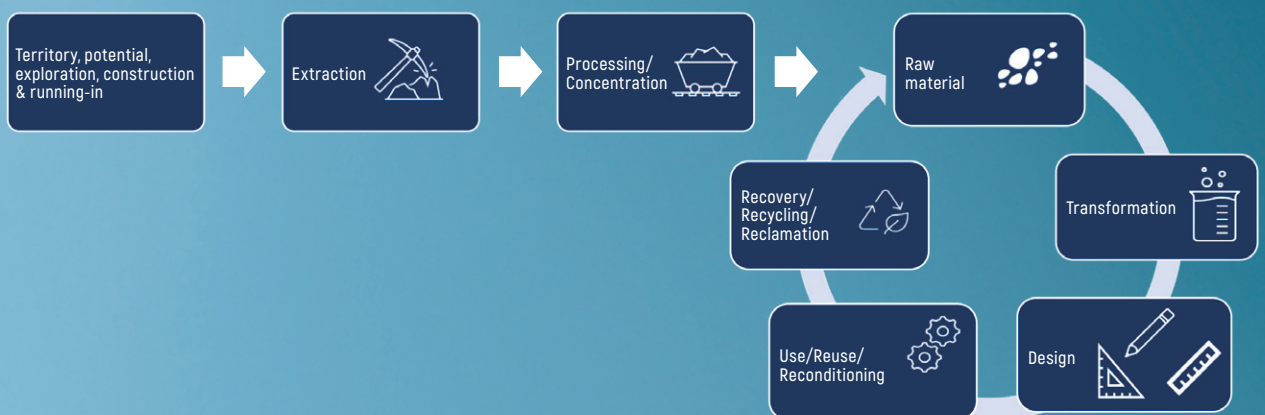




Advanced Materials Moving Forward

GUIDE FOR THE SUBMISSION OF FUNDING APPLICATIONS

Research and development support program for the circular economy applied to critical and strategic minerals (CSM) value chains





INTRODUCTION

PRIMA Québec, the pôle de recherche et d'innovation en matériaux avancés, is a regroupement sectoriel de recherche industrielle (RSRI) that leads and supports the ecosystem of advanced materials, a driver of innovation and growth for Québec. Through its support and the funding offered, it helps to stimulate the competitiveness of Québec businesses by allowing them to benefit from research expertise.

PRIMA Québec has more than 270 regular members and active affiliates, various grant programs are offered, support for research and development organizations (PSO), INNOV-R (GHG reduction), PARTENAR-IA (artificial intelligence), Quantum technologies and international calls M-ERA.NET, ERA.MIN and Québec-Korea. From 2015 to 2024, there are 181 projects worth \$157.9M including \$47,5M of direct contributions from PRIMA.

PRIMA Québec announces its first call for projects under the **Research and Development Support Program for the circular economy applied to critical and strategic mineral sectors (CSM Circular Economy Program)**. It invites all interested partners to submit their project by respecting the following deadline:

3RD call for projects

Letter of intent: December 16, 2024, at noon

Application deadline: January 27, 2025, at noon

CONTEXT

Global economy is changing and new technologies are accelerating this change while transforming our lifestyles. Smart devices and equipment, aeronautics, telecommunications, renewable energy, energy storage, medical and transport electrification are all growing sectors for which a supply of critical and strategic minerals (CSMs) is essential. According to a World Bank report published in 2020, the energy transition to a low-carbon economy will cause a sharp increase in demand for minerals such as nickel, vanadium, indium, cobalt, lithium and graphite.

Unveiled in October 2020 by the Gouvernement du Québec, the Québec Plan for the Development of Critical and Strategic Minerals (QPDCSM)¹ aims to promote the development and sustainability of CSM value chains by taking advantage of competitive advantages and Québec know-how, while contributing to government orientations for energy and technological transition, and this, in a perspective of sustainable development, social acceptability and wealth creation for the regions, including local and Indigenous communities.

To maximize the leverage effect of this program, le ministère des Ressources naturelles et des Forêts (MRNF) decided to take advantage of the expertise of the regroupements sectoriels de recherche industrielle (RSRI). In fact, these intermediary and funding organizations for collaborative research and development (R&D) have cutting-edge sectoral expertise that promotes

¹ Québec Plan for the Development of Critical and Strategic Minerals
https://cdn-contenu.quebec.ca/cdn-contenu/ressources-naturelles/Documents/PL_resume_critical_strategic_minerals.pdf?1604003084



networking and project implementation between the research community and industry, while contributing to the establishment and support of a collaborative innovation ecosystem in Québec. RSRIs mission is to implement and support a collaborative innovation ecosystem conducive to the development of strategic sectors of the economy for the benefit of research centres, businesses, and Québec society.

- To ensure the implementation of action 3.1.1 of the QPDCSM "Support the circular economy projects applied to the CSM sectors" under the responsibility of the MRNF and the Ministère de l'Économie, de l'Innovation et de l'Énergie (MEIE), the Gouvernement du Québec has decided to take advantage of the expertise of PRIMA Québec to establish the Support Program for the circular economy applied to CSM sectors.
- To ensure the implementation of action 2.2.2 du QPDCSM "Support R&D on CSM extraction, transformation and recycling" under the responsibility of the MRNF and MEIE, the Gouvernement du Québec has decided to take advantage of the expertise of the Consortium de recherche et d'innovation en transformation métallique (CRITM) to establish the Research and Development Support Program for extraction, transformation and recycling of CSM.

This guide provides the instructions necessary for submitting a funding request to PRIMA Québec. **The project must be directly related to the circular economy applied to CSM sectors while promoting the development of Quebec's mineral potential, regardless of the origin of the raw material or the stage of the value chain targeted. For this call for proposals, projects concerning the microelectronics sector will be considered a priority.** For more information, it is useful to contact the team directly.

GENERAL OBJECTIVES OF PRIMA QUÉBEC PROGRAMS

Through the funding of research projects, PRIMA Québec aims to achieve the following overall results for the benefit of its members:

- Encourage **collaboration** between companies and research institutions to create sustainable partnerships and concrete benefits in Québec;
- Strengthen the technological **innovation capacity** of companies;
- Encourage student involvement and the participation of **highly qualified personnel** for the benefit of the companies involved;
- Promote the **transfer** of research results to industry in order to increase their competitiveness, productivity, profitability, etc;
- Develop **new opportunities** for the metal transformation sector in Québec (positioning, sustainable development, etc.);
- Offer **financial leverage** for the development of technological innovations.



SPECIFIC OBJECTIVES OF THE CIRCULAR ECONOMY CSM PROGRAMME

Specific objectives of the program are as follows:

- Increase **innovation and knowledge acquisition** on CSMs from mining extraction to production and processing of these minerals through recycling and reclamation of mine tailings;
- Develop practical knowledge of interest for Québec CSM **value chains development**, particularly for the extraction, transformation and recycling of CSMs;
- Develop mutually beneficial **collaborations** between the scientific community and the sectors of activity related to the value chains of CSMs in Québec;
- Develop **partnerships** and collaborations between several companies or key players that will have potential wide-ranging benefits for Québec’s CSM value chains.

The CSM established list by the Gouvernement du Québec. It currently includes the 22 CSMs presented in the following table.

List of minerals identified as critical or strategic by the Gouvernement du Québec

Critical		Strategic		Strategic	
Necessary to supply Québec processing plants		Linked to public policies and renewable energies		Products or with good development potential in Québec	
1.	Antimony ²	11.	Cobalt ²	17.	Magnesium ⁴
2.	Bismuth ²	12.	Rare earth elements (REE)	18.	Niobium ¹
3.	Cadmium ²	13.	Platinum group metals (PGMs ²)	19.	Scandium ⁴
4.	Cesium	14.	Graphite (natural)	20.	Tantalum
5.	Copper ²	15.	Lithium ³	21.	Titanium ¹
6.	Tin ²	16.	Nickel ¹	22.	Vanadium ³
7.	Gallium ²				
8.	Indium				
9.	Tellurium ²				
10.	Zinc ¹				

¹ Produced or processed as main substance.

² Produced as a secondary substance, from concentrate or as a foundry by-product.

³ Mining development project.

⁴ Transformation project.



The 6 new critical and strategic minerals announced in January 2024:

- Aluminum
- Apatite
- High-purity iron*
- Germanium
- Manganese
- High-purity silica**

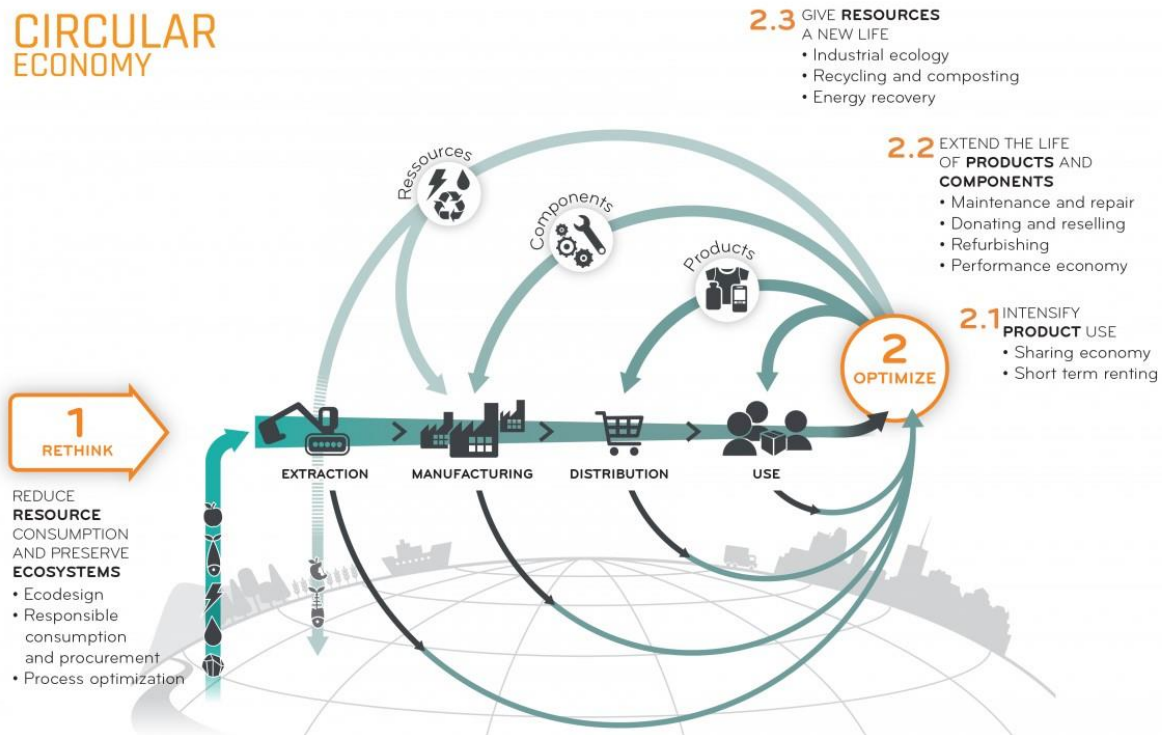
* To be considered in the Québec list of critical and strategic minerals as high-purity iron, the iron concentrate produced must contain at least 67% iron and be low in impurities.

** To be considered in the Québec list of critical and strategic minerals as high-purity silica (metallic silicon, chemical silicon), the silica must reach a purity of at least 99% (2N) and be low in impurities.

RESEARCH TOPICS

For a submission to PRIMA Québec, **the proposed R&D project must focus on the circular economy applied to MCS sectors and be related to one or more PRIMA Québec axes.**

Figure 1 - Representation of the circular economy



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The circular economy proposes 12 circularity strategies². The table below defines them according to objectives. Projects submitted to PRIMA must fall **within strategies 1, 3, 6, 8, 9, 10, 11 and 12**.

Objectives	Strategies	Definitions	Example
Reduce resource consumption and preserve ecosystems	1. Ecodesign	Integration of environmental aspects right from the design stage of products and services to minimize impacts throughout their life cycle	Project to substitute CSM with a less critical mineral. Examples: replacement of platinum in catalytic processes Use of renewable energies by the actors of the CSM chain. Examples: process to provide renewable energy for mines
	2. Responsible consumption and procurement	Integrating sustainable development and social responsibility into the purchasing or acquisition of goods and services by consumers or private and public organizations	
	3. Process optimization	Improvement of each of the organization's processes by seeking to reduce the consumption of raw materials, energy, water and waste	Optimize the use of a CSM in a product. Examples: more efficient solar panel, optimization of rare earths for permanent magnets
Intensify product use	4. Sharing economy	A set of exchanges between users based on shared use, collaborative production and barter. Favored are the temporary pooling of resources or the definitive redistribution of goods with or without compensation.	
	5. Short term renting	Use of goods or services within a defined framework in return for remuneration	
Extend the life of products and components	6. Maintenance and repair	Action of maintaining an object in good condition in order to extend its useful life	Increasing the lifespan of a product containing CSMs. Examples: more resistant alloys
	7. Donating and reselling	Putting used goods back into circulation by donating or selling them to a third party	
	8. Refurbishing	Refurbishing an object with the aim of reselling it	Products made from recycled CSM: Examples: Metallic powder
	9. Performance economy	Business model of a company that favors the sale of the use of the product rather than the sale of the product itself. We then focus on usage performance. Users buy the feature, not the product.	Optimize the use of a CSM in a product. Examples: more efficient solar panel, optimization of rare earths for permanent magnets
Give resources a new life	10. Industrial ecology	Network of companies and communities linked together by exchanges of materials (e.g. by-products), water or energy. These exchanges form	The residues of one become the resources of the other. Examples: use of magnesium from mining residues

² <https://www.recyc-quebec.gouv.qc.ca/entreprises-organismes/mieux-gerer/economie-circulaire/>



		synergies. The waste of one becomes the raw material of the other. The terms “symbiosis” or “industrial symbiosis” are often used.	
	11. Recycling and composting	Recycling is the use, in a manufacturing process, of a recovered material to replace a virgin material. Composting is a biological treatment process which allows the biodegradation of organic materials under the action of aerobic microorganisms.	Recycling of CSMs and products containing CSMs, urban mining Examples: recycling of lithium batteries, recycling of electronic components, optimization of recycling processes to extract CSMs...
	12. Energy recovery	Any operation which does not constitute elimination and which aims to obtain, from residual materials, useful products or energy	Development of mining by-products, mining residue. Examples: catalyst for electrochemistry, recycling of titanium residues to extract scandium...

In accordance with its strategic plan, PRIMA Québec encourages the submission of projects concerning the development of advanced materials applied to Québec’s leading sectors, such as transportation and infrastructure, energy, environment, textiles, electronics, health and chemistry, critical and strategic minerals.

- Technologies targeted by this call for projects mainly include:
 - **New materials:** Polymers, elastomers, biomaterials, metals, innovative fillers, cellulosic filaments, natural and synthetic fibres, nanomaterials, quantum materials, etc.
 - **Formulated materials or finished or semi-finished high-performance products:** Composites (TS or TP), rubbers, alloys, ceramics, intelligent textiles, flexible materials, membranes, thin layers, coatings, biocompatible materials, encapsulation, sensors, printable electronics, quantum technology, etc.
 - **Implementation and scaling processes and new characterization techniques:** Additive manufacturing and 3D printing, surface modification and treatment, micro/nanofabrication, tooling, new characterization instruments, modelling and simulation, shaping processes, quantum computing, etc.
 - **Use of artificial intelligence** with advanced materials for production, integration or implementation processes or characterization techniques.

If you are not sure if your project is eligible, please contact a PRIMA advisor.



ELIGIBILITY RULES

Organizations and companies eligible for project funding under the CSM Circular Economy Program must be regular members of PRIMA Quebec and be involved in the advanced materials sector.

Two components characterize the eligibility to the measure.

- **Component 1** - Québec College Centres for the transfer of technology (CCTT) and non-profit organizations (NPO) involved in various research and development areas in collaboration with a company or group of companies.
- **Component 2** - Company or group of companies with an establishment in operation in Québec intended to produce goods and services or for research and development activities.

Eligible applicants, eligible projects and eligible and non-eligible expenses vary from one component to another.

To be eligible, the funding request must be made by the applicant using the forms provided and respecting the deadlines for the call for projects. The partners will have to provide four (4) weeks before the deadline of the call for projects, a letter of intent which describes the project, deliverables and partners in a summary way. See the "Calendar and documents" section for the list of required documents.

The applicant is also required to implement or have in place an equality access program: Québec participants employing more than one hundred (100) people in Québec, who apply for a grant of one hundred thousand dollars (\$100,000) or more, must commit to implementing an equality access program that complies with Québec's Charter of Human Rights and Freedoms (CQLR, chapter C-12). To demonstrate its commitment to implement such a program, the applicant must attach to its application a "Commitment to the program" or, if it has already submitted one, it must indicate the official number of the "Attestation of commitment" that it holds or the number of the "Certificate of merit", if applicable. If the application is from outside Québec but within Canada, and the participant employs more than one hundred (100) people in Canada and is requesting a grant of one hundred thousand dollars (\$100,000) or more, the participant will be required to provide prior certification that they are participating in their provincial/territorial employment equity program, or if not available, in a federal employment equity program. On this page you will find information on the [Programme d'accès à l'égalité](#) and here is the link for the [Formulaire Programme d'obligation contractuelle – Égalité en emploi](#) to complete. You must still complete this form even if your company has fewer than 100 employees to indicate that your company does not need to have such a program.

In addition, **an applicant may only submit one application per proposals call** whether the project is submitted individually or as part of a cluster.

Details on the eligibility of applicants, projects and expenses associated with the two components are presented in the following pages.



Component 1 - Québec CCTT and NPO involved in in various research and development areas in collaboration with a company or group of companies

Eligible applicants

To be eligible, the applicant must be either:

- CCTT incorporated as a non-profit organization or integrated into a college;
- A Québec-based NPO involved in various research and development fields;
- A group of more than one CCTT or more than one NPO or a CCTT or an NPO in collaboration with a university. Note, the university cannot be the project applicant.

Ineligible applicants

Applicants who are in one of the following situations are not eligible:

- Québec government agencies (e.g. CRIQ, Société du parc industriel et portuaire de Bécancour, Fonds de recherche subventionnaires du Québec);
- Crown corporations, as well as a corporation controlled directly or indirectly by a government (provincial or federal) or a company that is majority-owned by a Crown corporation;
- Community Futures;
- Is under the protection of the Bankruptcy and Insolvency Act (R.S.C., 1985, c. B-3) or the Companies' Creditors Arrangement Act (R.S.C. 1985, c. C-36);
- Is listed in the Registre des entreprises non admissibles aux contrats publics (RENA)
- Has failed, during the two years preceding the application for funding, to meet its obligations after having been duly put on notice in connection with the granting of previous financial assistance by the MRNF;
- Fails to meet the high standards of integrity that the public has a right to expect from a recipient of financial assistance paid from public funds.

Eligible projects

To be eligible, the project must take place in Québec and:

- **Be directly related to the circular economy applied to CSM sectors;**
- Be related to the development of a new product or a new process or to the significant improvement of an existing product or process;
- Have the required level of innovation, i.e., the product or process has a decisive advantage over existing solutions on the market and in the sector on a national or international level;
- Highlight the results of the project that have commercial potential;
- Contain a technological risk or uncertainty;
- Require or will require research or development efforts;
- Strengthen the technological innovation capacity of the companies and the takers, concretize the valorization and the technological transfer into concrete benefits;
- Involve the participation of at least one company;
- Have a maximum duration of three years.

Eligible expenses

To be eligible, expenses must be necessary, justifiable and directly attributable specifically to the realization of the eligible project. They must be incurred after the date of submission of the application. Eligible expenses must fall into one of the following categories:

- Salaries, wages or benefits;
- Student scholarships;
- Materials or supplies;
- Equipment purchase or rental up to a maximum of 25% of the total eligible project expenses. Purchase value of each piece of equipment must be equal to or less than \$25,000 before taxes;
- Intellectual property management fees;
- External service fees³;
- Travel and living expenses up to the rates in effect within the Québec public service;
- Knowledge dissemination costs;
- Platform expenses;

³ Fees for professional services may not exceed those set out in the [Act respecting contracting by public bodies](#) (COLR, chapter C-65.1). Proof of expenses may be requested and must be provided to validate eligible expenses.



- Costs related to subcontracts;
- Indirect research costs, at a rate of 27% for expenses incurred by universities, colleges and CCTTs based on MNRFF's contribution to the following five expense items of the direct costs of R&D projects: salaries, wages and benefits, student scholarships, materials, consumables and supplies, purchase or rental of equipment, travel and living expenses.

Ineligible expenses

- Salaries of university professors assigned to the project;
- Repayment of future loans, a capital loss or replacement, a payment or an amount disbursed as capital;
- Operating expenses for ongoing activities not related to the project;
- Recurring costs, such as annual subscription fees and software upgrades;
- Land acquisition or development expenses;
- Expenses for the acquisition, construction and expansion of buildings;
- Transactions between companies or related partners;
- Sales taxes applicable in Québec;
- Expenses related to the preparation of a marketing plan or a technological showcase.

Industrial Funding

Only new industrial contributions for new projects will be recognized as counterparty, i.e., the MRNF aid will be granted in return for new industrial contributions (not already committed as co-financing in other programs or projects). A company's contribution that was made to it as part of a government grant will not be considered an industrial contribution.

Complementary financing

NSERC, NRC-IRAP, MITACS, SDTC other municipal, provincial or federal funding sources.

It is necessary to specify in the request for additional funding that an application to PRIMA has been submitted and the budget for additional funding must include funding from PRIMA.

You cannot use additional funding already obtained that does not specify PRIMA Québec as well as the current project.

Additional funding:

- Cannot be financial assistance from another MRNF program, nor a contribution already matched.
- Cannot be funding already committed for research activities separate from those that are the subject of the RSRI application.
- Could, however, be assistance from another ministry or municipality, or public entity. Contact a PRIMA advisor to confirm acceptability.
- To use Mitacs, NRC-IRAP or SDTC as complementary funding, please contact a PRIMA advisor.
- PRIMA's scientific evaluation serves as the scientific evaluation for MITACS internships. It is mandatory to quickly contact your PRIMA and Mitacs advisor to ensure the coordination of the PRIMA form and the Mitacs appendix.

In addition, the additional funding application MUST be sent to PRIMA no later than one (1) week after the submission of the PRIMA application for the project to be declared eligible.

Audit fees

At the end of the project, an audit report prepared by a chartered professional accountant or a member of a professional order with the auditor title, including the audited financial statements and a detailed statement of the use of financial assistance according to the following parameters:

- An audit engagement if it received \$150,000 or more;
- A review engagement if it has received between \$50,000 and \$149,999;
- A compilation engagement, if it received between \$25,000 and \$49,999.

This audit is an eligible project expense.

For a government contribution of less than \$25,000, there is no requirement that the financial report be accompanied by a compilation, review, or audit engagement.



Component 2 - Company or group of companies with an establishment in operation in Québec intended to produce goods and services or for research and development activities.

Eligible applicants

To be eligible, the applicant must be a company, or a group of companies legally constituted under Québec or Canadian laws and have an establishment in operation in Québec intended to produce goods and services or for research and development activities.

Ineligible applicants

Applicants who are in one of the following situations are not eligible (both individually and within a business combination):

- Crown corporations, as well as a corporation controlled directly or indirectly by a government (provincial or federal) or a company that is majority-owned by a Crown corporation;
- Community Futures;
- Is under the protection of the Bankruptcy and Insolvency Act (R.S.C., 1985, c. B-3) or the Companies' Creditors Arrangement Act (R.S.C. 1985, c. C-36);
- Is listed in the Registre des entreprises non admissibles aux contrats publics (RENA)
- Has failed, during the two years preceding the application for funding, to meet its obligations after having been duly put on notice in connection with the granting of previous financial assistance by the MRNF;
- Fails to meet the high standards of integrity that the public has a right to expect from a recipient of financial assistance paid from public funds.

Eligible projects:

To be eligible, the project must take place in Québec⁴ and:

- Be a product or process research or development project, from the business planning stage to the pre-commercialization stage (technology showcase), or involve the development of a new product or process or the significant improvement of an existing product or process;
- **Be directly related to the circular economy applied to CSM sectors;**
- Be of a maximum duration of 2 years;
- Have the required level of innovation, i.e., the product or process has a decisive advantage over existing solutions on the market and in the sector of activity on a national or international level;
- Involve a technological or business risk or uncertainty;
- Have required or will require research or development efforts;
- Demonstrate commercial potential if the product or process is intended for sale;
- Involve one or more of the following steps: proof of concept; development or improvement of the product or process (conception, design, engineering, prototyping); testing and validation of the product or process (prototype testing, production pilot testing, controlled situation demonstration); the development of a commercialization plan for the product or process and the planning of the quantification and verification steps in order to obtain a certification or a homologation (costs related to the protection of intellectual property); the demonstration in a real situation of operation or use (outside of the laboratories, in order to scale up or to complete the development or the improvement of the product or process); a technological showcase⁵.

Eligible expenses

To be eligible, expenses must be necessary, justifiable and directly attributable specifically to the realization of the eligible project. They must be incurred after the date of submission of the application. Eligible expenses must fall into one of the following categories:

- Fees for specialized services, including, if applicable, expenses detailed in the service offering of universities, CCTTs, or public research centres;
 - Indirect research costs, at a rate of 27% for expenses incurred by universities, colleges and CCTTs based on MNRF's contribution to the following five expense items of the direct costs of R&D projects: salaries,

⁴ Excluding technology showcase activities.

⁵ Specific rules for technology showcases are presented on page 12.



wages and benefits, student scholarships, materials, consumables and supplies, purchase or rental of equipment, travel and living expenses.

- Salaries, wages, or benefits of the companies;
- Costs associated with subcontracts;
- Travel and living expenses, up to the rates in effect within the Québec public service;
- Direct costs of materials or supplies and inventory;
- Direct costs of equipment calculated according to the proportion between the duration of the project and the useful life of the equipment;
- Equipment rental costs;
- Platform costs;
- Costs of participation in exhibitions and trade shows to present the product or process and thus attract potential clients to the technological showcase.

Ineligible expenses

- Repayment of future loans, a capital loss or replacement, a payment or an amount disbursed as capital;
- Operating expenses for ongoing activities that are not related to the project;
- Recurring costs such as annual subscription fees and software upgrade fees;
- Intellectual property maintenance expenses;
- Land acquisition or development expenses;
- Expenses for the acquisition, construction and expansion of buildings;
- Transactions between companies or related partners;
- Sales taxes applicable in Québec.

Audit fees

At the end of the project, an audit report prepared by a chartered professional accountant or a member of a professional order with the auditor title, including the audited financial statements and a detailed statement of the use of financial assistance according to the following parameters:

- An audit engagement, if it received \$150,000 or more;
- A review engagement, if it has received between \$50,000 and \$149,999;
- A compilation engagement, if it received between \$25,000 and \$49,999.

This audit is an eligible project expense.

For a government contribution of less than \$25,000, there is no requirement that the financial report be accompanied by a compilation, review or audit engagement.

PRIMA Québec may request any other document it deems necessary for the scientific or financial evaluation.

Funding applications can only be submitted in French.

Technology showcase, which consists of the demonstration or use of the product or process in a real operating situation at an independent partner (public or private, in Canada or internationally) of the company or group carrying out the project, can be considered eligible under the following conditions:

- Product or process development is complete and ready for commercialization; however, minor adjustments may be made during or after the completion of the technology showcase;
- Technology showcase must be critical to mitigating potential customers' perception of technological or financial risk in using the product or process;
- Potential customers must be able to visit the technology showcase, or relevant evidence must be made available to potential customers.



Implementation of a technology showcase at one or more partners is prioritized. However, in exceptional cases, a technology showcase could be set up at the participant’s location, given the specific situation of the project, while respecting the three conditions mentioned above.

CSM PROGRAM STANDARDS

Under the CSM program, PRIMA provides non-repayable grants with specific conditions for both components. PRIMA is available to accompany applicants to validate their proposals and make budget simulations that respect these different standards.

In summary, **Component 1**, adapted for CCTTs and NPOs, allows for grants up to **\$200,000** with a **funding rate** up to **70%** of eligible expenses with a minimum **industrial contribution** of **20%** and a maximum of **36 months** of development.

Component 2, adapted for companies, allows for grants up to **\$200,000** with a **funding rate** up to **70%** of eligible expenses with a minimum **industrial contribution** of **25%** and a maximum of **24 months** of development.

For information purposes, here is the current summary of these standards according to the components:

Elements	Component 1 CCTT & NPO	Component 2 Company
Maximum duration of the projects	36 months	24 months
Minimum number of companies with a presence in Québec (production or R&D)	1	1
Eligibility of Canadian, foreign or industry association companies	YES as 2 nd company	YES as 2 nd company
Minimum number of research institutions (CCTT or NPO) ⁶	1	0
Maximum PRIMA grant (funding rate [%] of eligible expenses)	70% (cash)	70% (cash)
Minimum industrial contribution	20% of the project in cash	20% of the project in cash
Maximum accumulation of public funds per project ⁷	80% (cash)	80% (cash)
Maximum PRIMA funding per project (including IRCs if applicable)	\$200,000 per project	\$200,000 per project

Projects are cost-shared between industrial, financial assistance from the Program and additional funding. Support under the Program is for the entire project and not just a portion of the project’s R&D activities.

⁶ Universities can participate as a second partner, but they cannot be the main applicant.

⁷ Contributions from government partners, if necessary, are taken as public contributions and are included in the accumulation of public funds (NSERC, other departments except the MRNF, etc.).



Financial assistance from the Program may be combined with financial assistance provided directly or indirectly by other government departments or agencies (provincial or federal), their corporations and municipal entities.

The cumulative financial assistance obtained from government departments or agencies (federal and provincial) and municipal entities not benefiting from the Program relative to the total cost of the project must not exceed 80% of eligible expenses and related expenses directly related to the project, otherwise the contribution from the Program will be reduced accordingly to meet this criterion.

Beneficiary's private contribution must represent at least 20% of eligible expenses (component 1 and component 2).

For the purposes of the accumulation rules for financial assistance, the term "municipal entity" includes municipal bodies within the meaning of section 5 of the Act respecting Access to documents held by public bodies and the Protection of personal information (CQLR, chapter A-2.1).

Assets referred to in subparagraph 1° of the first paragraph of section 89 of the Act to establish Eeyou Istchee James Bay Regional Government (CQLR, chapter G-1.04) shall not be considered in the accumulation rule of this standard.

For purposes of the rules for calculating the accumulation rate, all forms of financial assistance granted by a public body must be calculated at 100% of their value, whether repayable or not.

In addition, financial assistance from the Business Development Bank of Canada (BDC) and Farm Credit Canada (FCC) are to be considered private contributions if there is no conferred benefit, i.e., they are agreed to market terms.

Related companies will be considered as one company in the project. Related means that "the relationship between the companies would be such that one has the ability to exercise, directly or indirectly, control or significant influence over the financing or operating decisions of the other".

Start-ups are eligible and must be supported by an incubator. However, PRIMA may request additional information to ensure the company's involvement in the project and its financial, R&D, and production capacities to implement the benefits of the research project.

EXAMPLES AND DETAILS FOR FUNDING

Following are examples of funding for Components 1 and 2 projects of \$285,714 in eligible costs under the CSM Circular Economy Program:

	Component 1 CTTT & NPO	Component 2 Company
Minimum industrial contribution in cash	\$57,143 (20%)	\$57,143 (20%)
PRIMA Québec	\$200,000 (70%)	\$200,000 (70%)
Additional funding ⁸	\$28,571 (10%)	\$50,000 (10%)
Total cash for the project	\$285,714 (100%)	\$285,714 (100%)

⁸ An applicant may choose not to provide additional funding if the companies contribute more. However, the diversity of funding sources will be considered in the evaluation of the project.



Other financial elements to consider

In-kind investment	In-kind investment, while not counted for funding ratios, is important for the evaluation of the application to measure the commitment of partners to the project.
PRIMA Québec management fees	PRIMA Québec management fees of up to 5% of eligible expenses will be shared between MRNF and the companies (with a ceiling of \$25,000 for the companies) ⁹ .
PRIMA Québec membership	Annual fees for PRIMA Québec membership vary according to membership categories and are described on the website
Indirect research costs (IRC)	It is the responsibility of the universities and CCTTs to collect the indirect research costs from the industrial partners and the various funders of the project. For Component 1, PRIMA Québec will pay, in addition to the direct costs of R&D, IRCs to the CCTT and universities involved in the project.

PROJECT SELECTION PROCESS

Each eligible project application¹⁰ received by the deadline will be evaluated by a selected committee of independent experts. Research projects are evaluated according to the objectives of the CSM Circular Economy Program, criteria of relevance, scientific quality and economic, social or technological benefits for Québec.

Evaluation criteria include:

1) Project relevance (30%)

- Relevance of the application with the objectives of the call;
- Project adequacy with the collaboration needs of the partners and the stakeholder;
- Offer of services in circular economy applied to MCS sectors, in extraction, transformation and recycling of CSMs within the applicant’s mandate;
- Relevance of the project in relation to the recognized mission and business model of the applicant;
- Number of companies or organizations involved in the project and their organizational capacity
- Diversity of funding sources;
- Complementarity of the participants affiliated with the project.

2) Project quality (40%)

- A clear and realistic description of the project’s business plan, expected results and timelines;
- A demonstration of the human resources required to carry out the project, including their expertise;

⁹ Management fees are not eligible expense, they are in addition to the contribution.

¹⁰ Applications must respect the elements listed in this guide and include all the required documents necessary for the evaluation, namely an application form specifying the context, the objectives, the expected results as well as the planned activities, the timetable and all the financial details (expenses and funding) and its appendices (CV, letters of support, etc.). At the time of submission, PRIMA verifies the eligibility requirements and will notify you if the project is eligible and sent for evaluation.



- Funding structure;
- Complementarity grouped centres with respect to the project submitted.

3) Economic, social or technological benefits (30%)

- Sustainable effects on the applicant's activities;
- Project ability to generate buy-in, synergy and participation from the stakeholder and partners (demonstrated in letters of support);
- Economic potential benefits at the local, regional and national levels.

The project must **score above 70%** to be eligible for Program funding. The project may be accepted as submitted or may be given conditional approval to which the applicant must respond to the satisfaction of the committee.

If there are more eligible projects for funding than available funding, the selection of projects for recommendation to the PRIMA Québec Board of Directors will be based on:

1. The call's priority sector: **Microelectronics;**
2. The project evaluation score, in the event of a tie, the project quality score will be used, then the relevance and then the economic benefits;
3. The remaining available funding.

If still equal, the project with the highest total investment amount will be preferred.

After the evaluation by the experts, PRIMA Québec Board of Directors, based on the recommendations of the evaluation committee, will be able to adopt the projects and ensure the necessary follow-ups.

INTELLECTUAL PROPERTY AND COMMUNICATIONS

PRIMA Québec does not claim any intellectual property (IP) rights to the projects it funds. However, it does require the signing of an agreement between the partners covering, among other things, the management of IP and research results. This agreement must be transmitted to PRIMA Québec.

Also, PRIMA Québec undertakes to obtain from each of the Program's applicants, a free license allowing the MRNF or PRIMA Québec to communicate to the public certain information included in the accountability reports such as the names of the participants, the title of the project, the public summary at the time of the submission and at the time of the final report as well as the project total amount and the grant amounts. This licence does not include the documents involved in the funding applications, technical reports, or, in any document, the process, know-how or trade secrets related to the technology developed by the applicants. Any publication will be done in agreement with the project participants.

If your project is approved for funding, the MRNF may reserve the right of first communication. Please contact PRIMA Québec for any first communication about the project.



CONTACT

For further information or assistance in the drafting of the application file, do not hesitate to contact an advisor:

- Michel Lefèvre: 514 284-0211, ext. 227, michel.lefevre@prima.ca
- Sébastien Garbarino: 438 504-6068, sebastien.garbarino@prima.ca
- Cloé Bouchard-Aubin: 514 284-0211, poste 225, cloe.bouchard-aubin@prima.ca
- Rusoma Akilimali: 438 401-9821, rusoma.akilimali@prima.ca
- Mélanie Girard: 263 362-7490, melanie.girard@prima.ca

Applications must be sent as a **single file in PDF format** (Adobe Acrobat) by email to: lydie.chauvire@prima.ca, **514 834-2052**.

Programs and Forms: <https://www.prima.ca/en/funding-programs/call-for-projects-csms/>

CALENDAR AND DOCUMENTS

1. Letter of intent required **by noon on December 16, 2024**.
2. Applicants must submit a **FULL APPLICATION by noon on January 27, 2025**.

For Component 1: With the signed application form, it is necessary to attach;

- CVs of the principal researchers and academic and industrial collaborators (no format is imposed).
- Signed letters of support from all industrial partners specifying:
 - The amount of cash and in-kind allocated for the project R&D and RSRI management fees
 - Why is this project necessary for them?
 - What will be the benefits for them?
- Proof of the applicant's commitment to implement an equality access program, the applicant must attach a "Program Commitment" to the application or, if one has already been submitted, indicate the official "Attestation of Commitment" number or the "Certificate of Merit" number, if applicable. If the application is from outside Québec, but within Canada, and the participant employs more than one hundred (100) people in Canada and is requesting a grant of one hundred thousand dollars (\$100,000) or more, the participant will be required to provide prior certification that they are participating in their provincial or territorial employment equity program or, if not available, in a federal employment equity program. On this page you will find information on the [Programme d'accès à l'égalité](#) and here is the link for the [Formulaire Programme d'obligation contractuelle – Égalité en emploi](#) to complete. You must still complete this form even if your company has fewer than 100 employees to indicate that your company does not need to have such a program.



- A PDF copy of the additional funding application must be sent to PRIMA Québec no later than 1 week after the PRIMA application is submitted.
- If applicable, the Mitacs joint application form with an RSRI if the promoter does not use the joint NSERC/MITACS program.

For Component 2: With the signed deposit form, it is necessary to attach;

- CVs of the principal researchers and academic and industrial collaborators (no format is imposed).
 - Proof of the applicant's commitment to implement an equality access program, the applicant must attach a "Program Commitment" to the application or, if one has already been submitted, indicate the official "Attestation of Commitment" number or the "Certificate of Merit" number, if applicable. If the application is from outside Québec, but within Canada, and the participant employs more than one hundred (100) people in Canada and is requesting a grant of one hundred thousand dollars (\$100,000) or more, the participant will be required to provide prior certification that they are participating in their provincial or territorial employment equity program or, if not available, in a federal employment equity program. On this page you will find information on the [Programme d'accès à l'égalité](#) and here is the link for the [Formulaire Programme d'obligation contractuelle – Égalité en emploi](#) to complete. You must still complete this form even if your company has fewer than 100 employees to indicate that your company does not need to have such a program.
 - Offer of service from the university, CCTT or NPO or subcontractor if applicable.
 - Evidence of additional funding if already obtained.
 - Financial statements for the last two years.
 - For startups, projected financial statements for the next two years.
 - Additional documentation may be requested to validate the eligibility or assessment of the project.
3. Verification of eligibility by PRIMA Québec.
 4. Eligible projects will be evaluated by a selected scientific and economic evaluation committee of independent experts.
 5. Approval of the project by the PRIMA Québec Board of Directors.
 6. Announcement of results to applicants in April 2025.
 7. Obtaining additional funding, please obtain it in a reasonable time frame to avoid any questioning of the scientific and economic evaluation.
 8. PRIMA Québec sends the file to the MRNF for funding authorization.
 9. Once the authorization is obtained, the grant agreement between the project promoter and PRIMA Québec must be signed within 9 months. The project can begin, at the earliest, upon



confirmation of the complete eligibility of the project following its submission, and at the latest 9 months after the approval of the funding by MRNF. Payment will be made once:

For Component 1:

- Response to the evaluation committee (if applicable);
- Additional financing obtained (if applicable);
- IP agreement has been transmitted;
- Proof that companies have made their first payments.

For Component 2:

- Response to the evaluation committee (if applicable);
- Obtaining additional financing (if declared in the financial package);
- Signature of the collaboration, partnership and intellectual property agreement with all project partners (if applicable);
- Transmission of the financial statements for the last two years of all partner companies;
- Sending signed service contracts;
- List of current funding granted by the MRNF or other public organizations;
- Certificate from Revenu Québec confirming that no financial arrears are due.

10. During the project, financial evidence as well as technical and financial reports must be provided in accordance with the terms of the grant agreement.

For component 2, there is a first payment at the start of the project then subsequent payments are made by reimbursement of expenses. Invoices, pay slips, time slips, proof of payments and installments must be sent with the financial report. In addition, technical reports must be in French.

11. At the end of the project, the following documents must be provided according to the conditions indicated in the grant:

- a final technical report of the activities
- an evaluation report completed by the companies
- an audit report prepared by a chartered professional accountant or a member of a professional order with the auditor title, including the audited financial statements and a detailed statement of the use of financial assistance according to the following parameters:
 - an audit engagement, if it received \$150,000 or more;
 - a review engagement, if it has received between \$50,000 and \$149,999;
 - a compilation engagement, if it received between \$25,000 and \$49,999.
 - for a government contribution of less than \$25,000, there is no requirement that the financial report be accompanied by a compilation, review or audit engagement.



REMARKS

- Please feel free to send the completed form to an advisor for verification before submission.
- We ask that you submit your request for additional funding no later than one week after submitting your PRIMA application to avoid lengthening the time to funding approval.
- Make sure that you have all the necessary expertise to carry out the project.
- In the intellectual property section, even if an agreement is not yet signed at the time of submission, please clearly indicate the broad outlines on which the negotiation is or will be taking place.
- This program aims, among other things, to train highly qualified personnel and to generate economic benefits for companies and for Québec. Please make sure that your application clearly presents these aspects.
- With the form comes an Excel file to help you calculate the budget for the research mandate.
- For the justification of the prototype line in the budget, please show that you have the necessary expertise and that the costs are realistic for the realization of the prototype and that if authorizations are necessary, they are obtained or in the process of being obtained.