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PROMOTERS' GUIDE

ENTENTE DE DÉVELOPPEMENT NUMÉRIQUE DES ENTREPRISES TOURISTIQUES (EDNET) (DIGITAL DEVELOPMENT AGREEMENT FOR TOURISM BUSINESSES)

/2018-2020



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INTRODUCTION

The digital development agreement for tourism businesses (EDNET) reflects a shared willingness by the Quebec ministry of tourism (MTO) and Eeyou Istchee Tourism to get involved in the implementation of digital projects by the province's tourism businesses.

The call for such projects dovetails with priorities included in Quebec's digital strategy. It also contributes to the province's 2012-2020 tourism industry development plan (PDIT) titled *Un itinéraire vers la croissance* ("A path toward growth") and promotes the development priorities contained in this plan. In addition, it contributes to Quebec's 2016-2020 action plan to support businesses and benefit regions titled *Appuyer les entreprises, enrichir les régions*.

TARGET OBJECTIVES AND EXPECTED RESULTS

Projects that receive support from EDNET must help foster the use of digital technology among the region's tourism businesses. To be more precise, the projects must:

- Accelerate the development of skill sets
- Accelerate digital transformation
- Create innovative contents to:
 - Enhance experiences
 - Inspire and involve travellers at every stage of their journey

Upon completion of their digital project, businesses must obtain one or more of these outcomes:

- Reduction in operating costs due to improved management practices
- Increase in sales
- Improvement in customer satisfaction owing to enhanced customer experiences
- Improved business decision-making
- Enhanced presence online
- Increase in the number of page views
- Increase in the number of online transactions
- Other similar indicators

ELIGIBLE AND INELIGIBLE CLIENT SEGMENTS

ELIGIBLE CLIENT SEGMENTS

- For-profit organizations, legally constituted in Quebec
- Not-for-profit organizations, legally constituted in Quebec
- Cooperatives, legally constituted in Quebec
- Native Communities and First Nations recognized by Quebec's National Assembly
- All combinations of these client segments*

**If they wish, businesses may join forces to put forward a collective project that must meet all EDNET rules pertaining to allocation and admissibility. Businesses within a single region may form groups. Businesses active in the same sector but located in different regions may also form groups.*

It is worth noting that meeting eligibility criteria does not guarantee funding from, or entail any other obligation by, EDNET.

Businesses may present only one application for financial assistance per project call, including as part of a group. Eligible organizations must be in compliance with their commitments to the RTA with respect to prior grant allocations.

INELIGIBLE CLIENT SEGMENTS

- Regional and sectoral tourism associations*
- Municipal entities**
- Crown corporations
- Quebec and Canada government departments and agencies
- Entities listed on the *Registre des entreprises non admissibles aux contrats publics* (registry of businesses ineligible for public contracts)

**A group of businesses may not mandate an ineligible customer segment to develop, lead or implement the collective project it has put forward.*

***The term "municipal entities" includes municipal agencies as set out in Article 5 of the Act Respecting Access to Documents Held by Public Bodies and the Protection of Personal Information (RLRQ, Ch. A-2.1)*



TWO TARGET PROJECT CATEGORIES

Eligible projects must define and resolve ways of adapting to digital technology or of implementing potential digital transformation in efforts to develop appropriate strategies and initiatives.

PROJECTS SEEKING PRELIMINARY SUPPORT

This category refers to studies that require specific expertise and are designed to enhance a business entity's digital capability and presence. The mandate must be undertaken by consultants or firms that are recognized in the digital sector.

Projects eligible for preliminary support:

- Business positioning study
- Digital capability diagnostics
- Needs analysis
- Strategic digital plan aligned with the strategic business plan
- Drafting a business plan around digital technology

Eligible expenses for preliminary support projects:

- Professional fees charged by consultants or firms specializing in studies on digital development in business settings
- Travel expenses by consultants or firms working on the project
- The non-refundable portion of taxes levied on eligible expenses

The amount of financial assistance awarded will be equal to a maximum of 50% of eligible expenses up to \$10,000 per business entity.

IMPLEMENTATION PROJECTS

This category refers to the carrying out of digital projects or implementation of a strategic digital plan. The mandate must be undertaken by consultants or firms that are recognized in the digital sector (service providers, technology solution suppliers or the like).

Projects eligible for implementation support:

- Drafting of specifications for the project and implementation tools
- Integration of e-commerce solutions designed to enhance visibility as well as several other benefits, including optimized data-management, marketing, and customer relationships
- Acquisition of next-generation software and technology and adoption of best IT practices
- Creation of enriched and innovative content to enhance tourist involvement and experiences at each stage of their journey (immersive video, virtual reality, vocal assistant, data-sharing tools, user-content-sharing tools, and more)
- Web-site development (only for promoters who do not already have one)
- Employee training in accordance with implementation activities

Eligible expenses for implementation projects:

- Professional fees for support in implementing digital solutions
- Purchase of use-enabling technology and equipment
- Subscription to cloud services, as required
- Purchase of hardware, software or mobile applications to enhance interaction with customers

The amount of financial assistance awarded will be equal to a maximum of 50% of eligible expenses up to \$30,000 per business entity.



INELIGIBLE PROJECTS AND EXPENSES

INELIGIBLE PROJECTS:

- Web-site redesign projects
- Database acquisition
- Projects from the following sectors: restaurant, retail, hospitality, gambling, and alcohol sale and consumption
- Projects associated with debt financing or loan refunding or funding for projects that have already been completed
- Projects launched prior to the financial assistance application

INELIGIBLE EXPENSES:

- Expenses relating to working capital, debt servicing, operating losses, capital losses, and redemption of capital
- Expenses relating to standards-compliance upgrades, asset preservation, and regulatory compliance
- Expenses relating to database acquisition
- Salaries, operating charges, and promoters' regular management expenses
- Costs of purchasing or renting land, buildings, and facilities
- Capital spending relating to equipment acquisition
- Bandwidth-related purchasing costs
- Costs relating to sales commissions on online sales or booking platforms
- Development of video games and technology infrastructure
- Installation of server rooms
- In-kind or service donations and contributions
- Transfer of assets
- Cost overruns
- Legal expenses

MINIMAL INITIAL CAPITAL OUTLAY

Funding for each project must include an initial capital outlay by the promoter from non-government sources of at least 20% of total eligible project expenses. In the case of projects by Native organizations, Native Communities or First Nations, the required initial capital outlay is 10% of total eligible project expenses. Promoters' initial capital outlay, including sums from their partners (local partners, private sponsors), may not be provided by:

- Sources from stacked government funding (see below)
- The transfer of assets
- A goods and services contribution

STACKING OF GOVERNMENT FUNDING

The stacking of financial assistance consists of contributions from municipal entities and provincial and federal government departments and agencies, including refundable financial assistance valued at 50% of its actual worth and granted specifically for the project.

The table below summarizes the percentage figures that apply to initial capital outlays and maximum stacking of government funding by eligible client segments.

Eligible client segments	Minimal initial capital outlay	Maximum stacking of government funding
For-profit entities	20%	50%
Not-for-profit entities	20%	80%
Cooperatives	20%	80%
Native Communities, Native organizations, and First Nations	10%	90%
Client groups	10%	According to type of organization, the lower % applies



HOW TO APPLY

To submit an application for financial assistance as part of this program, you must:

- Complete and sign the project submission form
- Send an electronic version of the financial assistance application form as well as other required documents to: sbourgault@creetourism.com
- Send a paper version of the financial assistance application form as well as other required documents to this postal address:

Tourisme Baie-James
To the attention of: Stéphanie Bourgault - EDNET
1252 Road 167 South, P.O. 134
Chibougamau, Quebec
G8P 2K6

SUBMISSION DEADLINE

Eeyou Istchee Tourism receives applications for financial assistance following two calls for projects a year. Applications may be sent outside the submission dates. All applications for financial assistance received on an ongoing basis are reviewed following the call-for-project deadlines shown below:

- **First deadline: March 1, 2019**
- **Second deadline: June 30, 2019**
- **Third deadline: November 29, 2019**

REQUIRED DOCUMENTS

FOR ALL PROJECTS (preliminary support and implementation):

- Copy of incorporating document or certificate of registration
- Confirmation of funding commitments, such as proof of partners' involvement in the project (letters of support, partnership agreements, confirmation e-mails, and the like)
- Resolution by the agency or company that has mandated the signatory of the application for financial assistance from this program as well as appropriate documents
- Copy of all call for tenders sent to consultants, firms, and other service providers, for example, for strategic support, studies, specifications, and more, including the following:
 - A description of the issue
 - Nature and objectives
 - Suggested methodology
 - Timetable and budget
 - Deliverables
- Copies of at least two professional service offers received**

FOR IMPLEMENTATION PROJECTS SPECIFICALLY:

- Light diagnostics of the company's digital capability and completed digital planning (use the tools and models provided for that purpose)
- Copy of specifications sent to a technology supplier as part of a request for a cost estimate for acquiring and/or implementing a digital solution
- Copy of at least two professional estimates received from technology suppliers or two cost estimates for the purchase of hardware and software

*Additional documents may be requested, as appropriate

**On exceptional occasions, a single service offer may be accepted. In such cases, the business entity must explain the reasons that justify such a decision.

DISTRIBUTION OF DOCUMENTS

The form is distributed to each member of the management committee. It is the centrepiece of the evaluation process. Please pay special attention to it. Promoters may rest assured that their information is shared within a very limited circle.

SUPPORT FOR THE APPLICATION PROCESS

To obtain information regarding EDNET and help in completing the application process, especially with respect to the search for professional service offers, please contact:

Stéphanie Bourgault
Project Manager, Digital Development
Tourisme Baie-James and Eeyou Istchee Tourism
T: 1-888 748-8140 ext. 233 / 418 748-8140 ext. 233
E: sbourgault@creetourism.com

