

# Carbon Pricing Cost Reimbursement Program for the Agricultural Sector

## GENERAL OVERVIEW

This two-year program is intended to provide financial assistance to reimburse costs incurred as a result of carbon pricing.

More specifically, this measure will support the competitiveness of Quebec farm businesses pending the development and implementation of a permanent measure to offset the carbon pricing costs borne by the agricultural sector.

This program replaces the second payment, scheduled for spring 2027, under the Initiative to Support the Competitiveness of the Agricultural Sector.

## ELIGIBILITY CRITERIA

The business must:

- have declared eligible fuel expenses when filing its 2024 and 2025 AGRI financial data declarations with FADQ;
- participate in one or more AGRI programs and be eligible to receive a payment under those programs for the **2024** and **2025** participation years, for payments made in 2026 and 2027 respectively.

## HOW TO PARTICIPATE?

No action is required on the part of the business.

Any business that participates in one of the AGRI programs, has submitted a financial data declaration for the eligible participation year and meets the eligibility criteria will **automatically** be enrolled in the Program.

Businesses eligible for a payment will receive a letter in each payment year.

## ELIGIBLE EXPENSES

Eligible fuel expenses are purchases of fossil fuels such as diesel, gasoline, natural gas and propane.

More specifically, eligible fuel expenses are those reported in accordance with the Financial Data Reporting Guide under the following headings:

- Heating and drying;
- Machinery (gasoline, fuel, diesel, oil).

## CALCULATION OF FINANCIAL ASSISTANCE

The amount of financial assistance is determined by multiplying the amount of eligible fuel expenses by the payment rate applicable for the participation year.

The minimum financial assistance that may be paid per business is \$100 for each payment. Accordingly, no amount will be paid if the calculated financial assistance is less than \$100.

## PAYMENT OF FINANCIAL ASSISTANCE

Table: Summary of the parameters for the two payments

Payments	Date on which fuel expenses are determined	AGRI participation year used as the basis for determining fuel expenses	Payment rate (%)
1st payment	June 1, 2026	2024	7.3%
2nd payment	June 1, 2027	2025	7.3%*

\*The rate will be reviewed and updated in June 2027 to ensure compliance with the allocated budget envelope.

Financial assistance is paid in two instalments, one in 2026 and one in 2027, after each business's eligible fuel expenses have been established as of June 1 of each year.

The amount paid is a non-assignable contribution that is exempt from seizure and not subject to a request for review.

The amount paid may be revised by FADQ and may have to be repaid by the farm business if it results from false, misleading or erroneous information.

For more information on the Program, visit our website under: Carbon Pricing Cost Reimbursement Program for the Agricultural Sector.

*Under no circumstances may this summary take precedence over the provisions set out in the Carbon Pricing Cost Reimbursement Program for the Agricultural Sector.*

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