Agriculture & Agri-Food Funding Bulletin

Niagara Economic Development | November 10, 2026
Matthew McGinty | Economic Development Officer
matthew.mcginty@niagararegion.ca | Cell: 289-929-7633

Federal and Ontario funding opportunities, financing programs and announced initiatives. Program eligibility, intake status and contribution terms should be confirmed with the administering organization before applying.

SECTION 1 — FEDERAL

The Government of Canada has released Federal Budget 2026, reaffirming its commitment to domestic food production, agricultural innovation, food-processing capacity and food security. The budget builds on the National Food Security Strategy announced earlier in 2026. The following opportunities may be relevant to Niagara businesses.

Time-sensitive opportunities

1. Controlled Environment Agriculture Growth Pathway Program — $750 million

Funding type: Repayable or non-repayable contributions, depending on stream and project.

Project Summary Form deadline: December 23, 2026, at 12:00 p.m. Eastern Time (intake may close earlier). Technology Adoption Stream ($650 million) supports greenhouse infrastructure, automation, robotics, lighting and digital growing technologies. Rural and Northern Food Production Stream ($100 million) supports community-driven controlled-environment projects. Published project funding range: $100,000 to $10 million. Technology Adoption Stream: normally up to 50% of eligible costs (potentially 60–70% for qualifying projects); primarily commercial-benefit projects may receive repayable funding. Food-production focus: ornamental plants and other non-food production are generally ineligible.

Niagara opportunity: Greenhouse operators, controlled-environment producers and technology providers planning expansion or modernization.

2. Food-Link Fund — $1 billion

Funding type: Repayable or non-repayable contributions, depending on recipient and project.

Food-Link Fund expression-of-interest deadline: December 11, 2026, at 11:59 p.m. Pacific Time (intake may close earlier). The program supports regional food hubs and distribution infrastructure for independent and cooperative retailers. For the Food Hub Program, funding may reach $25 million per organization, normally up to 50% of eligible costs. The $1 billion is shared between the Food Hub and Food Terminal programs. Standalone processor capacity expansion is not eligible under the Food Hub Program.

Niagara opportunity: Industry-led food hubs, cold-chain infrastructure and regional distribution partnerships.

Other funding and financing initiatives

3. Food Security Fund — $150 million

Funding type: Contribution terms to be confirmed.

Announced to help small and medium-sized agri-food businesses upgrade equipment and increase food production and processing. Specific application availability and contribution terms have not been verified.

Niagara opportunity: Food processors and value-added producers.

Status: Confirm intake, eligibility and contribution terms.

4. Agri-food Project Finance Fund — $1 billion

Funding type: Financing through Farm Credit Canada; not a grant.

Supports expansion of Canadian food-processing capacity.

Niagara opportunity: Food and beverage manufacturers considering facilities or major equipment investments.

5. Collaborative Food Innovation Fund — $100 million

Funding type: Contribution terms to be confirmed.

Announced to support collaborative projects expanding agri-food processing. Specific application availability and contribution terms have not been verified.

Niagara opportunity: Processors, producers and research or innovation partners.

Status: Confirm program requirements and application availability.

6. Wine Sector Support Program — $176.9 million

Funding type: Financial support for eligible licensed Canadian wineries.

Budget 2026 proposes a three-year renewal beginning in 2027–28.

Niagara opportunity: Niagara wineries.

Status: Proposed renewal; further program details to follow.

7. Local Food Infrastructure Fund — $124 million

Funding type: Contribution funding; terms depend on stream.

Proposed renewal over three years beginning in 2027–28, supporting community food infrastructure such as kitchens, storage and transportation.

Niagara opportunity: Eligible non-profits and community food-security partnerships.

Status: Future intake details to be announced.

Federal Productivity Mega Deduction — proposed capital investment tax incentive

Type: Accelerated capital cost allowance (tax deduction), not a grant. The September 2026 federal proposal would permit permanent immediate expensing of most eligible depreciable property acquired on or after September 15, 2026, when available for use. Exceptions include certain buildings, vehicles and intangible assets; qualifying manufacturing and processing buildings instead have separate temporary immediate-expensing treatment. Eligibility, legislative enactment and tax treatment must be confirmed.

Niagara relevance: Capital investment in qualifying greenhouse buildings, processing equipment, automation, farm machinery and productivity assets. Federal and Ontario tax measures should be considered together, without treating deductions as dollar-for-dollar funding.

Official source: https://www.canada.ca/en/department-finance/news/2026/09/government-of-canada-introduces-new-productivity-mega-deduction-to-boost-canadas-advantage-as-the-most-competitive-g7-country-for-new-business-inve.html

Additional federal measures

- Greenhouse construction tax incentives: eligible greenhouses acquired on or after November 4, 2025 and available for use before 2030 may qualify for full immediate expensing under applicable tax rules; this is a tax deduction, not a grant. Confirm treatment of additions and renovations with a tax adviser.
- Regulatory modernization: faster approvals for agricultural inputs and improved interprovincial access for food businesses.
- Farm succession: proposed expansion of intergenerational farm property rollover to nieces and nephews from January 1, 2027.

Interested in learning more?

Niagara Economic Development encourages producers, greenhouse operators, wineries and food processors considering capital investments to review these opportunities. Businesses may contact Niagara Economic Development to discuss resources, potential funding pathways and relevant government or industry contacts.

Information current as of November 10, 2026. Funding announcements do not guarantee eligibility or approval. Verify guidelines, deadlines and contribution terms directly with administering organizations.

Official sources

- Federal Budget 2026: https://budget.canada.ca/2026/report-rapport/chap3-en.html
- Federal Budget 2026: https://budget.canada.ca/2026/report-rapport/chap2-en.html
- Food-Link Fund: https://agriculture.canada.ca/en/programs/food-link-fund
  Food Hub eligibility: https://agriculture.canada.ca/en/programs/food-link-fund/food-hub-eligibility

CEA Technology Adoption: https://agriculture.canada.ca/en/programs/controlled-environment-agriculture-growth-pathway/technology-adoption-stream

Greenhouse tax measure (Finance Canada): https://fin.canada.ca/drleg-apl/2026/nwmm-amvm-2-0426-n-eng.html

- CEA program announcement: https://www.canada.ca/en/agriculture-agri-food/news/2026/10/government-of-canada-invests-750-million-in-domestic-year-round-food-production-to-improve-access-to-fruits-and-vegetables.html

SECTION 2 — PROVINCIAL

Ontario's 2026 Fall Economic Statement highlights previously announced agricultural stewardship, research and agri-food competitiveness investments. Most business-facing initiatives below are jointly funded by Canada and Ontario through Sustainable CAP. These allocations should not be described as new provincial-only funding or current application opportunities.

Currently open: priority opportunity

Food Safety and Growth Initiative — Intake 2

Status: OPEN (as listed by Ontario). Deadline: March 1, 2027 at 11:59 p.m. Eastern, OR earlier if funding is exhausted. Ontario reports that 75% of the intake is already subscribed.

Funding: Up to $2 million allocated to Intake 2. Approved projects may receive 50% of eligible costs, to a maximum of $75,000 per project. Eligibility is limited to qualifying food product categories and small agri-food businesses; applicants should review the complete product list and guidelines. Businesses must have fewer than 100 employees at the project location.

Niagara relevance: Qualifying small processors and value-added producers handling eligible foods (such as ready-to-eat produce, specified meat and dairy products, and certain plant-based products). Not all food and beverage products qualify.

Official details: https://www.ontario.ca/page/food-safety-and-growth-initiative-intake-2

Previously announced initiatives — no open intake confirmed in this review

Agricultural Stewardship Initiative (ASI)

An additional $12 million was announced in June 2026 (bringing the announced cumulative allocation to up to $27.5 million). Eligible past projects included soil health, water quality and energy-efficient on-farm technology; prior support ranged from $6,000 to $90,000. Ontario currently lists this intake as closed.

Niagara relevance: Greenhouse energy systems, lighting, ventilation, irrigation-related water efficiency and on-farm improvements.

Market Diversification and Trade Resiliency Initiative

Nearly $22 million in joint Canada–Ontario support was announced in October 2026 for over 130 approved farm and processor projects. Ontario lists the initiative under closed funding opportunities; this is not an open call.

Niagara relevance: Export market development, packaging, processing and domestic market diversification.

Agri-Tech Innovation Initiative

Up to $25 million in joint funding for production capacity and energy efficiency; listed as closed.

Niagara relevance: Greenhouse automation, technology adoption and agri-food production upgrades.

Growing Future Opportunities Initiative

Up to $8 million in joint funding for targeted tender fruit, apple and grape varieties; listed as closed.

Niagara relevance: Niagara tender fruit, grape and orchard producers.

Ontario Agri-Food Research Initiative (OAFRI)

Previously announced joint research and innovation funding (reported at up to $19 million); no current intake confirmed in this review. Separately, Ontario announced up to $7 million for 34 research projects through its Agri-Food Innovation Alliance with the University of Guelph.

Niagara relevance: Research partnerships and commercialization with ag-tech and food-sector collaborators.

Risk Management Program (RMP)

Ontario previously committed to increasing annual RMP funding from $150 million to $250 million over three years. This is business risk management support, not a capital project grant.

Niagara relevance: Eligible livestock, grain and oilseed farmers; edible horticulture through the Self-Directed Risk Management Program.

Agricultural research infrastructure

Ontario's 2026 Budget identifies nearly $50 million over three years beginning 2026–27 for Agricultural Research and Innovation Ontario infrastructure. This is institutional infrastructure funding, not a direct business application program.

Niagara relevance: Longer-term agricultural research capacity and sector partnerships.

Ontario business investment and tax incentives

Ontario Competitiveness Tax Cut — more than $8 billion in proposed additional tax relief

Type: Proposed accelerated tax deductions, not application-based funding. Ontario proposes to parallel the federal Productivity Mega Deduction, providing permanent 100% immediate writeoffs for most eligible depreciable assets acquired on or after September 15, 2026, subject to corresponding federal legislation. Separate temporary rules apply to manufacturing and processing buildings, with a phase-out after 2029. The $8 billion is an estimated five-year fiscal cost, not a grant envelope.

Niagara relevance: Greenhouse structures, qualifying machinery, food-processing lines, ag-tech manufacturing and capital-intensive expansions. Tax classifications and available-for-use dates require professional review.

Ontario Made Manufacturing Investment Tax Credit — up to 15% / $3 million annually

Type: Enacted corporate income tax credit. Qualifying Canadian-controlled private corporations may claim a 15% refundable credit; qualifying non-CCPC corporations may claim a 15% non-refundable credit. The annual eligible expenditure ceiling is $20 million, subject to rules. Eligible manufacturing

or processing buildings and machinery/equipment must meet specified tax-class and timing requirements; expenditures generally must be incurred before January 1, 2030. Farming or greenhouse growing alone does not establish manufacturing eligibility.

Niagara relevance: Food and beverage processors, wineries with qualifying manufacturing/processing assets, and ag-tech equipment manufacturers. Businesses should assess potential interaction with capital cost allowance and other assistance.

Ontario R&D tax measures — proposed expansion

Ontario proposes to parallel federal changes restoring eligible R&D capital expenditures under provincial R&D tax credits, with over $50 million in estimated additional support over three years. This is tax support, not an open grant intake.

Other existing provincial tax measures

Ontario reduced the eligible small-business corporate income tax rate to 2.2% effective July 1, 2026. The Community Food Program Donation Tax Credit for Farmers may provide a non-refundable credit for qualifying agricultural product donations. Both are tax measures rather than grant applications.

Federal–provincial complementarity

For qualifying projects, assess federal immediate expensing, proposed Ontario parallel writeoffs, and the enacted Ontario Made Manufacturing Investment Tax Credit together. These measures are not necessarily additive at face value: tax base, credit adjustments, corporate status, available-for-use timing and legislative status must be checked by a qualified tax adviser.

Official sources: https://budget.ontario.ca/2026/fallstatement/annex.html ; https://budget.ontario.ca/2026/fallstatement/chapter-1b-jobs.html ; https://www.ontario.ca/page/ontario-made-manufacturing-investment-tax-credit-and-expanded-ontario-made-manufacturing ; https://budget.ontario.ca/2026/fallstatement/provisions.html

Recommended next steps for Niagara businesses

- Businesses with food-safety or traceability investments should review the Food Safety and Growth Initiative immediately; funding may be exhausted before March 1.
- Producers and processors considering capital projects should prepare project scope, budgets and matching-fund capacity ahead of future Sustainable CAP intakes.
- For projects involving exports, technology, energy efficiency or research, monitor future intake announcements rather than assuming previously funded initiatives remain open.

Official sources

https://budget.ontario.ca/2026/fallstatement/chapter-1b-plan.html

https://budget.ontario.ca/2026/chapter-1b-economy.html

https://www.ontario.ca/page/sustainable-canadian-agricultural-partnership

https://www.ontario.ca/page/food-safety-and-growth-initiative-intake-2

https://www.canada.ca/en/agriculture-agri-food/news/2026/10/canada-and-ontario-investing-22-million-to-protect-farmers-and-food-processors.html

Reviewed November 10, 2026 against government announcements and published program pages. Intake availability may change. Only the Food Safety and Growth Initiative Intake 2 is confirmed open here. Program-wide allocations are not per-applicant awards. Verify all eligibility, contribution terms and deadlines with the program administrator.

Additional official program reference: https://www.canada.ca/en/agriculture-agri-food/news/2026/10/canada-and-ontario-investing-2-million-to-protect-the-provinces-agri-food-industry.html

Verification note: This bulletin distinguishes confirmed program guidelines from proposed tax measures. It is an informational screening document, not a legal or tax eligibility determination. Recheck intake availability and legislation before circulation.