



ENABLING TRANSFORMATIONAL
INNOVATION

In-Market Grant Programme Guidelines

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Purpose

These guidelines are intended to provide assistance to any Applicant wishing to apply for a grant under the AGMARDT In-Market Grants programme.

Objective of the Programme

The objective of this programme is to encourage New Zealand agribusinesses to integrate with customers in the marketplace.

The future of New Zealand agribusiness needs to be based on companies being forward-integrated into customer markets. In-Market Grants are designed to support businesses and industry groups to gain a deeper understanding of their markets and identify and exploit potential opportunities.

AGMARDT In-Market Grants provide an opportunity for any successful Applicants to:

- Gain greater knowledge and understanding of the marketplace;
- Develop deeper relationships with their customers;
- Successfully integrate into key markets; and
- Undertake market research and development.

Selection Process

All applications will be considered by the AGMARDT Board of Trustees and their advisors.

Eligible Applicants

To be eligible for consideration by AGMARDT for funding, Applicants must:

- be one or more businesses, or a representative of an established industry group, operating in the New Zealand agricultural, horticultural or forestry sectors;
- clearly demonstrate how the project will assist them to integrate with customers in the marketplace;
- identify what difference AGMARDT's funding would make to the project (ie likelihood of the project proceeding or proceeding more quickly);
- demonstrate to AGMARDT's satisfaction that the Applicant has the capability and financial resources to support the project throughout its planned time and beyond;
- be committed to retain the value and benefits arising from the project within New Zealand; and
- present a Project Management Plan (Section 8 of the Application Form) which demonstrates to AGMARDT's satisfaction that AGMARDT's investment in the project would be worthwhile.

Eligible Projects

AGMARDT In-Market Grants are eligible for consideration by AGMARDT for projects in the following areas:

1. Market research and market development plans: AGMARDT will consider providing funding assistance for businesses, or established industry groups, to complete market research and market development plans when exploring potential markets. Support for such activities may be provided in collaboration with other agencies (e.g. NZTE).
2. Encourage commercial or industry collaboration: AGMARDT will consider providing funding for businesses or industry groups to enable them to explore the prospect of developing collaborative relationships that are beneficial to the agribusiness community in New Zealand.
3. Executive immersion in the marketplace: AGMARDT will consider providing funding assistance to businesses or established industry group, to place talented individuals in the marketplace for 6-12 months. This would be a shared funding arrangement with the individual or entity concerned. The AGMARDT In-Market Immersion Programme is an extension of this In-Market Grant Programme

Ineligible Activities

The following is a guide to the activities that are not eligible for consideration for funding as part of the In-Market grant funding:

- 'business as usual' expenses, including:
 - overheads incurred in the course of your normal business;
 - activities that are already happening in your business;
 - capital expenditure, such as spending on machinery, equipment, stock, software, and so on;
 - expenses your business would incur anyway if you did not get funding under this programme.
- Costs that are not in cash, including:
 - contra, transfer, and internal invoices and payments; and
 - barter or in-kind payments or contributions.
- Services supplied by anyone with a personal or financial interest (whether direct or indirect) in the project, such as any immediate family of the Applicant or shareholders of an Applicant company, unless otherwise agreed by the AGMARDT Board of Trustees.
- Duplication of funding assistance, or potentially support by other agencies (e.g. NZTE), unless expressly agreed to by the AGMARDT Board of Trustees. The Applicant acknowledges that it must disclose to AGMARDT all such third party funding (both when applied for and, if appropriate, when such funding is granted).
- Entertainment or personal costs that are not directly related to, and solely concern, the project.
- Costs your business incurred before the project begins or after the project has ended.
- Web-based product/services are regarded as normal capital expenditure.
- Duplication of work proposed in the project (i.e. the same project has recently been completed by the Applicant or another party).

The Trustees reserve the right to exclude other costs if they believe appropriate.

Grant Funding Levels

AGMARDT In-Market grants are available up to **\$400,000 (inclusive of GST)**. There is a requirement that successful Applicants will provide matching cash funding on a dollar for dollar basis.

The AGMARDT In-Market Immersion programme will provide **up to five** individual In-Market internships per year to the value of up to **\$50,000 (Inc. GST)**, for each internship awarded. There is a requirement that successful Agribusiness applicants will provide, as a minimum, matching cash funding on a dollar for dollar basis (i.e. 50% of total annual costs of placement).

The Trustees reserve the right to allocate smaller amounts than originally requested by the Applicant.

Please be aware that AGMARDT is a "public authority" as defined in Section 2 of the Goods and Services Tax Act, and is therefore an "instrument of the Crown". Under the Act [Section 5 (6D)] any grants allocated by a public authority are deemed to be GST inclusive and received in the course of the recipient's taxable activity.

Application Form

Project Performance Measures (Section 4)

To effectively gauge the "success" of the proposed project, the Trustees require the applicant to provide **three** (minimum) to a maximum of **five** (recommended) key performance objectives or activities that can be measured against a targeted outcome (KPI).

These will relate directly to the project goals, as itemised in section 3.3 of the application form and will be reported on by the applicant in the Final Report only.

Examples of typical (but not exclusive) KPI's for an In-Market grant:

- Market penetration, market share and/or sales volumes;
- In-market contacts and relationships formed;
- Trade shows, sales presentations attended;
- Number of companies engaged, new commercial partnerships formed and/ or new contracts signed;
- Growth of quantity and/or \$ value products exported;
- Number of new employees;
- Brand recognition;
- Social media / online / web statistical achievements.

The Trustees reserve the right to amend or add KPI's to provide a more effective measure if appropriate.

Project Budget (Section 5)

The proposed budget for the project must clearly detail all expenditure items;

- Any and all non-arm's length payments must be separately identified in the project budget;
- Non-cash items must not be included; and
- Costs incurred prior to, or loading up after project has ended, are not eligible and therefore must be excluded from the project budget.

Milestone Table (Section 6)

Describe the major stages or milestone of the project showing the planned completion date for each and the planned achievement criteria for verifying that the milestones have been reached. Progress payments are made in accordance with the milestone table.

The progress payments should be spread over the duration of the project in line with costs incurred and the satisfactory achievement (at AGMARDT's discretion) of the Milestones listed. For administrative efficiency we require progress claims & reporting to be submitted quarterly unless otherwise agreed with AGMARDT.

The amount of the final progress payment **must be at least 25%** of the total grant and will be made following approval by AGMARDT, in its absolute discretion, of the Final Report (see section on reporting below).

If the actual total costs for whole project comes to less than the maximum amount of the grant, the final claim must be adjusted as AGMARDT will only reimburse actual expenditure incurred.

The final claim must therefore be supported by a full analysis of all costs for the project, as compared to the original budget, and the successful Applicant must respond promptly to any queries that AGMARDT might have when considering the Final Report and accompanying costs analysis.

Payments

The Applicant must have its own bank account with duly authorised signatories. Payments will be made in the name of the successful Applicant.

All payments must be applied solely and exclusively for the project AGMARDT has funded. All progress payments are made 20th of the following month.

It is a requirement that all final reports are approved at the next Trustees meeting. It is important to note that your final payment will be withheld until this meeting occurs.

Each claim for payment must be accompanied by:

- A GST Inclusive **Invoice**
- AGMARDT Claim Certificate to be signed by the Project Manager and Financial Officer to confirm the expenditure is in accordance with the approved budget;

- Detailed expenditure items need to be identified, with copies of invoices exceeding \$1,000 (excl.GST) to be attached;
- A progress or final report (see section on Reporting below for more details)

Referees (Section 8)

The Applicant must provide contact details from two referees. The referees must be independent.

Project Management (Section 9.1)

The Project Manager for the project must be different from the Applicant's Financial Officer and the Applicant's Financial Officer must be part of, and remain directly involved in, the management structure for the project.

Project Governance (Section 9.2)

Projects over \$100,000

For projects with anticipated aggregate expenditure of **over \$100,000**, successful Applicants must implement, and must maintain for the duration of the project, a formal structure to provide oversight of the processes in place that are consistent with good governance for the project, including:

- Providing oversight of the management of the project;
- Assessing the outcomes against the Project Management Plan (section 3.7 of the Application Form) and Milestones (section 6 of the Application Form) to ensure that these have been satisfactorily completed;
- Monitoring and signing off the finances of the project against the approved budget;
- Providing direction during the project if need be; and
- Considering the next stages of the project after AGMARDT's involvement ends.

Should a Governance Board/Group be established for the project, this Board/Group is to meet at least three times per annum over the duration of the project. The Final Report will also need to have been signed off by the Governance Board/Group before being presented to the AGMARDT Board of Trustees.

Projects under \$100,000

For projects with anticipated aggregate expenditure **under \$100,000**, the successful Applicant must implement, and must maintain for the duration of the project, appropriate processes in place to critically assess:

- The project outcomes against the Project Management Plan (section 9 of the Application Form) and Milestones (section 6 of the Application Form); and
- The financial performance of the project against approved budget.

Successful Applicants will need to be able to demonstrate that they have established and maintained good processes throughout the life of the project as they may be subject to independent audit by an auditor of AGMARDT's choosing.

Reporting

Successful Applicants must comply with all of the reporting requirements, which are set out in the Funding Agreement. The AGMARDT Board of Trustees view all reports provided by successful Applicants. Please ensure the reports are understandable to a layperson. A highly technical report is acceptable for specialist review but it must be accompanied by a concise summary of the project's outcomes.

Progress Report

Progress Reports are required when payment claims are submitted (recommended quarterly). Progress against Milestones and the budget for the project needs to be reported.

The progress payments should be spread over the duration of the project in line with costs incurred and the satisfactory achievement (at AGMARDT's discretion) of the Milestones listed. For administrative efficiency we require progress claims & reporting to be submitted quarterly unless otherwise agreed with AGMRDT.

Go to the Resources tab on the website <http://applications.agmardt.org.nz/> for reporting templates.

Final Report

The purpose of the final report is to:

- bring together the results of the project reported against the original objectives of the project.
- summaries the objectives against the KPIs
- demonstrate the benefits to NZ
- provide information about the future of the project

Please note that all final reports are made publically available on the AGMARDT website.

If your report contains commercially sensitive information please discuss with AGMARDT and supply a summary report which can be made publicly available.

The final report must;

- Include an executive summary;
- Link the objectives and goals of the project to outcomes achieved (3 pages);
- Detail results achieved against the Milestones set out in the original application;
- Report using the template provided, on the Key Performance Measures (KPI's) as recorded in the grant application;
- Report on the "next steps" or "future aspirations" resulting from the success of this project, for the next 6 to 12 months and beyond?
- Report on how the project enabled the successful Applicant to develop a deeper understanding of their market(s) and how they identified and exploited potential opportunities to integrate closer with their customer(s) (2 pages);
- Identify all additional achievements and/or provide additional comment;
- A summary of total income and expenditure of the project compared with the original budget; and
- A separate summary Final Report must be provided to AGMARDT for use on the website or for **media release** (1 page). Go to the Resources tab on the website <http://applications.agmardt.org.nz/> for templates.

General

Dissemination/Commercial Sensitivity

As a not-for-profit charitable trust, AGMARDT makes the information arising from its grants publically available, and reserves the right to do so in the instance of all projects in respect of which In-Market Grants are provided.

Unless otherwise agreed to by AGMARDT, the applicant will provide a final report using the template(s) supplied, which will be loaded on the AGMARDT website.

Should the project be, in AGMARDT's view, commercially sensitive, AGMARDT and the successful Applicant will discuss and agree on the information to be made publically available having regard to AGMARDT's policy obligations.

Successful Applicants must not make any public statement or issue any press release or other publicity relating to this Funding Agreement, without the prior written approval of AGMARDT as to the form and content of such statement.

Change of Key Personnel

The successful Applicant must inform AGMARDT of any change in key personnel working on the project.

Confidentiality

Advisors' and referees' comments are confidential to AGMARDT.

Declined Applications

It is AGMARDT's policy not to provide reasons why applications are declined.

Funding Agreement

A successful Applicant will be asked to sign/complete a Funding Agreement which sets out the terms of the grant.

Grant Withdrawals

A grant may be withdrawn in certain circumstances at the sole discretion of the Trustees.

Independent Audit

For financial performance and management of the project, the Trustees reserve the right to ask for an independent audit by an auditor of AGMARDT's choosing. The Trustees may, through AGMARDT's advisors, or if required AGMARDT appointed specialists, undertake a review of the work in progress and eventual outcomes.

Intellectual Property

AGMARDT does not normally take ownership and/or management of intellectual property. However, AGMARDT may seek to agree specific arrangements concerning intellectual property on a case-by-case basis and, if it does this, they will be dealt with in the Funding Agreement to be entered into between the parties.