



Glossary

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

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.

2. “Social economy” refers to :

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.

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.

3. **“Community organization” refers to :**

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.

4. **“Private for-profit social enterprise” refers to :**

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. **“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. **“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. **“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.

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.