4 in the application form)

If applicable, please provide the contact information of your organization's specialist who might assist you with managing a contribution agreement (e.g., finance staff who will help you submit an invoice, contract specialist who will help you understand the terms of the agreement).

## 2.3 Research and development project information

### 2.3.1 Overview (section 3.1 in the application form)

Research and development projects will respond to the priorities provided in section 1.3 with clear statements of purpose and objectives. An overview of the geographic distribution of project activities is also required. The applicant is encouraged to use federal lands for project activities and, if applicable, must highlight this in the section 3.1.5 of the form.

### 2.3.2 Statement of needs and stakeholders/end-users (section 3.2 in the application form)

For a proposed research project to be eligible, the applicant must clearly describe:

1. The forest sector need that is being addressed;
2. How this need is being targeted;
3. The stakeholders/end-user partner(s) (e.g., industry, provincial government, etc.) directly involved in the project;
4. Which priority, mentioned in section 1.3, the project addresses.

The applicant must provide letter(s) of support from the partner(s). **Letter(s) from NRCan employees are not eligible.** To be considered in project evaluations, letter(s) of support must be submitted along with the application(s) and must clearly demonstrate the involvement of the end-user in the delivery of the project.

The collaboration of end-user partners (in-kind support, cash) must also be described at the section 4.4 of the application form.

### 2.3.3 Approach (section 3.3. in the application form)

Research project proposals must include a description of the general approach and methodology used at the section 3.3 in the application form.

Proposals should also clearly describe how the results and tools will be disseminated (e.g., workshops, seminars, publications, via social media) in section 3.3.2 in the application form. Applicants are encouraged to disseminate results and products as soon as they are produced. Only dissemination activities carried out **during the effective period of the project** will be considered in project evaluations.

### 2.3.4 Statement of benefits (section 3.4 in the application form)

Research project proposals must describe the expected benefits to stakeholders and to Canadians. They must also describe the method(s) of measuring performance against project outcomes. The proposed performance indicators must be quantifiable and measurable.

### **2.3.5 Detailed work plan (section 3.5.1 in the application form)**

Research project proposals must describe the activities and/or tasks to be undertaken to achieve the project objectives, including the title of the activity and/or task, the location where it takes place, the expected results (deliverables), and the anticipated completion date.

Eligible activities include fieldwork, technical and laboratory work, computer modelling, social and economic data gathering and analyses. The description of each activity should include:

- The experimental design, sampling design, statistical analysis techniques and procedures, and specifications for tools, instruments and laboratory facilities that will be used;
- If a subcontractor will be hired to complete the activity, please provide adequate information describing the scope of the work that will be provided and the percentage of the work they will perform;
- If external collaborators will be involved in the activity, please describe this.

## **2.4 Budget information**

### **2.4.1 Financial management capacity (section 4.1 in the application form)**

The applicant is required to demonstrate the financial management capacity of the organization/institution. The description of the capacity may include the source of revenue, internal financial controls, financial stability, financial situation, financial experience.

### **2.4.2 Project management capacity (section 4.2 in the application form)**

The applicant is required to demonstrate the project management capacity of the organization or team. The description of the capacity may include the experience, the expertise, and the managerial qualifications of the organization or team.

### **2.4.3 Funding requested (section 4.3 in the application form)**

Eligible expenditures will be directly related to the project and will include the following categories:

- Salaries and benefits, including full time, term and contract employees of the recipient engaged in the execution of projects;
- Professional and technical services such as, but not limited to research, consulting, engineering, trades, and laboratory services;
- University research services (for example, non-salary related costs associated with laboratory analysis, storage, etc.);
- Material and supplies up to \$10,000 per item;
- Capital equipment that is depreciable with a purchase price of \$10,000 or more (any capital equipment purchased through the contribution funding will not become an asset of Canada at the end of the project);
- Travel, including meals and accommodation, based on recognized provincial or national guidelines such as the [2023 National Joint Council Rates](#);



- Publication, printing, and other media services;
- PST, HST and GST net of any rebate to which the recipient is entitled;
- Patent fees and other costs related to registering intellectual property;
- Overhead : Eligible overhead costs will be a percentage of eligible costs reimbursed per project not to exceed 15%.

Overhead costs shall be directly related to the Conduct of the Project and be negotiated and agreed to on an individual basis with project proponents before signing a contribution agreement. **Any overhead claimed must be fully substantiated and must not exceed 15% of Eligible Expenditures. They may include:**

- administrative support provided directly to the project by the proponent's employee(s), valued on the same basis as professional staff time;
- routine laboratory and field equipment maintenance, based on the actual cost to the proponent that is directly related to the project;
- heat, hydro, and office operating costs (e.g. faxes, telephone), provided that they are directly related to the project.

Please note that this Contribution program does not advance funds but does reimburse eligible expenditures, upon submission of a claim, and that it is possible to do so quarterly.

Expenditures incurred prior to the execution of a Contribution Agreement will not be eligible for reimbursement. The eligible expenditure period will begin on the date of signature by Canada (i.e., the date when the Contribution Agreement is signed by both the recipient and NRCan) and ends at the date specified in the Contribution Agreement.

Funds allocated in a fiscal year must be spent in that same fiscal year (April 1-March 31). The budget cannot be transferred from one fiscal year to another in cases where there are unspent funds remaining at the end of the fiscal year.

The applicant may request funds for the monitoring and management of the project as well as the dissemination of results, as long as these expenditures are incurred within the eligible expenditure period. The cost associated in preparing the application is not an eligible expense.

#### **2.4.4 Leveraging of partner contributions (section 4.4 in the application form)**

Leveraging is defined as cash and in-kind contributions provided by partners. Project proposals will list other contributors (including the applicant) along with the type of organizations and activities that they will conduct as well as the amount of their contributions both in cash and in-kind by eligible expenditures.

In-kind contributions are non-cash items of support (e.g. buildings, equipment, use of facilities, datasets, labour, goods, and secretarial services) that are provided to the funded project by interested parties such as recipients, private or corporate donors, departments, or other government bodies. The value of the in-kind contributions should be supported by a basis of valuation, be verifiable and should be tracked by the proponent.

**If the project proposal is part of a larger project, cash and in-kind contributions should refer only to the specific scope of the proposal that the applicant is submitting now.**

### **3. Proposal evaluation**

NRCan will assess each proposal for completeness, eligibility, financial and project management capacity, relevance, collaboration, and extent of leveraging of partner contributions.

#### **3.1 Completeness**

All sections of the application form must be completed, including the signature block and date. Failure to provide all the necessary information in the form may lead to the rejection of the proposal. Letter(s) of support must be submitted along with the project application.

#### **3.2 Eligibility**

Proposals must meet the eligibility requirements including type of recipient, type of activities, and amount requested.

#### **3.3 Financial and Project Management Capacity**

Project proposals will be assessed based on evidence that the organization making the request has the financial management capacity required for the project. Past performance, including under previous Government of Canada contribution agreement, will be used to evaluate the financial management capacity.

Proposals will be assessed based on evidence that the project team has the necessary capabilities, experience, and qualifications to deliver the project. Past performance, including with previous Government of Canada contribution agreements, will be used to evaluate the project management capacity.

#### **3.4 Relevance**

Proposals must demonstrate that the project:

1. Targets an important need of the forest sector;
2. Includes direct involvement of a final end user partner;
3. Responds to one or more of the research priorities outlined in section 1.3;
4. Generate significant benefits to forest sector stakeholders and to Canadians in general.

#### **3.5 Collaboration and leveraging of partner contribution**

The strength of proposals will be assessed based in part on the extent of the involvement of external partners and collaborators, including external resources available to support the project, such as through the provision of financial support.

### 3.6 Stacking provisions

Approved projects will be eligible for total government assistance not to exceed 100 percent of total eligible expenditures. The total federal government portion of this assistance can also not exceed 100 percent.

Applicants will be required to identify all sources of funding, including contributions from other federal, provincial/territorial, municipal and industry sources at the beginning and end of the project.

### 3.7 Inclusion, Diversity, Equity and Accessibility requirements

The Government of Canada is committed to the principles of inclusion, diversity, equity, and accessibility (IDEA). If the proponent's organization has an IDEA action plan, or similar guiding document, this must be included with the application.

If your organization does not have an IDEA action plan, we invite you to develop one using the suggested [template](#). **In all cases, an IDEA action plan that indicates how the plan will be applied within their project context must be submitted by the proponents at the same time as the application, and the mandatory [questionnaire](#).**

This information should describe the recipient's approach to gender balance and increasing diversity within their project.

Examples could include efforts to increase the proportion of designated groups as defined in the Employment Equity Act (i.e., women, Indigenous peoples, persons with disabilities and members of visible minorities) in the development and operational phases of the project, potentially including:

- How diversity and inclusion is factored into the project's hiring processes;
- Other activities by the proponents that seek to increase or support diversity in Canada's forest sector.

**Successful (funded) applicants must also provide the following information later:**

- For one-year projects, a report on implementation is required at the end of the project.
- For two-year and three-year projects, a report on implementation is required at the mid-point of the project and at the end of the project.
- As relevant, report on any updates to the Plan.

**Note that all information on gender and diversity will be confidential.**

## 4. Additional evaluation criteria

Priority will be given to proposals that:

- Demonstrate clearly that the proposed project activities can be realistically achieved based on the proposed schedule and budget;
- Have an appropriate and rigorous methodology;
- Draw on additional funds from other sources;
- Clearly demonstrate that they can provide benefits to external stakeholders and ensure value for money for the Government of Canada.

Other factors may be taken into consideration such as:

- Regional and representative distribution of funding across Canada;
- Strong demonstration of collaborative work;
- Multiple partnerships;
- Knowledge transfer/technology transfer activities;
- Projects/activities carried out on federal lands, including at the Petawawa Research Forest.

**CWFC reserves the right to negotiate amounts requested by applicants based on the criteria above.** at the beginning and end of the project.

## 5. Subcontracts

A recipient must accept the following under any Contribution Agreement signed with NRCan:

- It shall not subcontract all or any part of the project except as described in the proposal; and
- It shall notify and obtain written consent of NRCan for any other new contract not originally included in the proposal that it enters into with a third party to undertake work on the project where the estimate of the cost of the work to be performed exceeds 20% of the contribution, and the notice shall include a description of the extent and nature of the contracted work, the identity of the contractor, and the estimated cost of the contracted work.

## 6. Basis of payment and reporting

Payments will be made based on a reimbursement of eligible expenditures incurred and measurable, pre-defined project milestones documented in signed progress reports.

NRCan may withhold a percentage from each payment until all reporting and financial conditions are met (end of project).

A recipient will be required to provide the following standard reports for the duration of the project:

- Progress reports at mid-year and year-end (for each fiscal year and multi-year projects) including updated budget;
- Financial reports outlining eligible expenditures incurred with every claim for payment;

- Reports against performance measures established in the Contribution Agreement at mid-year and year-end; and
- A final narrative report of results when the project is complete that describes how the project has contributed to the achievement of the objectives, the benefits and the key performance indicators established in the agreement.

Regular communication between CWFC and recipients will be implemented to monitor progress.

## 7. Submission Deadline and Process Timeline

- The deadline for submission is **Friday, September 22, 2023, at 11:59 PM (PDT)**. Late submissions will be rejected, and only complete submissions will be accepted.
- Initial eligibility assessment and acknowledgment of receipt: We will acknowledge receipt of an application and/or a proposal within five business days of the date received by the Department, 95% of the time.
- Funding decisions will be communicated by November 3, 2023.

The above schedule is subject to change. Any changes will be communicated via the [FIP](#) and [CWFC](#) website.

All required content must be provided through CWFC's mailbox at [fibrecentre@nrcan-rncan.gc.ca](mailto:fibrecentre@nrcan-rncan.gc.ca) by the deadline.

Applicants being given further consideration will be contacted for negotiation of funding and drafting of a Contribution Agreement.

**Note: prior to the signing of the Contribution Agreement, any costs incurred by the recipient will be taken at their own risk until the CWFC determines if these costs are eligible expenditures subject to the parameters specified in the Contribution Agreement. Any expenditures deemed ineligible upon signing of the agreement would not be eligible for reimbursement.**

In the administration of funding contributions under the FIP, NRCan is committed to the following service standards:

- Reviewing applications and informing applicants of funding decisions within 40 business days after application deadline;
- Sending a Contribution Agreement to applicant for signature within 60 business days of advising applicants of funding decisions;
- Having signed amendments in place within 60 calendar days of receiving an acceptable request;
- Issuing payments within 30 calendar days of receiving a complete invoice and required reports.

Please direct all applications and questions to the [CWFC's mailbox](#).

## 8. Recipient audit

NRCan may be requested to undertake a financial audit of eligible expenditures incurred by a recipient. As a result, recipients will be **required to keep all financial records regarding any funded project for a minimum of three years after the project completion date.**

## **Annex I: Questions and Answers**

### **a. What are the intellectual property considerations?**

All intellectual property that arises in the course of the project shall vest in or be licensed to the recipient. The recipient will grant Canada a non-exclusive, irrevocable, world-wide royalty-free license in perpetuity to use the data and information contained in reports and modify such reports and documents for non-commercial government purposes.

### **b. Are there environmental assessment considerations?**

As applicable, projects under the FIP will be assessed as per the [Canadian Environmental Assessment Act](#) and other applicable legislation prior to funding being released to a proponent.

### **c. Are there Indigenous consultations?**

NRCan will undertake Indigenous consultations for projects under the FIP as needed on a case-by-case basis. In determining the need to undertake Indigenous consultations for a project, NRCan will consider both the duty to consult as well as good governance practices and will do so based on available Departmental and Federal guidance, and in consultation with departmental advisors and legal services. Any Indigenous consultations required for a particular project will be completed prior to funding being released to a proponent.

### **d. What if I have other questions?**

Please contact us at [fibrecentre@nrcan-rncan.gc.ca](mailto:fibrecentre@nrcan-rncan.gc.ca) if you have additional questions.