

FONDS ÉCOLEADER

SPECIFIC
SUPPORT FOR
IMPLEMENTATION

APPLICANT'S GUIDE

OCTOBER 2024

Québec 

Canada 

 **FONDS D'ACTION
QUÉBÉCOIS**
pour le développement durable

TABLE OF CONTENTS

1. About the Fonds Écoleader	3
2. Fonds Écoleader objectives	4
2.1 Specific objective.....	4
2.2 General information.....	5
3. Funding program terms and conditions.....	6
3.1 Eligible applicants	6
3.2 Ineligible applicants	7
3.3 Eligible projects.....	8
3.4 Ineligible projects.....	9
3.5 Eligible and ineligible expenses	10
3.6 Project duration	11
3.7 Deadline for submitting projects.....	12
3.8 How to apply for financial assistance	12
4. Financial assistance.....	14
4.1 Specific features of Écoleader funding	14
4.2 Payment of financial assistance.....	15
5. Submitting a project	17
Appendix.....	18

1. ABOUT THE FONDS ÉCOLEADER

The Fonds Écoleader was created by the Quebec government in 2018. It is coordinated by the *Fonds d'action québécois pour le développement durable* (FAQDD). In turn, FAQDD is supported by Canada Economic Development for Quebec Regions (CED) to ensure the Fund's implementation.

The Fonds Écoleader is designed to support companies, in the province of Quebec, looking to adopt eco-responsible business practices and clean technologies. When it was set up, the *ministère de l'Économie, de l'Innovation et de l'Énergie* (MEIE) assigned the role of province-wide program coordinator to FAQDD. As part of the initial phase of the Fonds Écoleader, from 2018-2019 to 2023-2024, the *ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs* (MELCCFP) and CED also joined MEIE as financial partners.

The year 2024-2025 marks the start of the Fund's second phase, built on the successes and lessons learned in previous years. Program renewal is supported by two separate funding packages, from MEIE and CED, respectively.

This Applicant's Guide specifically focuses on support for implementation, with funding provided by CED.

2. FONDS ÉCOLEADER OBJECTIVES

The Fonds Écoleader is designed to encourage Quebec companies to adopt eco-responsible business practices and clean technologies through an integrated and developmental approach. The program helps to improve companies' environmental performance, thereby increasing their competitiveness.

To that end, the Fonds Écoleader supports projects that relate to one or more of the following areas of application:¹

- Sustainable sourcing
- Sustainable development approach
- Eco-design
- Water management
- Energy management
- Greenhouse gas management
- Waste management
- Sustainable mobility
- Air quality

In the interests of achieving the program's objectives, the Fund's managers reserves the right to revise its criteria at any time. In addition to funding, the Fonds Écoleader also provides companies with tools to help them find the resources they need to carry out their project, including a [blog](#) (in French) with several examples of projects and a [directory of experts](#) (also in French).

2.1 Specific objective

Fonds Écoleader support, which specifically targets implementation initiatives, provides companies with assistance specifically at the action taking stage of their transition toward eco-responsibility. Its objective is to enable individual companies or cohorts of companies to implement eco-responsible business practices and acquire clean technologies through individual projects. To achieve this, the program provides funding to companies to hire experts from the Fonds Écoleader directory. Expert assistance can, in turn, support the implementation of company action plans.

¹ All definitions, including those relating to the program's areas of application, can be found in the appendix to this guide.

2.2 General information

The funding program is a two-pronged initiative with the following aims:

- Funding Stream 1 – Businesses: enable individual businesses to achieve their project by responding to their specific environmental challenges²
- Funding Stream 2 – Business cohorts: help implement projects that bring together a cohort of businesses seeking to adopt eco-responsible business practices and deploy clean technologies, while sharing experience and resources. Accordingly, Funding Stream 2 projects should favour greater cost efficiencies for all businesses taking part in a cohort. Economies of scale resulting from shared measures and lower transportation costs must be demonstrated in this type of funding application

Both Funding Streams 1 and 2 have specific features, depending on whether projects target the adoption of eco-responsible business practices or the acquisition of clean technologies. It is worth noting that for the purposes of this program:

- An eco-responsible business practice is defined as a management practice designed to enhance the company's environmental performance, while at the same time improving its economic performance and productivity
- A clean technology is defined as an item, a piece of equipment, a product or material that makes it possible to measure, prevent, limit, reduce or correct environmental impacts, either by saving resources or providing a more environmentally harmless alternative to counterparts in the market

For the purposes of the program, modifying existing equipment by purchasing and installing common items and hardware (for example, pipes, valves or light bulbs) is not considered an acquisition of clean technology. Eligible projects must always demonstrate a significant and tangible environmental benefit.

For guidance, clean technology encompasses the sectors listed below:

- Non-hazardous waste management
- Transportation technologies
- Production of biomaterials
- Management and treatment of air pollution and exhaust gas
- Industrial wastewater and sewage management
- Reduction, recycling, and treatment of drinking water
- Treatment of groundwater, surface water, and leachate
- Soil, sediment, and sludge treatment
- Clean-energy production and bioenergy
- Energy-efficient technologies
- Energy storage and smart networks

Please note that environmental benefits are central to the Fonds Écoleader's funding program, and that the main performance indicators are linked to them. To be eligible, a project must lead to one or more quantifiable environmental benefits.

² Projects conducted under Funding Stream 1 must involve the activities or establishments of the company submitting the application, that is, those associated with the Quebec business number (NEQ) entered on the application form. No activities conducted outside Quebec or for business locations outside the province may be funded.

3. FUNDING PROGRAM TERMS AND CONDITIONS

3.1 Eligible applicants

To be eligible, the applicant (for a Funding Stream 1 project) or each of the members of a business cohort (for a Funding Stream 2 project) must:

- Be a legally constituted for-profit business or social-economy company registered with *Registraire des entreprises du Québec* (the province's registry of businesses) and incorporated under the laws of the Quebec government or the Government of Canada
- Operate a business establishment in Quebec

FAQDD reserves the right to request additional information regarding the applicant's or cohort members' incorporation as a means of validating eligibility.

ELIGIBLE APPLICANTS: SPECIFICS FOR PROJECTS INVOLVING BUSINESS COHORTS (FUNDING STREAM 2)

To be eligible, a business cohort must include a minimum of three (3) companies and a maximum of ten (10) companies. The companies forming a business cohort must be recruited prior to submitting an application for funding. Letters of commitment from participating companies must be joined to the application for financial assistance.

In addition to the cohort member companies, two (2) other types of organization, namely a cohort coordinator and an expert, contribute to each project, with each of these parties playing a specific role.

- **Cohort coordinator:**
 - > Recruits cohort member companies
 - > Submits the funding application for the cohort project
 - > Plays a unifying role for the member companies of the cohort and ensures that every effort is made to maintain cohesion and sharing within the cohort
 - > Acts on its own behalf and on behalf of cohort member companies
 - > Ensures reporting to FAQDD
 - > Acts as an officially recognized contact by the Fonds Écoleader
- **Expert:**
 - > Offers specialized services in eco-responsible business practices or clean technologies
 - > Supports the members of the cohort throughout the project
 - > Supports the cohort coordinator in ensuring cohesion between cohort member companies and provides the space needed for experience-sharing
 - > Facilitates reporting, including assessing the project's impact, with the cohort coordinator

It is worth noting that a hired expert may act as both expert and coordinator within the same cohort project, but may not be a cohort member. Similarly, a company may be both a coordinator and a member of a cohort, if it does not act as an expert for the cohort.

Eligibility of the cohort coordinator

The applicant that acts as cohort coordinator must:

- Be an association, group or federation of cooperatives, a for-profit business or social-economy company, a not-for-profit organization performing economic-development activities, a financial services company or a municipality
- Operate an establishment in Quebec
- Have been in business for at least one year

Note that if the majority shareholder of the company applying for funding owns more than one incorporated company with similar activities (for example, a property manager owning individually incorporated buildings), it must apply for funding as a cohort of companies for any project involving business practices common to more than one of its companies.

3.2 Ineligible applicants

The following clients are ineligible, whether as coordinators, individual applicants or members of a cohort:

- Sole proprietorships (self-employed)
- Co-ownership syndicates, associations, and groups of persons
- Financial services companies and other companies under the authority of *Autorité des marchés financiers*, including insurance companies and brokers⁴
- A business constituted as an undeclared partnership under *Registraire des entreprises du Québec*
- Companies listed in *Registre des entreprises non admissibles aux contrats publics (RENA)* (<https://amp.quebec/rena/>). This situation also applies to experts and subcontractors registered with RENA who are expected to perform work as part of the project
- Companies that, during the two years preceding the funding application, failed to meet their obligations after having been duly served with formal notice by FAQDD, MEIE or *Investissement Québec* in relation to the granting of previous financial assistance by one of these two organizations
- Crown corporations or corporations controlled directly or indirectly by a government (municipal, provincial or federal), a municipal entity or businesses that are majority-owned by a Crown corporation, with the exception of those owned by band councils and Indigenous communities
- Businesses under the protection of the Companies' Creditors Arrangement Act or the Bankruptcy and Insolvency Act
- Holding companies
- Companies whose unethical conduct is likely to tarnish, even by association, the image of integrity and probity of the Quebec government and the Government of Canada

³ It should be noted that municipalities and financial services companies may not claim coordination fees. Not-for-profit organizations, however, must confirm that the coordination fees charged for the project are not tied to any public contribution other than that of the Fonds Écoleader.

⁴ The following sectors are under the authority of *Autorité des marchés financiers*: insurance and deposit-taking institutions; distribution of financial products and services; regulation of the distribution of financial products and services; securities markets; compensation.

- Companies conducting business in the following areas:⁵
 - > Production or distribution of weapons
 - > Exploration, extraction, drilling, production, and refining of fossil fuels, such as petroleum and thermal coal, with the exception of activities aimed at the transition to a low-carbon economy
 - > Gambling, violent games, combat sports involving any living species, racing or similar activities
 - > Sexual exploitation, for example, an erotic bar, an escort agency, an erotic massage parlour or a swingers' club
 - > Production, sale, and services relating to the use of tobacco or drugs
 - > Any activity whose main subject is protected by the Canadian Charter of Rights and Freedoms (religion, politics, advocacy, and so on)

3.3 Eligible projects

Support in implementing eco-responsible business practices

- Support from one or more experts in implementing eco-responsible business practices may include, for example:
 - > Consulting and technical services to enable the company to implement action-plan items in the short and medium term
 - > Required training to ensure staff are able to implement and sustain new eco-responsible business practices
 - > Support in conducting trials or pilot projects to validate new tools and practices within the company
 - > Developing operational, strategic, and decision-making tools

Support in implementing clean technologies

For all clean technology projects, even if technical details and suppliers need not be known when submitting the application, the **technology or technologies to be implemented must be clearly identified and named in the funding application.**

- Support services required for the implementation of one or more clean technologies may include, for example:
 - > Assistance in finding suppliers of clean technologies, funding mechanisms, and supply sources and help making contact with such suppliers
 - > Needs-assessment leading to the drafting of a call for tenders by the participating company
 - > Technical support to answer specific questions and support decision-making, especially after conducting a study
 - > Engineering work, including the preparation of decision-support tools, plans, specifications, reports, user guides, and other documents required for the successful implementation of the clean technology or technologies
 - > Supervision of a practical pilot project within the company to test the clean technology before it is implemented on a broader scale
 - > Training staff to use and maintain the new project-related clean technology or technologies effectively
 - > Installation, commissioning, and calibration of the clean technology or technologies⁶
 - > Coordination of the implementation project, including steps such as site supervision and verification of facilities and actual post-implementation benefits

An application may target both support for the implementation of eco-responsible business practices and support for the implementation of clean technologies as long as the maximum amounts per project category are complied with (see section 4.1), the ceiling of \$80,000 per company is not exceeded, and the two (2) projects are complementary. For such a venture, two (2) forms must still be submitted.

⁵ The company must demonstrate that it has not, in the previous 18 months, or is not currently experiencing, any major controversy regarding its social responsibility in its scope of influence, in any area whatsoever.

⁶ FAQDD reserves the right to reject these expenses as eligible, especially to maximize the environmental and economic impact of the available funds.

ELIGIBLE PROJECTS: SPECIFIC FEATURES FOR PROJECTS INVOLVING BUSINESS COHORTS

To be eligible, a cohort must demonstrate an explicit link between its member companies, and the project must clearly refer to this link. For example: a regional cohort, a sectoral cohort or a cohort in a specific area of application. The gains in efficiency brought about by operating as a cohort must also be demonstrated, and the economies of scale achieved.

In addition, an expert may undertake more than one cohort project at a time, but must demonstrate the capacity and resources to manage all of these projects. Fonds Écoleader managers may ask the expert for information and supporting documents by way of assessing this capacity and reserve the right to reject any project for which this capacity is not demonstrated.

Finally, a cohort coordinator may submit an application for both sustainable business practices and clean technologies as long as the maximum amounts per project, per category, and per cohort member are not exceeded. As mentioned above, two (2) forms must be submitted for such a venture.

3.4 Ineligible projects

A project is ineligible if it:

- Constitutes a scientific research, experimental development or knowledge and documentation project, and if it is not geared toward direct and tangible action
- Aims primarily to inform, raise awareness or educate
- Focuses on sales, promotion or presence at events (trade fairs, exhibitions, conferences, and so on), including promotion of products, services or technology
- Aims to develop a new clean technology, product or service⁷
- Relates exclusively to developing or producing a training course or tool or updating a current training course or tool
- Targets activities that are identical or similar to a project already funded by the Fonds Écoleader
- Is a one-off venture requiring recurring funding
- Is designed to prepare an application for (or renewal of) recognized environmental certification. The Fonds Écoleader may not fund costs relating to obtaining or renewing environmental certification or preparing a certification application. As a result, it may not finance all the professional fees involved in meeting the requirements of such certification (for example, completing one or more forms, paying membership fees to a platform, and so on)⁸
- Focuses on an impact-mitigation measure (for example, carbon offsets)
- Focuses on implementing a cloud solution
- Targets activities that the company can perform with current in-house skills
- Aims to structure a market (especially in the case of a business cohort)

⁷ Some projects relating to the eco-design of a new product may be eligible, but only to the extent that they concern specific aspects of improving the project's environmental performance, rather than its development as a whole.

⁸ The Fonds Écoleader may not fund environmental certification or preparation of a certification file, but it can finance projects designed to implement eco-responsible business practices in efforts to improve a company's environmental performance.

- Aims to develop an approach that does not include improving the company's environmental performance⁹
- Aims to comply with a municipal, provincial or federal standard, law or regulation
- Is designed to establish a foundation or seek sponsorship
- Seeks the potential acquisition of a clean technology without considering at least one Quebec technology, unless no Quebec technology exists to meet the need
- Is carried out outside Quebec¹⁰

Fonds Écoleader managers reserve the right to reject any project if they consider that it does not meet program objectives. They may also change the project's target area of application, as appropriate. Also, they may refer applicants to any other funding program deemed more appropriate for their project, with a view to complementing available programs.

3.5 Eligible and ineligible expenses

Only external services billed by experts listed in the Fonds Écoleader directory may be recognized as eligible expenses.

Eligible expenses, which may be funded up to 75% by the program, include:

- Professional fees: specialized services, design, documentation, and more. A maximum of \$200/hour is eligible. If the hourly rate for any project exceeds this amount, FAQDD revises the cost of eligible project expenses by granting a maximum hourly rate of \$200/hour:
 - > Please note that to be considered eligible, all experts' hours must be associated with specific activities; moreover, the use of a bank of hours is not accepted
- Travel and accommodation expenses incurred as part of the project:
 - > In all cases, unless exceptional circumstances arise, the chosen approach must demonstrate a concern for cost savings in accordance with the government's current rates, as described in *Directive sur les frais remboursables lors d'un déplacement et autres frais inhérents*, a document produced by *Secrétariat du Conseil du trésor du gouvernement du Québec* (www.tresor.gouv.qc.ca/fileadmin/PDF/secretariat/Directive_frais_remboarsables.pdf). FAQDD reserves the right to request supporting documents as appropriate
- A maximum of \$2,500 (\$5,000 in the case of a business cohort) may be requested for travel and accommodation expenses. This amount must be justified on the basis of the project.
- Taxes directly applicable to eligible project expenses
- Training costs may be included in the scope of the project, up to 50% of the total cost of the project
- The cost of materials required to implement eco-responsible business practices or clean technology may be included in the project, up to 15% of the total cost of the project¹¹
- Communication costs, up to 10% of the total cost of the project¹²
- Professional fees directly incurred to produce the project report required by FAQDD may be eligible up to \$1,500
- The fees of subcontractor(s) who are not listed in the Fonds Écoleader directory of experts, which are eligible up to 10% of the total cost of the project and may not exceed \$10,000

⁹ It is worth noting that strategic or global approaches often touch on topics other than the environment, for example, governance issues. So as to maintain the primary objective of the Fonds Écoleader, this type of project may be eligible as long as it aims to implement tangible actions that address multiple environmental issues.

¹⁰ If project funding for a Quebec business location also benefits business locations beyond the province, financial support will be weighted in such a way as to fund only the portion sited in Quebec.

¹¹ Material costs must be detailed on a form available in the project submission kit. All invoices relating to these expenses must be submitted as supporting documents at the end of the project. Please note that material costs may not include the purchase of a clean technology.

¹² Eligible communication costs may relate, for instance, to the development of information or awareness-raising documents and posters for employee training.

- For business cohort projects, coordination costs are added to the maximum amount for the cohort as a whole. Nevertheless, they may not exceed 10% of eligible expenses, up to \$25,000, and are subject to the same costing rules (up to 75% as a non-refundable contribution). They also include the portion of the employee's salary dedicated to carrying out the project, corresponding to the time the employee devotes to it, and the organization's administration costs, up to 10% of the amount granted to it to cover project-coordination costs.

Only coordination costs incurred by a company that is both a coordinator and a business cohort member may be considered as eligible unbilled external service costs. Accordingly, the coordinating company must provide a letter confirming the final amount of the coordination costs with its request for final payment.

Ineligible expenses include:

- Expenses relating to scientific research, experimental development of knowledge, and documentation
- Expenses arising from human and material contributions for which invoices cannot be provided
- Expenses incurred before the project submission date to the Fonds Écoleader, including those for which the company has made contractual commitments prior to this date (an invoice dated prior to project submission, for example)
- Capital expenditure (land, building, production equipment, and so on) and depreciation
- Sponsorships for goods and services
- Company operating costs (for example, office, secretarial, administrative, telecommunications, and communications costs, including software and platform-subscription costs)
- Debt servicing, repayment of future borrowings, capital loss or replacement, payment or amount disbursed as capital
- Costs associated with upgrading to comply with standards, laws, and regulations
- Costs associated with preparing an application for funding
- Registration fees for an environmental or social recognition or certification program
- GST and QST eligible for a tax refund or credit on inputs
- Costs associated with carbon-offsetting measures and the purchase of carbon credits
- Legal fees
- Costs relating to activities beyond the scope of the project

3.6 Project duration

Projects must be completed and the final report (see section 4.2) submitted to FAQDD no later than 18 months after the applicant signs the agreement. For applications submitted after July 31, 2025, projects must be completed and the final report submitted no later than **January 31, 2027**. No extension may be granted for the submission of this final report.

A company may undertake more than one project concurrently as long as the maximum amount per company granted under the Fonds Écoleader's specific support for implementation program is complied with (see section 4.1). However, program managers reserve the right to reject a project if they deem that the company does not have the resources required to complete it successfully.

3.7 Deadline for submitting projects

Applications may be submitted on an ongoing basis. The deadline for submitting projects is **September 30, 2026**, or when the funding set aside by FAQDD has been spent. Please note that, in efforts to allocate available funds efficiently over time, FAQDD reserves the right to suspend receipt of funding applications at any time it deems appropriate.

3.8 How to apply for financial assistance

Confirmation for funding support for projects is provided as follows:

1. The applicant submits an application for financial support to FAQDD as well as the following documents to assess the project's eligibility:
 - The financial assistance application form, duly completed and signed by the authorized parties, including the form¹³ signed by the expert¹⁴

PLEASE
NOTE

The expert's submission is made directly on the online form. While a document offering the expert's services may be attached to the submission as additional documentation, it is the online version that is reviewed as part of the application process.

- Proof that the individual signing the form is authorized to do so and act on behalf of the company, both for the company making the request and for the appointed expert firm. This proof is provided either by a resolution of the board of directors or a letter signed by an administrator listed with *Registraire des entreprises du Québec*. This proof is not required if the signatory occupies one of the following positions: executive director, president or vice-president¹⁵
- Letters of confirmation of additional funding, whether loan or grant, with confirmation of the private or public source of the funding (template available at www.fondsecolader.ca)

SPECIFIC FEATURES FOR BUSINESS COHORT PROJECTS

Cohort projects also require the following documents:

- Letters of intent from participating companies
- A breakdown, by category, of the project costs associated with each cohort member. The template for this mandatory document is available in the project submission kit.

13 For more details on the essential information to be provided on the form by the expert, please refer to the guide included in the project submission kit on the Fonds Écolader web site.

14 Organizations interested in acting as experts for companies must be listed in the directory of experts on the Fonds Écolader web site.

15 Please note that the company's contact person need not also sign the project.

16 If the company benefiting from the expert's services is the one paying the costs, a letter of confirmation of additional funding is not required.

For all types of projects, the following financial information must be provided by social-economy companies and start-ups, that is, businesses that have been in existence for less than three (3) years:

SOCIAL-ECONOMY COMPANIES	
Not-for-profit companies	Self-declaration form, table of calculation of independent income, and recent financial statements covering three (3) financial years.
Cooperatives	Calculation table for independent income and recent financial statements covering three (3) financial years.
START-UPS	
Regardless of the funding requested	Business plan, including pro forma budget over three (3) years. ¹⁷

FAQDD reserves the right to request the financial statements from for-profit companies or other information so as to conduct more in-depth analysis of the application, if warranted by the nature of the application.

2. FAQDD assesses project eligibility and compliance with program guidelines. Expenses may be eligible as soon as the project is submitted to the funding program. Nevertheless, it should be noted that acceptance of project funding is subject to written confirmation by FAQDD. Prior to such confirmation, it is still possible that the project will not receive funding. Consequently, the risk of starting a project before funding has been approved must be assumed by the applicant. Following confirmation, an agreement is signed between FAQDD, the applicant, and the lead expert. Once it is signed, the agreement may not be modified.

Eligible applications must meet the following criteria:

- Coherence and relevance of the proposed solution
 - > Clearly defined problem
 - > Project rationale
 - > Sound project planning (schedule, budget, deliverables, and so on)
 - > Guaranteed completion
- Company ability to manage and carry out the project
 - > Determining additional funding
 - > Choosing the right expert to support the company
- Potential project benefits
 - > Environmental objectives (mandatory: the company must demonstrate at the start that the project will have a significant environmental impact)
 - > Socio-economic and governance co-benefits (recommended)
- Project efficiency
 - > Assess the match between the targeted problem, scope of the expected benefits, and project cost. FAQDD reserves the right to request further details about a project or reject it if it deems that the expected environmental benefits are not significant in relation to the cost of the project

¹⁷ The business plan is used to validate the company's financial viability. It is also used to check that the project is in fact designed to improve the company's practices and not start up the company or expand it.

4. FINANCIAL ASSISTANCE

4.1 Specific features of Écoleader funding

Companies may undertake more than one project concurrently under the Fonds Écoleader's specific support for implementation funding program, with maximum financial assistance set at \$80,000¹⁸ per company. Applicants must, however, demonstrate that each project differs in its nature, objectives, activities or benefits.

More specifically, the maximum financial assistance for each company is \$30,000 for projects designed to implement eco-responsible business practices (up to \$200,000 per cohort) and \$50,000 for projects aiming to acquire clean technologies (up to \$300,000 per cohort). The maximum financial assistance for a cohort project involving both the implementation of eco-responsible business practices and clean technologies is \$400,000. In addition to these amounts, project coordination costs may represent up to 10% of eligible project expenses, for a maximum of \$25,000 in eligible expenses. As a reminder, the cohort must include a minimum of three (3) member companies and a maximum of ten (10).

Financial assistance provided under the Fonds Écoleader's specific support for implementation funding program may not exceed 75% of eligible expenses and may never cumulatively surpass \$80,000 per company, regardless of the number of projects or their structure. Private contribution must represent at least 25% of the total cost of eligible expenses. Please note that the source of this contribution must be specified in the application.

Cohort member companies are also required to pay a minimum of 25% of the cost of the project. If the private funds do not come from one or more of the member companies, it is important to state this clearly when submitting the funding application. In such cases, additional supporting documents may be requested.

Financial assistance may be combined with complementary programs offered by government departments or agencies at the municipal, provincial or federal level. Financial assistance from the Fonds Écoleader, however, may not be combined with financial assistance from another MEIE program, and the total contribution of public funds to the project must not exceed 75% of eligible expenses. In addition, for projects relating to energy issues, financial assistance from *Transition énergétique Québec* and the Fonds Écoleader may not be combined. Please note that refundable federal or provincial tax credits are considered contributions from public funds and must be included and identified in the financial package of applications. Proof that requests for additional funding have been accepted must be provided as soon as the application is submitted.

At the end of a project, FAQDD reserves the right to readjust the amount of financial assistance in light of the project's implementation, for example, if a project costs less than anticipated, a measure has to be set aside, a member of the cohort withdraws, and so on. As the financial assistance announced is a maximum, however, it is not possible to increase this amount once the agreement has been signed, even if, for example, the costs of implementing the project increase or additional measures are put forward.

¹⁸ To ensure compliance with this criterion, it is recommended that the cohort coordinator confirm with the company, upon recruitment, whether it is receiving or has already received a financial support from the Fonds Écoleader. Moreover, Fonds Écoleader program managers reserve the right to reject a company's application if they deem that it does not have the necessary resources to complete the project.

The two tables below show the maximum financial assistance per project, by category.¹⁹

For support in implementing eco-responsible business practices

	AMOUNTS
Funding Stream 1 – Businesses (for-profit and social-economy companies)	\$30,000
Funding Stream 2 – Business cohorts (from 3 to 10 companies)	\$200,000

For support in implementing clean technologies

	AMOUNTS
Funding Stream 1 – Businesses (for-profit and social-economy companies)	\$50,000
Funding Stream 2 – Business cohorts (from 3 to 10 companies)	\$300,000

For sustainable development projects, funding may range from 50% to 75% of eligible expenses, depending on the applicant's ability to demonstrate potential environmental benefits when submitting a request.

PLEASE
NOTE

This specific support for implementation funding program is separate from financial assistance previously granted by the Fonds Écoleader. These funding initiatives complement each other, and projects designed to pursue an approach that has already been funded or that go further in implementing eco-responsible business practices or clean technologies are encouraged. In addition, please note that all maximum funding amounts include taxes that apply to eligible expenses.

4.2 Payment of financial assistance

NEW

Financial assistance will be paid to the project's lead expert, for both single-company and business cohort projects. The expert is responsible for managing funding on behalf of the company or cohort as well as paying project-related invoices. The expert must consult the invoicing guide, which can be found in the project submission kit on the Fonds Écoleader web site, to ensure that all essential information for implementing the project is in hand. In the event of non-compliance with the established invoicing process, FAQDD reserves the right not to reimburse invoices.

An initial payment of 50% of the granted funding is made upon signature of the agreement. Following validation by FAQDD of the final statement of account submitted by the applicant, the second payment of 50% is made.²⁰

As payments are made by bank transfer, the expert must provide, on signature of the agreement, a recent cheque sample (less than one year old) from the expert's organization, with the name and e-mail address of the person responsible for payments.

¹⁹ Please note that in addition to the maximum amounts for cohorts, there is also a non-refundable contribution to cover coordination costs. Accordingly, up to 75% of eligible project coordination expenses may be added.

²⁰ For large-scale cohort projects, an interim payment may be made, depending on project progress. The final instalment is subject to acceptance of the report on the statement of incurred and paid expenses from the outset of the project.

Payment of the final funding instalment is conditional on receipt, assessment, and acceptance of the following supporting documents testifying to the completion of the project:

- An online form commenting on project implementation and attainment of objectives as well as an expense statement for the period during which the project was conducted. These documents are provided on the Fonds Écoleader web site and demonstrate the tangible benefits of the project
- Copies of invoices issued in the name of the applicant (either a single company or member companies in the case of a cohort) with proof of payment, including invoices relating to project coordination, as appropriate. Please refer to the program's invoicing guide for more details about how to proceed

Proof of payment is accepted as follows:

- > A copy of the monthly statement(s) of account showing project expenditure, with name of recipient or invoice number, name and address of issuer, date, and amounts of transactions specific to the project (screenshots are not accepted)
 - > A copy of both sides of the cheque that was cashed: hence, not the cheque itself, but rather proof that it was cashed
 - > A statement of account (provided by the expert) and details of the transaction with the bank's letterhead showing that the amount was paid (provided by the applicant)
- Project deliverables (for example, the hired expert's report, the tool that was developed or a report on the support received by the expert)
 - In the case of business cohorts: letters confirming the services received by member companies²¹
 - All other documents that are relevant and useful for understanding the project

PLEASE
NOTE

Since payment of the final funding instalment to the expert is **conditional on payment of the minimum 25% by member companies and analysis of the final report by FAQDD**, the project coordinator must ensure that a complete report is submitted to minimize processing times. Please refer to the invoicing guide for further details.

To meet the program's objectives, FAQDD will pay particular attention to the project's benefits, particularly with respect to business competitiveness and environmental impacts. Hence, supporting documents must describe the benefits, specifying whether they are real or estimated.

About report quality

Companies must ensure that the deliverables produced by the expert comply with the service offer contained in the application form, for which a funding agreement was signed with FAQDD. All deliverables indicated on the form must be produced and submitted to you to be forwarded to FAQDD.

If the final report does not comply with these requirements, FAQDD reserves the right to reduce the amount of the financial support awarded or request reimbursement.

In addition, FAQDD pays close attention to the quality and accuracy of the reports submitted by the expert. As part of the program, your expert must provide a personalised service specific to the company's reality in response to tangible issues.

²¹ The letter template can be found in the project submission kit on the Fonds Écoleader web site.

5. SUBMITTING A PROJECT

Businesses and other organizations that would like to submit a project are invited to consult and use the tools designed to assist them with this process, namely:

- This Applicant's Guide
- The Fonds Écoleader directory of experts
- The project submission kit, which contains a number of examples, templates, and tools that can help you maximize the likelihood of obtaining Fonds Écoleader funding. To consult the kit, you must first download it

The form for submitting a project can be found on the Fonds Écoleader web site. Once it has been completed, the applicant must click the SEND button before the deadline to make the application official. All applicants are sent an automatic acknowledgement of receipt.

PLEASE
NOTE

Project submissions must be complete: they must contain all requested information and documents and state their objectives clearly and precisely. Failure to do so may result in FAQDD rejecting the application and calling for a new submission.

If you encounter any problems with the submission process or have any questions that are not answered by the available tools, please write to us at info@fondsecoleader.ca.

APPENDIX 1: THE PROGRAM'S AREAS OF APPLICATION

Sustainable sourcing

An approach that aims to build ethical, social, and environmental considerations into the process of selecting, purchasing, and using products and services. It involves taking into account specific criteria to reduce environmental impact, increase social benefits, and strengthen organizations' economic sustainability, throughout the supply chain.

Sustainable development approach

An approach that aims to build sustainable development principles into organizations' activities, decisions, and strategies. In addition to the expected positive environmental impact, a corporate sustainable development approach ideally results in the adoption of profitable eco-responsible business practices that also improve organizations' social performance.

Under the Fonds Écoleader, sustainable development initiatives must focus on measuring and reducing the company's environmental impact. **Funding may range from 50% to 75% of eligible expenses, depending on the company's ability to specify potential environmental benefits when applying for funding.**

Eco-design

An approach that aims to take into account the environmental impacts of a product or process as early as the design stage and throughout its life cycle, so as to reduce or prevent such impacts.

Please note that under the Fonds Écoleader, projects aimed at fully developing a new product or service are not eligible for funding. Only project aspects directly relating to reducing a product or service's environmental footprint are eligible.

Water management

Water is a collective resource in Quebec. This resource encompasses drinking water, wastewater, and rainwater. The aim of water management is to collect, control, and protect, in a more effective way, the water needed for company activities. It can include the storage, use, treatment, and distribution of this resource, always with the aim of reducing a company's environmental impact.

Energy management

Energy is essential to all organizations, which use it to manufacture or process goods and operate their infrastructure. A proactive approach to energy management is advisable, as it enables organizations to streamline consumption and reduce costs. This approach not only favours greater energy efficiency, but also encourages the transition to cleaner energy sources, such as renewable energy.

Greenhouse gas (GHG) management

The purpose of sound GHG management within companies is to reduce their activities' carbon footprint. This requires an assessment, using a credible method, ideally consistent with a recognized benchmark, of anthropogenic GHG emissions into the atmosphere over a given period, expressed in carbon-dioxide equivalent (tCO₂ eq. / year).

Decarbonization initiatives may be included in GHG management if they clearly indicate the measures designed to reduce the impact of carbon-emitting activities by quantifying the carbon footprint on a reference-year basis.

As part of the project, tangible GHG-reduction action must be recommended, including targets, indicators, a timetable, designated managers, and monitoring and assessment mechanisms to gauge current and future progress.

Waste management

Residual materials include residues from production, processing or use as well as substances, materials, products, and goods sent to landfill sites.

Sound management of residual materials starts with encouraging reduction at source, reuse, recycling, and recovery, in a circular-economy perspective, well before final disposal. The potential for recovery is what distinguishes residual materials from waste.

Sustainable mobility

Sustainable mobility involves reconciling the need to move people (employees and customers), goods and merchandise, reducing these journeys' carbon footprint, and promoting economic and social development. To be sustainable, transportation must be safe, affordable, accessible, efficient, and resilient.

Air quality

Pollutants in the air come from a variety of sources, including human activity (industry, transportation, agriculture, residential heating, and so on) as well as natural sources such as smoke from forest fires.

Air pollutants with impacts on human and environmental health – primarily ozone (O₃), nitrogen dioxide (NO₂), sulphur dioxide (SO₂), and volatile organic compounds (VOCs) – are assessed on the basis of ambient concentrations of fine particles at ground level.

Please note that a project designed to improve air quality may be eligible for funding under the Fonds Écoleader if it goes beyond the laws, regulations, and standards in place, and if it makes it possible to quantify this improvement. Companies applying for funding must state their compliance when submitting their project.

APPENDIX 2: DEFINITIONS

Private contributions

Financial contributions from the applying organization, cohort member companies, a private partner, a community partner or an institution that funds itself. Additional information is required to determine the eligibility of a private contribution from the project expert. Loans are considered private contributions only if they come from a private source. In all cases, a letter of confirmation of funding must be provided.

For-profit companies

Entities established for an indefinite period for the purpose of generating profit. The title to such entities is generally transferable and may result in profit or loss to owners/operators, partners or shareholders.²²

Social-economy companies

Recognized businesses within the meaning of the Social Economy Act, that is, cooperatives, mutual societies or not-for-profit organizations that sell or exchange goods and services to meet the needs of their members or the community in which they operate. Social-economy companies must demonstrate that they meet the criteria of the Social Economy Act and that more than 40% of their financial viability is based on independent income from their economic activities, in particular through financial data for the three (3) previous years.²³

Below is a list of companies incorporated as cooperatives, mutual companies or non-profit organizations that are not eligible for the Fonds Écoleader funding program:

- Professional orders
- Religious organizations
- Trade unions representing individuals or clients other than businesses
- Political parties
- Public and private foundations as defined in the Income Tax Act of Canada²⁴
- Student associations
- Private primary, secondary and post-secondary educational institutions

Start-ups

Companies established within the three (3) years preceding submission of the application. Companies resulting from a merger, demerger or conversion are not considered start-ups. To validate the financial viability of a start-up company, the Fonds Écoleader systematically analyzes its business plan and pro forma budget.

²² Office québécois de la langue française, http://gdt.oqlf.gouv.qc.ca/ficheOqlf.aspx?ld_Fiche=8357952, (consulted on June 12, 2024).

²³ To that end, the company must attach to its funding application the self-declaration and calculation of own-source revenue forms found in the project application kit on the Fonds Écoleader web site.

²⁴ Charities are eligible, provided they meet the criteria of a social economy enterprise. You can check foundation status at: <https://apps.cra-arc.gc.ca/ebci/hacc/srch/pub/dsplyBscSrch?>

Public funds

Funds received from a government department, agency or other public body, whether municipal, provincial or federal. Also, funds received from any agent of a department or agency responsible for administering or managing a financial assistance program. Refundable federal or provincial tax credits are also considered to be contributions from public funds.

Groups of companies

These include, for example, associations, federations or corporations:

- Encompassing members of companies operating in Quebec (with dues or membership)
- Sustaining a dynamic link with members, for example, holding activities, events, and training programs
- Bringing companies together around one of the following considerations:
 - > Business sector (grouping of companies with the same main economic activity)
 - > Regional proximity (grouping of companies sharing the same geographical location)
 - > Value chain (grouping of companies sharing the same competitive advantage)
 - > Expertise (grouping of companies sharing similar knowledge and skill sets)
 - > ACCORD Clusters of Excellence²⁵