Indigenous Economic Development Fund

Economic Diversification Grant

Application Guide

2027-28

Ontario

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WHAT YOU NEED TO KNOW BEFORE YOU APPLY

Before completing the 2027-28 Indigenous Economic Development Fund's **Economic Diversification Grant (EDG)** application in Transfer Payment Ontario, please read the entire Application Guide.

Purpose of the Guide

This guide provides information on the EDG for applicants and funding recipients.

This Application Guide is valid for the 2027-28 fiscal year. Updates to this guide may be released during this period and will be made available on https://www.ontario.ca/page/funding-indigenous-economic-development. Any updates will be communicated in writing within three (3) business days to funding recipients.

The guide describes the application process as well as project management requirements of the EDG and provides specific information on eligibility criteria and eligible activities.

All applications will be assessed, evaluated and approved using requirements outlined in this application guide.

EDG Overview

The EDG supports strategic economic planning to assist Indigenous communities in Ontario to expand their economic base and explore opportunities for job creation. Projects are approved through a competitive process.

Applicant Eligibility

You may apply to the EDG if you are a:

- Political Territorial Organization (PTO) in Ontario;
- Tribal Council in Ontario;
- First Nation community in Ontario;
- Métis community in Ontario; or,
- A regional or provincial organization representing First Nation, Metis, Inuit or urban Indigenous peoples or an Indigenous service provider.

In addition to the above, to be eligible to receive IEDF funding, an Applicant must meet all of the following criteria:

1. Be a legal entity (e.g., established by or under legislation; federally or provincially incorporated; First Nation in the province of Ontario).
2. Hold governance structures and accountability processes to properly

administer and manage public funds and to provide the services for which transfer payments are made. The following should be considered as part of the eligibility criteria:
   a. Expertise and experience necessary to conduct/carry out its responsibilities in compliance with Ministry requirements;
   b. Appropriate governance and control structure in place (e.g., Board of Directors, Chief and Council, Membership Processes, Annual Report, etc.);
   c. Reliable and up-to-date financial reporting;
   d. Establishment of a Canadian bank account; and
   e. Use funds for activities taking place in Ontario and benefiting Indigenous peoples.
3. Not be in default of the terms and conditions of any grant or loan agreement (i.e., reports due or surplus owed) with any ministry or agency of the Government of Ontario.
4. If the primary Applicant is a business, the business must be at least 50.1% Indigenous owned.
5. Relevant funding history disclosure: applicants/entities may be required to provide information on their funding history, including funding received from federal, provincial/territorial, municipal, and other public-sector sources, upon request. The following information regarding past funding will be required:
   a. level of government (federal, provincial)
   b. specific ministry and department/division
   c. grant reference number
   d. dates funding was received

Approved funding is contingent upon meeting the eligibility criteria. However, meeting eligibility criteria does not guarantee funding. Approved funding and entering into a Transfer Payment Agreement is at the discretion of the Government of Ontario.

PROGRAM DETAILS

Indigenous Economic Development Fund Objectives

The objectives of the IEDF are: (1) to support Indigenous economic development initiatives that contribute to economic growth, job creation (or retention) and skills training on a regional or province-wide scale.; (2) to improve access and participation of Indigenous people in accredited skills training programs leading to qualifications recognized by the Province of Ontario.

The EDG is one of three grants under the IEDF umbrella. For more information on other IEDF grants please reach out to EDG@ontario.ca.

EDG Objectives

The EDG supports eligible applicants to identify economic development opportunities and related planning activities, contributing to economic growth and benefits for Indigenous communities in Ontario. Projects are approved through a competitive review process.

The Ministry will review only one application per applicant.

Funding Amounts

Maximum funding of $100,000 per fiscal year is available for individual applicants. Successful applicants will only be approved for one grant per fiscal year. Applications may be submitted for single year funding or two-year funding.

Eligible Activities

Projects must be related to the development or implementation of an economic development or diversification plan and contribute to new economic activity.

Funds may be used for:

- Economic development planning activities, including priority setting, economic planning, business planning and leakage strategies;
- Staff should have sector-specific knowledge/expertise to support a community in implementing economic plans (ex: tourism, forestry, mining, etc.). Roles funded solely for general staffing without a project plan are ineligible
- The development of community or regional plans that contribute to economic diversification (i.e. facilitate economic activity in a variety of sectors, some of which are new and/or emerging);
- The development of marketing and investment strategies to attract new external investment and/or access new markets with the aim of benefiting local economies and communities;
- Activities relating to planned economic project(s), including feasibility studies; and,
- Workforce planning initiatives to support local development requirements, including assessment of community assets and strengths.

Eligible Expenses

Costs that can be funded under the EDG include:

- Staff salary and mandatory employer related costs (MERCs) such as CPP, EI and WSIB directly related to the project;
- Activities aimed at building internal core capacity relating to economic development and planning;

- Community engagement on an internal community economic development process, plan or strategy that contributes to economic diversification;
- Activities to build relationships and partnerships that support economic development activities in a variety of sectors;
- Community outreach for activities such as community meetings, presentations and workshops related to the project;
- The purchase (to a maximum of $5,000.00) of eligible office computer and equipment, software updates, and equipment repairs, to support funded positions;
- Travel and accommodation expenses for activities directly related to the project;
- Professional fees, consultants and/or technicians for technical expertise relating to the project. Please note that it is expected that a community will be building their internal technical capacity. For this reason, large consultant fees within budgets are strongly discouraged. Applicants must provide strong justification for use of any consultant;
- Honoraria, payments to Elders for their attendance at a meeting/event or to individuals for their ceremonial participation at a meeting/event. This includes payments made to Elders for their specialized knowledge (e.g., on cultural sites, traditional knowledge);
- Administration costs directly related to the project. Eligible costs include: utilities; telephone/fax charges; network charges; postage/courier charges; photocopying charges; financial institution service fees; office supplies and the preparation of audited financial schedules. A maximum of 10% of the total budget (pre-administration) may be allotted to administration; and,
- Publicity requirements of the EDG, including for websites, promotional material and signage.

Ineligible Expenses

Costs that cannot be funded under the EDG include:

- Annual general meetings, budget deficits, membership fees, fundraising activities, committee and political meetings;
- Costs covered by other government or private funding;
- Costs not incurred in Ontario, including activities and travel that take place outside of Ontario;
- Costs outside the scope of the EDG or that are not related to economic development;
- Honoraria to individuals already salaried with the applicant and/or represented community;
- Stipends for project participants;
- Contingency or unexplained miscellaneous costs;

- Infrastructure or large capital expenses including the renovation, construction or transformation of permanent spaces, parks or grounds; furniture, fixtures or other non-portable equipment other than the purchase of eligible office equipment for staff funded by the EDG;
- Acquisition or leasing of motorized vehicles and other forms of transportation;
- Hospitality-related expenses;
- Costs associated with the development of an EDG proposal and/or application;
- Debt reduction costs;
- Litigation or other legal costs;
- Costs related to the Government of Ontario's consultation or engagement initiatives;
- Costs related to other provinces' consultation or engagement initiatives;
- Research undertaken for the purposes of pursuing land claims or litigation;
- Activities that could be deemed discriminatory, as defined by the Ontario Human Rights Code;
- Portion of harmonized sales tax (HST) costs that are refundable; and,
- Insurance fees necessary for the initiative, including Commercial General Liability Insurance.

Applicants are discouraged from incurring any costs for activities to be funded by the EDG until an application has been approved. Any expenses incurred prior to the agreed effective date or after the agreed end date in the Funding Agreement will be ineligible.

In-Kind Contributions

Eligible in-kind contributions (for the purpose of being calculated towards match funding) include the following:

- Donations of travel services (e.g., vehicles, airfare);
- Time donated by various relevant partners in the development and/or delivery of the project or for consulting and professional services required for the project. This must be valued at the individual's actual salary for the time spent on the project, and not any other value;
- Donation of applicant's premises to deliver the project on a pro-rated basis;
- Donation of space at a location other than the applicant's premises necessary for the applicant or another participant to conduct the project; and,
- Discounts greater than or above regularly discounted prices.

The following will not be considered as in-kind contributions:

- Donations in the form of knowledge, goodwill and other such intangibles;
- Guest speakers that would normally not be paid for services;
- Costs for roles that would traditionally be filled by volunteers;

- All remunerations and fees paid to the Board of Directors;
- Opportunity costs;
- Standard discounts;
- Interest charges; or,
- Any items or services not directly related to the project.

Ontario reserves the right to determine the eligibility or non-eligibility of any proposed in-kind contributions.

Match Funding

Applicants should identify any match funding leveraged (planned or actual) from other provincial, national or local public funders and/or private funders that would complement EDG funding. Evidence should be provided for any actual match funding identified in the form of official correspondence between the funder and the applicant, such as a letter of approval or commitment.

Demonstrated Need

Applicants must show how a proposed project would not proceed and/or achieve its desired outcomes without support from the EDG. Applicants should provide information on other sources of funding that will be used to support the project as a part of the application.

NOTE: Approved funding is contingent upon meeting the eligibility criteria. However, meeting eligibility criteria does not guarantee funding. Approved funding and entering into a Transfer Payment Agreement is at the discretion of the Government of Ontario

APPLICATION DETAILS

The following section outlines information to include in an EDG application. Application information provided must be consistent with the requirements outlined in the Program Details section of this guide. Information on how a proposed project meets EDG requirements must be included in the business case, application details and business plan.

Project Information

Proposed deliverables must be consistent with and contribute to the objectives of the EDG.

The application should show how the proposed project will improve long term planning and/or diversify the local economy, including new skills, businesses and economic activity.

The application must provide information on the location of the project, anticipated jobs and businesses to be created and economic sectors that may be supported. It should also outline, where applicable, any links to other government supports or initiatives where the EDG would add value or increase the impact of existing government support. The proposal must demonstrate the applicant has the capacity to implement the proposed project.

Where applicable, the application should provide information on links to existing economic development plans or strategies and existing or planned economic development projects or opportunities within the local area of the proposed project. Applications involving skills and training should indicate support from local employers to ensure that training is linked to existing or anticipated employment opportunities.

Business Case

Applicants must provide a business case outlining why EDG funding is required to successfully deliver the proposed project.

Demonstrated Need

Applicants must show how a proposed project would not proceed and/or achieve its desired outcomes without support from the EDG. Applicants should provide information on other sources of funding that will be used to support the project as a part of the application.

SUBMITTING AN APPLICATION

Required Documents Checklist

All EDG applications must include the “Required Documents” set out below. It is recommended that you gather these documents **in an electronic format** before beginning the Transfer Payment Ontario application process.

Information/Document Requirements for a Complete Submission
For all EDG applications:
Completed Application Form in Transfer Payment Ontario.
If the applicant is a First Nation, a Band Council Resolution in support of the application.
If the applicant is a Métis community, a resolution or motion in support of the application.

If the applicant is an Indigenous organization, a board motion in support of the application.
Letter of commitment or approval letters for match funding demonstrating that all remaining project costs will be covered by other funders, if applicable.
Letters of commitment or support from the delivery partner(s), if applicable.
For new Applicants only (i.e., Applicants without Ministry of Indigenous Affairs funding agreements within the past three years)
Complete and unabridged audited financial statements from the previous fiscal year.
Contact list(s) of the Executive Committee, Chief and Council or Board of Directors (as applicable) with portfolio information.
If the applicant is a corporation that has been incorporated for less than two years, a copy of the organization's by-laws, constitution and mandate; information on the governance structure; and information on the membership requirements.
If the applicant and/or delivery partner is a corporation, a copy of letters patent/certificate of incorporation.

APPLICATION EVALUATION

After the application form has been submitted and all required documents have been uploaded through the Transfer Payment Ontario Network, the Ministry will initiate the evaluation phase. The evaluation process for EDG funding has two stages.

Stage 1: Preliminary Assessment

A preliminary assessment will be undertaken by the Ministry to ensure each application is complete. This assessment will determine compliance and suitability with the program. The Ministry will confirm applicant and partner eligibility and undertake a risk assessment and financial review on applicants and partners, to confirm that they have the capacity to deliver and complete the proposed project.

The Ministry may request additional information if an application is deemed incomplete. Applicants must provide the requested documentation within the time provided or the application will be deemed ineligible.

Stage 2: Full Assessment

During the second stage of the evaluation process, all eligible applications will be reviewed and scored by an inter-ministry review panel. The review committee will consider:

- The project, including the project management approach and governance structure;
- Overall need and demand for the project;

- The anticipated results of the project within the proposed timeframe;
- Applicant's history of managing projects funded by the Government of Ontario;
- The extent to which the project contributes to increasing, broadening and diversifying economic activity for Indigenous communities;
- The extent to which the project would result in improved long-term economic planning at the community level for Indigenous communities; and,
- The extent to which the project budget demonstrates value for money, budget accuracy and eligible project costs.

Each applicant will be informed in writing of the funding status of their application, and if approved for funding, will be provided with copies of the Funding Agreement to sign. Applicants will be advised of any changes required to the project prior to finalizing the Funding Agreement. Ineligible or unsuccessful applicants will be informed in writing and provided with a brief explanation as to why the project was not funded. The applicant may request a debrief on why their proposal was not approved.

TRANSFER PAYMENT AGREEMENT

In order to receive the funding, successful applicants will be required to:

- Sign a Funding Agreement with the Province of Ontario outlining the terms and conditions for receiving funds;
- Have or seek at least $2 million commercial general liability insurance coverage, and to add "His Majesty the King in Right of Ontario" as an additional insured on this coverage before the Funding Agreement can be executed; and
- Identify the project management structure/staffing model which has been agreed to and implemented.

OVERSIGHT & REPORTING

Funding recipients will be required to report back to the Ministry on the use of funds, deliverables and outcomes achieved. Funding recipients must submit a Final Report to provide this information. Funding recipients must also permit the Province to verify/audit information submitted (at the discretion of the Province) to ensure that it is complete and accurate, and that funds were used for the purpose(s) intended.

Reporting

A final report is required at the end of the project. The final report includes financial information on the use of funds as well as information on outputs and results of the project, as outlined in the Funding Agreement.

Any unspent funds must be returned to the Ministry at the end of the project. The final report must also include data on performance measures for the project.

The Ministry will analyze reports for accuracy and eligibility of expenditures. During the review of any reports or visits, the Ministry will verify that expenditures and outputs are eligible and compliant with the EDG. Funding recipients may be asked to provide copies of invoices or other documentation for any expenditure item.

Record Keeping

Compliance may be checked at any point during the life of the project by the Ministry. Checks may also be undertaken after project completion. Checks may include the review of financial information and other documentation related to the project. The Ministry may request documentation as part of its reporting and monitoring processes. Funding recipients must maintain records to support expenditures and demonstrate compliance with the EDG.

Examples of documentation that should be maintained include:

- Documents related to work carried out during project development, the application process, and during and after the project;
- Any invoices and bank statements to show payments were made for work done;
- Records of eligible beneficiaries and the steps taken to determine their eligibility, including proof that a beneficiary is eligible;
- Evidence of match funding, such as copies of funding acceptance letters and bank statements showing receipt of match funding;
- Copies of all promotional and publicity materials, including press releases and marketing to demonstrate the correct use of the EDG identifier logo and any required text;
- The Funding Agreement including any amendments;
- Correspondence between the Ministry and the funding recipient;
- Claim forms for EDG-related expenditures and financial reports;
- Documentation showing how EDG-related expenditures were calculated, including any flat rate and pro rata methodologies for indirect overhead costs and salaries allocated to the project;
- Documentation related to any procurement undertaken for the EDG project, such as proof of invitation to suppliers to bid or advertising of procurement

opportunities, procurement submissions received from suppliers and the scoring methodology used for selecting a supplier; and,
- Documentation and evidence related to any claims made on results of an EDG-funded project, such as evidence of the number of jobs created because of support from the EDG.

Corrective Action

When a project is found to be non-compliant with EDG requirements, the Ministry may act in accordance with the Funding Agreement. This may include requiring funding recipients to take corrective action to resolve any breach in funding conditions, poor management, or inadequate control of the project.

PERFORMANCE MEASURES & OUTCOMES

Funding recipients are required to track and report on EDG performance measures as part of the reporting process.

Performance measures will help ensure the EDG is meeting its objectives, will inform changes to improve the delivery and administration of the EDG and will track the progress of the EDG in achieving results.

The following are performance measures established by the Ministry:

Outcome	Performance Measures
Growth, competitiveness and economic diversification of Indigenous communities and organizations.	• Number of new/start-up businesses • Number of jobs created or sustained because of support.

PROCUREMENT

If purchasing goods or services, funding recipients are encouraged to select suppliers through an open and transparent tendering process. Value for money must be sought when purchasing any good or service.

Funding recipients are encouraged to promote the participation of Indigenous suppliers in their projects. Funding recipients may accomplish this using evaluation criteria or competitive processes involving eligible Indigenous suppliers (i.e., a “set aside”). A “set aside” competition is a procurement process for only Indigenous suppliers and should

only be undertaken when enough capacity exists among suppliers to successfully deliver procurement requirements, as determined by the funding recipient.

DISCLAIMER

Applicant should note that:

- Any payment by the Ministry under the EDG is subject to there being an appropriation from the Ontario legislature for the fiscal year in which the payment is to be made and there being funds available.
- Consideration of an application by the Ministry does not guarantee funding. Funding is dependent on the availability of funds, the Ministry's review of the application, and on the recipient's entering into a Transfer Payment Agreement.
- Approved funding is contingent upon meeting the eligibility criteria. However, meeting eligibility criteria does not guarantee funding. Approved funding and entering into a Transfer Payment Agreement is at the discretion of the Government of Ontario.
- Funds received in a given funding year may only be spent on eligible activities carried out during that funding year and specified in the budget and work plan within the Transfer Payment Agreement.
- All projects must comply with relevant Canadian and Ontario laws, regulations, standards and policies.
- All applications submitted to the Ministry are subject to the access to information provisions of the *Freedom of Information and Protection of Privacy Act (*the "Act"). The Act provides all persons with a legal right of access to information in the custody and/or control of the Ministry, subject to a limited set of exemptions. One such exemption is information that reveals a trade secret or scientific, technical, commercial, financial or labour relations information supplied in confidence, where disclosure could reasonably be expected to result in certain harms. If an applicant believes that any of the information it submits in connection with its application is confidential and wishes to protect the confidentiality of such information, the applicant should clearly mark the information "confidential." If the Ministry receives a request for access to the information marked "confidential", the Ministry will contact the applicant so that it may, if it wishes, make representations concerning the release of the requested information. Marking the information "confidential" does not mean that the information will not be released if and as required under the Act.

CONTACT INFORMATION

Email enquiries about program guidelines may be directed to:
The Program and Services Branch Office, Ministry of Indigenous Affairs

Email: EDG@ontario.ca

Appendix A: Transfer Payment Ontario

About Transfer Payment Ontario

Transfer Payment Ontario is the Province of Ontario's online application system for grant funding. It is important that you understand the steps for registering with Transfer Payment Ontario prior to submitting your application.

Since applicants must register with Transfer Payment Ontario to access application forms, most of the information requested in the first few sections of the application form (such as address, contact information, etc.) should be automatically filled in using data from the registration process.

Once an application has been started it may be saved or downloaded at any point and returned to later. Please refer to the Transfer Payment Ontario System Reference Guide for Applicants for instructions on how to save and submit the application.

All applications will be assessed, evaluated and approved using requirements outlined in this Application Guide.

Creating an Account

Please visit Transfer Payment Ontario at https://www.ontario.ca/page/get-funding-ontario-government for information on how to set up an account.

Tips on Submitting Your Application

Please take a look at this short video to assist with successfully uploading your application: How to submit for funding.

Quick Reference Guides and steps on submitting for funding are posted here: https://www.ontario.ca/page/get-funding-ontario-government

Technical Concerns

Technical issues with accessing TPON or submitting your application should be directed to Transfer Payment Ontario.

Please contact TPON Client Care, available Monday to Friday from 8:30 a.m. to 5:00 p.m. Eastern Standard Time.

- **Phone: (416) 325-6691 or 1-855-216-3090**
- **TTY/Teletypewriter (for the hearing impaired): (416) 325-3408 / Toll-free: 1-800-268-7095**

Email: TPONCC@ontario.ca