



## **New Producer Assistance Program (NPAP) Application Requirements and Forms**

### **Step 1: Expression of Interest Application Requirements**

1. The applicant(s) must each be a Canadian citizen or permanent resident. Proof of either is required as part of Step 1.
2. The applicant(s) must each have been a resident of Alberta for at least one year prior to the application deadline and must have each filed at least one personal Alberta tax return. Proof is required as part of Step 1.
3. The applicant(s) must each be 18 years of age or older. Information from proof submitted under requirement #1 or #2 above could be used to verify this requirement.
4. The applicant(s) must provide a Description of Operations by answering the following questions:
  - Who are you?
  - Why do you want to be a dairy farmer?
  - What is your long-term vision for your dairy farm?
  - What relevant experience, education, or knowledge do you possess?
    - Describe your, or other applicants' knowledge and understanding of current farm management practices.
    - Outline your, or other applicants' knowledge and experience of the dairy industry's best practices
    - Which information management systems will you employ to improve your management practices (CanWest DHI, Cost of Production Study, etc.)?
    - Who will be involved in your dairy farm to help to enhance your management practices?
    - Who will mentor you in the dairy industry?
  - Who will be involved in the day-to-day operations of your dairy farm, and what will they be doing?
  - Do you participate in any agricultural or non-agricultural enterprises that are likely to make it easier to enter, or prosper in, the dairy industry?
  - Will you have any other income sources while you are starting your dairy farm?
5. The applicant(s) must provide a basic five-year plan stating the following information:
  - production targets and milestones
  - long-term farm size projections, expected major capital expenditures, planned quota purchase timelines, and a long-term vision for the farm, sources of financing including personal equity, to support the plans.
6. The applicant(s) must provide a Description of Facilities by providing the following information:
  - A description of the dairy farm, dairy infrastructure, dairy equipment, and a detailed diagram of the barn, milk house, and all other required facilities.
  - If you own a location for your dairy farm, include documentation of the ownership of that location.

- If you will be leasing a location for your dairy farm, include a minimum of eight-year lease agreement for the proposed dairy farm location.
- Reasonable assurance that the farm will meet National Resource Conservation Board (NRCB) guidelines and will not be at odds with any municipal development plans or other development restrictions.

7. The applicants(s) must complete and sign the attached NPAP Application Form

## **Step 2: NPAP Full Application Requirements**

1. As per requirement #4 in step 1, the applicant(s) must provide a Description of Operations.
2. As per requirement #5 in step 1, the applicant(s) must provide a Description of Facilities.
3. The applicant(s) must provide a detailed Two-Year Business Plan for the dairy farm, to demonstrate that the farm will be viable in the short-term. It is recommended, but not required, that the business plan be verified or prepared by an accountant or agricultural business consultant to confirm that the business plan is viable and that the dairy farm could be profitable. The Two-Year Business Plan must provide the following information:
  - The expected start date of production
  - The balance sheet at the start date, indicating initial assets and liabilities
  - A breakdown of the projected operating costs for the first two years of operation
  - A breakdown of the projected capital costs for the first two years of operation
  - Projected monthly cash flow statements for the first two years of operation
  - Projected annual income statements for the first two years of operation
4. The applicant(s) must provide a basic Ten-Year Business Plan by providing the following information:
  - production targets and milestones
  - Long-term farm size projections, expected major capital expenditures, planned quota purchase timelines, and a long-term vision for the farm.
  - Long-term projections of costs and revenues.
5. The applicant(s) must provide a detailed Risk Mitigation Plan providing the following information:
  - A list of potential risks to the viability or stability of the farm.
  - A rating of the magnitude each risk, the probability of each risk, and potential impact to the dairy farm of each risk.
  - A plan and/or procedure that will be implemented to mitigate/minimize the probability of, and/or impact of, each identified risk.
6. The applicant(s) must provide a signed Conditional Letter of Approval from a Financial Institution indicating that the financial institution is satisfied with the business plan and agrees to finance the dairy farm as described in the business plan. The Signed Conditional Letter of Approval must provide the following information:
  - It must indicate that the lender has read the business plan that is being submitted in its entirety and indicate that the lender agrees to finance the proposed dairy farm as outlined in the business plan, upon the applicant's acceptance into the NPAP.

7. All step 2 NPAP full applications must be completed and submitted to Alberta Milk by the deadline of March 31<sup>st</sup>, or October 31<sup>st</sup> each year.

## **Application Review Procedure**

1. All expression of interest applications submitted in step 1 will be reviewed and screened by Alberta Milk staff to ensure that each of the applicants, and their applications, meet the requirements of the NPAP. This will determine which applications will be considered for step 2. All step 1 applicants will be contacted by Alberta Milk staff via email regarding the outcome of their expression of interest application. The outcome of the step 1 screening process is final and cannot be appealed.
2. Successful step 1 applicants will be invited to submit a full application for step 2 where the Selection Committee will review and interview the applicants.
3. The Selection Committee will review the applications provided to them and will interview the associated applicants. The applicants should be prepared to answer questions about themselves and their applications and should be prepared to provide additional information about their proposed farm and business plan.
4. After interviewing the applicants, the Selection Committee decide as to which applicants are accepted into this program (if any) and which applicants are not (if any). The decision of the Selection Committee is final and cannot be appealed.
5. Once the successful applicants are determined, all step 2 applicants will be contacted by Alberta Milk staff via email regarding the outcome of their application. A formal letter will be sent to the successful applicants that will outline the next steps to take towards becoming a licensed dairy producer in Alberta, and who the successful applicant will need to contact to do so.
6. Unsuccessful applicants who wish to apply to the program again in the future need to submit a new application each year that they apply.

# Application Form

Name of the Applicant Farm and/or Corporation

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Name(s) of the Applicant(s)

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Address \_\_\_\_\_

Municipality \_\_\_\_\_

Province \_\_\_\_\_

Postal Code \_\_\_\_\_

Contact Phone Number(s) \_\_\_\_\_

Fax Number \_\_\_\_\_

E-Mail Address(es) \_\_\_\_\_

Provide detail on any family relationships between any of the applicant(s) and any owners of, or signing authorities of operating dairy farms in Alberta or any other Canadian jurisdictions:

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## Application Form (Checklist)

Please answer all the following questions	Yes	No
Are all the applicants Canadian citizens or permanent residents? Attach proof such as passport, birth or citizenship certificate or permanent resident card.		
Have all of the applicants been residents of Alberta for at least one year prior to the application deadline, and have they each filed at least one Alberta personal tax return? Attach most recent CRA Notice of Assessment.		
Are all the applicants at least 18 years of age?		
Have the applicant(s) included a detailed Description of Operations?		
Have the applicant(s) included a detailed Description of Facilities?		
Have the applicant(s) included a detailed Two-Year Business Plan to demonstrate the short-term viability of the business?		
Have the applicant(s) included a basic Ten-Year Business Plan to demonstrate the long-term viability of the business?		
Have the applicant(s) included a Risk Mitigation Plan?		
Have the applicant(s) included a signed Conditional Letter of Approval from A Financial Institution indicating they are satisfied with the business plan, and are willing to finance this dairy farm?		
Have the applicant(s) declared all their family relationships with any owners of, or signing authorities of, operating dairy farms in Alberta:		

**Declaration:** The undersigned certify that the information contained in this application is complete, true, and correct in all respects.

Name \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

## Application Form (Authorization)

I, \_\_\_\_\_, authorize Alberta Milk, its agents, or assigns, to use my name, photographs, and general information about me upon acceptance into the NPAP. I understand that this information may be used in advertising, public relations, or marketing materials. Under no circumstances will Alberta Milk share confidential information, such as income, address, or contact information with third parties because of this authorization. I understand that I may withdraw this permission at any time by contacting Alberta Milk. If I withdraw this permission during my participation in the NPAP, it will be considered a request to exit the NPAP, and as such, I will cease to receive the benefits this program confers.

Name \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Any individuals who have a strong personal objection to having images of himself or herself taken or used in this manner, but who wish to apply for this program, nonetheless, should contact Alberta Milk. In exceptional circumstances, this requirement may be waived at the discretion of Alberta Milk staff.

### **How to submit your application**

Completed applications can be submitted via e-mail (preferred) as attachment in Portable Document Format (PDF) to [NewProducer@albertamilk.com](mailto:NewProducer@albertamilk.com)

Alternatively, printed, and bound copies could be mailed to Alberta Milk's office at the address below or submitted in-person at the reception. Applications sent via the mail must be addressed as follows:

Attn: New Producer Assistance Program Coordinator  
Alberta Milk  
1303-91 Street SW.  
Edmonton, AB. T6X 1H1

## Application Review Scorecard

To assist the Selection Committee in evaluating the applications to determine which applicants are best suited for acceptance into the NPAP, this scorecard is provided to each Selection Committee member. The use of this scorecard by Selection Committee member is optional.

**1. Based on the Description of Operations,** provide a score for each of the following:

- a) The applicant(s) have a strong vision for their dairy farm and have clearly demonstrated their passion for the dairy industry.

Strongly Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Strongly Agree
0	1	2	3	4

- b) The applicant(s) level of experience with operating a dairy business appears to be:

Very Low	Low	Medium	High	Very High
0	1	2	3	4

- c) The applicant(s) have carefully outlined their plan for day-to-day operations, including which team members will be doing which tasks.

Strongly Disagree	Somewhat Disagree	Somewhat Agree	Strongly Agree
0	1	2	3

- d) The applicant(s) have a mentor with applicable experience.

No	Yes
0	2

- e) The applicant(s) will receive other sources of income while starting their dairy farm.

No	Yes
0	2

- f) The applicant(s) are committed to employing multiple dairy information management systems.

No	Yes
0	2

**2. Based on the Description of Facilities,** provide a score for each of the following:

- a) The applicant(s) have provided an adequate description of the farm and its location.

No	Yes
0	2

- b) The applicant(s) planned facilities appear to be appropriate.

No	Yes
0	2

**3. Based on the Two-Year Business Plan,** provide a score for the following:

- a) Based on the applicant(s) projection of expenses and income, as well as the information provided in the balance sheets and cash flow statements, the dairy farm appears to be financially viable.

Strongly Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Strongly Agree
0	1	2	3	4

4. **Based on the Ten-Year Business Plan**, provide a score for each of the following:

- a) The applicant(s) have set targets that appear to be achievable.

No	Yes
0	2

- b) The applicant(s) have demonstrated their intention to grow their dairy farm and will be viable and sustainable in the NPAP.

Strongly Disagree	Somewhat Disagree	Somewhat Agree	Strongly Agree
0	1	2	3

5. **Based on the Risk Mitigation Plan**, provide a score for each of the following:

- a) The applicant(s) have accurately identified the risks of starting a new dairy farm (both internal and external) and have placed reasonably accurate ratings according to probability and potential impact.

Strongly Disagree	Somewhat Disagree	Somewhat Agree	Strongly Agree
0	1	2	3

- b) The applicant(s) have provided appropriate risk mitigation strategies where applicable.

Strongly Disagree	Somewhat Disagree	Somewhat Agree	Strongly Agree
0	1	2	3

6. **Other questions:**

- a) The applicant(s) applied for this program last year but were not accepted at that time.

No	Yes
0	1

- b) The applicant(s) have received some applicable post-secondary education.

No	Yes
0	1

- c) The applicant(s) have reviewed: The Dairy Code of Practice from the National Farm Animal Care Council; The Canadian Quality Milk Program Reference Manual from Dairy Farmers of Canada; The Alberta Milk Producer Handbook; and the Environmental Manual for Livestock Producers in Alberta from Alberta Agriculture and Rural Development.

No	Yes
0	2

Total Score \_\_\_\_\_ (Maximum Score 40)

