



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 the 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 operating in 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.

Eligible organizations
<ul style="list-style-type: none">● Non-profit organization constituted according to :<ul style="list-style-type: none">○ Part III on 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)
<ul style="list-style-type: none">● 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

2.2 Exclusions

Organisations non admissibles
<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 Poles of the Social Economy, etc.) and sectorial networks, except when they are carrying projects of a multi-sectorial and/or multi-territorial nature or with a potential for adaptation and outreach at the national level
<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, general partnership, corporation that is limited to acting in a socially responsible manner and/or making donations to charities
<ul style="list-style-type: none">● An organization being a cost center

- Supporting organizations (CDECs, CDRs, regional Poles of the Social Economy, etc.), sectorial networks, consortia of eligible organisations, are eligible for the program in the framework of projects of a multi-sectorial and/or multi-territorial nature or with a potential for adaptation and outreach at the national level.

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

Le PPI ne finance pas
• 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, March 31, 2021
• If the organization is in operation, the IRP does not cover the current expenses of its current operations
• Expenses incurred prior to the funding request that are directly related to the project under consideration

2.5 Funding terms

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

Eligible expenses	Maximum
1. Specialized support services	\$50, 000
2. Studies and professional services	\$100, 000
3. Human Resources	\$100, 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 contribution in-kind 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 in the case of projects that are multi-sectorial and/or multi-territorial in nature and/or have the potential for national adaptation and outreach. If this is the case for your project, **see section 4.2.**

3. APPLICATION FOR FUNDING

3.1 Prerequisites

To apply for the IRP funding, the proponent must provide the following documents:

- The completed form
- Provide all documentation necessary for the analysis (Appendix A)

3.2 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 made **at any time** until the program closes on March 31, 2021 (see section 6.1).

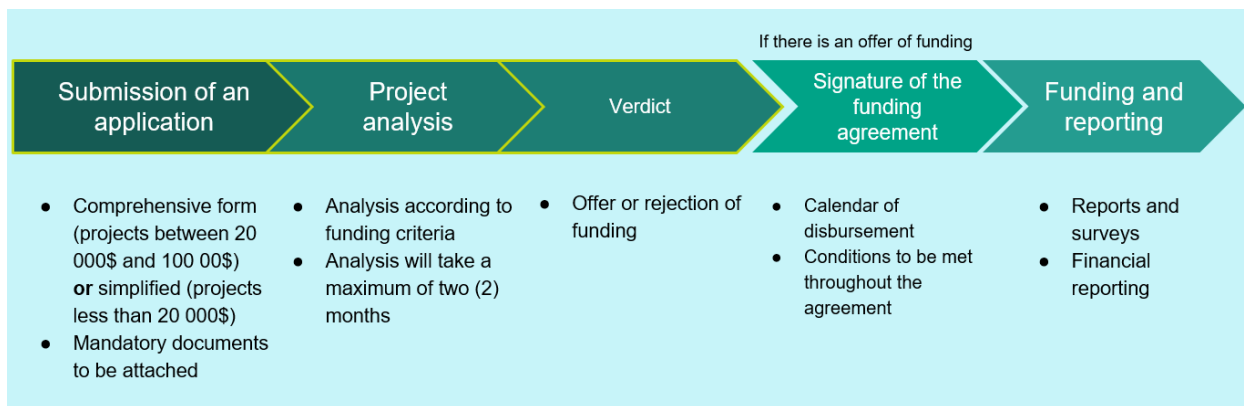
To apply, proponents must submit the form online, as well as the mandatory documents.

WARNING

For funding applications **under \$20,000**, proponents must complete the **simplified form**.

For funding applications **over \$20,000**, promoters must complete the **exhaustive form**.

Following the submission of the form (simplified or exhaustive) and the mandatory documents, the applications will be reviewed for eligibility. If deemed eligible, the files will be processed. Processing and receipt of a response will take a maximum of two (2) months. If the answer is positive, a funding agreement will be sent to the proponents, including the funding conditions and disbursement schedule.



4.2 Processing a funding application over \$100,000

* WARNING*

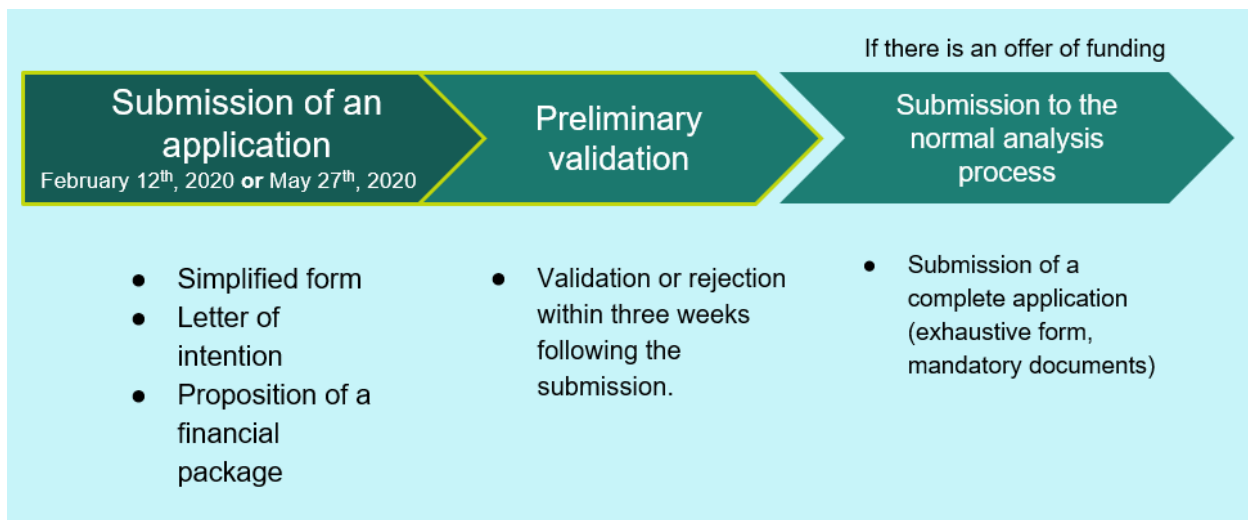
Applications over \$100,000 are processed differently from other projects. Please read section 4.2 carefully

A funding application over \$100,000 can be made at two stages during the IRP.

First, proponents must submit the simplified form, a letter of intent and a proposal for a financing package before **May 27, 2020**.

Following this submission, the application will be subject to a preliminary validation and a response will be provided within three (3) weeks. 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 normal processing procedure.

Funding applications over \$100,000 submitted by February 12, 2020, and which have received a positive response, can expect to receive the first funding payment before July 2020. Applications for funding over \$100,000 submitted by May 27, 2020, and which have received a positive response, can expect to receive their first payment before October 2020.



5. ONLINE APPLICATION PROCEDURE

Applications are submitted online.

If you wish to save you application and work on it at a later time, please click on 'Save and come back later'. You will receive a link that will allow you to come back to your application form.

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

Applications are processed on an ongoing basis. The processing time for submitted projects is a maximum of 2 months (except for projects over \$100,000).

6. ADDITIONAL INFORMATION

6.1 Duration of the program

The IRP is open until March 31, 2021. Therefore, funding is provided for any project for which the last disbursement is made before March 31, 2021.

6.2 Multiple applications

Only organizations that have received funding of \$20,000 or less can apply for a second funding application to the IRP by the end of the program on March 31, 2021.

7. QUESTIONS

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

If you have any questions or need help submitting an application, you can contact us

By email :

ppi@chantier.qc.ca

By phone:

514-899-9916, ext. 414



APPENDIX A

Mandatory documents for processing

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) and the most recent interim financial statements
- For all start-up social purpose organizations, 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



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

¹ Government of Canada Adapted Definition for the Investment Readiness Program

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

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.

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.

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

1.8. **Investment readiness** means:

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 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

⁸ Government of Canada Adapted Definition for the Investment Readiness Program