

Supplementary Information
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2026–27 Departmental Plan

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Details on transfer payment programs

Name of transfer payment program or funding agreement: Regional Economic Growth through Innovation (REGI)

Timeframe of the transfer payment program

- **Start date:** October 18, 2018
- **End date:** Ongoing – Permanent program
- **Fiscal year for terms and conditions:** 2018–19

Funding details

- **Name of program terms and conditions:** Regional Economic Growth through Innovation – Contribution and grants terms and conditions
- **Type of transfer payment:** Grants and contributions
- **Type of appropriation:** Appropriated annually through Estimates.

Purpose and objectives

Purpose and objectives of transfer payment program: The REGI program is a national program supporting the economic growth of businesses and regions through innovation. In Quebec, it is delivered by CED based on the needs of businesses and regions in Quebec. The REGI program has two streams:

1. Business scale-up and productivity: CED fosters business development by helping businesses scale up, become more productive and grow through innovation (adoption or adaptation of cutting-edge technologies, demonstration, and commercialization and market expansion).
2. Regional innovation ecosystems: CED also helps create an innovation-friendly entrepreneurial environment by supporting the development of regional ecosystems that meet the needs of businesses and promote their growth and competitiveness.

As part of the REGI, CED is also implementing the following initiatives in Quebec for which supplementary funds have been granted:

- The Regional Defence Investment Initiative (RDII) aims to accelerate the development and integration of SMEs into defence supply chains, and strengthen their industrial and innovation capacities and strategic regional defence infrastructures.
- The Regional Tariff Response Initiative (RTRI) aims to support SMEs, supply chains and industries impacted by the Canada-United States tariff war.

- The Regional Quantum Initiative (RQI) aims to help SMEs and non-profit organizations looking to grow in the quantum field by adopting, developing and commercializing this type of innovative technology.
- The Regional Artificial Intelligence Initiative (RAII) aims to support the development of products, commercialize new AI technologies and solutions and accelerate the adoption of AI in industries critical to the Canadian economy across the country, such as agriculture, clean technology, life sciences, and manufacturing.
- The Black Entrepreneurship Program (BEP) Ecosystem Fund aims to strengthen Black entrepreneurship by enhancing the ecosystem in which it operates. It funds Black-led not-for-profit organizations to help them strengthen and expand their existing service offerings, such as mentoring, networking, financial planning, and business training for Black entrepreneurs, thus increasing the number of entrepreneurs and businesses emerging from the Black communities they support.

SME recipients generally receive repayable contributions, while not-for-profit recipients normally receive non-repayable contributions or grants.

Recipients

General targeted recipient groups:

The main recipients of the REGI are as follows:

- Businesses
- Groups of businesses
- Organizations that support and provide services to businesses at various stages of their development to help them boost their growth, facilitate or improve their scale-up or develop their markets
- College centres for the transfer of technology (CCTT)
- Not-for-profit organizations (NPOs) that provide services or generate benefits for businesses
- Business incubators and accelerators
- Municipalities and regional county municipalities (RCMs)
- Groups or associations that may include NPOs, businesses, post-secondary institutions or consortiums
- Indigenous organizations

Departmental Results Framework

Link to departmental results: Quebec businesses are innovative and growing.

Link to the department's program inventory: The REGI program falls under the Regional Innovation and Temporary or Targeted Support programs.

Expected results: The REGI will continue to target the following departmental result: Quebec businesses are innovative and growing.

A set of eight indicators is used to measure CED’s progress with respect to the achievement of this result. These indicators are primarily based on statistical or economic data from projects that received funding (e.g., Revenue growth rate of businesses supported by CED programs; total cost of projects supporting innovation and business growth (in dollars)). CED presents the most recent metrics for these indicators in its Departmental Results Report.

The fluctuation of outcomes is dependent on a number of factors, including the economic environment. CED therefore expects its results to vary, although over the long term they should show positive progress.

Evaluation

Fiscal year of next planned evaluation: 2027–28

Financial information (dollars)

Type of transfer payment	2025-26 forecast spending	2026-27 planned spending	2027-28 planned spending	2028-29 planned spending
Total grants	1,000,000	1,000,000	1,000,000	1,000,000
Total contributions	244,773,911	247,341,128	237,363,180	150,119,254
Total other transfer payments	0	0	0	0
Total program	245,773,911	248,341,128	238,363,180	151,119,254

Name of transfer payment program or funding agreement: Community Futures Program (CFP)

Timeframe of the transfer payment program

- **Start date:** May 18, 1995
- **End date:** Ongoing – Permanent program
- **Fiscal year for terms and conditions:** 2010–11

Funding details

- **Name of program terms and conditions:** Community Futures Program – Contribution Terms and Conditions

- **Type of transfer payment:** Contributions
- **Type of appropriation:** Appropriated annually through Estimates.

Purpose and objectives

Purpose and objectives of the transfer payment program: The CFP supports local economic development and strengthens the capacity of rural communities to achieve their full potential in a sustainable manner.

The program's main objectives are:

- stability, economic growth and job creation;
- diversified and competitive local economies in rural areas; and
- sustainable communities.

CFP funding targets non-profit community development organizations and their common structures (network, funds), which are awarded non-repayable contributions.

Recipients

General targeted recipient groups: The CFP provides financial assistance for Community Futures Development Corporations (CFDCs), Business Development Centres (BDCs), the Network of CFDCs and BDCs and Capital Réseau.

Departmental Results Framework

Link to departmental results: Communities are economically diversified in Quebec.

Link to the department's program inventory: The CFP falls under the Vitalities of Communities Program.

Expected results: The CFP will continue to target the following departmental result: Communities are economically diversified in Quebec.

A set of six indicators is used to measure CED's progress with respect to the achievement of this departmental result. These indicators are primarily based on economic statistics (e.g., percentage of businesses and organizations that are majority-led by underrepresented groups that received funding for projects supporting community economic vitality and resilience; the proportion of CED investments in regional county municipalities with low potential for economic growth compared to their demographic weight, as a percentage). CED presents the most recent metrics for these indicators in its Departmental Results Report.

The CFP is a national program delivered in Quebec by CED. It therefore has national indicators, [presented in the five-year evaluations](#) (e.g., the extent to which the growth in sales of CFP-assisted clients exceeds that of comparable unassisted firms, expressed in percentage points).

Evaluation

Fiscal year of next planned evaluation: 2029–30

Financial information (dollars)

Type of transfer payment	2025-26 forecast spending	2026-27 planned spending	2027-28 planned spending	2028-29 planned spending
Total grants	0	0	0	0
Total contributions	34,990,958	34,990,958	34,990,958	34,990,958
Total other transfer payments	0	0	0	0
Total program	34,990,958	34,990,958	34,990,958	34,990,958

Name of transfer payment program or funding agreement: Quebec Economic Development Program (QEDP)

Timeframe of the transfer payment program

- **Start date:** April 1, 2012
- **End date:** Ongoing – Permanent program
- **Fiscal year for terms and conditions:** 2011–12

Funding details

- **Name of program terms and conditions:** Quebec Economic Development Program – Contributions and grants terms and conditions
- **Type of transfer payment:** Grants and contributions
- **Type of appropriation:** Appropriated annually through Estimates

Purpose and objectives

Purpose and objectives of the transfer payment program: The QEDP supports regional economic development and diversification and helps the regions pursue promising economic development opportunities going forward.

As part of the QEDP, CED is also implementing the following initiatives in Quebec, for which additional funding has been granted:

- The Northern Isolated Communities Initiatives (NICI) Fund, designed to support existing and new food initiatives that strengthen and diversify economic activity in the North. In Quebec, the target territory is Nunavik.
- The Economic Development Initiative - Official Languages (EDI-OL) is a regular national program aimed at developing and diversifying official-language minority communities (OLMCs), i.e. English-speaking communities in Quebec.

In addition, CED is implementing a targeted measure through the QEDP using its regular funds:

- The Initiative to Support Economic Development in Montréal's East End, aimed at promoting development opportunities that foster the revitalization, attractiveness and sustainable reindustrialization of the region.

SME recipients of the QEDP normally receive repayable contributions. Recipients that are not-for-profit organizations normally receive non-repayable contributions or grants.

Recipients

General targeted recipient groups: The main recipients of QEDP funding are as follows:

- Non-profit organizations
- Economic development organizations
- Municipalities and regional county municipalities
- Organizations tasked with attracting international organizations and foreign investment
- Businesses with a local and regional reach
- Groups of businesses

Departmental Results Framework

Link to departmental results: Communities are economically diversified in Quebec.

Link to the department's program inventory: The QEDP falls under the Community Vitality and Temporary or Targeted Support programs.

Expected results: The QEDP will continue to target the following departmental result: Communities are economically diversified in Quebec.

A set of six indicators is used to measure CED’s progress with respect to the achievement of this departmental result. These indicators are primarily based on statistical or economic data from projects that received funding (e.g. value of CED investments in projects supporting the economic vitality and resilience of communities (in dollars); number of jobs created and maintained by projects supporting the economic vitality and resilience of communities). CED presents the most recent metrics for these indicators in its Departmental Results Report.

The fluctuation of outcomes is dependent on a number of factors, including the economic environment. CED therefore expects its results to vary, although over the long term they should show positive progress.

Evaluation

Fiscal year of next planned evaluation: 2026–27

Financial information (dollars)

Type of transfer payment	2025-26 forecast spending	2026-27 planned spending	2027-28 planned spending	2028-29 planned spending
Total grants	10,150,000	3,725,000	1,500,000	1,500,000
Total contributions	78,216,817	73,037,236	70,998,071	56,902,765
Total other transfer payments	0	0	0	0
Total program	88,366,817	76,762,236	72,498,071	58,402,765

OPERATING CONTEXT

Context

After a moderate recovery in 2024, the economic environment in Quebec in 2025 was characterized by fragile growth and sectoral and regional disparities. Household spending, government spending and residential construction helped support the economy. However, the resurgence of geopolitical and trade tensions had a negative impact on international trade and companies' investment decisions. The manufacturing sector, particularly exposed to foreign markets, was more affected. Despite a contained unemployment rate, labour market growth was weak and primarily attributed to the public sector.

Perspectives

A slight improvement in economic growth is expected in 2026. Supported by household spending, the real estate market and public investments, growth will remain conditional on the evolution of trade tensions, including negotiations related to the Canada-United States-Mexico Agreement (CUSMA). Businesses may therefore adopt a wait-and-see approach to investment decisions for part of 2026, thereby undermining the economy's future potential. In this context, according to economic forecasts, even if growth resumes, GDP is expected to follow a new trajectory that is permanently lower than the previous one.

This is compounded by persistent structural challenges related to productivity, innovation and commercialization, labour availability and entrepreneurial dynamism. These factors limit growth potential and highlight the need for strategic investments to modernize businesses, stimulate innovation, and strengthen competitiveness in a rapidly changing global environment.