

## **MTAP 2 Program Terms of Reference**

MTAP Phase 2 will be operated according to the MTAP Phase 1 operating procedures subject to modifications to accommodate the feature changes of the Phase 2 program.

MTAP Phase 2 funding (\$3.2 million) is to be allocated as outlined in the April 4, 2006 Strategy for a Meat Transition Assistance Program for British Columbia with the following changes:

1. The community solution and individual plant program components will be merged into a targeted region program.
2. A targeted region, in general, is one that does not have adequate custom slaughter capacity for all species within a reasonable distance and/or waiting time.
3. In general, and within the confines of the available funding, the maximum project funding levels under Phase 2 may be as high as \$150,000 on a 50/50 funding formula (\$300,000 total eligible expenditure).
4. Phase 2 funding will be provided only to abattoirs that provide custom kill services and provide a significant level of service relative to community needs.
5. Phase 2 funding may be used to expand the capacity of existing provincially licensed plants in under served areas.
6. Phase 2 funding will not be available to fund plants in original meat inspection areas of South Vancouver Island and the Fraser Valley.
7. Funds that come available under Phase 1 may be redirected by the MTAP Steering Committee to achieve program goals. From a fairness perspective, retroactive funding may be considered for plants approved under Phase 1, but not if a retroactive distribution risks achieving program goals and only if those plants identified to receive retroactive funds provide significant custom kill service. Retroactive funding is limited to a maximum of \$150,000 in total funds from all phases of the MTAP program, on a 50/50 funding formula basis.
8. For mobile plant projects a reasonable number of docking stations per mobile unit may be funded under Phase 2 as a separately funded project. Funding will only be provided where docking stations are widely dispersed to serve the broader community. Phase 2 will not fund docking stations within a 1 hour drive of another docking station or an existing licensed plant that processes the same species.
9. While funding for business services is available, Phase 1 and 2 are primarily capital assistance programs. Phase 1 and Phase 2 funds may be used for business plans on a cost shared basis. A project may apply for advance funding to a maximum of \$5,000 (\$10,000 expenditure) where advance work is warranted in the opinion of the Steering Committee by the nature of the project. Normal business services required to successfully operate a plant will be considered to be eligible costs under Phase 2 of the program.
10. Advance payments will be permitted under Phase 1 and Phase 2 only where risks to successful completion are minimal and on a stepped schedule that requires 50% operator investment prior to advance payments being given.

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11. Loan guarantees are not explicitly fundable under Phase 1 or Phase 2, but may be considered under exceptional circumstances following discussion at the MTAP Steering Committee with ex-officio support.
12. Other than the exceptions noted above, residual funds and eligible expenses remain as per the April 4, 2006 agreement.
13. Changes to the Strategy must have the support of ex-officios.