



QUÉBEC
INNOVATION
ZONES

AN INNOVATING ECONOMY,
A PROSPEROUS QUÉBEC

**Guide to presenting
an innovation zone
project**

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Part 1: Context

This guide was prepared for organizations interested in presenting an innovation zone project to the Minister of Economy and Innovation to obtain official designation for an innovation zone by the Québec government.

The regional directorates (DRs) of the Ministère de l'Économie et de l'Innovation (MEI) and Investissement Québec (IQ) will advise applicants and provide the necessary support.

1.1 Purpose

In creating innovation zones, the Québec government is leveraging innovation to drive growth, success and prosperity, an approach demonstrated by flourishing economies worldwide.

Creating international-calibre innovation zones is also at the heart of the government's economic vision, whose goal is to foster the commercialization of innovations and stimulate exports, local and foreign investment, and business productivity. As sustainable regions feature desirable living environments, innovation zones serve to develop a qualified workforce and attract talent and entrepreneurs from around Québec and beyond.

They are founded on the leadership skills and influence of local stakeholders from the municipal, research, innovation, industrial and entrepreneurship communities, and rely on reciprocal collaboration among those stakeholders and with other Québec and international partners.

1.2 Definition

Innovation zones are defined geographical areas (adjoining lands within a single municipality or across several neighbouring municipalities) where stakeholders in research, innovation, industry and entrepreneurship come together and collaborate to create a culture of innovation, while also showcasing sustainable competitive advantages of the area or region.

Innovation zones depend on interactions among stakeholders and partners, as well as on the pooling of resources so as to become centres of expertise and experimentation in various activity sectors by drawing on leading edge technologies.

In addition to attracting a critical concentration of businesses—as do industrial and technological parks—innovation zones include research and innovation facilities, business incubators and accelerators, and efficient and scalable transportation and communications infrastructure that foster exchanges within and beyond the zone, in addition to offering an attractive living environment (e.g., accommodation and residential areas, shopping, recreational activities, arts and culture, green spaces).

Finally, every innovation zone must be adapted to the realities of the host area and region so that it draws on existing assets and promotes the collaborative networks established among stakeholders in research, entrepreneurs, funding organizations and flagship businesses in various economic sectors.

1.3 Project objectives

The purpose of developing international-calibre innovation zones is to create new prosperity and quality jobs for the benefit of all Quebecers. The goal is also to develop a distinct Québec brand as part of the strategy to attract direct foreign investment, as well as local and international talent.

In concrete terms, innovation zones must be geared to meet three basic criteria:

- 1.** The idea-to-market process: support the creation and growth of innovative businesses and the conquest of new markets by promoting the development of innovative technologies and products.
- 2.** Local and foreign private investment: attract investment to drive growth and improve business productivity.
- 3.** Clean, sustainable growth: effect the transition to an economy with a low environmental footprint.

Innovation zones must play a role in:

- improving the socioeconomic performance of the regions;
- increasing business productivity;
- creating businesses with strong added value;
- stimulating Québec exports;
- attracting more local and foreign private investment;
- representing Québec on the international stage;
- attracting, developing and maintaining talent;
- improving quality of life;
- reducing Québec's environmental footprint.

Part 2: Project stages

From project development to evaluation of the results, international-calibre innovation zones will be rolled out in accordance with a long-term vision.

Innovation projects are initiated first and foremost by local stakeholders from the private and public sectors. The involvement of the main players—municipalities, metropolitan communities or regional county municipalities (RCM); economic organizations; businesses; and research and teaching institutions—must take the form of long-term planning.

The role of DRs of the MEI and IQ is to provide ongoing support to applicants and participating organizations at every stage in the process of implementing an innovation zone project, whatever the region. This support involves providing personalized advice and follow-up, while also facilitating access to government

expertise and programs, as well as to other resources, to develop and implement the best solutions and methods for presenting and carrying out each project.

Many other ministries and organizations, investors and partners of the Québec government will be called upon to contribute, depending on the specific nature of each project.

International experts may also become involved, including to evaluate projects, in order to share their knowledge and experience in the interests of maximizing the results of Québec innovation zones at every level (local, Canadian and international).

Table 1: stages in developing and implementing an innovation zone

| | |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| 1. Mobilization and development | Definition of the project (through preliminary studies) |
| | Solicitation of committed public and private stakeholders |
| 2. Presentation | Submission of the project to the DR |
| | Verification that the application is complete (all required documents have been submitted) |
| 3. Analysis | Analysis of the project by the inter-ministerial committee at the MEI and IQ in collaboration with the DRs and designated professionals |
| | Review of the project by the inter-ministerial committee |
| | Recommendation to the Minister by the inter-ministerial committee |
| 4. Decision | Review by the Minister of Economy and Innovation |
| | Decision by the Minister (whether or not the project is selected for designation as an innovation zone) |
| 5. Designation | Announcement concerning the designation of an innovation zone (specifying the strategic international positioning and zone borders) |
| 6. Implementation | Implementation of the structure and governance mechanisms for creating and managing the innovation zone |
| | In-depth studies and planning |
| | Preparation of a development plan for the innovation zone (private and public investment) |
| 7. Government strategy | Coordination and monitoring of innovation zone implementation |
| | Development and implementation of a harmonized promotion plan to attract foreign investment |
| 8. Evaluation | Follow-up and evaluation of designated innovation zones by the inter-ministerial committee |

Part 3: Framework for project presentation and analysis

3.1 Eligible applicants

Any organization, business or group of organizations and businesses may present a request for an innovation zone designation to the Minister of Economy and Innovation by submitting all of the documents listed in section 3.3. Applicants must:

- demonstrate the involvement of private and public stakeholders (from industry, the entrepreneurial community, the municipality, and the research and innovation sectors) in the innovation zone project;
- determine the governance structure, as well as the approach and mechanisms for implementation, monitoring and accountability to be put in place for creating and managing the innovation zone.

3.2 Eligible projects

To be eligible, projects must meet six predetermined success criteria (Evaluation Grid 1).

They must further successfully meet three predetermined selection criteria (Evaluation Grid 2). Applicants will be required to demonstrate how their project meets the criteria.

To assess whether the criteria have been met, an evaluation will be made of the proposed zone's current characteristics and of the project description presented by the applicant (see section 3.3).

Evaluation grid 1: success criteria

A project will be eliminated if it fails to meet any one of the success criteria. For this reason, if a project proposal does not include a valid description for each criterion, it will receive an unfavourable evaluation by the inter-ministerial committee.

| Criterion | Description |
|-----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Industrial | <ul style="list-style-type: none"> The project is based on more than one economic sector, at least one of which is innovative and growing, for which the zone has or can acquire sustainable national and international competitive advantages with respect to a range of entrepreneurial, commercial, financial and research clients. The project brings together a critical mass of innovative businesses of all sizes (e.g., multinationals, small and medium-sized enterprises (SMEs), flagship companies). |
| Entrepreneurial | <ul style="list-style-type: none"> The project expects to encompass developing businesses, as well as others in the start-up and pre-commercialization phases. The project includes plans for entrepreneurial spaces conducive to co creation and production. The project provides for the availability and use of venture and development capital, as well as for partners to support the commercialization of innovations. |
| Knowledge-based | <ul style="list-style-type: none"> The project counts on the involvement of research or teaching institutions (universities, colleges, research centres, college technology transfer centres) as project stakeholders. The project features measures to develop and attract a qualified, creative and diverse workforce. |
| Connected | <ul style="list-style-type: none"> The project takes advantage of intermodal infrastructure networks that facilitate the movement of people and goods. The project ensures access to high-speed Internet services throughout the innovation zone. The project relies on the presence of infrastructure such as industrial port zones, logistics hubs, and technology and industrial parks. |
| Collaborative | <ul style="list-style-type: none"> The project includes mechanisms and tools that facilitate collaboration and the sharing of strategic information among stakeholders involved in research, funding, innovation and entrepreneurship, as well as from flagship companies. The project has a structure and sociocultural programs that foster networking and collaboration among the various stakeholders. The project includes mechanisms and tools that facilitate collaboration inside and outside the zone, specifically with other zones, clusters, niches and centres of excellence, college technology transfer centres (CTTCs) and organizations that apply research. |
| Sustainable | <ul style="list-style-type: none"> The project is in line with an urban, economic and social development plan aimed at sustainable development and backed by all stakeholders (e.g., municipalities, businesses, organizations, institutions of learning). The project aims to develop social innovations and create diversified living environments conducive to quality of life and wellbeing all year round. |

Evaluation grid 2: three selection criteria

| Criterion | Description |
|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project quality | <ul style="list-style-type: none"> • The project presents a vision for the development of an innovation zone that is clear, coherent and in keeping with existing realities and initiatives in the region. • The project includes a development and implementation plan that is sufficiently detailed and precise to specifically indicate all major project stages. • The project indicates the proposed area on a map in enough detail to reflect the development vision for the zone and to specifically distinguish major building sites and the innovation zone borders. • The project is financed by private investment at various stages of implementation. It also sets out the main public investments requested over a timeline of about five years. • The project identifies the main stakeholders, as well as their responsibilities, contributions and commitments (e.g., private and public investment, research and development, human resources), interests and expectations (commercial or otherwise). |
| Project relevance (potential to address major issues and objectives) | <ul style="list-style-type: none"> • The project specifies the operational means and mechanisms that will serve to streamline the idea-to-market process, attract private and foreign investment, and foster clean, sustainable growth. • The project presents strong potential for benefits in terms of socioeconomic and environmental performance, as well as improvements to quality of life for Quebecers, and may accurately and realistically demonstrate other specific benefits, especially in the following areas : <ul style="list-style-type: none"> — productivity of businesses in the regional or national ecosystem; — creation of innovative businesses in a leading-edge sector or with a high added value product and service offering; — potential for exporting products and services; — ability to attract private Québec and foreign investment; — potential to attract Québec and foreign talent. |
| Project governance and continuity | <ul style="list-style-type: none"> • The project has a representative, optimal governance structure that will ensure the zone’s future continuity. <ul style="list-style-type: none"> — The project provides for the establishment of an organizational structure dedicated to preparing a plan to develop, implement and manage the project (or to extend a clear mandate to this end to a competent and relevant organization). This organizational structure—with a board of directors composed of a majority of business representatives and chaired by a representative of the region’s business community—should bring together, for example, municipal authorities (or their mandated representatives), representatives of organizations or institutions that produce or put innovations into practice, and representatives of social organizations. A government representative (a MEI or IQ DR) should be invited to sit as an observer. — The project correctly defines the approach and mechanisms proposed for the creation and management of the zone (in particular, funding, commercial development, social development, and mobility within the zone), as well as for follow-up and reporting to ministerial authorities. |

3.3 Project presentation and analysis

As explained briefly in Part 2, every innovation zone project must be submitted to the Minister of Economy and Innovation through the DRs of the MEI and IQ.

All innovation zone projects presented will be analyzed and discussed by the inter-ministerial committee on innovation zones, a review body of the Québec government, once all required documents have been provided by the applicant. The committee will be composed of representatives of partner ministries determined by the MEI. Representatives of local or

regional organizations, municipalities in particular, may also be called upon to collaborate in the analysis.

The Minister will make his decision in the light of the committee's opinion.

No specific timeframe has been set for submitting applications or receiving documents. Project applications will be accepted and analyzed on an ongoing basis in accordance with their progress.

Documents required when presenting an innovation zone project

The applicant must submit a complete file containing the following eight sections:

- I** Development vision for the innovation zone.
- II** Identification of the stakeholders and their contribution to the project (a letter of commitment from key project players: businesses or private organizations, municipal authorities concerned, research and teaching institutions, etc.).
- III** Project governance (organization responsible for managing the project and membership of its board of directors, approach and governance mechanisms).
- IV** Borders and nature of the zone:
 - Geographic area (proposed layout plan showing the major worksites to be developed);
 - Characteristics of the land in question (e.g., ownership, contaminated soil).
- V** Strategic analysis:
 - Strengths, weaknesses, opportunities, threats;
 - Proposed activity sectors;
 - Development guidelines (for the major worksites);
 - Potential for private investment.
- VI** Development plan and timeline:
 - Major development sites (with main projects specifically identified);
 - Schedule.
- VII** Preliminary financial arrangement:
 - Private and public investment targeted for the main sites and spread over about five years.
- VIII** Expected results and benefits:
 - Demonstration that the expected objectives and results will be achieved.

3.4 Project selection and designation of innovation zones

Based on the opinion of the inter-ministerial committee and following a thorough review, the Minister of Economy and Innovation will decide which projects are approved and designate the corresponding innovation zones. Designated innovation zones and their respective stakeholders are consequently eligible for sizeable financial and fiscal assistance programs from the Québec government as well as additional support that may exceptionally be awarded in this context.

3.5 Funding

The Québec government may contribute financially in support of studies needed to file documents required for the presentation of an innovation zone project. Such contribution is subject to specific conditions, including the financial participation of private partners.

The financial contribution of the Québec government in creating and developing innovation zones may vary from one project to another depending on the scope and type of a specific project and the relevant forms of support.

Some assistance may be provided through existing measures and programs of various ministries and organizations of the Québec government with responsibilities in the areas of innovation, immigration, investment, local and regional development, market development, entrepreneurship or the workforce.

Additional measures may also be put in place to ensure that the innovation zone project achieves its objectives. For example, additional investment may be provided for the acquisition, upgrade or construction of strategic infrastructure.

Finally, the assistance provided shall be subject to a financial assistance agreement specifying the obligations of each party and payment terms.

3.6 Technical support

The support of the Québec government may also take other forms, such as an accelerated and simplified process for obtaining authorizations or permits, or support provided through a single window. In such a case, the DRs of the MEI and IQ and the inter-ministerial committee would play a role.

3.7 Evaluation

An evaluation framework will be adopted to measure the results and benefits of each innovation zone. The realization of the development plan for a specific innovation zone and the achievement of targets will be the reference in any decision to extend recognition of an innovation zone.

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Get in touch with our local offices

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