

2009 - 2010 New Brunswick Apple Industry Development Initiative

Guidelines

1) Objectives:

- To provide assistance for the establishment of new and more productive orchard systems, apple varieties and rootstocks.
- To assist with the adoption of new technologies that will improve post-harvest apple storage systems and quality assurance.
- To encourage apple producers to work together in formalized marketing groups to gain leverage in today's marketplace.

2) Rationale:

The apple industry in New Brunswick has been challenged by increasing costs, an aging and inefficient orchard base, a changing market demand and declining price margins at the wholesale level. Investment in the NB apple industry will assist producers to design more efficient planting systems, plant new varieties that are in greater demand and adopt new technologies required to improve post-harvest apple storage systems and to address quality assurance issues. By working cooperatively, apple producers will be better positioned to take advantage of market opportunities.

3) Eligible Applicants:

The following requirements must be met by all applicants:

- must be a New Brunswick resident at least 19 years of age who has filed an income tax return in the past year which included agricultural income from apple production.
- activities must be carried out within the province of New Brunswick.
- will be in good standing with apple marketing regulations as prescribed under the New Brunswick *Natural Products Act* and administered by the Apple Growers of New Brunswick (AGNB).

** No current or former public office holder, public servant or Member of the Legislative Assembly who is not in compliance with applicable conflict of interest guidelines and legislation shall derive any benefit from this initiative.

4) Level of Assistance:

Up to 50% for individuals and up to 70% for apple growers who are members of a marketing group that has developed a strategic marketing plan and are formally recognized by the Apple Growers of New Brunswick .

5) Initiative Elements

Element A: Support for New Apple Varieties, Rootstocks and Planting Systems

Objective: To assist with the establishment of more productive orchard systems, apple varieties and rootstocks.

Rationale: This component will facilitate the installation of more productive orchard systems that will generate higher yields and higher market returns. Tree variety and rootstock selection, tree quality and tree density and support (stake and trellis) are all critical components of a successful new orchard planting. Each grower will be required to carefully select and manage each of these components in order to successfully establish a more productive, sustainable and profitable apple orchard.

Eligible Items: Under Element A, to receive the higher level of support, the apple growers must demonstrate that they are members of a marketing group that has developed a strategic marketing plan and are formally recognized by the Apple Growers of New Brunswick.

a) New tree planting

Requirements: The applicant must submit a planting plan that includes a description of the tree variety and rootstock selection (see Appendix A for Recommend List of Apple Varieties and Rootstocks for Planting in New Brunswick Orchards), planting densities and trellis system for each orchard site with the application. Applicants should consult with the NBDAA Crop Development Specialist regarding variety, rootstock selection and tree support systems.

For *individual* applicants: A total of \$5.00 per unsupported tree and \$7.00 per supported tree (includes 8-10 ft. tree stake and post/ wire trellis) installed in permanent orchard location and meets quality requirements.

For *group* applicants: A total of \$7.00 per unsupported tree and \$9.00 per supported tree (includes 8-10ft. tree stake and post / wire trellis) installed in permanent orchard location and meets quality requirements.

Quality Requirements: Trees must be planted in their permanent orchard location and be at least 1.2m (4 ft) in height with a stem caliper that is at least 12.5mm (1/2 in) measured at 50mm (2 in) above the graft union at the time of inspection.

b) Top grafted trees

Top grafted trees: A total of \$5.00 per tree (individual or group) for trees that were grafted and inspected in 2009.

Quality Requirements: Top-grafted trees are eligible for funding only if the trees are grafted onto a semi-dwarf or dwarf tree rootstock and at least one grafted scion is be viable and healthy at the end of the growing season (subject to inspection).

c) For fumigation and in-field irrigation(e.g. drip)

Individual applicants are eligible for up to 50% assistance and group applicants who are members of a marketing group that has developed a strategic marketing plan and are formally recognized by the Apple Growers of New Brunswick are eligible for up to 70% assistance.

Element B: Support for Post-harvest Apple Storage Systems and Quality Assurance Technologies

Objective: To assist with the adoption of new technologies that will improve post-harvest apple storage systems and improve product quality assurance.

Rationale: This element is intended to complement production upgrades to the orchard. It will facilitate the adoption of new technologies that will improve post-harvest apple storage systems and allow growers to meet quality assurance requirements. The ability to keep fruit at peak quality after harvest requires careful handling and constant monitoring of Cold and Controlled Atmosphere (CA) storage rooms. Storage, fruit handling and monitoring equipment is required that provides the maintenance of optimum fruit quality until it is delivered to the consumer.

Eligible Costs: Controlled Atmosphere storage room monitoring and regulating equipment, calibration gas equipment and canisters, and specialized equipment required to improve post-harvest fruit quality or to meet current industry standards for quality assurance eg. bulk fruit storage bins, bin trailers, SmartFresh curtain technology.

Building infrastructure, refrigeration systems and computer hardware are not eligible.

Requirements: All applicants must provide a description of the overall apple storage requirements of the orchard(s) and how the planned storage and quality assurance upgrades will integrate with the new production systems. The applicant must also explain how the storage room equipment modifications and/ or technology upgrades will benefit future apple marketing plans for the farm and/or the overall New Brunswick apple industry.

Level of Assistance (Element B):

For individuals, assistance will be up to 50% of the eligible costs up to a maximum of \$20,000.

For group applicants, assistance will be up to 70% of the eligible costs up to a maximum of \$20,000 for each grower who is a member of a marketing group that has developed a strategic marketing plan and is formally recognized by the Apple Growers of New Brunswick.

For bulk fruit storage bins (18-20 bushel) only:

On- farm constructed wooden bins will be funded at a flat rate: individuals will be eligible for funding at \$30 per bin and apple growers who are members of a marketing group that is formally recognized by the Apple Growers of New Brunswick and have developed a strategic marketing plan that has been approved by the AGNB will be eligible for funding at \$42 per bin. The number of bins must be verified for identification purposes by the New Brunswick Department of Agriculture and Aquaculture (NBDAA) before funding will be provided. All bins must have a clearly visible, permanent, date stamp or mark that identifies the year constructed.

Purchased wooden and plastic bins will be eligible for funding based upon receipts; individuals will be eligible for funding up to 50% per bin and members of a marketing group that has developed a strategic marketing plan and are formally recognized by the Apple Growers of New Brunswick are eligible for up to 70% per bin.

Application Process and Administration:

Application forms for the 2009 - 2010 New Brunswick Apple Industry Development Initiative are available from all offices of the New Brunswick Department of Agriculture and Aquaculture and on the departmental website at <http://www.gnb.ca/agriculture>.

All completed applications must be submitted to the Crop Development Branch of NBDAA, P.O. Box 6000, Fredericton, N.B.E3B 5H1. Once the project has been reviewed, NBDAA will advise the applicant in writing whether or not their application was approved. If approved, NBDAA will provide a contract that indicates eligible project items. A project officer will be appointed to ensure that applicable financial administrative procedures, timelines and reporting requirements are followed. NBDAA reserves the right to limit funds associated with any of the Apple Development Initiative elements and will evaluate and prioritize requests on a case-by-case basis until funds are exhausted or the eligibility period ends, whichever comes first. NBDAA also reserves the right to add or remove eligible items to be funded within the various elements. Expenditures incurred before April 1, 2009 are not eligible. The Harmonized Sales tax (HST) is not a reimbursable cost.

Deadline for applications: December 1, 2009

Claims for reimbursement and Project Reporting:

Applicants are required to submit a report (summary of expenditures, information collected and outcome of activities) with each claim for reimbursement following project completion. The request for reimbursement must include an appropriate proof of payment for each of the eligible items as indicated in the contract.

Claim for reimbursement should be submitted no later than Feb. 28, 2010. NBDAA may hold back a portion of the approved funding until the required final report has been submitted. The Project Officer must certify that the project and report are complete. Failure to submit acceptable final reports may affect funding approval decisions for future projects.

Appendix A:

Recommended List of Apple Varieties and Rootstocks for Planting in New Brunswick Orchards.

Cultivars*: Ambrosia, Cortland (Improved Strains), HoneycrispTM, Gala, Gingergold, Greenstar, Empire, Ida Red, Jonagold, Jonamac, Paulared, Spartan, Sunrise, Zestar, Liberty**, Redfree**, Novamac**.

Rootstocks*:

Semi-Vigorous: Beautiful Arcade seedlings (B.A.), MM.111

Semi-Dwarf: Budagovsky (B.490), Geneva (G.30), MM.106, Vineland (V.2)

Dwarf: M.26, M.9 (select clones e.g. PJAM2, NIC.29), B.9, Ottawa (O.3), G.16, V.1

* Other cultivars and rootstocks may be considered if justification is provided.

** Apple scab resistant varieties.