

**REGIONAL
ECONOMIC GROWTH**
THROUGH INNOVATION



National Evaluation

October 18, 2023

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Acronyms and Abbreviations

2SLGBTQI+	2-spirit, lesbian, gay, bisexual, transgender, queer, intersex, and additional people who identify as part of sexual and gender diverse communities.
ACOA	Atlantic Canada Opportunities Agency
BSP	Business Scale-up and Productivity
CanNor	Canadian Northern Economic Development Agency
CED	Canada Economic Development for Quebec Regions
CGLCC	Canada's LGBT+ Chamber of Commerce
CIC	Canada Innovation Corporation
EDI	Equity, Diversity and Inclusion
FedDev	Federal Economic Development Agency for Southern Ontario
FedNor	Federal Economic Development Agency for Northern Ontario
GBA Plus	Gender-based Analysis Plus
G&Cs	Grants and Contributions
HQP	Highly qualified personnel
OECD	Organisation for Economic Co-operation and Development
PacifiCan	Pacific Economic Development Canada
PrairiesCan	Prairies Economic Development Canada
R&D	Research and development
RDA	Regional Development Agency
REGI	Regional Economic Growth through Innovation
RIE	Regional Innovation Ecosystem
SGI	Strategic Growth Initiative
SME	Small and Medium-sized Enterprise
T&Cs	Terms and Conditions

Summary

This report presents the results of an evaluation of the relevance, performance and efficiency of the Regional Economic Growth through Innovation (REGI) program, delivered by the 7 regional development agencies (RDAs) during the 5-year period from April 1, 2018 to March 31, 2023. The scope of the evaluation includes 2 program streams under REGI: the Business Scale-up and Productivity (BSP) stream and the Regional Innovation Ecosystems (RIE) stream.

The study sought to answer the following 3 questions:

1. To what extent has REGI met the needs of Canadian businesses and communities?
2. To what extent has REGI benefited Canadian businesses and communities?
3. To what extent is the REGI delivery model efficient?

Results

Overall, the REGI program continues to be relevant and meets the needs of Canadian businesses and communities. It contributes to business growth, ecosystem advancement and economic development in all regions. It is also mostly efficient. The evaluation of the program has demonstrated that REGI is:

Highly successful in its reach, investments, leveraging and job creation.

- **Exceeding** 5-year investment targets in 2 streams of programming **by 200% and 300%**, delivering \$3.06 billion in approved funding to 3,681 unique clients across Canada.
- Achieving **high leveraging ratios** of \$3.23 to \$1.00 for BSP and \$1.49 to \$1.00 for RIE, which **exceed 5-year targets**.
- Reporting jobs created or maintained, with 46,000 jobs counted under BSP and over 75,000 jobs counted under RIE. However, some uncertainty exists regarding the reliability of the reported metric. There is an opportunity for the RDAs to revisit performance metrics for this outcome.

Highly successful in driving growth and scale-up, with BSP businesses outperforming non-client firms with similar characteristics.

- For BSP clients, REGI program participation is associated with **better outcomes** across all economic performance metrics studied by Statistics Canada. For example, revenue growth rates are **18.3% higher** than non-clients, employment growth rates are **12.8% higher**, and export growth rates are **13.5% higher**.

A key component to expanding and developing regional innovation ecosystems.

- RIE recipients have engaged **new partners**, participated in **partner collaborations and developed, expanded or maintained programs and services** through increased networks and hiring. All RDAs target different priority sectors within their geographic area that hold significant economic interests.

Aligned to priorities of inclusiveness and green/clean technologies, contributing to advancing these key areas.

- **Investing in EDI and green/clean growth** priority areas, with approximately **18% of the overall G&C approved funding** envelope delivered to organizations that were led, owned or majority-owned by a representative of an under-represented group and approximately **23% of approved funding** supporting green/clean growth projects.
- RDAs **assess environmental impact** as part of the **project selection**.
- Both BSP and RIE clients (~40% of those participating in the survey) reported **hiring staff from under-represented groups** as a result of their REGI project, with youth under the age of 40, women and newcomers emerging as the most-often hired groups.
- There are opportunities to support diverse clients more effectively as well as capture disaggregated data.

Summary (cont'd)

Addressing the top barriers to growth for innovation-oriented companies.

- The evaluation found a **strong need for REGI** funding to help **offset the major barriers** of access to labour, access to financing and the high cost of conducting business faced by companies in Canada. REGI is **meeting the needs** of businesses and communities. The program's flexibility has allowed RDAs to customize their approach in delivering the program to **optimize delivery and maximize its benefits** in the regions.

Operating in a niche space.

- The program **does not overlap with other programs**. REGI is complementary to the various federal and provincial/territorial-level programs operating in this space. Other programs target **different** beneficiaries, **varying** sizes of projects, deliver **different** types of funding supports (e.g., not G&Cs), or have narrower definitions of innovation. **Overall, there is a continued need for the REGI program in all regions as the program is strongly aligned to local business needs.**
- REGI is a **key source of funding for ecosystem organizations** as there are not many other funders and many **rely on REGI funding** for the delivery of most of their programming. **Without REGI**, projects in the BSP or RIE stream are at risk of **not proceeding in the same manner or at all.**

Achieving high levels of satisfaction.

- The evaluation found the program design of a national program with regional adaptations to be **efficient and appropriate**. Clients are satisfied with most features of delivery but have identified opportunities for improvement in streamlining and clarifying the application process, increasing the timeliness of approvals, and increasing the length of funding agreements. RIE survey respondents identified required improvements to program guidelines (e.g., criteria), submission deadlines, and delays in decisions and receiving funding. A key area for clients was seeing improved referral support.

Meeting the needs of clients through regional tailoring.

- Place-based regional development has been highlighted by the Organisation for Economic Co-operation and Development (OECD) as **critical and necessary to increase national economic performance**.
- All stakeholders consulted for the evaluation agreed that REGI's **ability to tailor the program design and delivery to better meet the needs** of clients in the regions is a **critical program element**.

Recommendations

Based on the findings described in this report, the following recommendations are made.

Recommendation 1: Improve inclusivity through the adoption of best practices, proactive approaches and ongoing GBA Plus analysis.

It is recommended that all RDAs continue to increase capabilities to address inclusivity and :

- adopt best practices in improving inclusivity, including the sharing of tools, strategies and training materials across agencies to amplify this work;
- increase the uniformity by which RDAs track and report on EDI under REGI; and
- implement ongoing analysis of program performance using a GBA Plus lens.

Rationale: The evaluation found that there are varying levels of targeted EDI initiatives across RDAs and varying levels of collection of EDI information at different stages of REGI projects. Therefore, there is an inconsistent ability across RDAs to understand program impacts or barriers experienced by under-represented groups.

Recommendation 2: Continue to improve quality and consistency of performance information. It is recommended that all RDAs work to review the performance measurement strategy, particularly to:

- increase the consistency and comparability of national performance information through clarification of indicators and related definitions; and
- revisit performance indicators to ensure they continue to be relevant and appropriate, and that the best methodology is used for the measurement of progress against outcomes.

Rationale: The evaluation found that there are issues with the uniformity of performance indicator definitions and data collection methods, and that outcome indicators for RIE are not sufficiently developed. Outcomes and performance indicators need to be defined for RIE, notably to reflect the expected impacts on regional ecosystems.

Recommendation 3: Improve efficiency of application, approval and referral processes and ensure program design aligns with needs.

It is recommended that each RDA review design and delivery features to ensure best fit for their respective regions and portfolios of clients and projects. Importantly:

- review options for increasing the efficiency of application and approval processes;
- review place-based design features to maximize responsiveness to client needs; and
- review the processes surrounding how referral services are being provided to facilitate seamless service to Canadian SMEs.

Rationale: In the spirit of continuous improvement, and since ~40% of both BSP and RIE clients had less than optimal experiences with certain aspects of REGI delivery, all RDAs should take steps to maximize the efficiency of their program design and delivery processes (e.g., application and approval processes, advance payment versus reimbursement, length of agreements) within the context of each agency.

Program Background

The REGI program is delivered through 7 regional development agencies in their respective regions (Figure 1).

REGI aims to support favourable conditions for businesses to grow and expand through 2 common streams of programming: Business Scale-up and Productivity (BSP) Stream and Regional Innovation Ecosystems (RIE) Stream (Figure 2).

Figure 1: Canada's Regional Development Agencies



Figure 2: REGI Program Streams

BSP Stream

Invest in and support businesses at various stages of development, including high-growth firms, to accelerate their growth, assist them in scaling up, and to enhance their productivity and competitiveness in both domestic and global markets.

Provide direct support to firms, with emphasis on helping firms scale up and enhance productivity, develop new markets and expand, and assist with the adoption of new technologies and processes.

RIE Stream

Create, grow, and nurture inclusive regional ecosystems that support business needs and foster an entrepreneurial environment conducive to innovation, growth, and competitiveness.

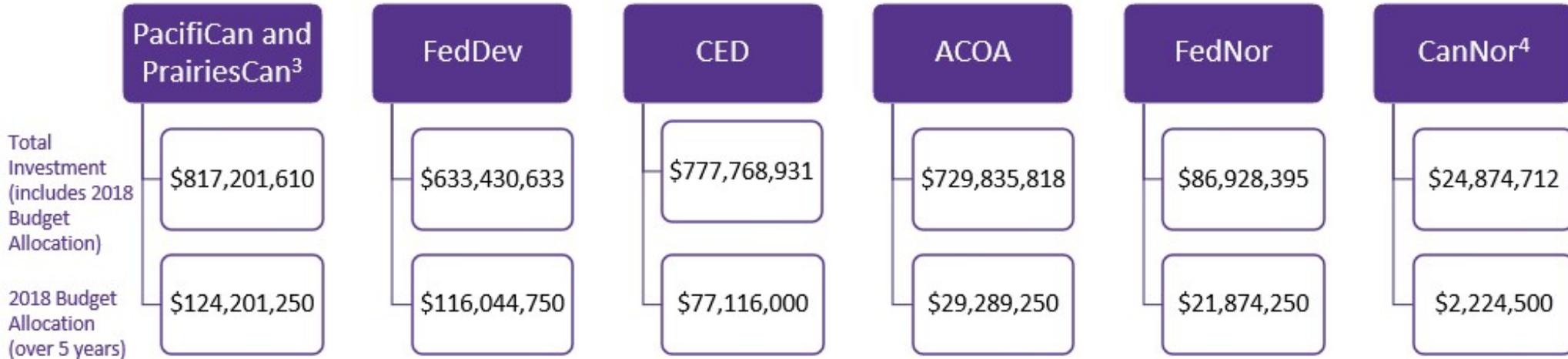
Provide support to ecosystem stakeholders, including business accelerators and incubators, regional innovation centres and clusters, with emphasis on advancing innovation in strategic sectors of the economy; strengthening SMEs' innovation capacity; fostering increased collaboration; supporting the development of early-stage business growth; building the foundation for cluster development; sustainability and competitiveness; and fostering inclusive growth.

Program Background

The Horizontal Innovation and Clean Technology Review and Budget 2018 recognized the RDAs as central pillars of Canada’s innovation ecosystem. The RDAs were identified as 1 of 4 flagship platforms¹ in providing necessary customized support to help Canadian companies in their efforts to scale up and grow their businesses in all markets. To deliver on this strengthened role and to streamline innovation programs to provide business-centric, nationally coordinated, and regionally tailored support, the RDAs implemented the REGI Program in 2018. In Budget 2018, \$370 million over 5 years was provided to the RDAs to support the Innovation and Skills Plan across all regions of Canada. Budget 2018 also announced that over the next year, as part of the broader review of innovation programs, the Government would explore ways to simplify the existing suite of 22 programs offered by RDAs, with the agencies placing greater emphasis on helping firms to scale, develop new markets, and develop new technologies and processes. Budget 2018 also proposed that RDAs could become the main platform to support regional innovation ecosystems. In response, REGI was developed and introduced in December 2018. Its introduction and the call to simplify RDA innovation-focused programs also resulted in the RDAs being directed to shift the majority of their core funding for innovative projects to be delivered through REGI programs and sub-programs. In the 5 years from 2018-2019 to 2022-2023, RDAs collectively invested more than \$3.06 billion in approved contributions² (including the Budget 2018 funding) through REGI, averaging \$612 million each year.

The goal of REGI is to provide streamlined, nationally consistent and yet regionally tailored support for business productivity and scale-up, particularly for SMEs and under-represented groups. It is also intended to assist the enhancement of regional industrial and technology clusters and regional innovation ecosystems.

Figure 3: Total Investment – \$3.06 Billion in Approved Contributions across all RDAs



¹ The National Research Council’s Industrial Research Assistance Program, Global Affairs Canada Trade Commissioners, and Innovation, Science and Economic Development Canada’s Strategic Innovation Fund are the other 3 flagship programs.

² Approved contributions include projects where funding commitments may not be fully disbursed (e.g., multi-year projects).

³ At the time of program launch in 2018, allocations were provided to Western Economic Diversification Canada. The creation of 2 separate agencies – PacifiCan and PrairiesCan – only happened in August 2021.

⁴ REGI is delivered through IdeaNorth. The total investment includes the 2018 budget allocation.

Evaluation Scope and Objectives

Evaluation objective

The evaluation sought to:

- assess the relevance, performance and efficiency of the REGI program;
- provide strategic information to support evidence-based decision-making, innovation and accountability; and
- strengthen policy and programs by identifying lessons learned, best practices and alternatives, including delivery models.

Evaluation approach

The RDAs conducted a national horizontal evaluation of REGI to provide an assessment of its relevance and performance. Each RDA participated in the evaluation through financial support for a contractor and in-kind contributions.

The evaluation was coordinated by ACOA with the support of a REGI Evaluation Working Group comprised of members from each RDA, a Director General Steering Committee comprised of the Head of Evaluation and the Director General of Policy and Programs from each RDA, and an Assistant Deputy Minister Oversight Committee comprised of an Assistant Deputy Minister from each RDA.

Evaluation scope

This is the first full evaluation of REGI since its inception in 2018.

The scope of the evaluation covers all Grants and Contributions (G&Cs) delivered by each RDA through REGI's 2 program streams, BSP and RIE, between April 1, 2018 and March 31, 2023 (5 years). Though other programs and initiatives are supported under REGI Terms and Conditions (T&Cs) (i.e., temporary targeted initiatives), these programs and initiatives are not included in the scope of this evaluation.

The evaluation assessed, through 3 core questions, the extent to which the REGI program is meeting the needs of Canadian businesses and how it is complementary to other support programs available to Canadian businesses and communities, its achievement of results and impacts on its clients, along with the efficiency of the program.

Evaluation context

The evaluation took into consideration the various changing economic conditions that were identified as relevant to the evaluation time frame.

The impacts of particularly challenging economic conditions that have occurred during the evaluation, including the COVID-19 pandemic and resulting supply-chain issues, increasing interest rates and inflation among others, may have affected the outcomes of the program, particularly when it comes to assessing long-term outcomes. These economic challenges were considered when assessing REGI's achievement of outcomes given that the current national economic landscape differs significantly from what existed when the program was created.

Evaluation Questions



Relevance

1. To what extent has REGI met the needs of Canadian businesses and communities?
 - a) To what extent is REGI still relevant and adapting to emerging economic needs of businesses and communities?
 - b) How is REGI unique and/or complementary to other innovation support programming available to Canadian businesses and communities?

Effectiveness

2. To what extent has REGI benefited Canadian businesses and communities?
 - a) Achievement of intended outcomes
 - b) Other outcomes (e.g., contribution toward Government of Canada priorities)

Efficiency

3. To what extent is the REGI delivery model efficient?
 - a) What are the factors that influence REGI's efficiency?

Methodology

The evaluation used a mixed-methods approach, where data were collected from a range of sources to ensure multiple lines of evidence when analyzing data and formulating findings. Field work was undertaken from July 5 to August 18, 2023. While examples are used for illustrative purposes, each finding was triangulated using evidence from a mix of quantitative and qualitative data. Five main methods were applied to conduct this evaluation (Figure 4):

Figure 4: Applied Methods

Document Review	Performance Data Review	Internal and External Key Informant Interviews
<p>Review of internal documents from RDAs, for example:</p> <ul style="list-style-type: none"> • REGI T&Cs; • Departmental Results Reports and Departmental Plans; • Program guidelines, project criteria, assessment forms and tools; • Program overviews and briefing notes; • Success stories. 	<ul style="list-style-type: none"> • Performance data collected from internal administrative systems, using definitions developed across RDAs. • Data covered the time frame 2018-2019 (partial year) through 2022-2023. • All data were based on approved projects. 	<p>Semi-structured individual and group interviews were conducted with a variety of stakeholders (N=143). Internal stakeholders across RDAs included internal senior management as well as program and policy personnel (N=116). External stakeholders across RDAs included mostly RIE recipients (N=27). The total number of sessions completed: ACOA (N=10), CanNor (N=3), CED (N=10), FedDev (N=9), FedNor (N=12), PacifiCan (N=16), and PrairiesCan (N=13).</p>
Survey of BSP and RIE Clients		
<p>An online survey was administered to all BSP and RIE RDA clients. The BSP sample size was 2,502, with 588 clients completing the survey, resulting in a 23.5% response rate. The RIE sample size was 898 organizations, with 291 clients completing the survey, resulting in a 32.4% response rate.</p>		
Econometric Analysis		
<p>Through a collaboration with Statistics Canada, an analysis of Statistics Canada micro-data was completed to determine the direct economic effects of the BSP stream. Using a statistical technique (propensity-score matching), the analysis relied on matching firms that have been recipients of the BSP stream with similar firms that had not been supported by the program. Observing the characteristics of firms before and after “treatment” (i.e., participation in the BSP stream), and observing the characteristics of non-participating firms, an estimate was drawn on the causal impact of the BSP stream on different aspects of firm performance such as revenues, investment and innovation.</p>		
Other Key Internal Data Sources		
<p>The methodology also relied on 2 other projects that took place concurrent with the evaluation, including an Innovation Landscape Review (an exercise undertaken collectively by all RDAs of REGI in the context of the broader ecosystem of federal innovation programs) and a performance indicator alignment exercise undertaken by all RDAs. A mid-term assessment of REGI covering 2018-2019 to 2020-2021 supported by all RDAs was also utilized.</p>		

Limitations

The evaluation used a mixed-methods approach with multiple lines of evidence to mitigate against any limitations associated with individual methods. This enabled the triangulation of evidence across sources of information to identify valid findings and draw evidence-based conclusions. However, the following limitations should be considered when reviewing the evaluation findings:

Sample of BSP and RIE Clients

While there were uneven sample sizes of clients provided by RDAs, with ACOA and CED having the largest number of clients in the overall survey frame, the survey responses received compare well to the overall frame. The proportion of completed responses aligns to the proportions of the populations provided by RDAs. Statistically there is no over- or under-representation in the results. Therefore, the data were used as is with no weighting applied. However, due to the large differences in the number of clients supported by ACOA and CED, these regions' clients may have had an influence on results. This was mitigated by conducting cross-tabulations by RDA to check for consistency in findings.

Performance Metrics

There are a number of metrics that are not measured in the same way across RDAs, in particular for counting jobs created or maintained. A job created refers to a job that did not exist within the applicant organization prior to the project. A job maintained refers to a job that existed within the applicant organization prior to the project, but that would not continue or would likely be lost if the project were not funded. Not all RDAs collect data on jobs maintained, and in some cases where they do, data cannot be disaggregated between created and maintained. Consequently, a direct comparison should not be made between RDAs.

In addition, job figures can be a combination of estimates, partial reporting and final counts of jobs, depending on project status, the RDA and the data collection method. Data may have been collected at different periods during the project life cycle, (e.g., estimates during approval, interim during project implementation and/or verified figures for concluded projects). FedDev, FedNor, PrairiesCan and PacifiCan capture direct and indirect jobs created or maintained from REGI-RIE projects and cannot disaggregate these data. Indirect jobs are those reported by RIE organizations based on the results of their ultimate recipients. Collection of ultimate recipient job data varies from formal annual surveys to estimating. There are also attribution challenges related to indirect jobs.

There are differences in how RDAs code projects among the categories of Business Scale-up, Technology Adoption and Technology Commercialization for performance tracking. PrairiesCan and PacifiCan do not use the Technology Adoption category, and the usefulness of the Technology Adoption category varies among RDAs.

Lastly, many performance indicators are the same across the BSP and RIE streams; however, the stream objectives are quite different. There may not be a complete demonstration of outcomes or impacts to regional innovation ecosystems, particularly resulting from RIE clients. For example, there is no defined method to report on the performance indicator "Number of enhanced regional clusters in the region" (by 2025) as there is no definition of what "enhanced" means.

Short Time Frame

This was a complicated evaluation project completed under very short timelines. In some instances, it was not possible to conduct further analysis to support observations due to time constraints and challenges with obtaining comparable information from all the agencies (e.g., approval times and agreement duration). However, findings have been triangulated.

Relevance

To what extent has REGI met the needs of Canadian businesses and communities?

Summary of Findings:

BARRIERS: Recruiting and retaining labour, lack of access to financing, and the high costs of doing business are the top barriers to growth for innovation-oriented SMEs, and this can be even more pronounced for some under-represented groups. Inflation, high interest rates and supply-chain disruptions cause tangible effects on a company's ability to grow.

ADAPTIVE RESPONSE TO SEVERAL CHALLENGES: REGI is viewed as a necessary program and its adaptability has allowed it to respond to evolving needs. Gaps in available support programs remain in the ecosystem but differ in nature across the country. REGI funding support is very important for the development and implementation of projects, without which there is a risk that projects would not proceed in the same manner or at all. REGI is a key source of funding for ecosystem organizations.

REGI is complementary to other funding programs and brings opportunities to amplify coordination and leveraging opportunities with other ecosystem players. REGI is identified as excellent at responding to regional needs for technology demonstration, commercialization, adoption and adaptation, as well as for market development and expansion.

MEETING GOVERNMENT OF CANADA PRIORITIES: REGI aligns to EDI priorities and principles, addresses climate priorities through funded projects and supports innovation-led productivity growth for SMEs. The participation of under-represented groups is encouraged and capacity for GBA Plus analysis has improved. Environmental considerations have been integrated in different ways across the RDAs. However, opportunities exist to support diverse clients more effectively and capture disaggregated data.

Relevance

Current and evolving needs of Canadian businesses and communities

Generally, access to labour, access to financing and the high costs of doing business are the top barriers to growth for innovation-oriented companies.

There is consistency in the areas identified as barriers for innovation-oriented companies. Across surveyed BSP and RIE clients, recruiting or retaining skilled labour, financing and cost of doing business were the top 3 barriers (Figure 5). Between 60% and 79% of surveyed BSP and RIE clients indicated these areas were moderate to extreme barriers for companies looking to innovate. This result is consistent across clients in all regions.

The survey results are supported by interviewee sentiments. Common needs mentioned by all interviewees across RDAs were the need for access to credit and access to labour (both because of labour shortages and the need for specific skill sets). In less-populated areas, distance to market and being far from value chains, expert services, and private venture capital were also cited as creating barriers to innovation.

Interviewees also highlighted some common economic challenges facing businesses. For example, interviewee groups across all RDAs indicated that there are still lingering effects of supply-chain disruptions post-COVID-19, high interest rates have affected the availability of investment dollars negatively, and inflation has increased the cost of many aspects of doing businesses.

The Innovation Landscape Review notes a number of barriers and challenges to economic development both at the national and regional levels. National barriers include constraints on access to capital, more expensive capital, a financial sector lagging in competition, tight financing market and an aging workforce. In addition, regional barriers also exist due to economic transformations because of industrial transition, climate change, supply-chain disruptions, and rising prices, which vary across the country.⁶

Figure 5: Top 3 barriers to business growth⁵



⁵ According to BSP and RIE clients surveyed

⁶ Innovation Landscape Review

Relevance

Current and evolving needs of Canadian businesses and communities (cont'd)

Barriers do have tangible effects on a company's ability to grow.

BSP clients responding to the survey provided numerous examples of impacts on their business due to barriers and challenges encountered, including:

- limited adaptability to respond to changes in the marketplace;
- extended time frames to reach business sustainability;
- missed contracts due to no/low product availability (supply-chain interruptions);
- lowered productivity;
- reduced profit margins;
- limits to consumer capacity (need for increased pricing to match costs of innovation and cost of debt); and
- reduced ability to enter new markets.



Relevance

Current and evolving needs of Canadian businesses and communities (cont'd)



PacifiCan supports training for skilled labour: Through REGI funding, Gitxsan Safety Services invested in a robust hiring and development program, with a focus on training Indigenous workers. This project helped the company reinvest in its community, creating 32 new jobs for Indigenous workers and providing community members with transferable, professional skills and experience.

Barriers can be even more pronounced for some under-represented groups.

Difficulties recruiting or retaining skilled labour were found to be a moderate to extreme barrier among 75% (n=443) of BSP clients. For First Nation, Métis or Inuit BSP clients this increased to 94% (17/18 businesses) and was found to be the top barrier for this group. Statistics Canada reports that 30% of Indigenous majority-owned businesses reported a labour shortage as an obstacle in the 4th quarter of 2022.⁷

Newcomer BSP clients (82% or 9/11 clients) and **2SLGBTQI+** (80%, 8/10) **found access to financing more of a barrier** than the overall sample of BSP clients responding to the survey. Canada's LGBT+ Chamber of Commerce (CGLCC) supports this finding, reporting that according to a survey by CGLCC and Deloitte, the top-cited challenge for 2SLGBTQI+ entrepreneurs is acquiring funding or financing, with 41% of respondents reporting that this is the challenge they encounter as a result of being part of the 2SLGBTQI+ community.⁸

Among systemic barriers faced by women and Black, Indigenous, People of Color-led SMEs, difficulties such as access to credit were considered to impede business development according to some interviewees.

⁷ Statistics Canada, Indigenous-owned businesses in Canada: confronting challenges, forecasting growth, January 17, 2023

⁸ Deloitte. (2021). Business survey summary & analysis: Canada's LGBT+ Chamber of Commerce. Deloitte. <https://www.cgccc.ca/resource/deloitte-business-survey-summary-analysis/> The survey included founders self-identifying as LGBT+ community members from across Canada using a sample of 192 companies.

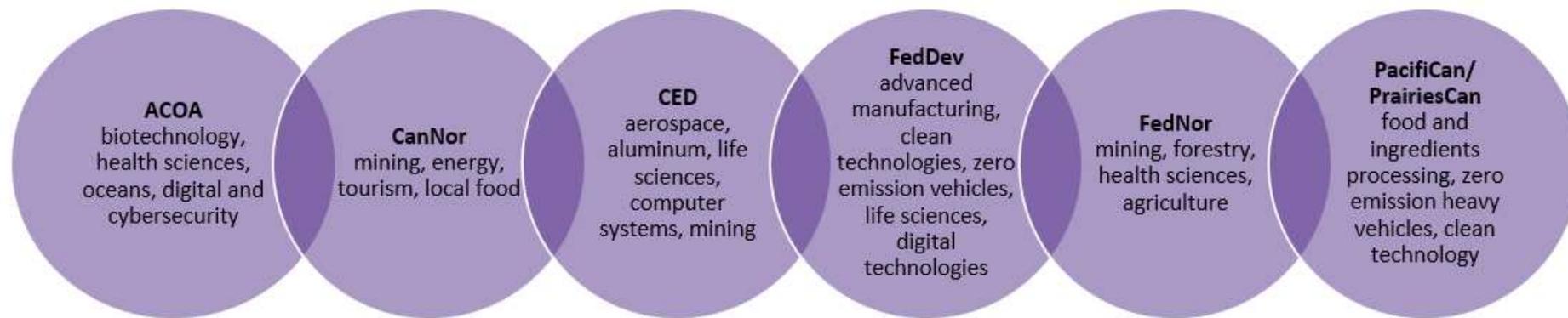
Relevance

Applicability to the economic needs of businesses and communities

REGI’s adaptability has allowed the program to respond to evolving needs and contexts.

The flexibility offered by the REGI Program allowed RDAs to customize their approach to optimize delivery and maximize benefits across the country. RDA management and staff interviewees, across RDAs, expressed that the program's **broad Terms and Conditions easily allow for place-based tailoring** and quick adjustments to reflect changing priorities. RDAs have adapted REGI to respond to the specific needs and realities of the regions, such as targeting the development of economically strategic industries or clusters (Figure 6).

Figure 6: Variation of RDA target regional sectors and clusters



With the COVID-19 pandemic, adjustments were made to the REGI program across the country to adapt to changing circumstances, and to deliver emergency and temporary programs. Varied adjustments were made during COVID-19, such as changes to repayment terms, leveraging requirements, eligibility and funding maximums. In some regions, more flexible policies were developed to meet the needs of projects led by First Nations, Métis or Inuit clients.

Other changes were also made to REGI to adapt to policy and context changes, including various federal and regional strategies. Internal interviewees across RDAs mentioned that the **focus on inclusive growth has increased since 2018** and there has been **an increasing shift to support environmental or green projects**. There have also been more projects related to digitization and automation, market diversification, and skills and growth. RDA staff and management interviewees also reflected that there have been evolving approaches to defining “innovation” in the context of REGI projects. In their delivery of REGI since 2018, RDAs use a broad definition of innovation to ensure more flexibility in project selection so that investments that could deliver meaningful contributions to economic development in the communities they serve are not precluded.

Relevance

Applicability to the economic needs of businesses and communities (cont'd)

While REGI is responding to needs, there are still gaps in supports for innovation-led economic development.

The Innovation Landscape Review indicated that productivity growth continues to be a challenge for Canadian SMEs. While REGI investments have delivered meaningful productivity growth, RDAs represent only a small portion of the overall federal investment landscape, and a very small proportion of the overall SME financing landscape, and Canada is still dealing with broader macroeconomic issues such as:

- Canadian businesses spending less on research and development, innovating less and have lower levels of business investment generally than do firms in peer nations.⁹
- Canadian businesses continue to require resources to support their investment in, and protection of, so-called 'intangible assets' (including intellectual property rights) that result from R&D.¹⁰
- Regional and sectoral variations and gaps in the private-sector funding landscape continue to exist that can potentially starve promising firms of the capital they need to grow.¹¹

Gaps in available support programs are perceived differently across the country.

Internal and external interviewees perceived gaps in terms of available assistance programs, but these differed across the country. For example, in the Prairies, some suggested that there is not much funding available for businesses who are past early-stage growth but not yet at the more mature stages. External interviewees across RDAs suggested that there is a **need for more early-stage support and access to venture capital**. External interviewees from 2 RDAs also identified **uneven provincial/territorial government supports**. While these are identified gaps, they are not REGI-specific.

Internal and external interviewees across 3 RDAs indicated that REGI's design is sometimes more suited to the realities of larger centres than **rural areas, which have issues other than a need for economic development alone**, and there is a need for programs to support those needs. For example, internal interviewees from CanNor and ACOA indicated that there are needs for funding for community well-being to enhance economic development (e.g., daycares so more people can join the labour force or housing to attract workers to a community). Similarly, interviewees from FedNor mentioned the need to be able to adjust what innovation means for rural and remote municipalities that are widely dispersed, as well as small and older communities that generally have fewer innovation-oriented companies.

⁹ <https://policyoptions.irpp.org/magazines/april-2023/the-low-productivity-of-canadian-companies-threatens-our-living-standards/#:~:text=The%20causes%20of%20the%20low,a%20low%20propensity%20to%20innovate.>

¹⁰ Government of Canada, Canada Innovation Corporation Blueprint, 2023.

¹¹ Ibid.

Relevance

Applicability to the economic needs of businesses and communities (cont'd)

REGI is a key source of funding for ecosystem organizations.

A high proportion of services offered by RIE clients surveyed are supported by REGI funding. Almost 40% of RIE survey respondents use REGI funding to run 51% or more of their programming. 21% use REGI funding for 51-75% of their programs, and 18% use REGI funding for 76% or more of their program delivery.

GBA PLUS
GENDER-BASED ANALYSIS PLUS

RIE organizations led by **Newcomers (61%, n=11)**, **Indigenous (57%, n=13)**, and **Black communities (55%, n=6)** are using REGI funding to support more of their programming than the overall RIE respondent population (40%).

REGI has supported businesses to scale and innovate, and the nature of supported businesses has varied across the country.

BSP and RIE survey respondents **strongly indicated** that REGI offers funding opportunities that are **well aligned to business needs** for both scaling up [96% (n=563) BSP, 85% (n=248) RIE] and for increasing innovation capacity [94% (n=554) BSP, 88% (n=256) RIE]. This is supported by the perspectives of internal and external interviewees, across RDAs, who agree that the program is aligned with business needs.

External interviewees identified several **reasons** the **program has been successful** at scale-up and capacity building, including having a **regional presence**; the ability of RDAs to **create and maintain strong regional relationships**; and the program **operating in a neutral manner** (sector-agnostic).

The nature of the businesses and organizations supported by REGI across the country has varied greatly. For example, in Western Canada, support has focused on high-growth businesses,¹² whereas in other areas of the country, support has focused at times on smaller and diverse players. The Statistics Canada econometric study found that FedDev supports slightly larger businesses, with 100 or more employees, serving more clients than other regions demonstrating the need for the flexibility built into the program.

Some RDAs though actively focus on development outside of major urban areas. For example, PacifiCan and PrairiesCan have recently expanded and opened offices around the provinces they service, which is expected to increase reach going forward. ACOA, CED and FedNor also have a large network of regional offices.



CED supports productivity improvement and community development: Through REGI funding, Pit Caribou automated its canning line, thereby increasing productivity, saving costs and expanding its market opportunities. The business is creating jobs with added value in the food processing sector, a target sector for the community.

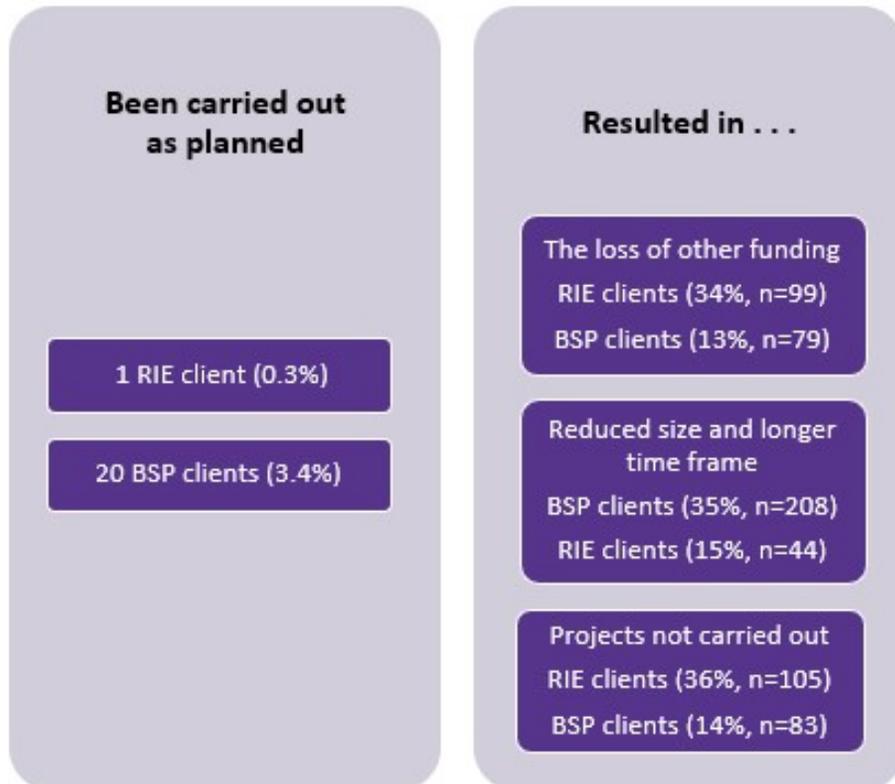
¹² Defined as companies with 20% averaged annualized revenue growth

Relevance

Applicability to the economic needs of businesses and communities (cont'd)

Figure 7: Perceived impacts on projects in the absence of REGI

If REGI funding had not been available, clients report their projects would have:



REGI is viewed as necessary.

Almost **all BSP** (96%, n=563) and **RIE** (98%, (n=285) client survey respondents agreed there is a **continued need** for the REGI program in their region; the remainder indicated they did not know. The most frequently cited continued need was **support for economic development and growth**. These sentiments were consistent across RDAs. For rural and remote regions covered by the RDAs, the need for capacity development was also raised by BSP and RIE client survey respondents.

REGI funding support is very important for the development and implementation of projects. Without it, there is a risk that projects will not proceed in the same manner or at all.

BSP and RIE client survey respondents indicate that the feasibility of proceeding with a project is dependent on finding funding opportunities. **Without REGI funding, 50% (n=147) of RIE clients and 38% (n=224) of BSP clients said that their project may or may not have proceeded.**

Impacts of not acquiring REGI funding included **projects being reduced in size and taking longer to complete**, the need to **assume more debt** – particularly for BSP clients – and the **loss of partnering opportunities**, among others. These issues were identified by both BSP and RIE surveyed clients (Figure 7). There was no difference in survey responses when looking at under-represented groups only.

Very few BSP and RIE clients (0.02%, n=21) suggested their project would have been carried out as planned.

Relevance

Alignment with priority areas – Equity, Diversity and Inclusion



PrairiesCan supports scale-up and diversity:

Through REGI funding, Virtual Gurus scaled up its Talent as a Service business and extended its reach to markets across Canada, into the United States and beyond. The company matches clients with skills provided by virtual assistants (e.g., bookkeeping, marketing, social media).

The company focuses on supporting under-represented talent pools, enabling the company to hire the staff needed to respond to the growth the company is seeing.

According to the CEO: “As more companies seek diversity, our inclusive talent pool has fuelled phenomenal growth.”

REGI aligns to EDI priorities and principles, and encourages the participation of under-represented groups in the program. However, there are continuing opportunities that could more effectively target and support diverse clients.

The REGI program across all RDAs considers inclusiveness (generally linked to Agency-wide and Government of Canada priorities), and inclusivity goals are documented. Targeted program initiatives are directed to under-represented groups by all RDAs and harmonized categories and definitions of under-represented groups are used. EDI considerations have been included in assessment criteria used to make funding decisions by 3 of the RDAs. For example, CED has recently added 2 EDI-related questions on its funding application form, for which clients must indicate whether they have integrated EDI components into their business model (EDI diagnostic, EDI plan, implementation activities, and continuous improvement) and whether they intend to continue doing so or to initiate efforts in that direction in the future. Clients are also asked about their intention to take part in Innovation, Science and Economic Development Canada’s 50-30 challenge to increase the representation and inclusion of diverse groups within their workplace. Interviewees from across the RDAs indicated that the focus on inclusivity has grown in recent years and currently a priority, with increasing efforts to promote inclusive growth.

While REGI successes in this area can be highlighted, internal working level interviewees across all but 2 RDAs suggested there is more that can be considered. Interviewees shared suggestions, such as:

- proactive outreach to seek out businesses led by or focused on under-represented groups;
- targeted calls for proposals;
- policy work within the RDAs to determine how to improve support for economic inclusion; and
- additional training and capacity development for RDA staff, including a common definition of inclusivity.

Relevance

Alignment with priority areas – Equity, Diversity and Inclusion (cont'd)

Figure 8: Under-represented groups with the highest number of self-identifying companies participating in the surveys



GBA PLUS
GENDER-BASED ANALYSIS PLUS

Survey results indicate that RIE and BSP clients are inclusive of various under-represented groups. Almost **58% (n=169) of RIE** survey respondents and **48% (n=284) of BSP** survey respondents noted their company or organization was **majority-led** by a person (or persons) who identified as belonging to **1 (or more) under-represented group**. The difference across RDAs was not significant. In both RIE and BSP survey populations, women, youth and older workers are the most represented.

Capacity for GBA Plus analysis has been strengthened, and some common tools among RDAs are in place. However, there are continuing opportunities to enhance disaggregated data for program monitoring.

All RDAs have strengthened capacity to collect, analyze, manage, monitor and report on gender and demographics-related disaggregated data in relation to program applicants and recipients, and the inclusiveness section of intake forms has been developed commonly across RDAs.

However, RDAs are not all implementing in the same way. For example, there were performance data limitations for at least 1 year for: FedDev, FedNor, PaciFiCan and PrairiesCan. FedNor's disaggregated data, for example, represent the number of projects where activities or outcomes directly benefit under-represented groups and it does not currently track the GBA Plus data at the applicant level for REGI projects.

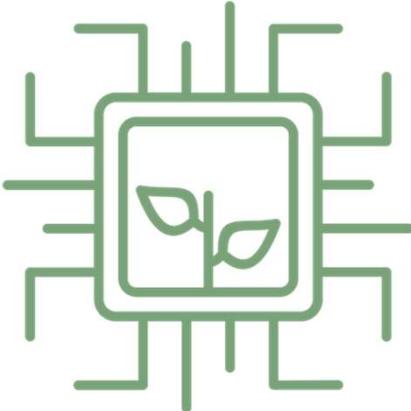
PrairiesCan and PaciFiCan track GBA Plus data on outcomes (e.g., jobs created) throughout the life of a project. This is not the case for all RDAs. Other RDAs do not have equivalent data, and therefore combining data is not possible.

To be inclusive and employ an equity lens, RDAs included older workers in the list of options survey respondents could select to identify as a member of an under-represented group. Research on ageism has shown discrimination or unfair treatment of older adults.

Source: Federal/Provincial/Territorial Ministers Responsible for Seniors, Addressing the Social and Economic Impacts of Ageism in Canada, Summary, August 2022.

Relevance

Alignment with priority areas – environment and clean growth



RDAs are addressing climate priorities through the projects they fund. Environmental considerations have been integrated in different ways across RDAs.

All RDAs have evidence of support for environmental initiatives, particularly support for clean growth or green projects and cluster growth in clean technology. Some have also adopted specific flexibility measures for green projects. Across all RDAs, the total approved funding for green projects is \$697.7 million.

RDA Green Investments*

Stream	No. of projects	Value of Approved Funding	Proportion of Total Approved Funding
BSP	512	\$400.1M	22%
RIE	177	\$297.6M	25%

*As coded by RDAs

Almost all internal interviewees across all RDAs indicated that the environment is an important criterion for funding and that assessing environmental impact is woven into the project selection process, including the application, selection criteria and decision-making. A review of program documentation and performance data shows all RDAs have evidence of support for environmental initiatives. (See examples on the next page.)

A different emphasis has been placed on the integration of environmental initiatives across the RDAs. Clean technology and clean resources have been a focus in Alberta, and there have been many BSP projects in these areas. Interviewees noted that there is a big ecosystem in this area in Alberta, but it has been more of a challenge to find such projects in some other regions, especially projects that meet all of the other REGI requirements. Other RDAs address this priority by supporting non-profits and educational organizations with ties to the private sector.

Relevance

Figure 9: Examples of projects supporting the environment and clean growth



ACOA supported an organic bio-products manufacturing company with expansion through installation of automated bagging and robotic packaging. This new technology resulted in 23 new jobs and the company is now Canada's largest private compost company for the lawn and garden industry.



CanNor supported a local economic development organization to host a 3-day renewable energy forum in Rankin Inlet. The forum attracted almost 60 delegates and featured presentations from the government's energy regulator on the upcoming Independent Power Producers program, overview of energy projects currently under way in the region and sharing of potential business opportunities in the sector.



CED supported a company to develop a technology that collects microplastic particles from the environment with the aim of restoring ecosystems affected by plastic pollution. The company has submitted a patent application for its technology. It now has 3 marketed solutions and has won numerous awards.



FedDev provided a contribution to an association representing automotive suppliers and technology firms across southern Ontario to undertake a project to integrate into a complete value chain for the production of a connected autonomous zero-emission vehicle.



FedNor supported a solar manufacturing plant with hardware and software development to increase efficiency of power generation and remote monitoring for utility companies.



PacifiCan provided funding to an organization that commercialized multiple new product lines of advanced technologies to help reuse water, keep the environment safe from pollutants in industrial waste water, and produce lithium for use in batteries.



PrairiesCan provided funding to an electronics company that offers wireless controls that save time, materials and cost during construction, while providing the luxuries of a smart home to the average homeowner. The company scaled its business and marketing and added to its engineering team.

Relevance

Complementarity

Clients identify REGI as excellent for meeting regional needs for technology demonstration and adoption, commercialization, business process adaptation, and market development and expansion.

The majority of RIE (58%, n=169) and BSP (64%, n=377) client survey respondents view the REGI program as above average or excellent¹³ in responding to needs in the areas of technology demonstration and adoption and business process adaptation consistently across all RDAs. A majority of respondents (60% (n=175) for RIE and 65% (n=348) for BSP) also indicate that REGI is above average or excellent in terms of meeting needs for commercialization, market development and market expansion.

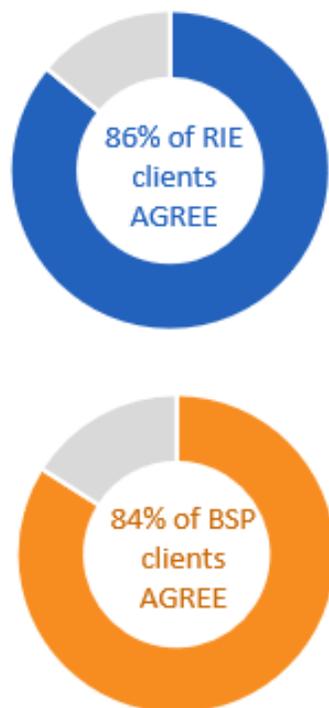
The main factor that determined REGI was a best fit for RIE and BSP clients is the funding, specifically funds for scaling and capital expenditures available in advance, the ability to finance equipment for accelerated growth and scale-up and unconditionally repayable contributions for risk management in implementing new technologies.

¹³ Scale = Very Poor, Below Average, Average, Above Average, Excellent

Relevance

Complementarity (cont'd)

Figure 10: Clients agree that REGI complements other available supports



REGI complements other funding programs and brings opportunities to amplify coordination and leveraging with other ecosystem players.

Although some RIE (13.4%) and BSP (21.3%) clients did not know about other programs, 86% of RIE clients and 84% of BSP clients agree that REGI complements other programs. RIE clients identified complementarity and synergy of the REGI program with other provincial and federal programs, as well as industry and private financing, enabling amplification of leveraging opportunities. The Innovation Landscape Review noted that REGI supports access to capital, fills gaps in the regional and sectoral availability of financing, and has been a powerful tool to drive scaling and productivity across Canada. Analysis conducted by the RDAs and Deloitte in 2022¹⁴ concluded that RDA contributions are highly complementary, and more likely to crowd-in, rather than crowd-out, private capital since almost all projects (BSP in particular) require significant co-investment from private sources.

Even though a number of new federal investment initiatives were announced as part of Budget 2022 and Budget 2023, the Innovation Landscape Review highlighted differences between these programs and REGI in that they either target a different participant group, vary in funding supports (e.g., tax credits or capital investment with expectations of returns), are focused on earlier stages of the innovation continuum (e.g., to incentivize Research and Development investment), support larger projects, or target specific outcomes. In particular, interviewees identified the landscape of other funders for RIE projects to vary greatly across the country. In some places, there is little to no other such funding available. In other places, RIE specifically works to complement other provincially-supported organizations.

Internal interviewees across all RDAs indicated that RIE helps to mitigate the lack of coordination, co-operation and organization between economic sectors in the area of innovation in a region. All external interviewees provided a similar perspective, indicating that RIE facilitates better integration into the community and an ability to work in a more integrated, collaborative way with other ecosystem and network stakeholders.

Generally almost all interviewees (across RDAs, and all types) indicated that REGI complements other programs.

¹⁴ Deloitte (2022) *Role of RDAs in the Broader Funding Ecosystem and Implications of Concessional Lending*

Relevance

Complementarity (cont'd)

CANADA INNOVATION CORPORATION

BLUEPRINT



 Government of Canada / Gouvernement du Canada



For example, the new Canada Innovation Corporation (CIC) is expected to make risk-sharing investments in firms developing new technologies to help them commercialize and scale with a focus on R&D activities. When launched, the CIC is expected to offer an investment range of roughly \$50,000 to \$5M, with the flexibility to support up to a maximum contribution of \$20 million per project for a select number of larger-scale R&D projects. The Canada Innovation Corporation – Blueprint¹⁵ identifies RDAs playing a complementary role alongside CIC, both to help scale R&D-intensive firms up the funding continuum, and at the same time support SMEs with other innovative project activities that are outside the scope of CIC, such as critical technology adoption projects. It is acknowledged that working collaboratively with the RDAs, and other government programs to provide seamless access to scale-up support and growth financing will benefit Canadian SMEs.

For RIE, while there are other innovation ecosystem building programs (e.g., Strategic Innovation Fund), these programs support larger, national scale, multi-sectoral opportunities for Canada within particular industries. For the Strategic Innovation Fund in particular, supported network projects are at the stage of developing new knowledge (industrial research) or early-stage technology demonstration (prototype systems). They do not function at the regional or community level and typically do not support adoption activities.

Recent work coming out of the OECD Council on Regional Development Policy emphasizes the value and need for place-based policies; as such, it recommends the promotion and implementation of effective place-based regional development policy to support inclusive and sustainable development and well-being for the benefit of all.¹⁶ It also notes that governments around the world have long recognized the important contribution of regions, and the cities and rural areas within them, to national economic performance, well-being, environmental sustainability, and resilience.¹⁷

¹⁵ Government of Canada, Canada Innovation Corporation Blueprint, 2023.

¹⁶ Recommendation of the Council on Regional Development Policy, OECD Legal Instruments, OECD/Legal/0492, Adopted on 07/06/2023.

<https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0492>

¹⁷ Ibid. Background Information. <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0492>

Effectiveness

To what extent has REGI benefited Canadian businesses and communities?

Summary of Findings:

ACHIEVING OUTCOMES: REGI has benefited Canadian businesses and communities through important investments in BSP and RIE activities that have enabled business growth. Outcome targets have been exceeded for amounts invested, job creation, and ratio of dollars leveraged. REGI success stories can be identified across the country and demonstrate benefits to companies, communities and the economy. There is improvement required in how performance indicators are defined and how data are collected to facilitate outcome reporting across RDAs.

MAKING A DIFFERENCE: REGI funding is reaching and responding to targeted priorities of the Government of Canada, including investing in inclusive growth and green economy/clean growth projects. Organizations that receive RIE funding are having an impact on local networks, communities and economic development. BSP clients are outperforming companies that have not participated in the REGI program in areas such as revenue, export and employment growth.

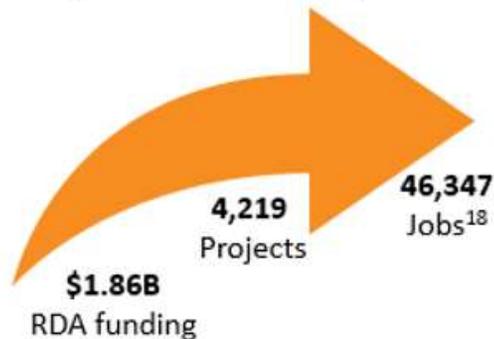
The REGI program has an impact on a client's ability to leverage other types of supports, and this benefit tends to be more prevalent for BSP clients than RIE clients.

Critical success factors for achieving BSP and RIE project outcomes range from having regional intelligence to monitoring of progress to having a high-quality project plan.

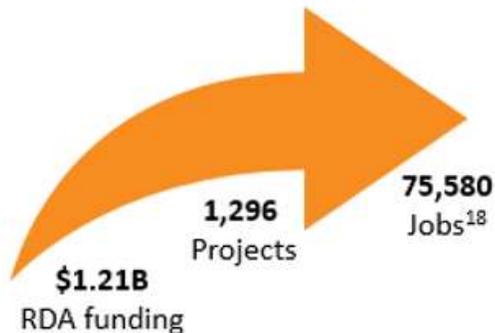
Effectiveness

Achievement of outcomes

Business Scale-up and Productivity
Job Impacts 2018-2019 through 2022-2023



Regional Innovation Ecosystem
Job Impacts 2018-2019 through 2022-2023



REGI has made important investments in BSP and RIE activities to enable business growth. Outcome targets have been exceeded for funding amounts invested and job creation. There are still issues; however, in how outcome data are collected and presented.

Overall, RDAs succeeded in meeting targets for amounts invested in REGI projects when results are considered over the 5-year period. RDA commitments for investment in BSP projects (\$1.14 billion over 5 years¹⁹) has been exceeded by ~63% and investment in RIE projects (\$404 million over five years) has been exceeded by ~200%. Projects supported are based on a flexible interpretation of innovation that is place-based, contextual and catered to regions. Innovation can include technology adoption, technology commercialization, adoption or adaptation of business processes to improve productivity, adaptation of business models, and capacity development for market diversification, among other economic development initiatives, and these categories are not always mutually exclusive.

The vast majority of RDAs have succeeded in meeting targets²⁰ set for number of jobs created or maintained by firms supported by projects in the BSP stream. For the RIE stream, there are a number of instances where no targets were set and some RDAs experienced issues in the disaggregation of jobs data, where association of these jobs cannot be directly linked to RDA projects (i.e., for RIE projects, REGI is a contributor and not the only factor influencing outcomes). However, in both streams, jobs created do exceed the collective targets that are available to be assessed.

¹⁸ Refer to definition of jobs in the limitations section.

¹⁹ Targets are estimated by aggregating the annual target set by each RDA and multiplying the total by 5 to obtain a notional 5-year target. Targets are the commitments RDAs have identified in their respective Departmental Results Frameworks.

²⁰ The targets set across RDAs vary significantly both in terms of ambition and complexity of measurement, as well as definition.

Effectiveness

Extent of ecosystem development

Figure 11: RIE clients are expanding their networks

Surveyed RIE clients indicated that their REGI project resulted in these (median) numbers of



n=range 183-245

96% of RIE clients responding to the survey indicated that **REGI funding is absolutely essential** (or very important) to achieving noted **impacts**.

RIE clients are having an impact on local networks, communities and economic development. Organizations are developing and growing regional innovation ecosystems and expanding the services they offer.

RDAs across Canada are supporting 36 regional clusters²¹ covering a number of different sectors. When asked to comment on the extent of REGI’s success with respect to supporting the regional ecosystem, all interviewees across RDAs were very positive. External stakeholders in particular were very enthusiastic about REGI’s support for growth in regional ecosystems and the support provided to communities to expand the number of businesses supported. From 2018-2019 through 2022-2023, **RIE organizations have supported 42,889 clients**.

All external interviewees across RDAs agreed that REGI helps their organization with network development and to develop and expand the services they offer. This included bringing different players together for the benefit of the community, as well as the ability to hire more staff with different areas of expertise and skill sets to meet needs.

RIE clients responding to the survey identified several achievements related to outcomes affecting the ecosystem through network development. More than 80% (n=237) of RIE clients indicate they have engaged new partners, created new partner collaborations, and maintained their existing network of partners (Figure 11). Additionally, more than 60% of RIE clients indicate they have increased entrepreneurial vitality in their region and have also increased business revenues or business activities, improved competitiveness, and improved capacity to identify and address economic challenges and opportunities.



ACOA supports strategic innovation hubs. Through REGI, ACOA provided over \$3.4 million in funding support to Volta Labs to strengthen the technology ecosystem in Atlantic Canada with mentorship, training, community-driven support, and targeted programs for growth-stage companies. With support from ACOA, Volta Labs has grown into the largest innovation hub east of Toronto, with 42 resident companies employing 190 people. Resident companies have raised over \$60 million in investments and created over 1,700 jobs.

²¹ Clusters are defined as priority sectors within a geographic area with significant economic interests (e.g., impacts several SMEs, supply chains, sectors) that are considered clusters in each region. Clusters are self-identified by each RDA.

Effectiveness

Who the funding is reaching



Green Economy/Clean Growth National Investment

\$697.8 million approved, supporting **689 projects** from 2018-2019 to 2022-2023



REGI funding is reaching and responding to targeted priorities of the Government of Canada, including investing in inclusive growth and green economy/clean-growth projects.

A total of 1,016 projects that were undertaken by organizations that are led, owned or majority-owned by a representative of an under-represented group were funded between 2018-2019 and 2022-2023.²² Approved projects equalled \$545.5 million – approximately 18% of the overall G&Cs approved funding envelope. This is an additional \$236.5 million invested since a mid-term assessment conducted in 2020-2021. Included in these results are 841 projects (\$352.2 million) funded under the BSP stream and 175 projects (\$193.3 million) funded under the RIE stream.

Reaching or targeting under-represented groups is proactively undertaken by RIE organizations. RIE client survey respondents have identified youth (47%, n=129), women (45%, n=123) and Indigenous peoples (45%, n=123) as the under-represented groups most reached by their organizations. In addition, both BSP and RIE clients have hired staff from under-represented groups as a result of their REGI project; youth under the age of 40 (RIE 41%, n=116; BSP 41%, n=228), women (RIE 43.1%, n=121; BSP 37%, n=206) and newcomers (RIE 29%, n=80; BSP 36%, n=198) emerged as the most-hired groups.

Additionally, a total of 689 green economy/clean-growth projects²³ were funded across RDAs between 2018-2019 and 2022-2023. Approved projects equalled \$697.8 million and included 512 projects (\$400.1 million) funded under the BSP stream and 177 projects (\$297.6 million) funded under the RIE stream. The green/clean investment has increased by approximately 60% over a 2-year period since the mid-term assessment conducted in 2020-2021.

²² Based on limited GBA Plus internal data

²³ REGI projects only as coded by RDAs.

Effectiveness

Business success



There is no difference in the confidence in business growth between the overall BSP respondent population and cross-tabulations among respondents from under-represented groups. A minor exception is the small number of BSP businesses identifying as being from an official language minority community (n=16), where there is slightly less confidence in growth at the 3-, 5- and 10-year marks (5-year at 73.7% versus population at 87.6%, and 10-year at 63.2% versus population at 82.1%).

90% of BSP clients responding to the survey indicated that **REGI funding is absolutely essential** (or very important) to achieving noted **impacts**.

Aligned with the top-noted impact of growth and scale-up, BSP clients are positive about the likelihood their business will continue to grow. Specifically, 50% of BSP respondents expected “definite” growth in 3, 5 and 10 years, while over 30% considered growth to be “very probable” within the same time frame.



CanNor drives scale-up: CanNor supported Great Slave Bottling Company (producing dressings and sauces) to fund the purchase of specialized bottling, labelling, and operating equipment. The equipment was installed in a newly constructed facility that allows for greater production and helps facilitate compliance with food safety standards. The company has widened its customer base and ships sauces to retailers in Inuvik, N.W.T.; Cambridge Bay, Nun.; Mill Bay, B.C.; and in the Northern Store in Cartwright, N.L.



FedDev invests in strengthening innovation and commercialization: Support was provided to BioConnect to launch a first-to-market, 2-factor mobile authentication solution that provides secure access to doors, data centres and other important equipment. Through this project, the company has created or maintained over 50 jobs and leveraged more than \$9 million in private investment.

Effectiveness

Business success (cont'd)



FedNor investment supports growth: FedNor supported Norgalv Limited to bring clean advanced galvanizing technology to Northern Ontario (North Bay). The funding helped establish a 35,000 square foot galvanizing plant – the first of its calibre in Ontario and the second in Canada – to service Northern Ontario fabricators in the mining supply and services industry, creating 35 jobs, with more expected.

BSP clients are successful at achieving growth as a result of their REGI project.

Internal and external interviewees were asked to comment on the extent to which REGI has been successful in supporting businesses. Generally, both types of interviewees, across RDAs, indicated there has been moderate to high success in:

- **supporting businesses to grow:** interviewees of both types were very positive in their assessment of success.
- **allowing businesses to adopt innovations:** interviewees were moderately positive; working-level RDA personnel tended to be more positive than external stakeholders.
- **supporting businesses to commercialize:** interviewees noted success was more moderate, although several external stakeholders did score this area of success as high.

BSP client survey results identified 4 common impacts being experienced among businesses supported under the REGI program. Growth and scale-up (67%, n=395), strengthened innovation capacity (63%, n=369), increased competitiveness (62%, n=365) and increased sales or revenues (56%, n=328) are the most selected impacts being experienced by BSP clients because of their REGI project.

Effectiveness

Economic impacts

Figure 12: BSP clients experience positive and significant impacts compared to similar non-client firms, 2018-2021



BSP businesses are outperforming non-client firms of similar characteristics in productivity, growth in revenues, employment and R&D.

Statistics Canada performed descriptive statistics and empirical modelling comparing REGI clients (BSP direct clients only) and non-client counterparts.²⁴ The matching rate was sufficiently above 75% in most RDAs from 2019 onward.

For all clients combined,²⁵ REGI program participation is associated with **better outcomes** across all performance metrics considered. Businesses that participated in the program sometime **between 2018 and 2021** had better outcomes than comparable non-client businesses in the following areas:

- The probability of undertaking R&D is **32.4% higher** (conditional on not being an R&D performer in the past).
- R&D expenditure growth rates are **21.8% higher**.
- Revenue growth rates are **18.3% higher**.
- Export growth rates are **13.5% higher** (conditional on being an exporter in the past).
- Employment growth rates are **12.8% higher**.
- Labour productivity growth rates are **10.2% higher**.
- The probability of becoming an exporter is **9.7% higher** (conditional on not being an exporter in the past).

All differences found are statistically significant.

²⁴ Economic Assessment for the 2023 REGI Program.

²⁵ The estimated impacts become more variable for RDAs with fewer program participants.

Effectiveness

Leveraging



Figure 13: Clients identify either a moderate or major effect on leveraging efforts disaggregated by under-represented groups.

REGI had a moderate to major effect on financial leveraging, according to these percentages of clients led by underrepresented groups:



The REGI program has influence on a client’s ability to leverage other types of supports. This benefit tended to be more prevalent for BSP clients.

Between 2018-2019 and 2022-2023, a total of **\$6.01 billion was leveraged** for BSP projects, resulting in a ratio of **\$3.23 leveraged for every dollar invested**. For the RIE stream, a total of **\$1.8 billion was leveraged**, resulting in a ratio of **\$1.49 leveraged for every dollar invested**.²⁶ When considered from the view of a 5-year average, most RDAs succeeded in meeting the target it set for amount leveraged per dollar invested in BSP and RIE projects (note: 2 RDAs could not be assessed on the RIE side as targets had not been set).

RIE and BSP client survey respondents were asked whether REGI had a mild, moderate, major or no effect on financial leveraging. On average 67% of BSP clients and 74% of RIE clients said that it had either a moderate or major effect on abilities to leverage other support. For the majority of RIE and BSP respondents, this is consistent across regions.

The responses of surveyed BSP and RIE clients led by under-represented groups are shown in Figure 13. For some, REGI’s influence is more significant.

²⁶ RIE clients generally have lower leveraging capacity than BSP clients. RIE clients are generally non-profit organizations, have fewer opportunities for private or bank funding and have higher proportions of their funding provided by governments because of contribution ratios.

Effectiveness

Success factors

Critical success factors for achieving BSP and RIE project outcomes range from having regional intelligence to monitoring of progress to having a high-quality project plan.

To effectively achieve project outcomes for BSP and RIE clients, the most commonly mentioned critical success factors shared across interviewee types and RDAs included:

- having regional intelligence and awareness of the local market;
- having a business that has management capacity and good financial health;
- understanding expected outcomes and establishing a monitoring strategy/tracking progress;
- working with stakeholders/other players in the regional ecosystem, including other funders; and
- the quality of the project plan and taking the time in the design phase to develop a plan.

Other critical success factors mentioned by interviewees across a few RDAs included conducting proper due diligence, having good relationships with clients and access to capital for businesses.



Effectiveness

REGI success stories can be identified across the country, and demonstrate benefits to companies, the economy, communities, and global customers and needs.

An extensive number of success stories were identified by all RDAs for REGI-funded projects under both the BSP and RIE streams.

Impacts reported across all RDAs and under both program streams typically included supporting and creating new jobs, leveraging funding to create opportunities for other regional firms, scaling-up operations, increasing benefits for vendors in local supply chains, and establishing partnerships, among others.

Some companies have had more local impacts, such as re-investing in their community by providing members with transferable skills; whereas others have seen larger and more global impacts, such as by increasing the number of global customers and pivoting to emerging needs such as testing for viruses such as COVID-19.

Successes have also been reported in various sectors and priority areas; for instance, there are REGI success stories across the federal priorities of women in entrepreneurship; digital technologies; diversification and inclusive growth; innovation-oriented businesses; green technology; technology adoption and commercialization; business scale-up and expansion; and strategic support to innovation ecosystems.

Examples of success stories have been placed throughout this report, including the individual RDA spotlight summaries that follow.

Spotlight on ACOA

Regional Adaptation/Tailoring of REGI

At ACOA, REGI is delivered through **29 offices and service points**, enabling a **wide service reach and presence** in the community. In addition to financial contributions, the delivery model also includes **non-financial support throughout the project life cycle**. According to a recent internal survey, ACOA economic development officers **devote considerable time** to non-financial supports, including **providing advice and guidance** as well as **pathfinding and convening partners**. A recent internal study also reveals that many firms link their success directly to **ACOA's flexible financing, knowledge of the local sector, and ability to find experts to help guide business strategies, open doors and convene groups** on various topics such as labour, skills and digital strategies.

ACOA has developed **regionally adapted tools** to deliver the REGI program, including the **Strategic Growth Initiative (SGI)**.

Through targeted investments of close to **\$50 million**, the **SGI** (including the former Productivity and Business Skills Initiative) assisted **767 SMEs** to increase their strength, resilience, and sustainability, facilitate longer-term strategic planning activities and alleviate barriers to growth related to automation and digitalization, the green economy, international business development, and skills and inclusive workforce.

Other examples of regionally adapted tools to deliver the REGI program include the **Rediscover Main Streets Initiative, Indigenous Business Development, and the Digital Acceleration Pilot**.

*"We are **people and relationship focused**. We **interact directly with SMEs all the time**. It's **part of our culture and an approach we've used at ACOA for a long time**."*

ACOA Economic Development Officer

Evaluation Highlights

Of BSP and RIE clients who responded to the survey:

- ✓ **96%** (n=422/439) strongly agreed or agreed that there is a **continued need for the program in Atlantic Canada**.
- ✓ **95%** (n=416/439) strongly agreed or agreed that **REGI is tailored to the needs of the region**.
- ✓ The vast majority of internal and external key informants underscored REGI's **flexibility** as a **key strength**.

Through the REGI program and its regionally adapted tools, ACOA continually works with innovation ecosystem stakeholders to **create, grow and nurture inclusive regional ecosystems** that support business needs and foster an entrepreneurial environment. This is done through enhancing the **development and reach of business accelerators and incubators** and other organizations that support **entrepreneurs, start-ups and innovation-oriented companies** with high-growth potential. ACOA supports projects and initiatives that:

- promote **linkages between industry and academic researchers**;
- **increase awareness of the applied research capacity of Atlantic Canada's post-secondary institutions**; and
- **mobilize the region's R&D assets** to support industry needs.

Spotlight on CanNor

Regional Adaptation/Tailoring of REGI

CanNor works with **businesses and organizations** to identify projects and **challenges of people living in the North**. Through this engagement, **REGI is tailored to meet regional needs and opportunities for economic growth and innovation**.

CanNor has supported a **broad range of projects to increase economic growth specifically tailored to the needs of stakeholders living and working in the North**. More than **\$25 million** in approved funding that **has leveraged an additional \$152 million** has been injected into the northern regional ecosystems through REGI.

In addition to **adapting to federal government priorities**, CanNor **also aligns to territorial priorities** to better **respond to varied needs** across the regions.

To increase flexibility, CanNor uses an **expression of interest and continuous intake approach**, allowing program officers to best fit projects to programs available. Flexibility in funding amounts helps proponents **design projects that are responsive to needs**, and a **risk-based approach to reporting** brings efficiencies to both clients and program officers. **CanNor's BSP clients are all small businesses with 0 to 19 employees**.

*“Historically, capital availability for non-standard business was a problem for our company. **CanNor funding played an outsized role at a critical time, and the company's health today means that access to funds is less of an issue**”*

- CanNor BSP Client

CanNor provides **core funding contributions to local ecosystem partners**, that are also supported by local governments. This results in **governments working together** to support the innovation ecosystem, providing even more flexibility to meet the needs of businesses over a longer period of time.

Highlights

- ✓ In the Yukon, CanNor provided nearly \$400,000 to **Yukon University** and an additional \$386,000 to the **Yukonconstruct Makerspace Society** to **support the operations of a regional accelerator to support entrepreneurs, start-ups and innovation-oriented companies with high-growth potential**.
- ✓ In the Northwest Territories, nearly \$100,000 was provided to the **Hay River-based company Brave Adventures Ltd.** to **expand local agricultural production by scaling up a potato farming operation from 30,000 lbs/year to 100,000 lbs/year, creating and maintaining 10 jobs**.
- ✓ In Nunavut, \$75,000 was provided to **Uqsiq Communications**, a **100% Inuit-owned company in Iqaluit**, to purchase 3-dimensional printing and manufacturing technology, **transforming the business into the territory's first and only full-service 3D service provider**, serving both the public and private sectors.

Spotlight on CED

Regional Adaptation/Tailoring of REGI

CED is highly active in the field, with a network of **12 business offices** covering the province. Through REGI, the agency enabled the **direct and indirect support of nearly 10,700 SMEs** totalling an investment of almost **\$777.8 million**. This investment resulted in:

- ✓ **\$4.673 million leveraged, or a ratio of \$5.01 leveraged for every dollar invested.**

The **hundreds of dedicated professionals** who have developed a deep understanding of the regions' socio-economic context **helped to increase the impact of REGI** as stated by interviewed clients.

“CED makes things simple in terms of T&Cs, processes, communications, and mechanisms. The advisors do a wonderful job and help link the various partners together.”

According to its mandate, CED developed an **Economic Development Index** that classifies the economic growth of the 104 regional county municipalities. In the REGI intake approach, **flexibility is given to projects from regional county municipalities with low economic growth potential.**

Nearly **40%** of REGI's funding is directed toward **supporting innovation in rural regions** and **93%** of CED's BSP clients surveyed agree or strongly agree that the **program is tailored to the needs of their region.**

CED plays a pivotal role in supporting SMEs throughout their life cycle as acknowledged by CED's clients.

“Funding from REGI has helped our organization to mature and better position itself as a major player in the community, as well as be recognized for its expertise.”

To optimize the program's impact on communities, CED actively **seeks complementarity with the various levels of Quebec governments, partners and local stakeholders**, as **confirmed by more than 90%** of BSP clients surveyed.

“There is no overlap between REGI and other programs, but rather complementarity.”

Adapting REGI to Government Priorities

CED has put in place the following approaches, which align with government priorities:

- **Inclusive growth – Equity, Diversity and Inclusion:** Aims to inform and educate CED clients about the economic benefits of adopting an EDI approach and allows CED to collect information to help bolster its support for inclusive growth. Within the last 5 years, CED has invested nearly \$98 million to support inclusive growth.
- **Clean growth:** Within the last 5 years, CED has invested nearly \$157.6 million in clean growth, averaging out to over \$30 million a year. In December 2022, CED announced its new approach to accelerating the green transition of communities and businesses in Quebec.

Spotlight on FedDev Ontario

Regional Adaptation/Tailoring of REGI

FedDev's investments through REGI respond to various regional opportunities, including:

- **Priority sectors and strategic clusters, or projects that reinforce Ontario's economic and innovation strengths.** Strategic clusters such as electric vehicles, life sciences, and digital technologies help communities build on existing economic strengths and support the conditions to anchor innovation-oriented businesses.

FedDev Ontario invested \$10.7 million in Markham-based ventureLAB to help accelerate the growth of the York region's semi-conductor cluster. With this funding, ventureLAB created Canada's first semi-conductor and hardware incubator and is working with the region's concentration of global technology companies to accelerate the growth of SMEs with first-in-Canada capabilities.

- **Larger multi-year projects (\$3-10 million)** given the size of southern Ontario's economy and underserved gap in funding for innovation firms looking to expand production, increase productivity, and commercialize on a smaller scale than Strategic Innovation Fund.

FedDev Ontario provided Owen Sound-based Hydrogen Optimized Inc. a \$3.57 million repayable contribution to help make the company the first in Canada and first-to-market to produce green hydrogen technology at scale. This funding is supporting the purchase of equipment needed to automate key aspects of the manufacturing process, scale up the production, grow sales, and create jobs in specialized and technical positions.

- **Promotion and emphasis of recipient Intellectual Property management** and encourage businesses to create and protect their intellectual property assets.

Highlights

- ✓ **97%** (n=29/30) strongly agreed or agreed that **REGI is tailored to the needs of the region.**
- ✓ **All external interviewees** pointed to the **benefits of regional delivery**, including FedDev's ability to be highly collaborative, hands-on and helpful; have a good understanding of regional needs; and be open to discussions about regional challenges, needs and solutions.
- ✓ **97%** (n=29/30) found **REGI absolutely essential** or very important in **achieving positive economic development results.**

"FedDev is the most important funder we have because of the way we work, [and] how collaborative they are."

FedDev RIE client

"FedDev does an excellent job in understanding the needs of investments in the region."

FedDev BSP client

Integration of diversity, equity and inclusion

components across the program lifecycle to help monitor and improve progress on **inclusive growth**. This includes implementing new tools for the self reporting of under represented groups and formally recognizing shared commitment to support a more diverse and inclusive southern Ontario economy.

Spotlight on FedNor

Regional Adaptation/Tailoring of REGI

FedNor works with businesses and community partners to build a stronger northern Ontario. Through its delivery of REGI, FedNor has provided \$86.9 million in financial assistance toward 117 projects in support of job creation, economic growth and the cultivation of an inclusive and innovation-oriented business landscape.

FedNor delivers REGI through its 6 regional offices to **maximize access** to the program. To **increase flexibility**, FedNor receives applications through a **continuous intake process** and a **2-stage application process**. To maximize the number of businesses it can support, FedNor normally provides up to a **maximum of \$500,000** per project under the BSP.

FedNor **prioritizes alignment with the Prosperity and Growth Strategy for northern Ontario**, including priority sectors and strategic clusters such as mining, manufacturing, forestry, agriculture and life sciences, or projects that reinforce northern Ontario's economic and innovation strengths in areas of comparative advantages. FedNor also **prioritizes projects that support inclusive growth**.

Between 2018 and 2023 FedNor delivered \$52.1 million for BSP projects and nearly \$34.9 million for RIE projects. Most of the BSP funding was used to support **technology adoption**, while RIE was often used to support **innovation centres**. FedNor also **utilizes intermediaries to further distribute funding under both streams, which provided business with more timely access to small amounts of funding and increased the program's reach**. Additionally, FedNor **delivers the Targeted Manufacturing Initiative for northern Ontario through REGI**, which helps manufacturers to upgrade and improve their capital equipment.

Evaluation Highlights

- ✓ The **top continued need** of the REGI program identified by clients in **rural areas**, such as those located in **northern Ontario**, is to **create a supportive and inclusive business ecosystem**.
- ✓ All key informant interviewees pointed to **regional benefits of the program, including its flexibility and the ability to regionally tailor the program based on local needs**.
- ✓ **91% of BSP and RIE clients (n=30/33)** strongly agreed or agreed that **REGI is tailored to the needs of the region**.
- ✓ All key informants also noted that the **REGI program is complementary to other federal or provincial programs and initiatives**. External informants pointed to **FedNor's role as a convener** and its **ability to bring together multiple funding partners**.
- ✓ Statistics Canada found that FedNor was among the RDAs with the **smallest businesses** and that it had the **highest proportion of equally owned businesses and younger business owners** among REGI BSP direct clients.

- ✓ **95% of BSP clients (n=20/21)** found REGI absolutely essential or very important in **achieving positive economic development results**.

Spotlight on PacifiCan

Regional Adaptation/Tailoring of REGI

BSP

- At PacifiCan, BSP targets high-growth firms typically expecting **20% year-over-year revenue growth**.
- PacifiCan uses a **structured intake model for BSP, including an Expression of Interest** component, allowing for **comparability** of business proposals.

RIE

- Using the RIE parameters, PacifiCan is currently **developing a pilot initiative targeting high-growth-potential firms for business acceleration activities**.
- PacifiCan RIE employs a **continuous intake model**, which offers **optimal responsiveness to the innovation ecosystem**.

Expanded Regional Presence

- Through its new network of regional offices, PacifiCan is actively **seeking to enhance the profile of BSP and RIE** and to **increase investments in communities across BC**. Local intelligence is helping to identify **place-based opportunities** and **increase the quality of decisions**.

Sectoral Focus and Priorities

- PacifiCan prioritizes REGI investments to capitalize on BC's current and emerging competitive advantages and to **focus on specific priority activities**, such as **driving more export ambition**. This includes the **clean technology** and **zero emissions sectors**, ongoing support for **agri-tech, natural resources value-added processing**, and testing the water in new sectors such as **ocean technology**.

Evaluation Highlights

- ✓ **100% of BSP clients** strongly agreed or agreed that **REGI is tailored to the needs of the region**.
- ✓ During PacifiCan's RIE external interviews, all expressed **strong satisfaction with the program's administration**, including the **collaborative application process, flexibility in spending, clarity in expectations**, and the **dedication of program staff**. Clients also viewed the program as **well-organized and aligned with their needs**.
- ✓ PacifiCan BSP survey respondents all agreed or strongly agreed that there is a **continued need for BSP in their region**.

BSP Case Study: AbCellera Biologics Inc.

AbCellera is a Vancouver-based biotechnology company that uses its proprietary artificial intelligence-powered platform to research and discover human antibodies to develop therapies.

AbCellera received BSP funding to scale-up partnerships through marketing and business development, intellectual property licensing, and global capacity expansion. In collaboration with a U.S. pharmaceutical company, AbCellera developed the first US FDA-approved antibody treatment against SARS-COV-2, the virus that caused the COVID-19 pandemic.

Through royalty revenues from this breakthrough, AbCellera generated \$1.4 billion in revenue and \$1.4 billion in export sales, both exceeding growth targets of \$40 million and \$39.2 million, respectively. AbCellera created 403 jobs, 336 highly qualified personnel (HQP) and 67 non-HQP and attracted \$705 million in foreign direct investment.

Spotlight on PrairiesCan

Regional Adaptation/Tailoring of REGI

PrairiesCan REGI investments focus on **job creation** and **innovation**, while aiming to ensure **inclusive economic growth** in the region. PrairiesCan has **expanded its presence in communities** through 12 service locations, including 1 in Ottawa, to provide a **community-based approach** to delivering programs.

At PrairiesCan, the REGI program is delivered directly to **high growth businesses (BSP stream)** and **ecosystem organizations (RIE stream)** to drive economic development in the Prairies.

PrairiesCan has used both a **call-for-proposals and continuous intake** for BSP to ensure projects with strong outcomes are supported and that the program is responsive to the needs of prairie SMEs. RIE projects are approved on a **continuous basis** and developed more strategically in collaboration with applicants.

Evaluation Highlights

- ✓ PrairiesCan BSP and RIE streams **met or exceeded targets** for most committed outcome targets.
- ✓ BSP stream invested \$221 million in funding to drive \$504 million in total project investment, with over 5,300 jobs created/maintained across the Prairies.
- ✓ RIE stream delivered \$360 million in funding to drive \$763 million in total project investment, with over 13,600 businesses supported and over 21,000 jobs created/maintained.
- ✓ Survey respondents indicate that REGI funding is **relevant and complementary** to other innovation funding in the Prairies.
- ✓ An economic assessment of the REGI program by Statistics Canada found **positive and significant impacts** for revenue growth, employment growth, labour productivity growth, and export propensity for PrairiesCan projects.

- ❖ In **Saskatchewan**, PrairiesCan support enabled **Seedmaster Manufacturing Inc** to generate \$22.5 million in revenue growth, including \$2.2 million in new export sales to international markets, and has generated 41 new jobs.
- ❖ In **Manitoba**, REGI funding enabled the **Enterprise Machine Intelligence Learning Initiative** to launch Innovation Farms, a 5,500-acre, working commercial farm that provides space for industry and academia to develop and test digital agriculture technologies.
- ❖ In **Alberta**, PrairiesCan partnered with **Alberta Innovates** to attract and support key business accelerators to advance scale-up and growth opportunities for innovation-oriented companies.

Efficiency

To what extent is the REGI delivery model efficient?

Summary of Findings:

THE DELIVERY MODEL: REGI is a national program with regionally tailored delivery. The national REGI design is efficient due to the harmonized national T&Cs, and was recognized by the vast majority of respondents as having important benefits, with only a few challenges. All RDAs have tailored their delivery of REGI. For example, some have developed regionally specific investment frameworks; some have adjusted the application process; and others have unique project review processes. The flexibility of regional tailoring allows RDAs to deliver the REGI program according to the needs of their communities and SMEs, including the regional innovation ecosystems supporting them.

DESIGN AND DELIVERY: BSP and RIE clients are mostly satisfied with design and delivery elements of the REGI program, and RDAs are viewed as providing efficient service to BSP and RIE clients. There are opportunities for improvement identified in a few areas of program design and delivery that may bring increased efficiency to both clients and the program, such as streamlining application processes, increasing timeliness of approvals, simplifying financial administration for clients, and extending the length of funding agreements. There is also an opportunity to further strengthen referral services. Efficiency improvements could include more focus on innovation development in rural areas and expanding the types of businesses supported. Alternative delivery model suggestions included having the RDAs play a more strategic role in the funding ecosystem.

RESOURCE SUFFICIENCY: Based on internal interviewee data only, there are some expressed concerns that human resource levels may be insufficient for REGI administration, especially in terms of ongoing monitoring of projects.

Efficiency

Consistency of national aspects of program design

Having national aspects to the program design is recognized as efficient and driving important benefits. However, there are also some challenges brought about by this approach, although there was little consensus among interviewee respondents and RDAs about what these are.

Program documents show that aspects of the design of the REGI program are consistent across all RDAs. RDAs follow common REGI T&Cs (e.g., eligible recipients, activities, costs). Efficiency is supported by the consistency brought about through the harmonization of these terms and conditions such that applicants experience uniformity in process and access across all RDAs.

Virtually all interviewees across types and RDAs recognized there are benefits to having national aspects to the model. The commonly mentioned benefits of the national aspects include:

- having a network of RDAs brings value to businesses that are operating in more than 1 region, moving to a different region, and/or with suppliers/partners across Canada;
- having a network of RDAs also brings value to RDAs themselves through referrals and sharing of best practices; and
- having a focal point for communications and coordination with stakeholders (including central agencies).

In terms of challenges brought about by the national REGI T&Cs, there was little consensus among internal interview respondents. Interviewees (including external stakeholders), from 3 different RDAs, mentioned having concerns with:

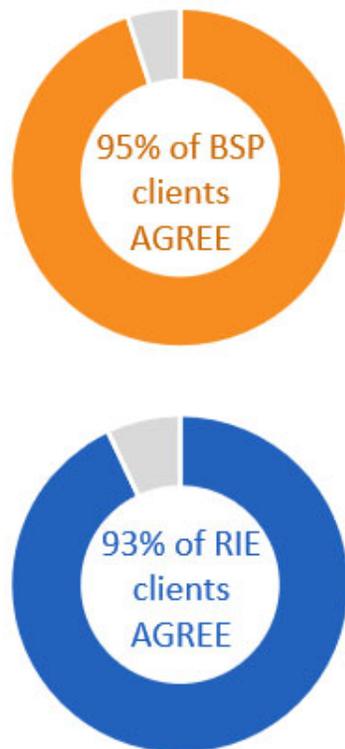
- inequities in funding amounts by region;
- challenges trying to find consensus on national aspects of the design among RDAs (mentioned by senior management respondents only); and
- limits to desired flexibility (e.g., agreement length, how intellectual property is treated).

Other challenges observed by external stakeholders included: linkages between RDAs could be improved; the RIE model encourages jurisdictional-collaboration but could also expand to cross-jurisdictional collaboration; the lack of national strategy on helping SMEs; and a need for more awareness of the existence of REGI among SMEs and organizations in ecosystems, at both the national and regional levels.

Efficiency

Regionally tailored delivery

Figure 14: Extent that clients agree REGI is tailored to meet needs



REGI is tailored to the needs of clients in their respective regions. Regional tailoring allows RDAs to deliver the REGI program according to the needs of their communities and SMEs, including the regional innovation ecosystems supporting them.

Virtually all interview respondents of all types across all RDAs recognized benefits to REGI having regional tailoring. The most commonly mentioned benefit (across all respondent types and RDAs) is that RDAs have the flexibility to tailor the program to reflect regional needs. Other benefits were identified, varying by RDA and interview types:

- ability for program officers to develop good regional and local knowledge;
- ability to address gaps left by other funders/programs;
- ability to form strong relationships with other actors in the ecosystem; and
- availability of funding across regions of Canada, as well as across regions within an RDA's jurisdiction.

BSP and RIE client survey results support the interview findings indicating that there is a predominant perception that REGI is tailored to meet the needs of regions across Canada (Figure 14).

The Innovation Landscape Review found that a regional model of delivery is widespread among peer countries. Australia, Italy and Spain, for example, fund RDA (and RDA-like) entities that provide regionally tailored programs and services, convene local stakeholders and seek to build holistic business ecosystems with a focal goal of boosting regional economic development. Additionally, in the summer of 2023, the OECD adopted a recommendation from the Council on Regional Development Policy that recognizes the important contribution of regions, and the cities and rural areas within them, to national economic performance, well-being, environmental sustainability, and resilience, as well as the role of regions in the economic and social mitigation and adaptation to megatrends.²⁷ This recommendation recognizes that uniform, national economic development policies alone cannot sufficiently address challenges across regions.

²⁷Recommendation of the Council on Regional Development Policy, OECD Legal Instruments, OECD/Legal/0492, Adopted on 07/06/2023.
<https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0492>

Efficiency

Nature of regional tailoring

All RDAs have tailored their delivery of REGI. Some have developed specific regional investment frameworks, some have adjusted application processes, and others have unique project review processes, among other examples of place-based delivery features.

The place-based tailored delivery model allows RDAs to make targeted investments according to the needs and realities of their regions, the economic context and the needs of SMEs, such as activities relating to building ecosystem capacity. RDAs can also design regionally adapted tools under the national REGI T&Cs to meet regional needs. Regional tailoring also allows for variations in size of investment and minimum or maximum contributions to reflect regional realities and needs.

Internal interviewee respondents in all RDAs offered examples of how their RDA has tailored REGI to meet local needs. Often, these features focused funding to certain sectors, sizes or types of projects (or avoided certain areas to minimize overlap with other funders).

Examples of how RDAs tailored REGI include:

- establishing regional investment frameworks;
- application processes, including timing (continuous intake versus point in time) and steps (i.e.. 2-step process including an expression of interest before full application);
- project review processes, including governance, criteria and scoring approaches;
- undertaking pilot projects;
- having different repayment terms/lengths of projects;
- using unique definitions to better suit the region (e.g., innovation);
- having regional/community offices; and
- implementing a unique program management system.



The iterative process of proposal development [expression of interest then full proposal] is unique and particularly effective. We appreciate it very much.
PrairiesCan BSP Client

Efficiency

Program design and delivery

Figure 15: BSP and RIE client satisfaction results



Design and Delivery

- Timeliness of claims
- Reporting requirements
- Ease of processes

Service Levels

- Official languages
- Staff courteousness
- Business relationships
- Personnel availability
- Communications
- Issue resolution
- COVID-19 pandemic support
- Knowledge and advice



Design and Delivery

- Approval times
- Transparency of selection
- Financial limits

Service Levels

- Referrals

RDAs are providing efficient service to BSP and RIE clients, achieving high satisfaction levels generally, with an opportunity to improve in a few areas.

REGI program administration is seen as efficient across all RDAs for the most part by BSP and RIE clients responding to the survey. More than 50% of respondents from both groups of clients are **completely satisfied with 11 areas of service delivery** (Figure 15, proportion of clients ranges from 55% to 98%), and this is consistent across RDAs.

The evaluation found that RDAs have adapted and improved REGI program delivery since its inception. BSP and RIE clients (BSP n=339 or 58%, RIE n=167 or 57%) responding to the survey indicated **that no improvements were necessary, and positive feedback was given about RDA staff.**

However, there is lower satisfaction in a number of areas, including the timeliness of approvals, which BSP and RIE clients suggest that RDAs should increase, the clarity of selection processes (e.g., transparency to keep applicants informed of status), and the financial limit for authority delegation at the regional level, which could be increased.

One other area that has lower satisfaction levels among both BSP and RIE clients responding to the survey is the provision of suggestions or referrals for funding or services offered by other federal departments or provincial governments. This area has the highest dissatisfaction or partial satisfaction ratings (RIE 41%, BSP 38%), indicating there is opportunity for improvement.

Additionally, suggestions for referrals has some of the highest responses of “don’t know” (RIE 19%, BSP 14%). While the total number of dissatisfied or unaware responses is just over 200 clients combined, 6/7 RDAs have received these lower ratings from between 18% and 46% of their sample client populations that responded to the survey.

Efficiency

Efficiency improvements in the delivery of programs could be made through means such as streamlining the application processes, shortening the approval process, simplifying financial administration for clients, and extending the length of funding agreements.

For the areas where less satisfaction is demonstrated, feedback was consistent across many RDAs. Some of the areas for improvement cited by clients were also raised by internal and external interviewees. Commonly, interviewees from both groups across RDAs noted increasing the speed of approval processes as an area for improvement.

Area for Improvement*	Feedback	Applicable to
Application process	Streamline, clarify process, reduce amount of information required, online platforms are not user friendly	5/7 RDAs
Approval process	Increase timeliness of approvals, improve clarity of selection process, increase financial limit for authority delegation	5/7 RDAs
Costs to clients	Increase proportion of eligible administrative costs allowed, increase funding levels, advancing funds and more flexibility on eligible activities	4/7 RDAs
Length of funding agreements	Extend for longer timeframes, notably with First Nations, Métis and Inuit clients	4/7 RDAs

RIE clients also identified similar areas to BSP clients as having opportunities for improvement. There appears to be a general struggle with the rigidity of the program guidelines for RIE clients responding to the survey. For example, financial cycles and rigid criteria (e.g., perceived narrow definitions of eligible costs, metrics and outcomes are not flexible, receipt-based process at time of claim rather than an audit approach) are cited as hindering the delivery of projects as intended. Gaps in availability of funding (e.g., stages of equity funding; pre-seed, early stage, preferred stock sold to investors), lack of consideration for labour shortages and deadlines are flagged as out of sync with the reality of successfully rolling out a project. The uncertainty and delays in receiving funding are also mentioned as greatly affecting the way a project can be conducted for RIE clients responding to the survey as well as being mentioned by external interviewees.

*Note: Due to timing issues, there was no opportunity to review performance data associated with service standards during the evaluation period.

Efficiency

Sufficiency of human and financial resources



Internal interviewees expressed concerns that human resource levels may be insufficient for REGI administration, especially in terms of monitoring projects.

Most RDAs cannot track full-time equivalent counts allocated specifically to REGI. Staff in regional offices deliver multiple RDA programs making it difficult to identify the number of human resources allocated to REGI.

Internal interviewees indicated that there is always a desire for more funding to enable more projects and/or for increasing the overall amounts of REGI support. REGI is perceived as a useful program, and demand for funding exceeds supply.

Internal interviewees, both management and working level, suggested that the level of human resources is insufficient to monitor and manage REGI projects effectively, including performance measurement, throughout their life span. BSP projects have a lifespan exceeding the length of their agreement, as they include a year of development, years of funding, and subsequent years of repayment. Some internal interviewees noted that while resources are in place to deliver the program on the front end, there are less resources to do aftercare. There is a need to better consider the aftercare aspects of the projects, as there is an extended expectation of monitoring and administration after a project ends that is not adequately factored into program allocations. There are also risks associated with not being able to undertake all due diligence, including after project funding ends.

Also, internal interviewees noted that some smaller RDAs have proportionally smaller numbers of staff, and that it has left them without some specific areas of expertise that larger RDAs benefit from (missing areas of expertise were not identified).

Efficiency

Efficiency improvements in program design could include more focus on economic development in rural areas and expanding the types of businesses supported.

Other suggestions provided by internal interviewees that align with client survey feedback include adapting the T&Cs to have different criteria for projects with **societal impacts**, such as certain green projects and those targeting under-represented groups, the use of **grants** instead of contributions in some contexts, provision of **advance payments** instead of reimbursements, and longer funding terms.

Interviewees from a few RDAs (staff and management) also mentioned the need to officially define “innovation” in a broader, more flexible way than currently considered. In particular, currently used definitions of innovation tend to disadvantage smaller rural businesses and communities, which have different needs and challenges than large urban areas and where the types of innovation needed are different.

It was suggested that there may be room for REGI to better **serve smaller rural communities**, potentially developing strategies for innovation development in rural areas. Expanding the types of businesses supported to include social enterprises and co-operatives would better enable meeting needs in some areas.



Suggestions included having the RDAs play a more strategic role in the funding ecosystem.

There were several suggestions that are outside the mandate of the REGI program (e.g., equity investment). However, a few comments regarding the RDAs playing a more strategic role in the ecosystem were mentioned, including referral services again. These include:

- working with organizations before and after a project to facilitate connections;
- helping to link projects together more strategically;
- proactively offering other financial support programs provincially or locally; and
- becoming more hands-on with helping stakeholders plan out long-term economic development linkages between provincial, federal, and other available programs at various stages.

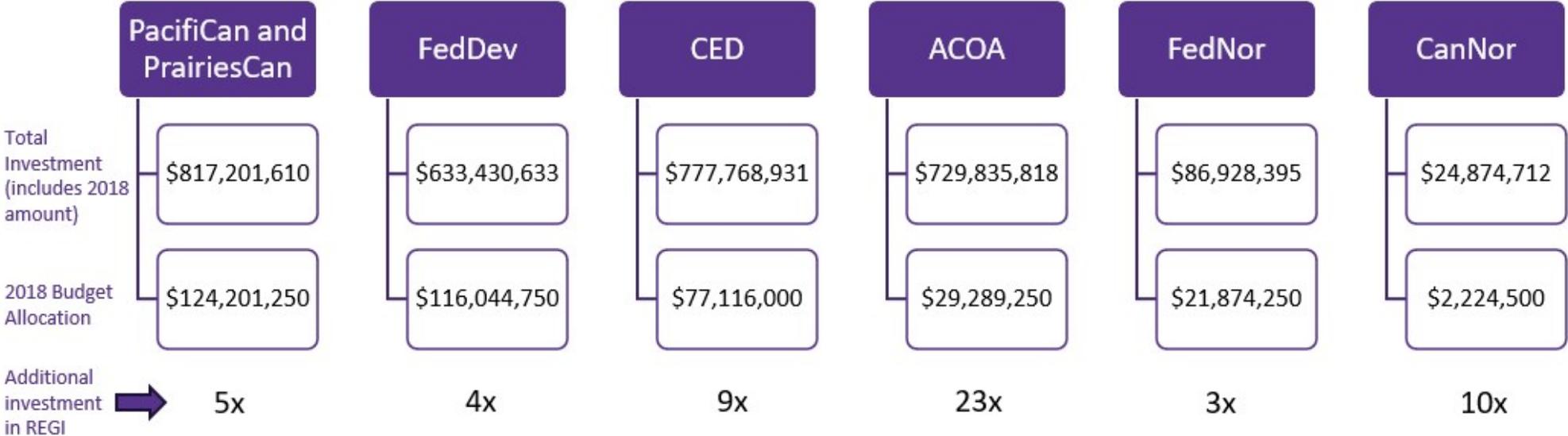
Efficiency

Disbursement of program funds

REGI has maintained a steady influx of investment for economic development across Canada.

The \$3.06 billion in approved contributions invested by all RDAs has driven innovation at the regional level. All RDAs have delivered a significant amount of additional investment dollars through REGI, a range of from 3 times up to 23 times the amount of investment (compared to 2018 budget allocations) have been made. RDAs have either incorporated some of their core funding to be delivered under REGI, simplifying their program suites, or created sector specific targeted initiatives under the REGI T&Cs as regional needs changed over the evaluation time frame.

Figure 16: Breakdown of RDA REGI Investments



Conclusions and Recommendations

Conclusions – Relevance

The evaluation found a strong need for REGI. Funding to help offset the major barriers faced by businesses is critical. The evaluation found that the top barriers to growth include access to labour, access to financing and the high costs of doing business. These barriers can be even more pronounced for some under-represented groups, such as Indigenous BSP clients that noted recruiting and retaining skilled labour as the No. 1 challenge they face.

The evaluation found that REGI is meeting the needs of businesses and communities. The program's flexibility has allowed RDAs to customize their approach in delivering the program to optimize delivery and maximize its benefits in the regions. The program's ability to adapt to regional realities was further demonstrated during the pandemic when many REGI programs were adjusted to meet local needs and deliver emergency and temporary programs. Some gaps were identified (e.g., early-stage support), but these varied by RDA.

Businesses' needs related to scaling-up and increasing innovation capacity are being met by the program. The type, location and nature of businesses being supported varies across the country. The evaluation found that the need to strengthen regional innovation ecosystems is also being met by the program.

The evaluation explored the extent to which the program is aligned with various priority areas, including EDI and the environment/clean growth. The evaluation found that both priority areas are considered in program and project design. For example, according to the survey results and some internal GBA Plus data, there are businesses directly supported by REGI across RDAs that are majority-led by a person(s) identifying as belonging to 1 (or more) under-represented groups. All RDAs have also worked to improve how they collect, analyze, manage, monitor and report on gender and demographics-related disaggregated data. That said, there are still opportunities to improve through more proactive outreach, targeted calls for proposals, policies, and training for RDA staff.

There is an ongoing need for the REGI program, particularly to support economic development and growth to enable innovation and technological advancement and development that allows businesses to be competitive regionally, nationally and internationally. For rural and remote businesses, capacity development was cited as an important ongoing need. The program does not overlap with other programs, but rather is complementary to the various federal and provincial/territorial-level programs operating in this space. Moreover, REGI is unique insofar as it responds to regional needs for technology demonstration, commercialization, adoption, adaptation and markets.

Conclusions – Effectiveness

Over the 5-year scope of the evaluation, REGI has been highly successful, including its reach, investments, leveraging, job creation, and contributions to ecosystem development. REGI-supported BSP businesses are outperforming non-client firms of similar characteristics in labour productivity (10% higher), revenue growth (18.3% higher) and employment growth (12.8% higher).

In terms of reach, the BSP stream supported a total of 2,980 unique organizations and the RIE stream supported 701 unique organizations. Of those, 1,016 organizations were led, owned or majority-owned by a representative of an under-represented group, and this equated to over \$500 million in investments across the BSP and RIE, representing about 22% of the overall G&Cs-approved funding envelope. According to RIE recipients, REGI funding allowed them to support over 42,000 clients. The evaluation concludes that there is evidence that innovation-oriented firms have been supported.

REGI exceeded 5-year targets for investments. RDA targets for investment in BSP projects (\$1.1 billion over 5 years) has been exceeded by ~200% through approved contributions to date and investment in RIE projects (\$404 million over 5 years) has been exceeded by ~300%, again through approved contributions. The more than 4,000 BSP projects supported nation-wide include technology adoption, technology commercialization, adoption or adaptation of processes to improve productivity, capacity development for market diversification, as well as other economic development initiatives. Additionally, a total of 689 green economy/clean growth projects were funded across RDAs between the 2 streams, totalling \$697.8 million in approved contributions.

The evaluation found that the program has been very successful at leveraging additional funding, again exceeding targets (where targets were available). Over the 5-year period, a total of \$6.01 billion was leveraged for BSP projects: a ratio of \$3.23 leveraged for every dollar invested. For the RIE stream, a total of \$1.8 billion was leveraged, resulting in a ratio of \$1.49 leveraged for every dollar invested.

REGI has exceeded its 5-year targets for jobs created or maintained. Within the BSP stream, over 46,000 jobs were maintained/created and projects funded by RIE have created/maintained over 75,000 jobs. Most BSP clients also reported that they experienced growth and scale-up, strengthened capacity, increased competitiveness and increased sales or revenues, thanks to their REGI-supported project. Also, about half of BSP clients that reported growth and scale-up, expect definite growth in 3, 5 and 10 years (and another third expect growth to be very probable). The empirical modelling performed by Statistics Canada indicates that BSP clients outperform similar firms that have not been part of the REGI program.

The evaluation found that the RIE stream is supporting ecosystem development. RIE recipients that were interviewed and surveyed were very positive in their reporting of this outcome and the impact of the funding they received through REGI. RIE recipients reported engaging new partners, participating in partner collaborations and developing/expanding/maintaining programs and services (through increased networks and hiring), thanks to the REGI funding they received.

Conclusions – Efficiency

The evaluation found the program design – of a national program with regional adaptations – to be efficient and appropriate. The national model was recognized as having important benefits, such as having a network of RDAs to bring value to businesses, and having a focal point for communications and coordination with certain stakeholders.

Additionally, regional tailoring allows RDAs to deliver the REGI program according to the needs of their communities and SMEs, including the regional innovation ecosystems supporting them. Nearly everyone consulted for the evaluation agreed that REGI's ability to tailor the program design to better meet the needs of clients is a critical program element. Not surprisingly, the nature of regional tailoring varied considerably. Some RDAs have developed regional investment frameworks, some have adjusted their application process and others have unique project review processes, among other examples of tailored delivery features. All RDAs mentioned tailoring REGI to focus funding into certain sectors, sizes or types of projects.

A few inefficiencies of the national model were noted by internal interviewees, including inequities in funding by region, challenges with achieving consensus at decision-making tables, and still some limits to flexibility (e.g., agreement length, intellectual property provisions). No alternative approaches to program design were identified that were consistent with REGI's mandate.

In terms of the efficiency of program delivery, the results from the client survey show that most clients are satisfied with most features of delivery. In terms of administration, highest satisfaction is with the claims process, reporting requirements, and application processes and required paperwork. Lowest satisfaction with program administration is with the timeliness of the application and approval process. A few themes that emerged from the evaluation in terms of opportunities for improvement include streamlining/clarifying the application process, increasing the timeliness of approvals, and increasing the length of funding agreements. RIE survey respondents voiced some frustration with the rigidity of program guidelines (e.g., criteria), unreasonable deadlines, and delays in decisions and the receipt of funding.

In terms of service delivery from RDAs, satisfaction is very high across all areas explored in the survey. The one exception is with RDAs providing referral support, specifically suggestions or referrals for funding or services offered by other federal departments or provincial governments.

According to internal RDA interview respondents, additional funds would allow them to support more projects and increase the effectiveness of monitoring projects throughout their life span, including the time after the agreement expires when repayment begins and longer-term outcomes are expected.

Recommendations

Based on the findings described in this report, the following recommendations are made.

Recommendation 1: Improve inclusivity through the adoption of best practices, proactive approaches and ongoing GBA Plus analysis.

It is recommended that all RDAs increase capabilities to address inclusivity and:

- adopt best practices in improving inclusivity, including the sharing of tools, strategies and training materials across agencies to amplify this work;
- increase the uniformity by which RDAs track and report on EDI under REGI; and
- implement ongoing analysis of program performance using a GBA Plus lens.

Rationale: The evaluation found that there are varying levels of targeted EDI initiatives across RDAs and varying levels of collection of EDI information at different stages of REGI projects. Therefore, there is an inconsistent ability across RDAs to understand program impacts or barriers experienced by under-represented groups.

Recommendation 2: Improve quality and consistency of performance information. It is recommended that all RDAs work to review the performance measurement strategy, particularly to:

- increase the consistency and comparability of national performance information through clarification of indicators and related definitions; and
- revisit performance indicators to ensure they continue to be relevant and appropriate, and that the best methodology is used for the measurement of progress against outcomes.

Rationale: The evaluation found that there are issues with the uniformity of performance indicator definitions and data collection methods, and that outcome indicators for RIE are not sufficiently developed. Outcome and performance indicators need to be defined for RIE, notably to reflect the expected impacts on regional ecosystems.

Recommendation 3: Improve efficiency of application, approval and referral processes and ensure program design aligns with needs.

It is recommended that each RDA review design and delivery features to ensure best fit for their respective region and portfolio of clients and projects.

- Review options for increasing the efficiency of application and approval processes.
- Review place-based design features to maximize responsiveness to client needs.
- Review the processes surrounding how referral services are being provided to facilitate seamless service to SMEs.

Rationale: In the spirit of continuous improvement, and since ~40% of both BSP and RIE clients had less than optimal experiences with certain aspects of REGI delivery, all RDAs should take steps to maximize the efficiency of their program design and delivery processes (e.g., application and approvals processes, advance payment versus reimbursement, length of agreements) within the context of each agency.

Management Response and Action Plan

Recommendation 1	Management Response and Planned Actions	Responsibility	Target Date
<p>Improve inclusivity through the adoption of best practices, proactive approaches and ongoing GBA Plus analysis.</p> <p>It is recommended that all RDAs continue to increase capabilities to address inclusivity and :</p> <ul style="list-style-type: none"> • adopt best practices in improving inclusivity, including the sharing of tools, strategies and training materials across agencies to amplify this work; • increase the uniformity by which RDAs track and report on Equity, Diversity and Inclusion (EDI) under REGI; and • implement ongoing analysis of program performance using a GBA Plus lens. <p>Rationale: The evaluation found that there are varying levels of targeted EDI initiatives across RDAs and varying levels of collection of EDI information at different stages of REGI projects. Therefore, there is an inconsistent ability across RDAs to understand program impacts or barriers experienced by under-represented groups.</p>	<p>Agreed.</p> <p>Each RDA will continue, within capacity: to deliver national economic development programs that are regionally tailored and inclusive of under-represented groups; to perform GBA Plus analysis for REGI and all new initiatives delivered under REGI; and to engage with key stakeholders from under-represented groups to understand the evolving landscapes, emerging or changing needs, and to ensure the quality of materials developed.</p> <p>RDAs will leverage existing tables through various approaches (e.g., reoccurring meetings, workshops) to:</p> <ul style="list-style-type: none"> • share tools, strategies and training materials, while adapting to respond to regional realities and aligning delivery practices with a focus on under-represented groups; • provide officers with training and clear instructions to improve accuracy of data entry and reporting on EDI for REGI; and • leverage GBA Plus methodologies, enhanced indicators and data collection using common definitions. 	<p>All RDAs. DG/Director level (Programs/ Policy)</p>	<p>Ongoing/ March 31, 2025</p>

Management Response and Action Plan (cont'd)

Recommendation 2	Management Response and Planned Actions	Responsibility	Target Date
<p>Continue to improve quality and consistency of performance information.</p> <p>It is recommended that all RDAs work to review the performance measurement strategy, particularly to:</p> <ul style="list-style-type: none"> increase the consistency and comparability of national performance information through clarification of indicators and related definitions; and revisit performance indicators to ensure they continue to be relevant and appropriate, and that the best methodology is used for the measurement of progress against outcomes. <p>Rationale: The evaluation found that there are issues with the uniformity of performance indicator definitions and data collection methods, and that outcome indicators for RIE are not sufficiently developed. Outcomes and performance indicators need to be defined for RIE, notably to reflect the expected impacts on regional ecosystems.</p>	<p>Agreed.</p> <p>Since the launch of REGI, RDAs made significant investments in time and resources to improve performance measurement, notably more harmonized reporting following Budget 2021 initiatives, collaboration with Statistics Canada for data analysis, and better disaggregated administrative data. This is done in accordance with the Government of Canada's Policy on Service and Digital, and the Policy on Results. As part of continuous improvement, RDAs will take additional steps to enhance the accuracy of performance indicators data gathered, including regular collaboration to improve and harmonize indicators methodologies, development of tools for staff, and continued enhancements to data collection. To support these objectives, the RDAs will undertake the following steps:</p> <ol style="list-style-type: none"> Continue to implement regionally tailored grants and contributions systems that enhance the capacity to collect and report on data across RDAs. Design and implementation were under way during the evaluation cycle, at varying stages across RDAs. Revisit the national REGI performance measurement strategy to ensure relevance and appropriateness, specifically the RIE stream's indicators related to indirect impacts and regional clusters, and establish a common data dictionary, including similar definitions. This will help solidify the common results approach that incorporates inclusivity. Convene regular meetings of RDA results working group to discuss performance measurement to develop and advance common reporting approaches, develop tools for staff, and collaborate with Statistics Canada to explore different sources of data to track results in a way that complements administrative data systems. This will be in line with RDAs respective Departmental Results Frameworks. 	<p>All RDAs. DG/Director level (Programs/ Policy)</p>	<ol style="list-style-type: none"> April 2025 (18 months) March 31, 2024 (6 months) Ongoing (at least 10 meetings of RDA Results group a year)

Management Response and Action Plan (cont'd)

Recommendation 3	Management Response and Planned Actions	Responsibility	Target Date
<p>Improve efficiency of application, approval and referral processes and ensure program design aligns with needs.</p> <p>It is recommended that each RDA review design and delivery features to ensure best fit for their respective regions and portfolios of clients and projects. Importantly:</p> <ul style="list-style-type: none"> • review options for increasing the efficiency of application and approval processes; • review place-based design features to maximize responsiveness to client needs; and • review the processes surrounding how referral services are being provided to facilitate seamless service to Canadian SMEs. <p>Rationale: In the spirit of continuous improvement, and since ~40% of both BSP and RIE clients had less than optimal experiences with certain aspects of REGI delivery, all RDAs should take steps to maximize the efficiency of their design and delivery processes (e.g., application and approval processes, advance payment versus reimbursement, length of agreements) within the context of each agency.</p>	<p>Agreed.</p> <p>RDAs will continue to work to maximize the efficiency of design and delivery mechanisms in their regions according to their particular circumstances, needs and realities, and in accordance with Canada’s Policy on Service and Digital and other relevant policies in order to improve service and program processes for clients across the country.</p> <p>To support this continuous improvement, RDAs will ensure regular engagement through various governance tables. These tables will be leveraged through different approaches (e.g., reoccurring meetings, workshops) to identify gaps based on evaluation results and will work collaboratively to identify solutions. They will continue to serve as a structured forum for RDAs to exchange information, share best practices, discuss national initiatives, share regionally tailored approaches, and explore ways to maximize efficiency.</p> <p>RDAs will also explore best practices of other government departments in the delivery of grants and contributions, and elaborate a plan to apply them and improve efficiency in areas identified as requiring improvement.</p> <p>RDAs will explore opportunities and elaborate a plan to enhance referral services for clients through consultations with stakeholders, leveraging leading practices, pathfinding with federal partners and other levels of government to support clients and maximize impact in their respective regions.</p>	<p>All RDAs. VP level (Programs/ Policy)</p> <p>All RDAs. DG/Director level (Programs/ Policy)</p> <p>All RDAs. DG/Director level (Programs/ Policy)</p> <p>All RDAs. DG/Director level (Programs/ Policy)</p>	<p>Ongoing</p> <p>Ongoing</p> <p>March 31, 2025</p> <p>March 31, 2025</p>