



OVERVIEW OF 2016-2017 RESULTS

Standing by businesses, standing by regions

The 2016-2017 Departmental Results Report (DRR) shows progress made in our mission to support Quebec's communities and small and medium-sized enterprises (SMEs) in their economic development projects. It measures how far we have come in one year with regards to the objectives set out in our 2016-2017 Report on Plans and Priorities (RPP).

We made the commitment to help businesses grow, innovate and export their products and services; to support the economic diversification of communities and their transition to new markets and new technologies; and to capitalize on a culture of innovation in order to increase our performance.



2016-2017 OBJECTIVES



2016-2017 RESULTS

We invested \$274 million in grants and contributions to support 1,254 projects that concretize our commitment. More than 11,000 companies and organizations received our financial support, either directly or through a non-profit organization. The overall satisfaction rate of our customers is 93%. Our financial assistance had a significant leverage effect: on average, every dollar granted generated an investment of \$3.20 from other sources.

During the reporting period, we aligned ourselves with the Government of Canada's priorities, particularly with our *Strategic Plan 2021*: For a more innovative, clean and inclusive Quebec economy. We continued our work to achieve our goals by prioritizing projects that help SMEs innovate—including by supporting the adoption of digital technologies—or develop, produce or adopt clean technologies. We also prioritized projects that aim to diversify and strengthen the entrepreneurial or industrial fabric of devitalized communities, or that foster the economic participation of Indigenous communities.

We achieved our priorities and notably accomplished the following:



We actively took part in the Accelerated Growth Service (AGS), a government-wide initiative that provides high-potential businesses with tailored and coordinated services to facilitate and foster growth. With 28 companies recruited, we surpassed our target of having 25 new clients registered as of March 31, 2017.



We invested \$ 44 million—well above the annual target of \$ 25 million—to support ecological growth of businesses and regions.



We delivered phase 2 of the Canada 150 Community Infrastructure Program (CIP 150) for Quebec, one of the measures listed in the 2016 budget. Most of the disbursements will be made in 2017-2018 given the nature of the projects, namely the rehabilitation and improvement of existing community infrastructure.

The DRR is structured according to our Program Alignment Architecture (PAA).

OUR PAA

Strategic outcome: Quebec's regions have a growing economy

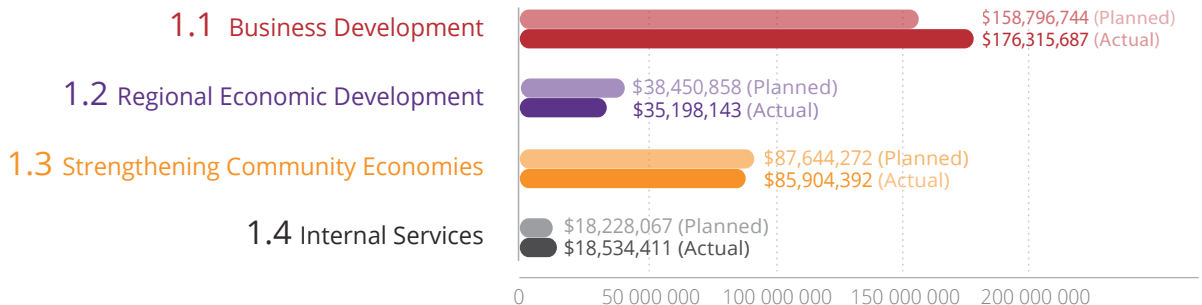


Our Overall performance



Planned spending	Actual spending	Planned FTE	Actual FTE
\$303,119,941	\$315,952,633	323	330

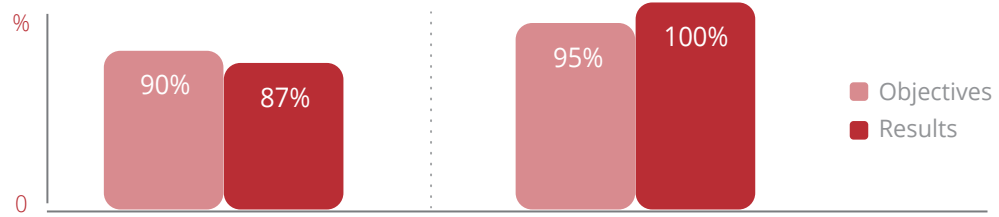
2016-2017 planned and actual spending



In order to better meet the needs of Quebec businesses and regions and to adapt to their realities, we reallocated some funds among our programs, in compliance with our departmental authorities. As a result, there is a decrease in spending for programs 1.2 and 1.3 for the benefit of program 1.1.

RESULTS BY PROGRAM

1.1 Business Development Program



Expected results

The pool of businesses in Quebec is renewed.

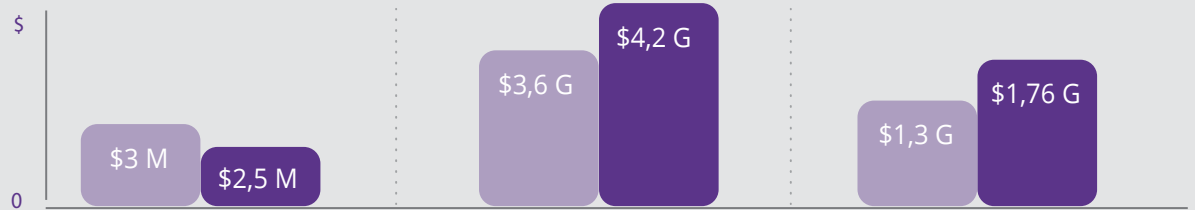
Quebec businesses are competitive.

Performance indicators

Survival rate of businesses supported in their startup.

Survival rate of businesses supported in their development.

1.2 Regional Economic Development Program



Expected result

The Quebec regions have a strengthened economic base.

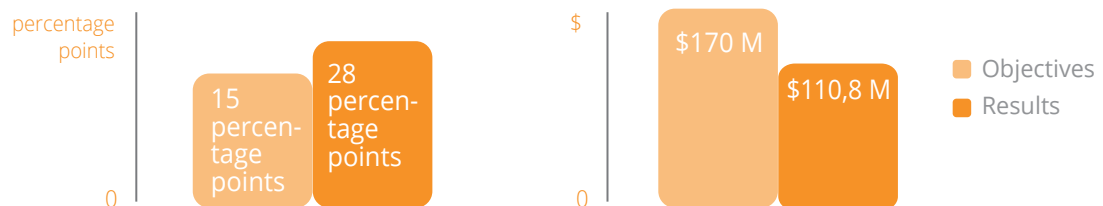
Performance indicators

Total amount of investment generated in supported regions that completed implementation of their development project.

Amount of spending by tourists from outside Quebec attracted to supported regions.

Amount of foreign direct investment maintained in or attracted to supported regions.

1.3 Strengthening Community Economies Program



Expected result

Quebec communities have strengthened economies.

Performance indicators

Percentage point increase in the survival rate of CFP clients that received assistance over the rate of comparable enterprises that did not receive support.

Total amount of investment generated in communities for temporary and/or targeted support.

Project examples

CED financed the Montreal-based enterprise B-CITI, who developed an intelligent citizen's portal in partnership with a group of researchers from the École de technologie supérieure (ÉTS), the city of Brossard and the Natural Sciences and Engineering Council of Canada. This intelligent multi-modal/multi-channel platform brings cities closer to their residents: it connects systems, centralizes and cleans data, digitizes resident services and provides real-time analytics dashboards. Citizens can contact and interact with their city from this portal, accessible on any digital device. CED's support enabled the implementation of a marketing strategy for the Canadian market. B-Citi is currently developing the international market.

BUSINESS SUPPORT PROJECT

REGIONAL ENGAGEMENT PROJECT

CED's financing enabled the Îles-de-la-Madeleine municipality to develop an economic diversification plan and to carry out a socio-economic portrait of the archipelago. The municipality also conducted a SWOT analysis (strengths, weaknesses, opportunities, threats), notably based on an online survey and a focus group with various economic stakeholders. Three priority areas were identified: economic opportunities for a waste diversion project; development of a business accelerator with access to logistical and technical support; and development and implementation of a strategy to attract investment and entrepreneurs. The economic diversification plan is part of the Horizon 2025 Program directions. The program, which the community adopted in 2013, provides a shared vision of development and reflects the archipelago's characteristics.

BUSINESS PERFORMANCE PROJECT

Cordé Électrique, a manufacturing company located in Eastern Townships, received funding to improve its performance by increasing its productivity and manufacturing capacity. The project also aims to implement a marketing plan for the U.S. market. CED's support helped improve the company's production chain by acquiring state-of-the-art equipment and by expanding the plant. The company also created new jobs, going from 45 to more than 70 employees since the project began.

Winner of the *Accroissement de la productivité* (productivity growth) award at the 2017 Mercuriades, Cordé Électrique specializes in small- and medium-sized personalized batches of electrical harnesses, as well as prototype, moulding, wire printing, technical support and cost reduction analysis services.

The company generates most of its revenue from transport and recreational products.

TEMPORARY AND/OR TARGETED SUPPORT PROJECT

As part of the Economic Diversification of Quebec Communities Reliant on Chrysotile Initiative, CED financed BXA, an enterprise that specializes in the development of processes and equipment for treating secondary sludge generated by industrial, agri-food and municipal activities. The company developed a technology that significantly reduces the volume of industrial sludge. This innovation is expected to lower transport and disposal costs, reduce the presence of bacteria and coliforms, and control odour for sludge so it can be reused in agriculture. The project enabled the company to complete the pilot phase to develop a prototype of an electric biological sludge processor. At the time of writing, the company was beginning its marketing efforts.