DESTINATION CANADA

TOURISM SPRINT PROGRAM

GUIDELINES

- Background
- Overview
- Objective
- Project Evaluation Criteria



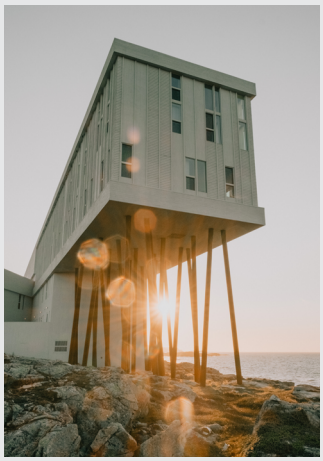
BACKGROUND

Canada's tourism sector is an important contributor to communities and economies across the country. Continued growth and competitiveness depend in part on the development of compelling tourism investment opportunities and their ability to attract the capital needed to move forward. Promising opportunities can face barriers as they move from planning toward investment, often because key information or analysis is missing.

The Tourism Sprint Program (TSP) was created to help address these barriers. The TSP is a competitive, application-based, cost-sharing program that provides funding for short-term, non-capital projects that advance the investment readiness of tourism opportunities in Canada. Building on the momentum of previous intakes, and the lessons learned, the 2027 program has a sharp focus on helping defined tourism investment opportunities become investment ready.







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Overview

The TSP is intended for proponents with a specific tourism investment opportunity: an asset, site, product or development that will need future capital investment to proceed. Foundational planning should already be complete, with a specific barrier or information gap preventing further progress. TSP funding helps proponents close that gap by strengthening the information and analysis needed to move forward. Eligible activities include market and demand validation, financial and commercial analysis, planning-level site and regulatory due diligence, ownership and delivery-model analysis, and the development of factual investor-facing materials.

Funding

Funding for the program is limited and is anticipated to be highly competitive

- This cost-sharing program will cover up to 50% of total eligible project expenses to a maximum of $25,000 CAD.
- The lead applicant (the organization submitting the application and signing the Partnering Agreement) must contribute at least 10% of total eligible project expenses in cash from its own funds. This counts toward, and is not in addition to, the minimum 25% cash contribution noted below.
- A minimum of 25% of the total eligible project expenses must be contributed in-cash by the applicant and/or project partners. The remaining 25% contribution (beyond the program funding and the lead applicant's cash contribution) can be provided by applicant or project partners as cash or in-kind contributions.
- TSP Funding will be disbursed by Destination Canada in two intervals: 1) 50% upon execution of the partnering agreement; 2) 50% upon acceptance of the Final Report.

Priorities

- Contribute to development of innovative new purchasable tourism products and experiences within Canada
- Increase private sector tourism investment
- Diversify the seasonality of product offering for the operation/region
  - Priority will be given to investment opportunities that contribute to product and experience development outside of the traditional high season, grow off-season tourism or extend services year-round
- Contribute to measurable job creation and economic growth
- Support the Indigenous tourism sector
- Support regenerative practices within tourism operations
  - Priority may be given to investment opportunities that encourage travel to lesser-visited regions and destinations

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Objective

The TSP supports destination development by funding targeted, non-capital work, such as studies and analysis, that help tourism investment opportunities become ready to attract investment from others. The program does not fund early-stage ideas, general destination or product development, operating expenses, event-related expenses, capital construction, or activities primarily related to construction preparation or transaction execution. TSP funded work should align with existing strategic plans or similar documents.

Through this work, Canada's visitor economy will be more resilient, diversified, inclusive, and environmentally sustainable, creating quality jobs, attracting new investments, empowering Indigenous communities, and offering year-round innovative experiences across the country.

Eligible Applicants

- Local Governments, Regional Districts, Municipalities, Provincial and Territorial Governments
- Indigenous Communities and Organizations
- Not-for-Profit Organizations (with a clearly defined tourism mandate)

Eligible applicants may partner with private sector, for-profit tourism businesses and organizations; however, the for-profit entity cannot serve as the lead applicant.



In addition, your organization must meet all the following eligibility requirements for the Tourism Sprint Program:

- Be Canada based, incorporated or legislated entities, in existence for a minimum of 1 year or more as of the date of application deadline. This includes those that are established by or under legislation; are federally or provincially incorporated; or are band councils as defined under the *Indian Act.*
- Have a Canadian bank account in the legal name of the applying organization, at a Canadian financial institution conducting business in Canada.
- Not be in default of the terms and conditions of any grant or loan agreement with any ministry or agency of the Government of Canada or Provincial and Territorial governments.
- Be able to begin the project within the timeframe approved by Destination Canada and complete all eligible activities within the program delivery period.

DESTINATION CANADA

Eligible Projects

Eligible projects must meet the following criteria:

Requirement	What your application must demonstrate	Before you apply
Defined tourism investment opportunity	Identify a defined tourism investment opportunity and the specific investment-readiness gap that the proposed TSP-funded work will address. The opportunity must involve a specific tourism asset, site, product or development that will need future capital investment from investors, lenders or other funders to proceed.	Confirm that the opportunity is clearly defined and can be described in practical terms.
Prior planning or analysis completed	Identify at least one relevant study, plan, strategy, feasibility assessment, market analysis or equivalent document that supports the opportunity and provides a foundation for the proposed work.	Have supporting document(s) and be able to explain how the proposed project builds on it.
Eligible non-capital activity	Propose work that falls within at least one eligible project expense category and exclude prohibited expenses such as capital construction, equipment, detailed construction-ready design, operating expenses, general marketing and other ineligible project expenses.	Review the eligible and ineligible project expenses sections and ensure every TSP supported budget item is directly related to the proposed investment-readiness work.
Investment scale identified	Provide an indicative capital requirement or reasonable capital range for the broader tourism investment opportunity.	Prepare a credible estimate or range and explain the basis for it.
Delivery, accountability and contribution requirements	Identify an accountable project lead, show that the work can be completed within the program period, describe how required professional services will be procured or delivered, and provide a budget that meets the applicant and partner contribution requirements.	Confirm the project lead, delivery approach, timeline, sources of cash and in-kind contributions, and partner commitments before submitting your application.

Applicants must review Destination Canada's eligibility criteria above to confirm project and expense eligibility in advance of applying.

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When considering tourism investment opportunities, current market trends should be considered including the following:

Regenerative & Sustainable Tourism	Projects that restore ecosystems, support communities, and leave destinations better than before
Indigenous Tourism Growth	Projects led by, or in meaningful partnership with, Indigenous communities
Seasonality & Shoulder Season Expansion	Projects that extend tourism outside of peak seasons and encourage shoulder season visitation, supports employment stability and better infrastructure use
Experience-Based & Experiential Travel	Projects that offer immersive, personalized, “bucket list” experiences
Wellness & Nature-Based Tourism	Projects that offer health, wellness, and nature immersion
Small-Group & High-Value Low-Impact Travel	Projects that encourage high-spend, low-volume visitation to support both economic and environmental goals
Inclusive, Accessible & Equity-Focused Tourism	Projects that improve physical, cultural, and economic accessibility

The below are examples of eligible projects:

- Business Case and Investor Prospectus to present a compelling, investor-facing rationale for funding or financing a tourism investment opportunity
- Financial projection modeling and Proforma development and support
- Development of an investment prospectus with asset mapping and infrastructure gaps
- Market Demand Study to validate visitor interest in a tourism product
- Site Suitability or Land Use Assessment that assess land, zoning, access, and servicing capacity for tourism infrastructure
- Sustainability or Climate Risk Assessment that evaluates climate vulnerabilities, water use, carbon impact, etc.
- Financial assessments for the development of new tourism products and experiences

Eligible Project Expenses

Eligible expenses must be incurred after notification of project approval, within the project period identified within the Partnering Agreement and no later than December 31, 2027. Eligible project expenses only include those incurred for the delivery of the project. If funds are not fully utilized within the stipulated parameters, the applicant will be required to repay unused funds.



Eligible project expenses are limited to non-capital, planning-level and analytical activities. They may include:

- Consulting fees and project management services for market and demand validation directly related to a defined tourism investment opportunity
- Financial and commercial analysis, including pro formas, financial scenarios, indicative capital requirements, operating assumptions and development or operating models
- Planning-level site suitability, land-use and zoning analysis
- Identification and assessment of servicing and infrastructure constraints
- Preliminary environmental, climate and heritage risk assessments
- Analysis of applicable approvals and regulatory pathways
- Ownership, governance and delivery-model analysis, including potential operator, developer, lease, concession or public-private delivery approaches
- Development of factual investor-facing materials, such as investment prospectuses, project briefs and asset or site mapping, where the underlying market, site and financial analysis is substantially complete
- Other non-capital expenses directly attributable to the approved investment-readiness activities and approved in writing by Destination Canada before the expense is incurred

Ineligible Project Expenses

Ineligible project expenses include, but are not limited to:

- Early-stage strategy development, ideation, and general destination or product development without a defined investment opportunity
- Construction preparation and management, including detailed architectural or engineering design, construction-ready documentation, technical specifications, quantity surveying, servicing or infrastructure design, permit application preparation or submission, and construction management
- Procurement and transaction execution, including tendering, bid evaluation, contract negotiation, financing fees, legal due diligence and transaction-closing expenses
- Other expenses that move beyond investment-readiness analysis into direct capital implementation or transaction execution
- Capital expenses, including physical construction, renovations, site works, materials, equipment, motorized vehicles, and land acquisition
- Operating expenses for organizations, including administration, salaries for permanent or full-time contract staff and on-going maintenance expenses: Rent, telephone and communication lines/services, utilities, maintenance costs, card processing fees, membership, printing and subscription fees
- Travel, hospitality or incidental expenses
- General legal, audit or interest fees
- Insurance, buyouts, restructuring expenses, refundable goods and service tax (including Harmonized Sales Tax)
- Fees relating to grant writers procured for preparing government funding applications
- Marketing expenses, including general branding, consumer marketing, paid advertising or promotion, websites and mobile applications
- Festival and event expenses related to programming, operations and marketing
- Expenses related to food, alcohol or cannabis





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Project Evaluation Criteria

Destination Canada will evaluate each eligible application using the below matrix:

#	Evaluation Criterion & Assessment Focus	Score Range	Weight
1	**Investment Opportunity & Readiness Gap** Clarity and maturity of the defined tourism investment opportunity; evidence already completed; specificity of the readiness gap; appropriateness of the proposed TSP-funded work; and whether the work addresses a material barrier to advancement.	1–5	20%
2	**Financial Leverage & Partner Commitment** Confirmed applicant and partner cash contributions; cash leverage beyond program minimums; funding leveraged per dollar of Destination Canada support; diversity and credibility of partners; and proportion of cash relative to in-kind support. Higher confirmed cash leverage will receive greater consideration, while being assessed relative to project scale and applicant capacity.	1–5	20%
3	**Likelihood of Advancement** Likelihood that completing the proposed work will materially advance the investment opportunity to a defined financing, approvals, procurement, developer/operator, investor or implementation milestone.	1–5	15%
4	**Economic & Investment Impact** Scale and credibility of anticipated future capital investment; tourism supply created or improved; potential jobs, visitor spending, business development and regional economic benefits.	1–5	10%
5	**Strategic Alignment with Destination Canada** Alignment with Destination Canada's Destination Development priorities, including regenerative tourism, investment attraction, geographic dispersion and destination competitiveness.	1–5	5%

#	Evaluation Criterion & Assessment Focus	Score Range	Weight
6	**Partnerships & Collaboration** Strength and relevance of public, Indigenous, tourism, economic development, private-sector and community partnerships; clarity of partner roles; and evidence that partnerships increase the likelihood of advancement after TSP support.	1–5	5%
7	**Indigenous Tourism & Reconciliation Outcomes** Indigenous leadership, ownership, partnership or meaningful benefit, and appropriate engagement with Indigenous communities and rights holders where relevant.	1–5	5%
8	**Regenerative, Sustainable & Community Outcomes** Contribution to responsible and regenerative tourism development, climate resilience, environmental outcomes, community benefit and long-term destination value.	1–5	5%
9	**Seasonality, Geographic Dispersion & Tourism Supply Gap** Contribution to addressing an identified tourism supply gap, strengthening year-round visitation, supporting geographic dispersion or improving tourism capacity in lower-traffic regions, where relevant.	1–5	5%
10	**Budget, Value for Money & Delivery Capacity** Reasonableness of expenses, value of the requested DC contribution, realistic workplan and procurement approach, organizational capacity and likelihood of completing the funded work successfully.	1–5	10%

Scoring Guidelines (1–5 Scale)

- **1 – Very weak:** Does not meaningfully address the criterion; evidence is absent or materially insufficient.
- **2 – Weak:** Partially addresses the criterion, but significant gaps, uncertainty or weaknesses remain.
- **3 – Meets expectations:** Adequately addresses the criterion with credible evidence and a reasonable approach.
- **4 – Strong:** Clearly exceeds minimum expectations with strong evidence, rationale and likelihood of impact.
- **5 – Exceptional:** Demonstrates compelling evidence, strong strategic value and a very high likelihood of advancing the investment opportunity.

Process

Destination Canada will review all applications to confirm eligibility before assessing and scoring them against the evaluation criteria outlined above. Applications may also be shared with the relevant provincial or territorial tourism organization for regional context and input. The strongest applications will be selected to proceed, and successful applicants will enter into a Partnering Agreement with Destination Canada. Under this agreement, the organization submitting the application must also be the organization responsible for incurring and paying eligible project expenses and reporting on the project to Destination Canada.



Use of Artificial Intelligence

Destination Canada may use generative artificial intelligence ("AI") tools to assist with the initial review of applications under the Tourism Sprint Program to assess information contained in an application against the initial eligibility criteria set out in these Guidelines. **AI will not make final eligibility determinations or project selection decisions.**

An application identified by AI as potentially ineligible will be reviewed by a Destination Canada representative before any determination of ineligibility is made. AI will not be used to assess, score, rank or recommend projects against the weighted project evaluation criteria and will not determine which projects receive funding.

Destination Canada will take appropriate measures to protect the confidentiality and security of information submitted by applicants. Application information processed through the AI tool will not be used to train the AI models used for the Program.

Destination Canada remains responsible for the administration of the Tourism Sprint Program and for decisions made through the application and selection process. Appropriate safeguards and human oversight will be maintained in connection with the use of AI.

Applicants may contact Destination Canada at **destinationdevelopmentteam@destinationcanada.com** if they have questions about the use of AI in the application review process or about a determination made in relation to their application.

When submitting their application, applicants will have the opportunity to opt-out of the use of AI in the initial eligibility review.

Reporting Requirements

- All funding recipients are required to submit a mid-term progress report, and a final report at the end of their approved program timeline.
- Templates and reporting forms will be provided by the Destination Canada program administrator.
- Reports should demonstrate progress toward the approved project outcomes, financial accountability, and alignment with program objectives.
- Copies of invoices for eligible project expenses will be requested as part of mid-term and final reports.
- Additional ad hoc reports may be requested for audit or evaluation purposes.

Please direct any questions about this program to **destinationdevelopmentteam@destinationcanada.com**



