

GrantCompass › Explore Grants › Biofuels Production Incentive

Updated April 2026 - Verified against Natural Resources Canada guidelines

 New Program    Reimbursement    Est. 2026

GRANT   Federal   **Active**

# Biofuels Production Incentive

Natural Resources Canada

MAXIMUM FUNDING

**16¢/litre (first 170M litres per...**

Continuous intake until December 31, 2027

+ Pursue this grant

DIFFICULTY <b>Moderate</b>	PAYMENT <b>Reimbursement</b>	TREND <b>New Program</b>
FIRST-TIMERS —	CO-FUNDING <b>Varies</b>	

**Biofuels Production Incentive** provides up to **16¢/litre (first 170M litres per facility) + 10¢/litre (next 130M litres); up to 300M litres per facility over 2 years.** A \$370+ million federal non-repayable incentive program providing tiered per-litre payments to Canadian producers of biodiesel and renewable diesel for fuel produced and sold into the Canadian market in 2026 and 2027. Applications are accepted **on an ongoing basis.**

*(As of April 2026, verified against Natural Resources Canada program guidelines)*

## Is This Grant Right for You?

### See your personal match for this grant

Take a 2-minute quiz and we'll show you how well Biofuels Production Incentive fits your business — plus your top matches across 311 programs.

### ELIGIBILITY CHECK

## Can you win this grant?

Get your instant eligibility verdict plus a head start on the application. Free, no account needed.

Check my eligibility →

Takes about 20 seconds. We use this grant's real eligibility rules.

Eligibility & Details

Free ^

What this program funds and who can apply

Program Description

A \$370+ million federal non-repayable incentive program providing tiered per-litre payments to Canadian producers of biodiesel and renewable diesel for fuel produced and sold into the Canadian market in 2026 and 2027. Designed to stabilize and strengthen the domestic biofuels sector in response to global trade disruptions. Eligible producers receive 16 cents per litre on the first 170 million litres and 10 cents per litre on the next 130 million litres of production per facility.

Eligibility Requirements

- ☐ Legal entity validly incorporated or registered in Canada (for-profit and not-for-profit eligible)
- ☐ Currently a producer of biodiesel and renewable diesel
- ☐ Eligible to create credits under the federal Clean Fuel Regulations
- ☐ Uses North American feedstocks (not exclusively imported non-North American feedstocks)
- ☐ Sells eligible fuel produced to the Canadian market

Funding Details

\$ AMOUNT	16¢/litre (first 170M litres per facility) + 10¢/litre (next 130M litres); up to 300M litres per facility over 2 years
🚩 TYPE	Grant
🏠 LEVEL	Federal
📅 DEADLINE	Continuous intake until December 31, 2027

PROVINCES

All Provinces

INDUSTRIES

Agriculture

Clean Technology

Energy

Manufacturing

BUSINESS STAGE

Established

Quick Assessment

DIFFICULTY

Moderate

COMPETITION

Low

EST. HOURS

15h

FIRST-TIMER

Not rated

- **Grant***Compass*

## Program Scorecard

Hybrid ^

Competition, effort, and approval at a glance

COMPETITION

**Low**

EFFORT

**~15 hours**

APPROVAL

**Good**

ACCESSIBILITY

--/5

COMPETITION

--/5

APPROVAL RATE

--%

### PREMIUM

*See how this program compares on approval odds, difficulty, and competition – so you know if it's worth your time.*

### WHAT'S IN THIS PLAYBOOK

## Everything you need to win Biofuels Production Incentive — \$19

Not a marketing summary. The actual checklist, intel, and stack strategy reviewers look for.

**5-document checklist** with what each reviewer is actually checking

**5-step application timeline** with prep hours per step

**Insider tip** from program officers on what separates winners

**1-program stacking strategy** to combine with compatible funding

**Success profile + evaluation criteria** — exactly what reviewers score on

*Consultants charge \$2,000–\$5,000 per program. This Playbook is \$19. Yours forever.*

**Unlock this Playbook — \$19**

or subscribe for \$29/mo · 30-day money-back →

Applying for Biofuels Production Incentive? Our **Grant Proposal Template (\$19)** mirrors the section structure Canadian reviewers actually score on. Or get all 4 templates in the **Founder Pack (\$59 · saves \$27) →**

## HOW TO WIN

Premium ^

Insider tips, common pitfalls, and what successful applicants look like



## INSIDER TIP

*The Applicant's Guide and Form are not publicly posted — you must email [bpi-ipb@nrcan-rncan.gc.ca](mailto:bpi-ipb@nrcan-rncan.gc.ca) to request them. This program specifically targets existing biodiesel and renewable diesel producers who are already generating Clean Fuel Regulation credits; new entrants without existing CFR credit history are likely ineligible. The incentive is designed to respond to US trade disruptions affecting Canadian biofuel competitiveness — act quickly as the 2-year window (2026–2027) is fixed.*

 **PREMIUM** See what trips up most applicants for this program — and how to avoid it.

### Success Profile

Established Canadian biodiesel or renewable diesel producer with an active Clean Fuel Regulations credit account. Uses North American feedstocks (canola, tallow, used cooking oil, etc.). Sells fuel domestically. Facility producing at least 10 million litres annually to make the application worthwhile relative to compliance effort.

 **PREMIUM** See what successful applicants for this program actually look like.

### Evaluation Criteria

Non-competitive — incentive is formulaic. Eligibility is determined by: current producer status, CFR credit eligibility, North American feedstock use, and Canadian market sales. Tiered rate applies: 16¢/L on first 170M litres per facility, 10¢/L on next 130M litres, per 2-year program.

 **PREMIUM** See exactly what reviewers score on — so you know where to focus.

Application Flybook

Premium 5 steps 5 docs ^

Step-by-step process, required documents, and expenses

Application Steps

- 1

**Email NRCan to request the Applicant's Guide and Form** Contact bpi-ipb@nrcan-rncan.gc.ca to receive the program guide and application form. These documents are not publicly posted and must be requested directly.
- 2

**Review the Applicant's Guide for complete eligibility and documentation requirements** The guide contains detailed eligibility criteria, supporting documentation requirements, and payment claim procedures.
- 3

**Complete and submit the application form** Submit the completed form with supporting documentation confirming producer status, CFR credit eligibility, North American feedstock use, and Canadian market sales.
- 4

**Track production volumes for 2026 and 2027** Maintain detailed production records by month and feedstock source to support incentive claims.
- 5

**Submit production claims and receive per-litre incentive payments** Submit verified production volume claims per the schedule defined in the Applicant's Guide. Receive non-repayable per-litre incentive payments.

Required Documents 5

- ✓

Applicant's Guide and Form (requested via email at bpi-ipb@nrcan-rncan.gc.ca)
- ✓

Proof of incorporation or registration as a Canadian legal entity
- ✓

Evidence of Clean Fuel Regulations credit eligibility (existing biodiesel/renewable diesel producer)
- ✓

Production volume records and documentation of North American feedstock use
- ✓

Documentation of sales into the Canadian market

Eligible Expenses 3

- Biodiesel production volumes for 2026–2027 calendar years (incentive is per-litre, not expense-based)
- Renewable diesel production volumes for 2026–2027 calendar years
- Production using North American feedstocks (canola, soy, tallow, used cooking oil, etc.)

Ineligible Expenses 4

- Fuel produced before January 1, 2026 or after December 31, 2027
- Fuel not sold into the Canadian market
- Production from exclusively non-North American feedstocks
- Fuel not eligible to generate Clean Fuel Regulation credits

Intake Periods

Continuous intake from program launch (January 5, 2026) through December 31, 2027. Covers fuel produced during 2026 and 2027 calendar years.

Deadline Notes

Program accepts applications on a continuous intake basis. Incentive covers fuel produced from

Ineligible Organizations

- Organizations that are not current producers of biodiesel or renewable diesel
- Producers not eligible to generate Clean Fuel Regulation credits
- Producers using exclusively non-North American feedstocks
- Producers who do not sell fuel into the Canadian market

 **PREMIUM** *Get the step-by-step application guide – documents, timeline, and what to prepare.*

Funding Stack Strategy

Premium 1 partners ^

Compatible programs, clawback risk, and combined funding potential

Compatible Programs

Clean Fuel Regulations credit market

COMBINED FUNDING POTENTIAL

See your total funding potential

Clawback Risk

MEDIUM RISK

Incentive payments are based on verified production volumes. Inaccurate reporting of production volumes, feedstock sources, or Canadian market sales may result in recovery of incentive payments.

 **PREMIUM** *See which programs combine with this one – and how much more you could get.*

How Biofuels Production Incentive Compares

Free ^

Side-by-side with similar programs

PROGRAM	AMOUNT	DIFFICULTY	PAYMENT	DEADLINE
<div><div>← YOU ARE HERE</div><div>Biofuels Production Incentive</div></div>	16¢/litre (first 170M litres per...	Moderate	Reimbursement	Continuous intake until...
Investments in Forest Industry Transf...	Up to \$10 million	Hard	Mixed (Advance + Reimb.)	Periodic Calls for...
Union Training and Innovation Program	Up to \$2 million	Moderate	Reimbursement	Ongoing
Yukon Economic Development Fund (EDF)	up to \$30,000	Moderate	Milestone-Based	Tier 1: Rolling; Tier 2:...
Circular Economy Grant Program	\$5,000 - \$25,000	Moderate	Reimbursement	Between intakes — annual...

Related Programs

Free ^

Other programs you might be eligible for

GRANT	FORGIVABLE LOAN	PROGRAM
<div><div>Invest Nova Scotia — Innovation Rebate Program (IRP)</div><div>25% rebate on eligible costs (min \$350K project, up to \$15M... · Provincial</div></div>	<div><div>Investissement Québec ESSOR — Volet 2 : Chantier Productivité</div><div>Up to \$10,000,000 per project (interest-free refundable... · Provincial</div></div>	<div><div>IQ Fonds Impulsion (formerly Impulsion PME)</div><div>Varies (from \$120M fund) · Provincial</div></div>

Frequently Asked Questions

Free ^

Quick answers to the questions founders most often ask about Biofuels Production Incentive

Can sole proprietors apply?	—
No. Must be a legally incorporated or registered entity in Canada (for-profit or not-for-profit). Sole proprietors without incorporation are ineligible.	
What's the realistic payout for a 10M litre producer?	+
When must I submit my application?	+
Why do applications fail?	+

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Federal Grants

Agriculture Grants

Clean Technology Grants

Manufacturing Grants

Explore All Programs

Take the Quiz