



APPLICATION GUIDE

Canada 

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This guide provides important information to fully understand the nature of the program, the application process, as well as how to properly complete the application form. You will find a list of definitions in Appendix B.

1. PROGRAM OBJECTIVES

The IRP, funded by the Government of Canada, aims to technically prepare an organization to take advantage of procurement and investment opportunities. After the organization has benefited, among other things, from specialized support or professional services thanks to the IRP funding, it should be better equipped and ready to attract new investments that will enable it to increase the impact of its social mission.

2. ELIGIBILITY

2.1. Social purpose organizations and eligible sectors

The IRP is open exclusively to organizations with a head office and operations in the province of Québec.

The project submitted can be in any sector of economic activity as long as it meets the needs of the stakeholders of a population or community. Activities funded under the IRP must be intended to prepare the organization for eventual access to loans. They are not 'regular' business development activities or fundraising preparations.

Eligible organizations*
<ul style="list-style-type: none">• Non-profit organization constituted according to :<ul style="list-style-type: none">◦ Part III of the Québec Companies Act or Part II of the Canada Corporations Act or the Canada Not-for-Profit Corporations Act
<ul style="list-style-type: none">• Cooperative<ul style="list-style-type: none">◦ Consumer cooperative◦ Producer cooperative◦ Workers cooperative◦ Work-shareholder cooperatives with a majority buyback plan◦ Solidarity cooperative
<ul style="list-style-type: none">• Mutual
<ul style="list-style-type: none">• Private for-profit company with a social and/or environmental mission (see Appendix B)

- Private for-profit company with a social and/or environmental mission in which an organization or cooperative holds and maintains a majority of the voting shares

* To ensure democratic governance, each organization applying for the IRP must have a Board of directors with at least 3 members.

2.2 Exclusions

Ineligible Organizations
<ul style="list-style-type: none"> • An organization for which a government (federal, provincial or municipal) or a minister appoints a majority of the members of the board of directors
<ul style="list-style-type: none"> • An organization whose law requires that personnel be appointed under the Public Service Act or that is essentially part of the domain of the State
<ul style="list-style-type: none"> • Supporting organizations (CDECs, CDRs, regional Pôles d'économie sociale, etc.) and sectorial networks, except when they are carrying structuring projects (project over \$100,000);
<ul style="list-style-type: none"> • An organization, regardless of its legal status, whose activities may be controversial, in whole or in part, with which it would be unreasonable to associate the Chantier de l'économie sociale, in particular: <ul style="list-style-type: none"> ○ The production or sale of arms ○ The sale of goods and services of a sexual, discriminatory, or degrading nature ○ An organization operating an illegal activity ○ Projects of a partisan, sexual or religious nature
<ul style="list-style-type: none"> • Sole proprietorship;
<ul style="list-style-type: none"> • General partnership or corporation that is limited to acting in a socially responsible manner and/or donating to charities;
<ul style="list-style-type: none"> • An organization being a cost center.

- Supporting organizations (CDECs, CDRs, regional Pôles d'économie sociale, etc.), sectorial networks, consortia of eligible organisations, are eligible for the program in the framework of structuring projects (projects over \$100,000).

2.3 Eligible expenses

The IRP provides funding in the form of a grant and covers the following expenses :

Eligible expenses include
<ul style="list-style-type: none">• Specialized support services by a qualified professional who acts as an external resource and who is selected by the organization on the basis of a detailed service offer: costs related to customized support, participation in an incubator, an accelerator, etc.
<ul style="list-style-type: none">• Financing of studies carried out by a qualified professional, who acts as an external resource and who is selected by the enterprise on the basis of a detailed service offer: organizational diagnosis, cost analysis and implementation systems, market research, technical studies, plans and specifications, business plan, marketing plan, development plan, financial forecasts or any other study relevant to the realization of a project
<ul style="list-style-type: none">• The hiring of essential internal human resources (project manager, coordinator and others) to carry out the investment readiness project
<ul style="list-style-type: none">• Production of prototypes (including market and product/service tests)
<ul style="list-style-type: none">• Travel, representation and other expenses deemed essential to the realization of the project
<ul style="list-style-type: none">• Research and development (R&D) expenditures for existing SPOs that do not receive any tax credits or subsidies for this purpose
<ul style="list-style-type: none">• Expenses related to the development of the organization's project: expenses related to the rental of premises, computer equipment, telecommunications costs, supplies and other operating expenses
<ul style="list-style-type: none">• Solicitation fees
<ul style="list-style-type: none">• Costs related to the bidding process
<ul style="list-style-type: none">• The acquisition of technology, software or software packages, patents and any other expenses of the same nature

2.4 Ineligible expenses

The IRP does not finance
• Taxes (GST and/or QST) or tax credits receivable;
• Expenses that are already financed by government funds;
• Projects consisting essentially in organizing and holding a fundraising campaign;
• Projects of a political, sexual or religious nature;
• Rent or mortgage payment costs or other location costs;
• Expenses incurred after the end of the program;
• If the organization is in operation, the IRP does not cover the current expenses of its current operations;
• Expenses incurred prior to the project start date.

2.5 Funding terms

The cumulative funding provided by the IRP is determined by type of eligible expense, according to the following table :

Eligible expenses	Maximum
1. Specialized support services	\$50, 000
2. Studies and professional services	\$100, 000
3. Human Resources	\$50, 000
4. Production of prototypes	\$100, 000
5. Travel and representation expenses	\$20, 000
6. Research & Development (R & D)	\$100, 000
7. Expenses related to the development of the organization's project	\$20, 000
8. Acquisition of technology, software or software packages, patents, etc.	\$100, 000

- **The cumulative amount of funding may not exceed \$100,000.**
- **The IRP may not finance more than 80% of the project's financial package.** The remaining 20% may come from other sources of funding or from a cash or in-kind contribution from the organization. **The in-kind contribution may not exceed 10% of the financial package.**
- **Funding in excess of the maximum amounts stipulated in the previous table or the cumulative maximum of \$100,000** may be granted on an exceptional basis. **see section 4.2.**
- Projects that will be considered for funding between **\$100,000** and **\$250,000** by the IRP's Advisory council must demonstrate, in addition to satisfying the IRP's admission criteria, the structuring aspect of the submitted project. For example:
 - The project and its direct impacts benefit many organisations/companies (consortium)
 - The scope of the project is large in terms of territorial impacts and the project shows transferability potential elsewhere in Quebec
 - The project is recognized by relevant actors as having a potential structuring impact in a sector or in a territory, for example through letters of support, participation in the project,
 - etc.

Projects that contribute to an equitable development will be particularly favoured. As an example, the project answers a priority need in a relatively underprivileged territory or fills an equity need of one or many population(s).

3. FUNDING CRITERIA

The main criteria considered during the analysis are:

Categories		Funding criteria	
Social purpose	50%	Mission	25%
		Responding to a need and impact on the community	25%
		Territorial and sectorial anchoring	25%
		Governance	25%
Nature of the organization	25%	Demonstration of an innovative business model that addresses an unmet need or a new market	30%
		Demonstration of effective and well-articulated operations	20%
		Demonstration of human resources qualification	20%
		Integration of the three pillars of sustainable development	30%
Finances	25%	Quality of the project	30%
		Financial viability	30%
		Financial structuring	20%
		Quality of forecasts	20%

4. PROCESSING OF A FUNDING APPLICATION

4.1 Processing of a funding application of less than \$100,000

An application for funding of less than \$100,000 may be done at any time

Projects are analyzed continuously until the available funds are exhausted.

Projects are analyzed on a rolling basis beginning November 7, 2022 until available funds are exhausted. Projects submitted after February 9, 2023 will be placed on a waiting list.

To apply, proponents must submit the online form, as well as all the mandatory documents.

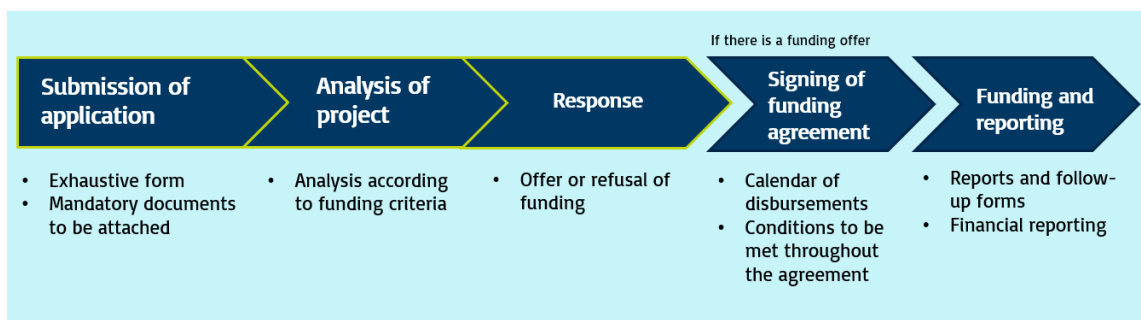
Following the submission of the exhaustive form and the mandatory documents, the applications will be reviewed for eligibility. If deemed eligible, the files will be processed. If the answer is positive, a funding agreement will be sent to the proponents, including the funding conditions and disbursement schedule.

In general, a total of four (4) months should be calculated between the time of project submission and the start of activities. This delay must be taken into consideration in your financial package.

Some examples:

Date of project submission	Approximate project execution dates	Duration
November 2022	March 2023 to mid-February 2024	11 months
December 2022	April 2023 to mid-February 2024	10 months
January 2023	May 2023 to mid-February 2024	9 months

This table is to guide you in building your project. The examples are for information purposes only. All deadlines depend on the number of projects received.



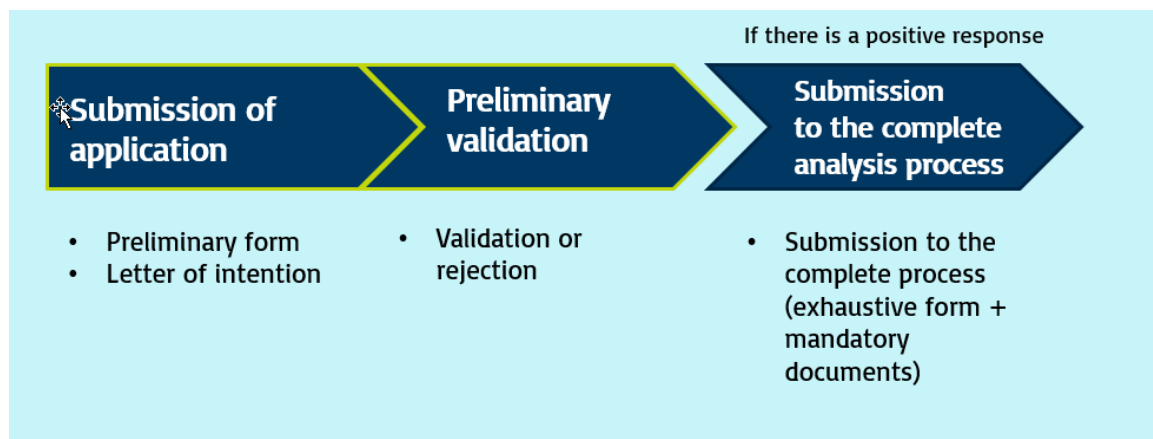
4.2 Processing a funding application between \$100,000 and \$250,000

*** WARNING*** Applications over \$100,000 are processed differently from other projects. Please read section 4.2 carefully

A request for funding of \$100,000 to \$250,000 must be submitted before a deadline.

Proponents must submit the **preliminary** form and a letter of intent by **December 15, 2022**.

Following this submission, the application will be subject to a preliminary validation by the Advisory council in January 2023. If the proponents receive a positive response, they will have to submit a complete application (exhaustive form + mandatory documents) and the application will then follow the same processing procedure as the other projects. Proponents will have **four weeks** to submit the exhaustive application and enter the regular analysis process (see section 4.1). The complete application (exhaustive form and documents) will be reviewed by the funding committee in April 2023. The start date of the projects will be established during the month of May 2023.



5. ONLINE APPLICATION PROCEDURE

Applications are submitted [online](#).

If you wish to save your application and work on it later, please click on **‘Save and come back later’**. You will receive a link that will allow you to come back to your application form. The link and the contents will be saved for a maximum of **30 days**. You will find a Word version of the forms on our website so you can prepare your project submission in advance. When you are ready, you can copy and paste your answers into the online form and submit it.

Once your application has been submitted, you will receive an acknowledgement of receipt. There can be no changes to the form after submission.

6. ADDITIONAL INFORMATION

6.1 Duration of the program

All project activities and expenditures must be completed by February 15, 2024.

6.2 Multiple applications

Only organizations that have received funding of \$20,000 or less can submit a second funding application to the IRP.

Organizations that received IRP funding in 2020-2021 may be eligible for the 2022-2023 IRP should they submit **a new project**.

7. QUESTIONS

Full details are available on our website: www.chantier.qc.ca/irp

If you have any questions or need help applying, you can contact us

By email :

ppi@chantier.qc.ca

By phone:

514-899-9916, ext. 425



APPENDIX A

MANDATORY DOCUMENTS

In addition to the completed and signed application form, it is mandatory to provide:

- A letter of support from one or more stakeholders demonstrating community support for the project
- Financial statements for the last year (end of fiscal year) (if applicable) and the most recent interim financial statements
- Projected financial statements
- A resolution of the Board of Directors authorizing the request for financing from the Chantier de l'économie sociale under the IRP
- Copy of confirmation of financial partnerships and down payment
- Copy of the articles of incorporation (letters patent, articles of association, charters, etc.)
- Copy of the internal governance, general regulations, partnership agreement, shareholder agreement, as the case may be
- Business plan, studies carried out or detailed service offer of the consultant, if applicable.
- Any other document deemed relevant by the organization (Ex: market study, etc)



APPENDIX B

DEFINITIONS

These definitions apply to the Investment Readiness Program deployed in Québec.

1.1. **“Social purpose organization” (SPO)** refers to:

All organizations whose mission is to advance social or environmental objectives, and which carry out income-generating activities. Social purpose organizations include registered charities and community organizations, social economy enterprises, as well as sole proprietorships, partnerships and corporations that advance a social and/or environmental mission.¹

1.2. **“Social economy”** refers to:²

All economic activities with a social purpose carried out by enterprises whose activities consist in particular in the sale or exchange of goods or services and which are operated in accordance with the following principles:

- The enterprise's purpose is to meet the needs of its members or the community.
- The enterprise is not under the decision-making control of one or more public bodies within the meaning of the Act respecting access to documents held by public bodies and the protection of personal information (Chapter A-2.1).
- The rules applicable to the enterprise provide for democratic governance by the members.
- The company aspires to economic viability.
- The rules applicable to the company prohibit the distribution of surpluses generated by its activities or provide for their distribution to members in proportion to the transactions carried out between each of them and the enterprise.
- The rules applicable to the legal person carrying on the business provide that, in the event of dissolution, the remainder of its assets must be vested in another legal person sharing similar objectives.

For the purposes of the first subparagraph, the social purpose is that which is not centred on financial profit but on service to members or the community and is assessed in particular in terms of the enterprise's contribution to improving the well-being of its members or the community and to creating sustainable and high-quality jobs.

¹ Government of Canada Adapted Definition for the Investment Readiness Program

² <http://legisquebec.gouv.qc.ca/fr/ShowDoc/cs/E-1.1.1>

A social economy enterprise is an enterprise whose activities consist in particular in the sale or exchange of goods or services, and which is operated, in accordance with the principles set out in the first paragraph, by a cooperative, mutual or association with legal personality.

1.3. **“Community organization”** refers to³:

An organization that meets the following four criteria:

- It is a non-profit organization.
- It is rooted in the community. It maintains an associative and democratic life.
- It has the freedom to determine its mission, approaches, practices and orientations.

1.4. **“Private for-profit social enterprise”** refers to⁴:

A company whose entire mission is based on meeting one or more needs of a population or community, and which generates profits. Through the sale of goods and services, the private for-profit social enterprise generates profits, but at least sixty percent (60%) of the net profits must be directed towards the social objective. Therefore, the social mission of such a company cannot be limited to its social responsibility or to donating to a charity.⁵

1.5. **“Consortium”** refers to:

A group of organizations eligible under this program that work together to achieve common objectives and carry out a number of operations together. A group of individuals or legal entities pursuing a common goal or grouping together certain activities, with the aim of sharing risks or benefits, collaborating in order to obtain a service or benefit under the best conditions of efficiency and profitability, or in order to limit production so as to maintain control of a market.⁶

1.6. **“Stakeholders”** refers to :

Any organization, institution, person or group related to an organization in the performance of its responsibilities, having an interest in its success and to which relevant information relating to its operations or activities is presented. For example, customers, members, shareholders of an organization are stakeholders.⁷

1.7. **“Specialised support services”** refers to :

Professional consulting services allowing an organization to structure an idea or implement best business practices for the realization of a project.

1.8. **Investment readiness** refers to:

The acquisition of a set of skills and techniques that, once mastered and implemented within the organization and its governance body, make the organization technically ready

³ <https://www.mess.gouv.qc.ca/sacais/action-communautaire/cadre-reference.asp>

⁴ includes a sole proprietorship, business corporation, contracts of partnership (general partnership, limited partnership, joint venture)

⁵ Adapted definition of [Akcelos](#) and [Innovation, Sciences et Développement économique Canada](#)

⁶ Government of Quebec, 2019

⁷ Adapted definition of the Office québécois de la langue française

for procurement and investment markets. In preparing for investment, SPOs are adopting approaches related to new entrepreneurial projects and new tools to attract new investment to increase the impact of their social mission.⁸

1.9. Structuring project refers to:

A project that demonstrates, in addition to satisfying the eligibility criteria of the IRP, a structuring character: for example, the project and its direct impacts benefit several organizations and/or businesses (consortium), the project demonstrates territorial impacts or a potential for transfer elsewhere in Quebec, the project is recognized by relevant stakeholders as having a potential structuring impact in a sector or on a territory, through letters of support, participation in the project, etc.

⁸ Government of Canada Adapted Definition for the Investment Readiness Program