

# Ministry of Economic Development, Job Creation and Trade

## Ontario Automotive Modernization Program: O-AMP

### Applicant Guide

#### 1. Purpose of O-AMP

The Ontario Automotive Modernization Program (O-AMP) will support small- and medium- sized companies in the automotive sector to improve their operational efficiency and competitiveness and/or expand their product offering through the adoption of Industry 4.0 related technologies, tools and technologies that support new product development and/or Lean Manufacturing processes. O-AMP is delivered by the Government of Ontario's Ministry of Economic Development, Job Creation and Trade (Ministry).

You can apply for up to \$150,000 to support a project with activities in at least one of the following categories:

##### A. Technology Adoption for Process Efficiency

O-AMP will provide support to eligible industry projects to adopt advanced manufacturing hardware, software and/or training to improve processes and enhance competitiveness, such as Enterprise Resource Planning (ERP) systems, production tracking systems and advanced hardware implementation.

##### B. Tools and Technologies to Support New Product Development

O-AMP will provide support to eligible projects to adopt technology and tools to assist with the engineering and design of new products such as Computer-Aided Design & Computer-Aided Manufacturing (CAD/CAM) systems, Finite Element Analysis (FEA) software, Design for Manufacturing (DFM) tools, rapid-prototyping tools, or other tools to support the New Product Introduction (NPI) process.

##### C. Lean Manufacturing

O-AMP will provide support to eligible industry projects to improve operational efficiency and competitiveness through the adoption of techniques related to Lean or Lean Manufacturing, and by procuring the services of an external mentor/consultant to assist with Lean implementation.

The mentor/consultants must be automotive industry experts with background and expertise in Lean Manufacturing process efficiency. The mentor/consultants will assist suppliers with specific business development needs. They will be identified through collaboration between the applicant company and the Automotive Parts Manufacturers' Association (APMA) or proposed by the company through the application and based on program guidelines and

project outcomes. The services provided by the mentor/consultants will qualify as an eligible expense for approved projects.

## 2. Program Objectives

- Increase suppliers' ability to deliver shorter design cycle times so they can be more responsive to market changes and business opportunities with auto assemblers.
- Encourage the adoption of new technology – software and hardware – that increases efficiency and decreases costs.
- Support the development of new tools and technologies to innovate a product line and/or modernize the process.
- Increase capabilities at small- and medium- sized suppliers to enhance their ability to compete in the global marketplace.
- Help suppliers identify and solve manufacturing problems, such as production bottlenecks and other inefficiencies.
- Contribute to the development of capable, qualified, and innovative suppliers that will be able to support auto assemblers in Ontario to remain competitive.

## 3. Eligibility

Check the following criteria to determine if the company may be eligible to apply to O-AMP.

### Eligible Companies:

- Small- and medium- sized Ontario-based enterprises (firms with fewer than 500 employees in Ontario AND consolidated global revenues (e.g., sales) in its most recently completed fiscal year of less than \$1 billion). At least 50 per cent of the company's total sales revenue must come from the automotive sector.
- Companies must also have a CRA Business Number (BN).

### Must be:

- In the automotive supply chain to Original Equipment Manufacturers (OEMs) of passenger and commercial vehicles. Aftermarket parts industry is not eligible.
- A for-profit legal entity or limited partnership duly registered to carry on business in Ontario.
- an owner or lessee in actual possession of a manufacturing facility in Ontario that will be the location of the proposed project by the time the project start date.
- Provide a minimum of two (2) consecutive years of financial statements (auditor or accountant reviewed).
- Compliant with all applicable laws.
- Free and clear of any fees, levies, charges, or taxes owed to His Majesty the King in right of Ontario or any of his agencies.
- Compliant with the *Accessibility for Ontarians with Disabilities Act, 2005*, S.O. 2005, c. 11.

**Additional Conditions:**

- Stacking with other provincial programs is not permitted. Total funding from any federal sources plus O-AMP for this project must not exceed 50% of the total Eligible Project Costs. A company that is currently receiving funding from another provincial program for an unrelated project is eligible to apply for O-AMP funding, provided the O-AMP project is distinct and separate.
- If a company has a previous O-AMP project, the project must have been successfully completed by the intake deadline (see program website for intake deadline date) before the company is eligible to re-apply.

***Note: O-AMP is a discretionary, non-entitlement program. Even if an applicant meets all of the program objectives and eligibility criteria, the Government of Ontario is under no obligation to approve funding for your proposed project.***

***For questions concerning eligibility requirements or other criteria, kindly consider contacting a Ministry Senior Business Advisor in your region to obtain information or clarification prior to submitting an application (please refer to Section 12 below for contact information).***

## 4. Eligible Projects

Eligible projects must focus on either one or a combination of the following elements:

1. Advancing hardware, software and/or training to improve processes and competitiveness, production cycle management and capabilities.  
and / or
2. Adopting technologies to assist with the design, engineering, or manufacturing of new products.  
and / or
3. Operational efficiency and competitiveness improvements through the adoption of Lean Manufacturing practices. Adoption of advanced technology may be part of the overall project scope.

Eligible projects must also:

1. Be achievable (i.e., applicants must demonstrate that they possess the necessary financing, project management structure, skills and experience to implement the project);
2. Demonstrate that project outcomes align with O-AMP objectives of advancing economic gains, business improvements and operational improvements (e.g., cost savings, increase in revenue, and contributions to regional and/or automotive sector development); and
3. Be no more than two years in duration.

## 5. What Project Costs Are Eligible for Funding?

Only Eligible Project Costs may be claimed for reimbursement by a successful applicant.

Please refer to the [Eligible Project Costs Guidelines for O-AMP](#) for full details of the expenses that may be claimed as Eligible Project Costs.

Note: Successful applicants may begin to incur Eligible Project Costs only after the program staff have notified an applicant of the approval of their proposed project. The notification letter will include information on the date from which a successful applicant may begin to incur Eligible Project Costs.

## 6. Application and Evaluation Process

In preparing an application, companies may consider contacting either the Automotive Parts Manufacturers' Association (APMA) ([o-amp@apma.ca](mailto:o-amp@apma.ca)) or Ministry's Business Advisors (please refer to Section 12 below for contact details) for assistance in developing their applications. Applicants are under no obligation to contact the APMA or the Business Advisors, and consultations will not affect the evaluation of applications.

Applications to the program must be submitted through the Transfer Payment Ontario (TPON) platform (refer to Section 10 below). To submit an application to TPON, please include all of the following (only PDF format will be accepted):

- Completed TPON Application Form signed by an individual with the authority to bind the company.
- Copy of Articles of Incorporation or Limited Partnership Agreement.
- The company's Financial Statements (balance sheets, income statements, and cash flow statements) (must be submitted as two separate documents, from the previous two consecutive fiscal years, and must be audited or accountant reviewed).
- Quotes from contractors/vendors for eligible cost items.
- Letter of financial attestation from the signing authority of the company (CEO, CFO, etc.) indicating that the company has the financial resources in place to complete the project. The letter must indicate the funding amount that the company will contribute to the project.
- Project team member resumes.

Only completed applications that are submitted on or before the application period's closing date will be assessed. Applications should be as detailed as possible as its assessment will be based on the information provided in the application.

### Tax Compliance Verification:

- Provide the Ontario Tax Compliance Verification (TCV) number in the application form. To generate a TCV number, please click here: <https://www.ontario.ca/page/check-your-tax-compliance-status>.
- If the company is approved for funding, a Ontario TCV certificate will be required before any funds are disbursed. The Ministry requires the certificate to ensure that the company is compliant federally and provincially with its tax obligations.

***Note: Working with an external firm (i.e., mentor or consultants) for the purposes of preparing an application has no bearing on whether an application will be successful. Applications may only be submitted by the prospective recipients – any applications submitted by a third party on behalf of an applicant will not be considered. Any costs associated with the use of a consultant for preparing an application are NOT Eligible Project Costs under O-AMP. The primary contact on the application form must be an employee of the applicant company.***

**All applications must be submitted by the deadline outlined on the TPON website.**

### **Evaluation Criteria**

Applications are evaluated on their completeness, clarity, the feasibility of the project being proposed and its alignment with the goals and objectives of O-AMP. For all projects, funding decisions are at the Ministry's sole discretion.

- **Smaller projects (up to \$50,000 of O-AMP funding)**

Following the submission deadline, applications will be assessed by a Review Committee comprising an external domain expert and Ministry reviewer(s). Reviewers will assess and score projects and make funding recommendations.

The Review Committee may at its sole discretion request presentations and/or site visits from an applicant to assist with the review of their project proposal.

- **Larger projects (\$50,000 to \$150,000 of O-AMP funding)**

Following the submission deadline, applications for larger projects may undergo a two-stage review process:

- The Review Committee will assess the project.
- Applicants whose proposals meet the objectives of O-AMP may be invited to deliver an in person or virtual presentation to the Review Committee. The Ministry may also request to visit the project site, particularly if the project has a Lean Manufacturing component.

The Review Committee will make funding recommendations based on the results of both review stages.

## 7. Key Funding Conditions

- O-AMP will fund up to \$150,000 of Eligible Project Costs for approved projects.
- No disbursements will be made until the funding agreement has been signed and the recipient has satisfied the following conditions to the satisfaction of Ontario:
  - Evidence of Project Financing
  - Proof of Insurance
  - Compliance with the following Ministries:
    - Ministry of Seniors and Accessibility (MSAA): Accessibility for Ontarians with Disabilities Act, 2005.
    - Ministry of Labour, Immigration, Training, and Skills Development (MLITSD)
    - Ministry of the Environment, Conservation and Parks (MECP).
    - Ministry of Finance (MOF): Tax Compliance Certificate
  - Supplier Registration Form
- For previously successful O-AMP recipients, all reporting requirements related to the previously funded project(s) must have been received by the Ministry.
- Other conditions may need to be met before disbursements are made. Insurance is not an eligible project cost and will not count towards the final project value.
- Successful applicants are expected to contribute at least 50 per cent to Eligible Project Costs from their internal resources or through private/bank financing.

## 8. Funding Agreements

- Each successful applicant will be required to enter into a funding agreement with His Majesty the King in right of Ontario on terms and conditions satisfactory to the Ministry.
- Once funding agreements are executed and come into effect, successful applicants are obligated to report on specific milestones and performance measures that will be outlined in the funding agreement. Performance measures and milestones provide indications on the progress of the project and the achievement of commitments defined in its funding agreement.
- Funding agreements will include provisions requiring funds to be repaid if performance measures and/or other terms and conditions of the funding agreement are not met.
- Ministry funding agreements require written assurance that the contracting organization is compliant with all applicable laws, including accessibility legislation. Any company that submits an application and has outstanding compliance issues, their application will not be considered complete. Outstanding compliance issues must be resolved before the company is eligible to apply to the program.

Note: The scope of the project cannot be significantly altered after companies have presented their proposed projects to the Review Committee. In particular, total Eligible Project Costs may not be reduced by more than 10% of the original project cost prior to execution of a funding agreement with the Ministry. A reduction of more than 10% of the original Eligible Project Costs will lead to an application being reassessed and/or deemed ineligible for funding.

## 9. Project Reporting and Claims for Eligible Expense Requirements

### Interim Progress Report(s)

Interim report(s), including progress of project, proof of expenditures, and a request for disbursement shall be submitted halfway through the project.

### Final Report

A final report including results of the project, achievement of key performance metrics, proof of expenditures, financial attestations, job status, and a request for disbursement will be required upon project completion. A successful applicant must submit its final report within thirty (30) days of project completion to be reimbursed for expenses incurred for Eligible Project Costs.

### Eligible Expense Claims for Interim Progress and Final Results Report(s)

Detailed reporting instructions will be sent to successful applicants at the time of contracting.

The Interim Progress Report(s) and a Final Report must be received and approved by the Ministry prior to the release of funds for eligible project expenditures.

***Note: Successful applicants MUST retain all proof of purchases, paid invoices, receipts, and other relevant documentation related to expenses incurred for Eligible Project Costs. These should be included in the Interim Progress Report(s) and Final Report. Companies must maintain all financial records (including original invoices of any items that have been purchased for the project and receipts or other evidence of payment for these items) for a period of seven (7) years from their creation.***

## 10. How to Apply -Transfer Payment Ontario (TPON)

TPON is the source for grants provided by a number of Government of Ontario ministries. TPON provides a one-window access to information about grants that are available to companies, how to apply for grants and how to check the status of an application: [Ontario.ca/GetFunding](https://Ontario.ca/GetFunding)

**To apply for O-AMP funding, companies must first register with TPON.**

To register:



1. Create a ONE-key account and ID. ONE-key is used for secure access to the Government of Ontario system. It is strongly recommended that Account Recovery information is created during this process in case of forgotten log-in information. Administrators are not able to retrieve ONE-key IDs.
2. Register the company on TPON. The following items are required for registration: Canada Revenue Agency Business Number (CRA BN), Legal Name, Operating Name, and information on at least two contacts within the organization. Note: TPON could take up to 5 business days to process the request but is typically faster.
3. As soon as the company is registered, a “Funding Opportunities” button will appear. From here companies can apply for O-AMP funding and manage applications. Please ensure applications are submitted during a time when the specific program is open for applications (details are available on the website for each program).

## 11. Confidentiality and Public Reporting

### ***Freedom of Information and Protection of Privacy Act:***

The Government of Ontario (Ontario) is bound by the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. F.31 (FIPPA). Any information provided directly or indirectly to Ontario, including to the Ministry of Economic Development, Job Creation and Trade, may be subject to disclosure in accordance with FIPPA.

### **Projects funded by O-AMP may be publicly announced:**

Ministries must publicly report annually on the status of business support programs and strategic investments, including project descriptions and project investment commitments, amount of government support, and results achieved to date.

## 12. Contact Information

Applicants have the option to contact the Automotive Parts Manufacturers’ Association (APMA) for assistance in developing and strengthening applications at [o-amp@apma.ca](mailto:o-amp@apma.ca).

Applicants may also seek assistance from the Ministry’s Senior Business Advisors to develop and strengthen an application. Contact information can be found below:

Business Advisory Services - Southwestern Region Main Office

- [westernregionbas@ontario.ca](mailto:westernregionbas@ontario.ca)
- Toll-free: 1-800-267-6592 ext. 224



Business Advisory Services - Central Region Main Office

- [centralregionbas@ontario.ca](mailto:centralregionbas@ontario.ca)
- Toll-free: 1-800-267-6592 ext. 224

Business Advisory Services – Eastern Region Main Office

- [easternregionbas@ontario.ca](mailto:easternregionbas@ontario.ca)
- Toll-free: 1-800-267-6592 ext. 224

For inquiries specifically related to **navigating the online application system**, please contact TPON Client Care, Monday to Friday from 8:30 a.m. to 5:00 p.m. Eastern Standard Time at 416-325-6691 or 1-855-216-3090, or at [TPONCC@ontario.ca](mailto:TPONCC@ontario.ca).

For general inquiries and questions specifically related to contracting and funding claims, please contact the O-AMP delivery team at [o-amp@ontario.ca](mailto:o-amp@ontario.ca).