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Evaluation

Lac-Mégantic Economic Recovery
Initiative

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Acronym list

CED: Canada Economic Development

CFDC: Community Futures Development Corporation

EDI: Economic Development Index

GBA+: Gender-based analysis plus

LMERI: Lac-Mégantic Economic Recovery Initiative

QEDP: Quebec Economic Development Program

RCM: Regional county municipality

Summary

This report provides an evaluation of the Lac-Mégantic Economic Recovery Initiative (hereinafter referred to as the Initiative or the LMEDI), which was set up in response to the July 6, 2013 rail accident. Implemented by Canada Economic Development (CED), the Initiative was put in place in 2013 and was set to end in 2020; however, CED has extended it to March 31, 2023, given the needs in the community and the exceptional context.

The LMEDI had a total budget of \$35 million. This evaluation covers spending for the period from July 6, 2013, to March 31, 2021, totalling \$27.3 million invested in 35 projects. The Initiative had three components: 1. Assistance for the town of Lac-Mégantic; 2. Assistance for businesses and organizations; and 3. Local investment fund. Since the Initiative was carried out under the Quebec Economic Development Program (QEDP), any residual spending will be assessed in the next QEDP evaluation.

In terms of relevance, the Initiative adequately addressed the needs of the town of Lac-Mégantic, not only with respect to the terms and conditions of the assistance and the available funding, but also in terms of the duration of the Initiative, which was extended to meet the needs of the community. CED's sustained presence on the ground allowed the Agency to be close to the community, which facilitated the identification and understanding of needs, thus ensuring that the Initiative could be appropriately tailored to the specific needs and context created by the rail accident. At the time of the evaluation, no residual reconstruction or economic recovery needs had been identified when the Initiative ended.

Data collected shows that the Initiative has had a positive impact on the community. The local population has embraced the public spaces that have been built or restored, and the funding has allowed local businesses that serve the community to resume, or in some cases, even expand their operations. These projects have also helped maintain jobs in the town and have sometimes led to the creation of new jobs. In the absence of targets, it is impossible to report on the extent to which the targeted results have been achieved; however, the results are considered to be sustainable.

As for gender-based analysis plus (GBA+) requirements, none were established for the Initiative, since GBA+ only became a government-wide priority after the Initiative was launched.

Overall, the Initiative has been successfully implemented. The significant presence of officials in charge of implementation in the community has enhanced the effectiveness of the Initiative's implementation. In addition to making it easier to identify and understand needs, the close ties that were created with the community, together with the proximity to CED's senior management, have fostered significant fluidity in the decision-making required to tailor the intervention to the exceptional context of the Lac-Mégantic rail accident.

Introduction

On July 6, 2013, a rail accident in the centre of the town of Lac-Mégantic caused a major explosion that resulted in significant human and material losses. In response to this event, the Government of Canada gave Canada Economic Development (CED) \$35 million to assist the town of Lac-Mégantic in its initial recovery and economic revitalization efforts. On December 6, 2013, CED officially announced the implementation of the Lac-Mégantic Economic Recovery Initiative, initially planned to be in place for seven years.

This document is an evaluation of the Initiative¹ for the period from July 6, 2013, to March 31, 2021.

The evaluation report contains the following sections:

1. Description of the Initiative
2. Evaluation strategy
3. Evaluation findings, broken down by evaluation issue
4. Conclusion

There are no recommendations associated with this evaluation. It is hoped that CED will take into account the good practices and findings presented in this evaluation for potential initiatives with similar objectives and contexts.

Description of the Initiative

The Initiative, which had a budget of \$35 million, was launched on December 6, 2013, and was set to end on March 31, 2020. However, given the exceptional context, the extent of the damage and the time required for rebuilding, CED decided to extend the Initiative until March 31, 2023.

The objective of the Initiative is to support Lac-Mégantic's revitalization and economic recovery. To do so, CED structured its approach around three components:

1. **Direct assistance for the town of Lac-Mégantic:** With an envelope of up to \$20 million, this component targets projects involving the upgrading, enhancement or construction of public infrastructure (e.g., town reconstruction plan following the disaster; infrastructure for the construction of the new town centre).
2. **Direct assistance for businesses and organizations:** This component, involving up to \$10 million in funding, targets the maintenance or development of short-, medium- and long-term business activities (e.g., restoration and relocation of businesses and viable organizations; business startups).

¹ A mid-term evaluation has already been conducted, three years after the Initiative was put in place.

3. **Local investment fund:** The aim of this component was to provide a \$5 million non-repayable contribution to the local investment fund set up by the Community Futures Development Corporation (CFDC) in the Mégantic region:
- \$3M for the economic and commercial recovery and which could be used to fund smaller-scale projects than those supported by CED
 - \$2M for community infrastructure

Intervention parameters

Implemented through the Quebec Economic Development Program (QEDP), the Initiative falls under the *Targeted and Temporary Support* component of the CED program inventory.² Although governed by the terms and conditions of the QEDP, the Initiative also provided for the eligibility of other activities, such as the restoration or relocation of businesses or organizations, as well as infrastructure upgrades or enhancement or the construction of new infrastructure. Furthermore, the stacking limit for government assistance was increased to 100%, and eligible costs were retroactive to July 6, 2013, the date of the rail accident.

Table 1 – Overview of intervention, July 6, 2013, to March 31, 2021

	Funding	Number of Projects
Component 1 – Assistance for the town of Lac-Mégantic	\$17.63M	17
Component 2 – Assistance for businesses and organizations	\$9.5M	19
Component 3 – Local investment fund	\$5M	1
TOTAL AUTHORIZED	\$32.1M	37
TOTAL SPENT	\$27.3M	35

Evaluation strategy

Mandate and scope

CED undertook to conduct a mid-term evaluation in 2016–2017, and to provide an update on results in 2021–2022. This evaluation covers all projects approved under the Initiative from July 6, 2013, to March 31, 2021, as well as the \$27.3M in Initiative expenditures for the same period. It meets the federal requirement to evaluate grant and contribution expenditures over a five-year cycle. Expenditures made over the period from April 1, 2021, to March 31, 2023, will be included in the next evaluation of the QEDP.

² To be eligible, projects had to be carried out in the town of Lac-Mégantic.

The current evaluation is based on the three following evaluation issues:

Relevance

1. To what extent has the Initiative met the needs?

Effectiveness

2. To what extent has the Initiative achieved the expected results? How sustainable will the achieved results be? What are the impacts on the community?
3. What are the impacts of the Initiative on GBA+ target groups? Did the Initiative pose any accessibility barriers for individuals in the various target groups?

Efficiency

- The efficiency of all funds and initiatives delivered through this program will be assessed in the current evaluation of the QEDP.

The issues in this evaluation are intended to complement those in the Mid-Term Evaluation.

Methodology

The evaluation is based on an analysis of administrative, program and socio-economic data; internal and external interviews with community proponents and stakeholders; and a survey of recipients.

As part of the evaluation methodology, the use of authorized assistance is assessed in terms of the relevance of the Initiative in terms of supporting the analysis of CED's intentions during the reporting period. In the section pertaining to effectiveness, the evaluation relies on the amount of assistance spent as a basis for an analysis linking the amounts invested with the generated results documented in the evaluation.

Over the course of the Initiative, gender-based analysis plus (GBA+) became a government-wide priority applicable to all stages of a program's life cycle. According to the Standards for Evaluation under the Policy on Results, GBA+ considerations must now be taken into account in the planning of evaluations, and so the sampling criteria for data collection included this aspect.

Table 2 – Data collection parameters

Collection tool	Objective	Parameters
Survey of recipients	Seek input from recipients	7 respondents out of a total of 13 target recipients
Internal interview	Seek input from internal stakeholders	1 interview
External interviews	Seek input from external stakeholders and proponents	3 interviews
Analysis of administrative data	Complete data on results for intermediary groups	Consult data on intermediary groups and the list of their activities
Analysis of program data	Provide an overview of the intervention	Database of authorized projects with expenditures as on March 31, 2021
Analysis of socio-economic data	Establish a socio-economic profile of the town	Use of data from Statistics Canada and the <i>Institute de la statistique du Québec</i>

Methodological limitations

- The number of players (internal and external stakeholders, recipients) involved in the Initiative is limited, which means that the number of interviewees and survey respondents is also limited. This could have an impact on the reliability of the results, especially when there are differing opinions.
- Many of the indicators used to measure the Initiative’s performance are considered more as outputs and therefore do not allow for an adequate assessment of the results generated by the funds invested. Qualitative data collection (survey, interview and literature review) was used to mitigate this limitation.
- In the absence of economic indicators identified in the design phase, the evaluation relies on generic employment and population indicators, as well as on CED’s Economic Development Index (EDI),³ to assess the town’s needs for its economic recovery. The EDI was interpreted with caution in this analysis, given that it has not been updated since 2016 and is calculated at the RCM level. The collection of qualitative data from CED advisors and external stakeholders, as well as a literature review of internal economic analyses, helped mitigate this limitation.
- The opinions and feedback received as part of the data collection process may be a reflection of the economic context and the respondents’ COVID-related experiences. The data that was collected specifically served to document the impact of the pandemic on proponents, so as to isolate, as much as possible, this effect on needs.

³ Produced by CED, the EDI compares the economic growth potential of Quebec’s 104 regional county municipalities (RCMs).

- The availability and reliability of project data on target groups in CED's data systems is limited when it comes to the period prior to 2018, since this data was not systematically collected then. Over the past few years, CED has made various improvements aimed at enhancing the quality of project data relating to target groups:
 - Creation of a self-declaration form for recipients in 2018–2019:
 - Inclusion of the definitions of the various target groups on the form in 2020–2021 to reinforce the validity of self-reported data.
- Although the survey includes a list of proponents from the target groups in order to improve internal program data, the data obtained was invalid. The survey results pertaining to this element could therefore not be used.

Evaluation findings

Findings pertaining to relevance

1. *Capacity of the Initiative to meet the needs of the community*

The aim of this section is to determine whether the Initiative adequately met needs arising from the 2013 rail accident.

- The terms and conditions of the Initiative, namely the funding conditions, the available budget and the length of the extension of the Initiative, were deemed adequate in terms of meeting the community's needs.
- CED's flexibility and its proximity to the community are factors that made it easier to pinpoint, and thus better address, the various needs.
- The needs identified in the Initiative have, for the most part, been met, and no residual reconstruction or recovery needs have been identified for the period after the Initiative ends in 2023.

1.1 Needs originally targeted

The goal of the Initiative was to support the revitalization and economic recovery of the town of Lac-Mégantic in response to the significant damage caused by the rail accident on July 6, 2013. A lot of public infrastructure was destroyed, oil spills contaminated a large part of the town, and many businesses suffered damages or found themselves in a cordoned-off area and were forced to relocate. There were also indirect impacts, such as increased operating costs and a shift in demand to areas outside the town.⁴

1.2 Initiative's alignment with needs

Table 3 – Overview of authorized assistance, July 6, 2013, to March 31, 2021

	Authorized Assistance	Number of Projects
Component 1 – Assistance for the town	\$17.6M	17
Component 2 – Assistance for businesses	\$9.5M	19
Component 3 – Investment fund	\$5M	1

As at March 31, 2021, over \$32M had been authorized, out of a total envelope of \$35M.

⁴ Ville de Lac-Mégantic (2014). Analyse des impacts économiques à la suite des événements du 6 juillet 2013 à Lac-Mégantic. [Microsoft Word - Vfinale_SPD_Lac-Mégantic_Analyse impacts économiques.docx \(lac-megantic.qc.ca\)](#)

Adequacy of the intervention parameters

External interviews with community stakeholders and promoters revealed that the Initiative met the community's needs both in terms of the intervention parameters (eligible costs and recipients, funding conditions, etc.), and the funding envelope, which was sufficient to meet the needs. A majority of survey respondents indicated that the Initiative had "somewhat met" or "fully met" their needs.

The town also mentioned that the eligibility of public infrastructure costs had been key to allowing it to rebuild infrastructure destroyed by the accident. Without this assistance, the town would not have been able to rebuild as quickly and with the same level of quality.

Factors that helped meet the needs

Proximity to the community, close collaboration with partners on the ground, and CED's physical presence were identified as factors that fostered an understanding of the community's needs and the ability to adequately address these needs. CED's sensitivity when implementing the Initiative, given the particular circumstances surrounding the rail accident, was also identified as a significant enabler.

CED's flexibility in the implementation of the Initiative is another factor that fostered the tailoring of the intervention to meet the community's needs. The easing of the intervention parameters and the extension of the Initiative demonstrate CED's willingness to meet the needs of the community. External stakeholders all mentioned the flexibility of the officials in charge of implementing the Initiative.

1.3 How targeted needs have evolved

As at March 31, 2021, \$27M had been spent and \$32M had been authorized, out of CED's total envelope of \$35M. Data collected on the town's reconstruction and economic recovery did not identify any significant residual needs to be anticipated once the Initiative has ended. According to the internal and external interviews conducted, the town seems to have met the majority of its needs with the help of the various available public funds.

Commercial deficit in the town centre following the rail accident

According to all the stakeholders, the centre of the town is still facing a deficit and the town is continuing its efforts to address this challenge. In the wake of the tragedy, a number of stores and businesses had to relocate, which decentralized the town's commercial activity.

Economic indicators

According to CED's Economic Development Index (EDI),⁵ the position of the Le Granit RCM—of which Lac-Mégantic is the county seat—among Quebec's 104 RCMs remained virtually unchanged from 2012 to 2016, inching up from 60th to 59th place. In 2016,⁶ the RCM was still considered devitalized by CED and so was eligible for the easing of restrictions for RCMs with low economic growth potential. In 2018, the RCM lagged behind in terms of average employment income, ranking 86th out of the 104 RCMs, but did well when it came to entrepreneurship, placing 15th out of the 104 RCMs.

The town is also facing worker availability and attraction challenges. Between 2013 and 2020, the total population of the town decreased by 5%, compared with an increase of 6% in the population of Quebec as a whole over the same period. The labour shortage was one of the main challenges mentioned by recipient survey respondents. Local stakeholders noted that the town had started to see young families coming back over the past one or two years, but that the availability of housing had become a significant obstacle to the town's growth because it limited the attraction of workers, a situation that was exacerbated by the overheated housing market resulting from the pandemic.

This economic overview, and the challenges identified, resemble those seen in other Quebec RCMs, and have more to do with current economic development challenges than the response to needs generated by the 2013 rail accident.

⁵ The EDI is an internal index that allows CED to compare the economic growth potential of Quebec's 104 regional county municipalities (RCMs). Under this index, the economic development of a region is based on the region's benefits and its ability to leverage these benefits.

⁶ Since the EDI has not been updated since 2016, more recent data for this index is not available.

Findings pertaining to effectiveness

2. Achievement of results

The purpose of this section is to document the achievement of the expected results, and of other results and impacts generated in the community, in order to assess the effectiveness of the public funding invested through this Initiative.

Findings

- The main results identified through the collection of data are as follows:
 - People are using the public spaces that have been built or repaired.
 - Businesses, including various local stores, are back in operation or have increased their activities, and the number of jobs has been maintained or increased.
- Given the lack of targets for the overall period of the Initiative, it is impossible to determine the degree of achievement of the expected results for this entire period.
- According to the data collected, the results will continue to be seen going forward. The non-repayable contribution to the CFDC Investment Fund will help ensure sustainable support within the community.

In response to a recommendation in the Mid-Term Evaluation, a results chain, as well as indicators and targets, were established for the Initiative in 2018. However, the established targets were residual, i.e., for subsequent years up to the end of the Initiative (2018–2020), which means it is not possible to assess, in this evaluation, the extent to which the expected results were achieved over the entire duration of the Initiative. The evaluation relies on the indicators in the most recent Performance Information Profile as they apply to the current Initiative to provide a summary of the results generated by the total funding spent from July 6, 2013, to March 31, 2020. The residual targets and associated results are presented in the Appendix. The collection of qualitative data completed the overview of the results generated and the impact of the Initiative in the community.

Table 4 – Overview of expenditures by component, July 6, 2013, to March 31, 2021

	Expenditures	No. of projects
Component 1 – Assistance for the town	\$13.8M	15
Component 2 – Assistance for businesses	\$8.8M	19
Component 3 – Investment fund	\$4.6M	1
TOTAL	\$27.3M	35

As at March 31, 2021, almost 80% of the Initiative’s funds had been spent, with the remaining funds being primarily allocated to the town assistance component. The majority of unspent funds, however, had already been committed.

Component 1 – Assistance for the town

The main projects funded under Component 1 involved:

- Studies and plans to guide reconstruction work;
- The rebuilding of destroyed public infrastructure; and
- The rehabilitation, construction or restoration of numerous public spaces and infrastructure components, with a view to rebuilding the town.

Table 5 – Performance measurement results for Component 1 – Assistance for the town, July 6, 2013, to March 31, 2021

Component 1 – Assistance for the town	Indicators	Results
Outputs	The project office is set up	The project office is functional
	Number of public infrastructure projects supported	10
Immediate result	Number of projects supported by the project office	No data
Intermediate results	Number of projects supported by the project office that have been carried out	No data
	Number of projects involving public infrastructure that has been built	No data

In addition to the operational status of the infrastructure that has been rebuilt or repaired, the main result established based on the data collected is the use of the new public spaces by the local population. Stakeholders also noted that CED’s support for an electrical microgrid project would help position the town in a new energy-efficient vision and sector.

“The spaces created will allow people to see each other again and get together [...] These spaces have become meeting places where people can continue the healing process.”

– Community stakeholder

Component 2 – Assistance for businesses

Of the 19 projects under the *Assistance for businesses* component, 15 were carried out by businesses. The majority of the funds were used for projects aimed at supporting the funding of facilities or equipment acquisition.

Table 6 – Performance measurement results for *Component 2 – Support for businesses*, July 6, 2013, to March 31, 2021

Component 2 – Assistance for businesses	Indicators	Results
Outputs	Number of projects with expenditures	19 projects
	Amount of the expenditures	\$8.8M
Immediate result	The number of businesses receiving funding that have completed their projects	6 individual businesses
Intermediate results	Percentage of businesses receiving funding that maintained or increased their annual sales or self-generated revenue	100%
	Percentage of businesses that maintained or created jobs	100%

In the absence of targets, it is impossible to report on the extent to which the expected results have been achieved; however, program data points to positive results for the *Assistance for businesses* component. In the year after funding was provided for businesses whose financial statements were available:⁷

- 100% of the businesses that received funding had maintained or increased their annual sales
- 100% of the businesses that received funding had maintained or created jobs in the year after the funding was awarded

These results are validated by the survey and the interviews, in which the increase in commercial and tourism activities was also cited as an impact on the community. In particular, maintaining commercial activities in sectors that are critical to the community, such as food, medication, restaurants and funeral services, was considered by some respondents as key to the community’s recovery. There was a convergence of opinion among respondents that the results generated would be sustainable.

Component 3 – CFDC local investment fund

A total contribution of \$5 M was granted to the local investment fund of the Mégantic region CFDC:

- \$3M to support economic and commercial recovery;
- \$2M for community infrastructure

⁷ CED had access to the financial statements of 7 of the 15 businesses receiving funding.

Table 7 – Performance measurement results for Component 3 – CFDC Local investment fund, July 6, 2013, to March 31, 2021

Component 3 – Investment fund	Indicators	Results
Outputs	Amounts of financial contributions paid out by the CFDC	\$6.4M
Immediate result	Number of businesses and community organizations that received assistance	77
Intermediate results	Percentage of businesses assisted that maintained or created jobs	82%
	Total investment generated in the community	\$60.4M

In the absence of targets, it is impossible to report on the extent to which the expected results under Component 3 have been achieved; however, the overview of the results measured is positive. More than 80% of supported businesses or organizations maintained or created jobs, and reinvestment made possible through loan repayments allowed for contributions in the community totalling \$6.4M.⁸ This reinvestment supports the sustainability of CED's intervention.

Qualitative data collected also served to document some of the results generated. According to the interview findings, the majority of the economic and commercial recovery funding was used to support commercial enterprises and to help:

- Ensure a profitable resumption of operations for businesses supported in the wake of the tragedy
- Ensure that commercial activities are maintained
- Maintain or create jobs
- Support the Startup of a few commercial and industrial enterprises

In the case of the community infrastructure funding, a number of projects have been carried out, involving such things as developing volleyball courts; installing lighting for a baseball field; installing a scoreboard; providing support for the creation of an exhibition space open to the public; developing playgrounds in the Concerto area; etc. The main results identified are the engagement and ownership of the population as concerns this new infrastructure, and the improvement in the quality of social and community livability.

⁸ As at February 14, 2022

3. Gender-based analysis plus

The purpose of this section is to determine whether the Initiative has made an impact, and if there were barriers to accessibility for GBA+ target groups.

Finding

- There are no GBA+ requirements associated with the Initiative, since GBA+ only became a government-wide priority after the launch of the Initiative.

According to the 2015 Report by the Auditor General of Canada on the implementation of GBA+, there were still significant gender inequalities despite the government's commitment to eliminate them. In response to this report, the federal government renewed its commitment to GBA+ through its [Action Plan on Gender-based Analysis \(2016–2020\)](#).⁹ In keeping with the various obligations arising from this action plan, CED must take GBA+ considerations into account during the various phases of the life cycle of its programs—from the design and implementation phase to the evaluation phase. The Treasury Board of Canada Secretariat's 2016 Standards for Evaluation reinforce this obligation to address GBA+ issues when conducting evaluations.

In line with these new obligations, CED adopted a statement of intent on GBA+ in 2018, the goal of which was to incorporate and support the implementation of GBA+ across the organization, with a view to ensuring that the principles of diversity and gender equality form an integral part of policy development, program design, internal practices and services provided to clients. A departmental target for the proportion of small and medium-sized businesses majority-owned by women, Indigenous peoples, youth, members of visible minorities or persons with disabilities in Quebec was also established as of April 1, 2018, for all CED programs.

In line with these new obligations, CED adopted a statement of intent on GBA+ in 2018 to support its implementation across the organization. However, no GBA+ results have been achieved for the Initiative, nor have any specific performance indicators or targets for the target groups been established.

Despite the lack of results for the target groups under this Initiative, some achievements were, however, documented. A project was carried out by a proponent who was a member of a target group. Also, women and young people participated in the "artisan village" incubator supported by CED under this Initiative: the 2021 cohort of artisans comprised 7 women out of a total of 8 artisans, the majority of them young people. No barriers to accessibility were identified in the interviews or the survey.

According to the interviews, there is also a significant potential for women entrepreneurship and entrepreneurial succession among young people in the town of Lac-Mégantic. In 2020, youth aged 15 to 39 made up 21% of the town's total population, and women aged 15 to 64 accounted for 28%¹⁰ of the population. According to an external stakeholder,

⁹ Action Plan on Gender-based Analysis (2016–2020).

<https://women-gender-equality.canada.ca/en/gender-based-analysis-plus/resources/action-plan-2016-2020.html>

¹⁰ ISQ, Municipal population estimates by age group and gender, Quebec, July 1, 2001, to 2020.

the existence of an effective network for communication between local stakeholders and the various target groups would be a key success factor in ensuring that the target groups have access to and participate in this type of initiative.

Findings pertaining to effectiveness

Although an evaluation of effectiveness was not planned, specific data was gathered that related to the efficiency of the Initiative and its delivery model in particular.

Internal and external stakeholders held similar views on the effect of CED's ongoing presence on the effectiveness of the implementation. Within the community, the close relationship that was developed with community stakeholders helped foster a good understanding and identification of needs so that implementation could be tailored to the specific context of the rail accident. The implementation team was able to maintain a close relationship with both the community and CED's senior management, thus enabling significant fluidity in day-to-day decision-making, which meant that the Initiative could be adjusted in a timely manner.

These factors intersect with the Mid-Term Evaluation, which recommended that CED plan for an additional operating budget to ensure a critical active presence on the ground for this type of initiative. The above-mentioned findings are also consistent with various lessons learned internally from other ad hoc initiatives, whereby the specialization of a consultant or team can be optimal, particularly when there are many ongoing changes in the implementation of an initiative. This allows for increased monitoring and consistency in project analyses and promotes greater efficiency by limiting efforts to integrate and assume ownership of changes to a limited number of advisors.

Good practice

- CED's ongoing presence on the ground enhanced the effectiveness of the Initiative's implementation:
 - It made it easier to pinpoint and understand the community's needs.
 - The close ties that the implementation team created, both with the community and with CED senior management, fostered significant fluidity in the decision-making required to tailor the intervention to the exceptional context of the Lac-Mégantic rail accident.

Evaluation findings

Evaluation issue	Findings
Relevance	<ul style="list-style-type: none"> ➤ The terms and conditions of the Initiative, namely the funding conditions, the available budget and the length of the extension of the Initiative, were deemed adequate in terms of meeting the community’s needs. ➤ CED’s flexibility and its proximity to the community are factors that made it easier to determine, and thus better address, the various needs. ➤ The needs identified in the Initiative have, for the most part, been met, and no residual reconstruction or recovery needs have been identified for the period after the Initiative ends in 2023.
Effectiveness – Results	<ul style="list-style-type: none"> ➤ The main results identified through the collection of data are as follows: <ul style="list-style-type: none"> ○ People are using the public spaces that have been built or repaired. ○ Businesses, including various local stores, are back in operation or have increased their activities, and the number of jobs has been maintained or increased. ➤ Given the lack of targets for the overall period of the Initiative, it is impossible to determine the degree of achievement of the expected results for this entire period. ➤ According to the data collected, the results will continue to be seen going forward. The non-repayable contribution for the CFDC Investment Fund will help ensure sustainable support within the community.
Efficiency – GBA Plus	<ul style="list-style-type: none"> ➤ There are no GBA+ requirements associated with the Initiative, since GBA+ only became a government-wide priority after the launch of the Initiative.

Methodological note: Covers the period from July 6, 2013, to March 31, 2021, for a total of \$27.3M invested in 35 projects.

Conclusion

In response to the 2013 rail tragedy and the significant human, material and environmental consequences, CED was urgently requested to provide support to help the community address the economic challenges it was facing. Although CED had been involved in situations involving natural disasters in the past, the Lac-Mégantic rail accident was a unique emergency situation that called for a flexible, on-the-ground approach that would allow the Agency to adequately understand the needs and help the community deal with the challenges it was facing.

All in all, the Initiative was relevant and met the town's needs resulting from the accident. CED's closeness to the various stakeholders, its presence on the ground and its participation in community activities are all factors that have helped the officials in charge of implementation get a good grasp of the needs and thus be able to better support the community in its reconstruction and recovery efforts. The Initiative's design with its three components, the many flexibilities introduced during the Initiative, and the extension of the Initiative until 2023, provided some leeway in the intervention that also helped to meet the needs.

The results generated by the Initiative are positive and sustainable. Much of the infrastructure destroyed during the accident has been rebuilt, and new public and community spaces have been developed. The use and appropriation of these spaces by the local population fosters the sustainability of CED's intervention in the community.

From an economic standpoint, maintaining or resuming entrepreneurial activities meant that commercial activities could be maintained, and jobs could be kept or created, thus promoting the community's long-term economic vitality. The Initiative supported a number of businesses directly or indirectly affected by the 2013 rail accident, including various services that are essential to the population, such as food, medication, funeral services and restaurants. The construction of a new hotel is an important asset in the town's potential to attract tourists, and the town plans to leverage this asset going forward. CED's support for a major electric microgrid project in Lac-Mégantic helps support sustainable development efforts and will allow the city to make the shift to an energy-efficient sector, in line with its vision to become a sustainable town. The allocation of non-repayable contributions to the local investment fund of the CFDC in the Mégantic region has helped foster sustainable support for the community.

Overall, CED's intervention in Lac-Mégantic following the tragedy on July 6, 2013, has been a success. A human, flexible and on-the-ground approach to the design of the program, the delivery approach and the implementation of the Initiative has allowed CED to effectively help the town of Lac-Mégantic deal with various challenges.

Appendix A – Residual targets from 2018 and results applicable to LMERI performance measurement

Component 1 – Assistance for the town	Indicators	Residual targets	Results 2018–2021
Outputs	Project office set-up	The project office is in place	The office is in place.
	Number of public infrastructure projects supported	3	4
Immediate result	Number of projects supported by the project office	2	No data
Intermediate results	Number of projects supported by the project office that have been carried out	1	No data
	Number of public infrastructure components built	3	1

Component 2 – Assistance for businesses	Indicators	Targets	Results 2018–2021
Outputs	Number of projects with expenditures	3	4
	Amount of the expenditures	\$2M	\$926,281
Immediate result	The number of businesses receiving funding that have completed their projects	3	1
Intermediate results	Percentage of businesses receiving funding that maintained or increased their annual sales or self-generated revenue	70	100%
	Percentage of businesses that maintained or created jobs	100	100%

Component 3 – Investment fund	Indicators	Residual targets	Targets achieved
Outputs	Detailed list of participants assisted by the CFDC	N/A	N/A
	Amounts of financial contributions paid out by the CFDC	\$1M	N/A
Immediate result	Number of businesses and community organizations that received assistance	6	N/A
Intermediate results	Percentage of businesses assisted that maintained or created jobs	N/A	N/A
	Total investment generated in the community (community infrastructure fund)	\$2.5M	N/A