

## **Women Entrepreneurship Loan Fund Information Session 08-11-2021**

00:00:07.410

Sabine Soumare: Good afternoon bonjour we'll get started in just a couple of minutes, just to give participants the time to join the webinar.

00:01:10.500

Sabine Soumare: So we're just going to wait one more minute. I see people logging in.

00:02:07.320

Sabine Soumare: So good afternoon everyone, bonjour tout le monde, thank you for joining us today for our information session for applications to deliver the women entrepreneurship loan fund. I'm Sabine Soumare director of marketing and communications at the Diversity Institute and I will be with my colleague Jena Cameron.

00:02:29.130

Sabine Soumare: So, before we begin, I would like to first and foremost acknowledge that the work we do on this place on the traditional territory of the Mississaugas of the Credit, the Anishnaabe, the Chippewa, the Haudenosaunee and the Wendat peoples, which is now home to many diverse First Nations, Métis and Inuit peoples.

00:02:51.210

Sabine Soumare: Our partners across Canada similarly gather on the traditional territory of many Indigenous nations who have cared for these lands since the time immemorial.

00:03:03.240

Sabine Soumare: Let us take a moment to recognize the many traditional lands on which we are connecting and acknowledge with gratitude and respect the many First Nations, Metis and Inuit peoples whose footsteps were first to mark these lands.

00:03:33.630

Sabine Soumare: We look forward to answering any questions you may have about the application process to deliver the Women Entrepreneurship Loan fund.

00:03:42.810

Sabine Soumare: As we go through the information session, please place your questions in the Q&A box and we will do our best to answer as many questions as we can, today, but if we don't get to all of them.

00:03:57.270

Sabine Soumare: We may not have time, but will ensure that we follow up on any unanswered questions, either directly or by updating the FAQ on loan fund application website.

00:04:19.290

Sabine Soumare: As you know, we are here today because the honorable Mary Ng, Minister of Small Business, Export Promotion, and International Trade recently announced the launch of a call for applications for the Women Entrepreneurship Loan Fund.

00:04:34.620

Sabine Soumare: This fund is a key element of budget 2021 commitment to accelerate a Women Entrepreneurship Strategy by helping women entrepreneurs access the funding they need to start and grow their businesses, and we know how much they need it.

00:04:50.580

Sabine Soumare: Our research has shown that financing and funding for women entrepreneurs is, in fact, the key to their success, so this program is much needed and good news for the ecosystem.

00:05:03.630

Sabine Soumare: The government of Canada is currently seeking applications from not for profit organizations with significant experience in the management and delivery of loans to deliver this program.

00:05:16.020

Sabine Soumare: Please note that this information session is not intended for entrepreneurs interested in applying for loans, however, entrepreneurs will be able to apply for loans in the coming months. If we have any entrepreneurs on the call today, please don't worry, you won't be missing any information. In fact, we will make sure that you have all the information about the application and we'll let you know when it's open.

00:05:48.270

Sabine Soumare: I'm joined by today by Dr. Wendy Cukier and Jena Cameron. Dr. Wendy Cukier is the Diversity Institute Founder, Academic Director of the Women Entrepreneurship Knowledge Hub and also Research Lead of the Future Skills Centre.

00:06:04.260

Sabine Soumare: Wendy is one of Canada's leading experts in disruptive technologies, innovation processes, and diversity and inclusion. She leads the Women Entrepreneurship Knowledge Hub, funded by the Government of Canada, which promotes inclusive support for women and other diverse entrepreneurs.

00:06:22.950 --> 00:06:31.950

Sabine Soumare: Wendy will be moderating the English Q&A at the end of the session.

00:06:32.940

Sabine Soumare: Jena Cameron is the Manager of the Women Entrepreneurship Policy Group at Innovation, Science, and Economic Development Canada, also known as ISED.

00:06:40.620

Sabine Soumare: Jena and her team are responsible for overseeing all of the various initiatives under the Government's Women Entrepreneurship Strategy.

00:06:50.580

Sabine Soumare: She will be walking us through the Women Entrepreneurship Loan Fund application process and assist with answering questions you may have, so please now let's welcome Jena.

00:07:10.710

Jena Cameron: Hi Sabine, Thank you very much for the introduction. I'm grateful and thank you to the Women's Entrepreneurship Knowledge Hub for hosting the event today and welcome to all of our guests that have joined us today.

00:07:22.800

Jena Cameron: As I began, I'm speaking to you from the traditional unseeded territory of the Algonquin Anishnaabe people. I'm grateful to have the opportunity to be present in this territory.

00:07:34.560

Jena Cameron: I would like to clarify upfront that the Knowledge Hub is not involved in the design or the delivery of the Women Entrepreneurship Loan Fund, they are simply being very gracious hosts for us today, so if you have questions about applying to manage the loan fund, please do not come to the Knowledge Hub.

00:07:54.000

Jena Cameron: As Sabine mentioned my name is Jenna Cameron and I'm the manager of the women's entrepreneurship policy group, and as I said, it is our team that is responsible for overseeing all of the various initiatives under the federal government's Women's Entrepreneurship Strategy.

00:08:10.080

Jena Cameron: As many of you are aware, this past spring budget announced an additional \$146.9 million in funding for various initiatives under the Women Entrepreneurship Strategy or WES, as we call it.

00:08:25.950

Jena Cameron: Of this funding \$55 million has been allocated for the development of a new national micro-loans program which we are now calling the Women Entrepreneurship Loan Fund and that's the reason for all of us being here today.

00:08:41.850

Jena Cameron: The goal of this new program is to ensure that more women entrepreneurs have access to smaller amounts of financing to start or to grow their businesses which, as we know, is often particularly difficult for many women in businesses.

00:08:56.250

Jena Cameron: As you are aware, on July 28 the government of Canada issued a call for applications to deliver the loan fund through this call, we are looking to deliver, looking to select one or more delivery organizations to provide loan services for women in businesses across Canada.

00:09:14.340

Jena Cameron: So, while the requirements for the applications are outlined in the application guide and we will provide links to both the English and the French version in the chat, I would like to spend a couple of minutes, highlighting some of the key points now.

00:09:29.460

Jena Cameron: So, in order to apply, you will submit an application package to us no later than September 20.

00:09:35.370

Jena Cameron: Each application package will include a number of documents which are detailed in Section seven of the guide. This includes a completed and signed application form a proposal paper of no more than 30 pages, which outlines your loan model and I'll come back to this in a minute.

00:09:54.120

Jena Cameron: Your three most recent years of audited financial statements, incorporation documentation, a completed budget detail template, and a sustainability plan for years, starting in 2024 and 2025.

00:10:12.090

Jena Cameron: If you are applying as a consortium or as a partnership, you will need to also provide signed letters of support from your partner organizations which details their roles in delivering the project.

00:10:25.110

Jena Cameron: Quebec based organizations will also need to confirm that they comply with legislation, although we will work with any successful candidates to ensure proper authorizations are obtained.

00:10:39.030

Jena Cameron: In terms of eligibility, which is detailed in section 4.1 of the guide, applicants must be a Canadian not for profit organization or a consortium of not for profit organizations for

profit organizations such as financial institutions are only eligible to apply as part of a consortium, where a not for profit organization is the lead proponent.

00:11:05.370

Jena Cameron: Applicants are required to have a minimum of five years' experience in loan fund management.

00:11:12.210

Jena Cameron: Applicants will also need to highlight your capacity to manage loan volumes to fulfill and underwrite loans how your proposal supports the government's goal of providing full national coverage, strategies to reach and support diverse and intersectional women entrepreneurs, and your ability to provide bilingual service where significant demand exists as defined by the Official Languages Act.

00:11:43.710

Jena Cameron: As mentioned earlier, as part of your application process, you will submit a proposal paper.

00:11:49.650

Jena Cameron: This will be the key document, which outlines all of the essential criteria, as well as other elements of your proposals, such as the regions of Canada, where you will provide service details on your proposal loan model, a summary of administrative costs and your plans to collect and track data.

00:12:10.890

Jena Cameron: I would recommend that applicants closely follow the essential criteria in section 4.1 as well as the assessment criteria table in section six to ensure that your submissions will meet all of the different factors being assessed.

00:12:28.050

Jena Cameron: A few other general points that I will raise before turning things back to Wendy to open the floor to questions.

00:12:34.260

Jena Cameron: First, we strongly encourage organizations to look at partnering with each other, either to provide greater national coverage or to provide increased access for underrepresented groups, this will strengthen your proposals and will increase your chances of having your application selected.

00:12:54.240

Jena Cameron: Also preference will be given to applicants who can deliver loans on a national or multi-regional basis.

00:13:03.810

Jena Cameron: As a side note here, we were looking for a way to help organizations connect and we thought of the knowledge hubs sharing platform, which is based on a SheEO model of connecting those who have a have an ask with those who have support to give.

00:13:20.250

Jena Cameron: Organizations looking to collaborate on outlook on applications can use the Knowledge Hub's sharing platforms to connect. The free online platform is available at [sharing.wekh.ca](http://sharing.wekh.ca). We will also put a link in the chat.

00:13:39.090

Jena Cameron: If you've never used the platform before you'll need to take a minute to create an account and then you'll instantly be able to post your ask or view asks from others.

00:13:50.190

Jena Cameron: We recommend using the connections category to post or to find others to collaborate with on your application. We also suggest you include the wording, you know, "seeking women entrepreneurship loan fund partnership" or something about the loan fund in the title of your ask.

00:14:10.830

Jena Cameron: If you have any questions about the sharing platform, then you can contact the Knowledge Hub directly at [diwekh@ryerson.ca](mailto:diwekh@ryerson.ca), and I see it's in the chat.

00:14:26.490

Jena Cameron: So I did mention the importance of partnering and now I will talk about wraparound support services.

00:14:34.080

Jena Cameron: So while it's considered an asset criteria, the ability to provide wraparound business support services is important and we want you to tell us how you or your partner organizations will support your loan clients with other services.

00:14:53.940

Jena Cameron: So next the guidelines for the loan models are provided in section C of the application guide, knowing that many of you.

00:15:05.070

Jena Cameron: Currently run loan programs are various sizes and requirements we have tried to provide general parameters which must be followed, but provide flexibility and how you may choose to implement them. For example, the maximum interest rate is listed at prime plus 4 while you cannot exceed that amount as part of your proposal, you may choose to charge a lower interest rate to some or all of your clients.

00:15:29.250

Jena Cameron: Same thing with the maximum loan amount which is set at \$50,000.

00:15:33.570

Jena Cameron: While you cannot exceed that amount, you may choose to offer a lower maximum amount or different structures for certain clients, such as pure startups as compared to businesses which may have been in operation for a number of years.

00:15:48.810

Jena Cameron: Operating or administrative costs for delivery organizations are capped at a maximum of 15% of the total requested project funding.

00:16:00.420

Jena Cameron: These administrative costs will be drawn from the \$55 million intro to total program funding, with the remaining amount of being available for loan funding for women entrepreneurs.

00:16:12.330

Jena Cameron: Finally, I would encourage you to review the eligible and ineligible administrative costs which are outlined in Section five of the application guide.

00:16:23.310

Jena Cameron: Now let's turn to timelines and assessment so in terms of timelines. As I mentioned previously, the deadline for applications is September 20 at 11:59am Pacific Standard Time.

00:16:37.740

Jena Cameron: We strongly recommend that you submit your application before the deadline to ensure that there are no unforeseen technical issues at the time of submission, as late submissions will not be considered for funding.

00:16:51.180

Jena Cameron: If you have questions you can send them to the WES inbox and that will be provided in the chat. However, please note that if you wait until the last minute we just can't guarantee that we'll be able to respond to you in time.

00:17:08.400

Jena Cameron: Once the call for application closes on September 20 there are still a number of steps which will need to take place before launching the program for women entrepreneurs. First the government will assess the applications, based on the criteria set out in the application.

00:17:27.000

Jena Cameron: This usually takes about a month or so.

00:17:30.030

Jena Cameron: However, our ability to select recipients and start negotiations of contribution agreements can be impacted by various factors, both internal and external.

00:17:39.720

Jena Cameron: With this in mind, I would simply say that we will respond to all applicants to indicate whether or not your application has been selected, but it may require some additional patience.

00:17:51.540

Jena Cameron: Successful proposals under this call for applications will be awarded three year non-repayable contribution agreements. Three years is the length of time that you would have operational funding.

00:18:05.820

Jena Cameron: Once contribution agreements have been signed, we recognize that you won't be able to start offering loans the next day.

00:18:12.180

Jena Cameron: There will need to be time for recipients to make the necessary preparations in terms of staffing, putting in place IT infrastructure etc., prior to launching the program for women entrepreneurs.

00:18:24.180

Jena Cameron: So the exact timelines and launch dates will be negotiated as part of the contribution agreement process.

00:18:31.170

Jena Cameron: We anticipate that the loan fund will be available to begin receiving applications for loans from women entrepreneurs across the country in early 2022.

00:18:41.940

Jena Cameron: So that concludes my presentation. I'll pass things back to Wendy and Sabine for the Q and A portion of the session.

00:18:50.730

Wendy Cukier: Great thanks so much Jena and there's definitely lots of interest. I think there's a set of questions that all I'll give to you at once, and these are questions about individual entrepreneurs and startups and their eligibility for the loans, so can you maybe address that segment of the audience, because I think there's some people who are on the call because they want to apply to administer their loans.



00:19:19.530

Wendy Cukier: But there are others who called in because they're interested in exactly what you said when the loans will be available and so on, do you have any sort of general comments apart from when you expect applications to be accepted, eligibility requirements and so on, for the actual entrepreneurs?

00:19:42.570

Jena Cameron: Yes, so, as I mentioned the loan funding will not be available until sometime in 2022.

00:19:52.170

Jena Cameron: And depending on the organization, or organizations, or consortium of organizations that is selected to manage the loan fund, then there may be various requirements in place for women entrepreneurs.

00:20:11.670

Jena Cameron: For example, there are national organizations, now that have limits on the type of - well, I will just use Futurpreneur as an example. They offer loans, but they only offer loans to young entrepreneurs up to age 39.

00:20:33.450

Jena Cameron: So, for instance, if you were to apply if they ended up applying for this, and they are successful, they will not be going outside of their existing box of companies who may offer loans. However, in general, our desire for this loan funding is to reach women entrepreneurs who are smaller, have newer businesses, and are not generally the clientele that is as established, that necessarily would seek to apply for bank financing. So we do see that these amounts will be smaller, they are still loan amounts, I mean they will have to be repaid, but the goal is to create a revolving fund of loans, so that we can help many women entrepreneurs.

00:21:47.820

Wendy Cukier: Thanks so much. The next question is, why was this funding not distributed to existing networks to deliver, such as the Women Enterprise Centres or Community Futures?

00:22:03.120

Jena Cameron: We would love those organizations to apply, among others.

00:22:08.730

Jena Cameron: But we wanted to make sure that the opportunity was there for other organizations to apply and to partner with organizations that apply - we want them to have a loan experience at least the lead partner, the lead applicant.

00:22:26.970

Jena Cameron: What we would like to see is more partnerships where smaller organizations who perhaps do not currently offer loan financing, but have an important clientele be able to partner, so that their clientele also have access to loan financing.

00:22:46.860

Wendy Cukier: Great, thank you very much. Another question is how many successful candidates do you expect to select?

113

00:23:00.570 --> 00:23:04.290

Jena Cameron: Well, we don't want to sign 500 contribution agreements, and the goal is really to have a national loan fund so our preference is to sign a few consortiums or several consortiums, but a small amount of contribution agreements and a small amount of partner organizations.

00:23:33.150

Jena Cameron: Sorry, to verify each of the consortiums may be large, but as a consortium, we would be interested in funding one or a few consortiums.

00:23:45.510

Wendy Cukier: Okay, so I think some of these questions are very specific and you might choose to follow up with them one-on-one because they may not be questions you can answer off the top of your head without the application in front of you, but I'll try Jena. One question is to please clarify the administration cap at 15% and the loan management cap of 1%.

00:24:14.490

Wendy Cukier: Does administration cap refer to schedule six in the budget which is indirect administration costs, or does it refer to direct project costs that are also administrative?

00:24:26.070

Wendy Cukier: Does the loan and its cap of 1% refer to expenses after a loan has been dispersed, or does it also include the work that happens before a loan is dispersed? As I said, Jena I want to give you the opportunity to say I will follow up an answer to you offline or you can take a crack at it now.

00:24:49.500

Jena Cameron: Well, I won't answer exactly what section that is in the application guide because I would need to look, but I can clarify that the 15% is meant as operational costs for the organization or organizations managing the loan fund.

00:25:08.790

Jena Cameron: The 1% or maximum \$500 is our cap on what you can charge on what the successful loan managers can charge to women entrepreneurs.

00:25:29.700

Wendy Cukier: Okay, great thank you.

00:25:32.220

Wendy Cukier: Another question is about the budget template so I'm going to suggest that maybe you can take that offline and follow up and then there's another question.

00:25:44.490

Wendy Cukier: Which is, will the provincial women entrepreneur centers in each province have an advantage in applying?

00:25:56.730

Jena Cameron: Not necessarily, because we are looking to have national delivery or multi-regional delivery.

00:26:10.560

Jena Cameron: So we would like to see partnerships that would expand the reach. That being said, we would encourage you to reach out, perhaps through the sharing hub at the link that we shared earlier. If you do apply that's fine and we can look at perhaps partnering with suggesting other partners at a later date.

00:26:47.250

Jena Cameron: There's some information in the FAQs around that.

00:26:55.170

Jena Cameron: So, not necessarily I think would be my answer. I would hope that most of the provincial organizations would be part of the women's organizations in Canada and may end up partnering that way.

00:27:16.260

Wendy Cukier: Alright, there are two questions now about common resources such as loan application portals, branding marketing and so on, and I think it's a really good question so maybe you can answer those two together.

00:27:35.880

Jena Cameron: Sorry is it in the chat?

00:27:39.120

Wendy Cukier: They're in the Q and A. So will there be common resources such as loan applications portals, common branding? And then the other question is, will there be common logo communications materials for all, because that will inform the cost of communication and outreach efforts.

00:27:57.810

Jena Cameron: Thank you for clarifying.

00:28:00.930

Jena Cameron: I think that's open for discussion, what is important to us is to ensure that we can track the financing that we would provide to an organization, so it is important that the funding that you would receive under this loan fund would be ring fenced referenced so that you could track and report data related to this particular funding.

00:28:30.060

Jena Cameron: So I think it depends, whether your proposal would propose adding to existing products and services that already exist.

00:28:43.500

Jena Cameron: In other words, as another product, along with a suite of project products that you already offer or whether it would be offered as a standalone service.

00:28:54.900

Jena Cameron: But we are looking for applicants to demonstrate how they will handle the loan fulfillment aspect, loan management and loan fulfillment, and that can be either directly or through a partner organization.

00:29:14.040

Wendy Cukier: Just before I hand it over to Sabine for the francophone question, I think one dimension of this that maybe you haven't touched on is: you're going to have perhaps multiple recipients of the funding from the government, but they're still all part of the government's micro-loan fund initiative. So will there be common branding across potentially the multiple consortium that consortia that are successful, and will there be shared marketing and communication?

00:30:02.430

Wendy Cukier: Or is the proposal expected to develop a portal, develop all its communications, and be responsible for its own outreach? I hope that captures what you were asking but feel free to ask another question if I missed it.

00:30:19.560

Jena Cameron: So I think it's different if there is one, so I think the short answer is no, there is not an expectation to run common branding across multiple consortia applicants. No.

00:30:41.700

Wendy Cukier: Okay over to you Sabine.

00:30:43.860

Sabine Soumare: Thank you Wendy. So there was a question about age limits, but I think that was referred to so can you expand on that?

00:30:53.640

Jena Cameron: I'm sorry if I threw Futurpreneur under the bus.

00:30:57.240

Sabine Soumare: Yes, that's what I thought too.

00:30:59.910

Jena Cameron: That was not my intention, I'm just pointing out that there are various organizations who serve various clienteles.

00:31:07.500

Jena Cameron: So you know, there are other organizations that just focus on our rural clientele and don't deal with urban clientele and there are other ones who focus on tech women and there are organizations who may be multi-regional but don't have don't service certain provinces, or certain territories, so my suggestion would just be to look at where your organization may have gaps in service or where you can boost your service to underrepresented clientele: immigrant women, Black women, Indigenous women. How can you, because there are organizations that serve those particular clientele, so how can you partner with those organizations, perhaps to increase access for everyone? That's our overall objective, is really to try and obtain national coverage and make sure that these loans are available women right across the country.

00:32:16.530

Sabine Soumare: Thank you, thank you. One question, to this point actually, someone asked about the fact that sometimes equity deserving groups are slower to access loans, so if there are any specific amount maximum/minimum amounts for these groups that will be available for this program?

00:32:38.940

Jena Cameron: So the maximum amount of the loans that can be offered is \$50,000.

00:32:45.630

Jena Cameron: But that doesn't mean that the loans that will be offered will be \$50,000.

00:32:51.780

Jena Cameron: That is the maximum amount that the loan administrator that the organizations that are selected to manage the loan fund, that is the maximum amount of the loan that they are authorized to distribute. So they may decide that they will offer loans of an amount that is different, or that they may offer loan amounts that differs according to the age of the business or the risk profile of the entrepreneur, similar as to what happens now.

00:33:32.040

Sabine Soumare: No further questions in French. Wendy, do you want to jump in?

00:33:36.900

Wendy Cukier: I think we have a couple of questions again from individual entrepreneurs, Sharay and an anonymous person who have ideas, and want to know if they can apply. Again, I'll just reiterate that we're focusing this workshop on the organizations that are going to be offering and administering the loans, as opposed to the entrepreneurs or solopreneurs or startups who are going to be applying for the loans. And so a lot will depend on who the successful consortia is and what the criteria are that they set for the applications, but in principle, I think, that Jenna has mentioned a couple of things which is we won't actually have information about the criteria for individuals to apply for loans until probably late in 2021 with the money available in early 2022.

00:34:47.280

Wendy Cukier: So I'm hoping that addresses those questions, as well as Cynthia's question about the qualifications of the people who will get the funding. Again, the focus today is really on the applicants who will be administering the loan.

00:35:08.250

Wendy Cukier: So we had another question on - and feel free to reach out individually if that doesn't answer your questions - we had another question. Would CFDC be able to expand to urban centers to reach the full women population? Jena?

00:35:30.180

Jena Cameron: I think that would depend on their terms of reference and their abilities, whether they have... I don't think that's I don't think that's a question for me, I think that's a question for the CFDCs.

00:35:49.710

Wendy Cukier: Okay, great there's another question about accountability. Do successful recipients need to report on lending data on an annual basis for five years, or an additional five years after the three years?

00:36:04.650

Jena Cameron: We would, we will be asking for some lending data, because of course we will be interested, but that will be part of the contribution agreement negotiation process, and so that is up for negotiation in terms of length, timeline for reporting, what data will be reported.

00:36:31.440

Wendy Cukier: Okay, great. Another question, what is the total amount an organization can apply for?

00:36:40.260

Jena Cameron: It's a great question. So I think you should be realistic in terms of what your current loan offering profile is, and what you believe you can support. I believe that there will be demand so organizations should be prepared to deal with heavy demand.

00:37:15.510

Jena Cameron: As I said, the loan, the amount in total is \$55 million minus the administration or percentage which is capped at 15% so there's over \$45 million available.

00:37:38.250

Jena Cameron: It would be nice, that would make a very nice revolving loan fund on a national basis or two or three or so, so I can't specifically answer that question.

00:37:53.040

Wendy Cukier: I think you've answered in the sense you don't want to you're not likely to give 100 separate applications funding to administer the loans, it's more likely to be a smaller number is that fair Jena? Yes, okay.

00:38:12.000

Wendy Cukier: And, and I think again here's another question, I believe this is coming more from an entrepreneur, because it says, you mentioned emphasis on investing and consortium or consortia. Does this mean that startups and small businesses are less likely to be accepted? Jena maybe you can take that.

00:38:33.300

Jena Cameron: No, no, so when we talk about consortia, consortiums, and partnerships what I'm talking about is the not for profit who will be the lead organization that is applying to manage and distribute this loan financing to women entrepreneurs.

00:38:55.530

Jena Cameron: An organization can apply on their own if they think that they have the scope and the ability to handle everything all on their own.

00:39:04.710

Jena Cameron: If, however, they want to apply as part of a partnership or a consortium because they want to include, for instance, a for-profit institution to help with loan fulfillment or they want to have other partners who are more targeted or who fill in gaps in terms of their geographic coverage, their language coverage their sectors that they offer services, their ages, that they cover that those would be reasons for a for a consortium or a partnership, it does it has absolutely nothing to do with applying for a woman entrepreneur and her business applying for funding down the road.

00:39:53.460

Wendy Cukier: Okay, and I think you've answered this next question but I'll just confirm that a partner organization can be a financial institution. Is that correct?

00:40:04.950

Jena Cameron: A partner organization can be a financial institution, however, they cannot be the lead applicant.

00:40:12.030 --> 00:40:25.290

Wendy Cukier: Perfect then there's another question here, you mentioned that the administrative portion of the funding is non-repayable. Is the capital loan fund itself also non-repayable?

00:40:29.970 --> 00:40:34.980

Jena Cameron: So, the intention is to have the loan capital become our revolving fund, so the money will go out at an interest rate to be determined, but less than prime plus four or capped at a maximum of prime plus four.

00:40:55.650

Jena Cameron: And the administration fees will be used by the organization to support their administrative costs in managing the loan fund.

00:41:12.270

Wendy Cukier: Okay, is there an expectation for a minimum amount funds should disperse?

00:41:22.800

Jena Cameron: Is that not the same question as how much how much of a loan fund should we be applying for?

00:41:31.320

Wendy Cukier: I think it is. They're trying different approaches.

00:41:36.480

Jena Cameron: Well we're open, but as I said, we don't want to fund an organization that is extremely... that operates in one city, in one part of one province, that targets one specific clientele only. Our preference would be for that organization to look and partner with other organizations who have a similar goal but together that can expand the reach of services to a broader clientele. What we're really, really looking for is national coverage, so if it takes multiple partners to make the national coverage okay if it takes the government selecting several applicants or several consortia to make national coverage that's also OK, but if you are a small targeted organization, I would suggest that you will have better luck if you look to partner with other organizations.



00:43:02.760

Wendy Cukier: And I think there's a question about consistency across the country. Will the loans be administered same across Canada, i.e. will women be able to receive the same amount of money, no matter where they are in the country?

00:43:20.370

Jena Cameron: So, yes and no.

00:43:25.650

Jena Cameron: um if there are different loan administrators they may offer loans on different terms. If they are covering different clientele, for instance, if you are a new startup or you have different loan risk criteria than someone else, then you may be offered a different interest rate than another business who is applying.

00:44:03.900

Jena Cameron: The same as it is offered now, there are different loan products that are available across the country so we're not expecting that it will be exactly the same across the country, but what we're hoping for is equitable access for women across the country.

00:44:24.630

Wendy Cukier: Right, thanks. One more question before I hand it over to Sabine, and that is, are there any advantages of partnering with nonprofits versus for profits?

00:44:40.950

Jena Cameron: No. This funding is geared for nonprofits but we understand and accept having for-profit institutions as partners, and I think it's whatever combination allows you to be the most effective, then go for it.

00:45:12.480

Wendy Cukier: Okay. Sabine.

00:45:14.520

Sabine Soumare: Thank you Wendy.

00:45:16.860

Sabine Soumare: So I have one more question regarding the contribution agreement. Someone asked at the end of the contribution agreement that we have to return the funds reimbursed by the entrepreneurs, or can we keep these funds to continue to invest into businesses and make the fund last? I'm not sure if that's clear.

00:45:46.770

Jena Cameron: Yes, that's fine. No, The intention is that this will..The fund will continue. The loan capital will continue. What there is a guarantee of is three years of administrative funding at this point.

00:46:07.170

Jena Cameron: Though we are asking organizations to submit a plan for what would happen after that funding ends and, of course, then there is an opportunity to have those discussions down the road or as part of the contribution agreement negotiations, but no the intent is that that loan capital will remain as loan capital to be managed.

251

00:46:37.260 --> 00:46:45.990

Sabine Soumare: Okay, thank you Jena and I hope that answers the question. There was one more question, and please don't be sorry to ask a question in French, it's fine.

00:46:54.450

Sabine Soumare: In terms of the organization, if you are focused or your organization is operating in one specific city, is that a disadvantage compared with others? I've seen this question actually a couple of times: are you focusing on national organizations or you will also give a chance to smaller organizations in one specific region?

00:47:20.610

Jena Cameron: So yeah.

The advantage definitely will be with national organizations or consortium's that have a broader reach.

00:47:38.310

Jena Cameron: That being said, I encourage you to reach out because there will be national partners or other organizations who will be looking or who will need to reach your clientele. Your clientele is important and we want to reach your clientele. So how can we do that, and ensure that they too have access to these loans?

262

00:48:08.760 --> 00:48:26.700

Wendy Cukier: Great, there's another question. What if an organization, what if organizations that serve Black women, immigrants, Indigenous women and so on don't actually get selected to manage the loan fund, how are you going to make sure these people who are under representative are taken care of?

00:48:29.250

Jena Cameron: I think that's an excellent question.

00:48:33.930 --> 00:48:54.420

Jena Cameron: And that's why we're really pushing this partnership and consortium ideas, because we realized that there are many, many excellent organizations out there who don't have the capacity to manage a large loan fund, but through partnering they will be able to share information and provide the wrap around business support services to their clientele and it allows access to their clientele to these important loans. So two things I would encourage those organizations to reach out to try and partner.

00:49:19.140

Jena Cameron: And also once we see the suite of applications, we may look at some further, partnering suggestions as part of the negotiation of the contribution agreement process.

00:49:36.750

Jena Cameron: And then, finally, I think there is absolutely nothing stopping you down the road. Say another organization was selected to deliver loans, there is nothing stopping organizations in the future from partnering at a later date to provide access to their clientele to those loans. I would say it's kind of an ongoing it's an ongoing process.

00:50:20.850

Jena Cameron: We really do want to ensure that women entrepreneurs who have been traditionally underrepresented and have had less access and more challenges and accessing capital that they have access to this funding.

00:50:37.260

Wendy Cukier: Great. So another question. For the 15% admin fee, does this also cover all additional program and operations systems, new wraparound programs, new staff, or can we additionally apply for funding for new programming directly related to these things?

00:51:01.770

Jena Cameron: Actually excellent question.

00:51:04.560 --> 00:51:07.620

Jena Cameron: The 15% admin fee is to manage loan the loan fund and the associated services with the loan fund, so the application guide has a list of eligible cause and ineligible costs and just please note that costs are not eligible to be reimbursed until the contribution agreement is signed, so just if you are incurring costs now, they would not be reimbursed.

00:51:41.910

Jena Cameron: That being said, another part of the women entrepreneurship strategy is the ecosystem fund, and many of you may be aware of that because there are current ecosystem fund recipients, in fact, many of you may be ecosystem found recipients. So Budget 2021 announced additional funding for the ecosystem fund.

00:52:10.980

Jena Cameron: That funding is not yet in place, has not been announced, but the budget did tell us that it is coming, and we are working on it.

00:52:25.290

Jena Cameron: That sort of funding or outside funding outside of this administrative funding can be used for the wraparound services. The administrative fee associated with the loan fund management is specifically for the offering of the loan fund, if that makes sense.

00:52:47.970

Wendy Cukier: Great. Another question. Eligibility criteria is that the organization must be able to underwrite loan and eligible expenses is a debt write-off. Please clarify these two points because depending on the interpretation they seem to contradict one another, so the ability to underwrite the loan and the debt right off I think are the questions.

00:53:25.590

Jena Cameron: So what we're saying is because this is a loan management, organizations are applying to manage a loan fund, so they need to be able to offer loan fulfillment capacity, either themselves or through a partner organization. So that's on the loan fulfillment side.

00:53:55.590

Jena Cameron: I believe that write-off is more on the loans themselves, that the loan management organization will have the ability to write off certain loans from women entrepreneurs if they need to. That's the debt management, I believe.

00:54:21.660

Wendy Cukier: Over to you, I think, to the next couple of comments Sabine.

00:54:27.240

Sabine Soumare: So we have a question here. Jena, is there any way to find out which organizations are interested in applying just to see how they can partner?

00:54:40.530

Jena Cameron: So we realized that this is a challenge and that's why we have suggested, perhaps trying to use the sharing platform through the Knowledge Hub, and I see the link in the chat.

00:54:55.650

Jena Cameron: I think we will post it again, but if you just give some of your particulars in an ask, then you can specify whether you are a lead applicant looking for some partners, or a partner applicant looking to perhaps join an existing application.

00:55:23.190

Wendy Cukier: Great.

00:55:26.850

Wendy Cukier: Sabine, did you want to pick up a couple of the French ones?

00:55:31.110

Sabine Soumare: Oh, I think that's it Wendy, the other ones were to just ask about the recording of the webinar and I have already answered that it will be available at the end of the session.

00:55:41.730

Wendy Cukier: I'm just conscious of the time, and some of these may require written follow up responses and I think some are also very specific about individual organizations.

00:55:53.850

Wendy Cukier: Here's one. If the lead applicant is not a lender but a network entity representing several lenders, individuals CFDCs all have experienced in lending, could they still apply?

00:56:10.260

Jena Cameron: Let me, let me look into that and then the specifics, I understand the question but I will follow up with that.

00:56:21.480

Wendy Cukier: There's another question, a couple of questions that have to do with disbursement. I think lots of people are trying to get it, the size that this is more a question about will the money be provided upfront, or will it be dispersed year over year? How is that going to work.

00:56:39.780

Wendy Cukier: It's another question Jena mentioned at the outset, she might come back to the loan model. Can you elaborate on that? That would be appreciated, not sure if there's more you can add to what you've already said.

00:57:02.100

Jena Cameron: So I would just look at the application guide because, again, we have just tried to provide the outside parameters for the for the loan fund applicants. In other words we're seeing the parameters outside which you can't operate, so we are saying that the maximum interest rate that you can charge to women entrepreneurs would be prime plus four.

00:57:37.650

Jena Cameron: It doesn't mean that you have to charge prime plus four, it means that that is the maximum that we will allow you to charge. By the same token, the maximum loan amount that can be offered is \$50,000.

00:57:53.160

Wendy Cukier: Another series of questions that really have to do with the eligible expenses and my personal view is rather than going through those details, now those would be good follow up questions about specific things that's included.

00:58:13.350

Jena Cameron: They're in section five of the application, the eligible and ineligible administrative costs.

00:58:20.880

Wendy Cukier: Okay. Perfect. And, then, can you expand on the sustainability requirement? Is this part of the 30 page proposal or a separate document? How long should the plan be?

00:58:33.870

Jena Cameron: it's separate, it is a separate item and there's no specific requirement, I guess, we would just like you to ensure that you have thought about what will happen after administrative funding ends and what the plan could be for going forward.

00:58:59.640

Wendy Cukier: Great, and I think that ties into a question which I, I think you've sort of answered but I'll post it again.

00:59:07.320

Wendy Cukier: Is the money repayable to the government, my understanding is it's not. It's an evergreen fund, but the organization has to have an explanation of how they will maintain that fund after the administrative support ends. Is that correct?

00:59:24.990

Jena Cameron: That's correct, it is an evergreen fund, so the loan the loan is non-repayable to the loan managing organization, but the loans themselves to women entrepreneurs will be repayable.

00:59:45.810

Wendy Cukier: There's a question about when the application forms will be available, and again I think there may be two things. The application form for the loan fund that we're talking about today is available and is posted on the website. The application forms to actually receive the loans if you're an entrepreneur, I think we estimated would be towards the end of 2021 for loan disbursements in 2022.

01:00:18.210

Wendy Cukier: Is that right Jena?

01:00:20.100

Jena Cameron: yeah it might even slip into 2022. This is a loan program that's being set up, so it will be several months before loans are able to be offered to women entrepreneurs.

01:00:39.330

Wendy Cukier: Great. Some more popping up. Will organizations who serve specific underrepresented groups, e.g. Indigenous peoples, be penalized for serving only one demographic? Should they consider partnering with other organizations that serve women entrepreneurs in general?

01:01:03.390

Jena Cameron: So it's not penalizing. That's an important demographic, of course, and I would encourage that organization to apply. I do feel that partnering so that you can offer more loans to more people is better, but it's certainly not a deal breaker.

01:01:29.370

Wendy Cukier: Okay, and next to Sabine.

01:01:31.410

Sabine Soumare: So does the company have to be majority owned by women, 50% plus one, or only owned by women? So I think that's a good question.

01:01:45.900

Sabine Soumare: What do you think Jena.

01:01:47.520

Jena Cameron: The organization that is applying to manage the loan fund or the entrepreneurs who will be applying for financing?

01:02:00.060

Sabine Soumare: Yes, the woman entrepreneurs.

01:02:07.530

Jena Cameron: So yes, I do believe that that is one of the requirements that we are putting in place, which is that any organization that is selected to offer this financing, that it can only offer the financing to women-owned businesses. More than 51%.

01:02:32.100

Wendy Cukier: And so that's important because we know that there's some organizations lending money to women that put the threshold much lower like 25%, so what that presumably means is that they will only be able to offer this particular set of funds to those organizations that are majority-owned by women is that correct Jena?

01:03:02.400

Jena Cameron: Yes, so.

01:03:06.720

Wendy Cukier: If we have more questions, who should we contact? I thought it was put in the chat but I'm going to ask Kayla or somebody to stick in again the follow-up ISED contact information.

01:03:23.340

Jena Cameron: So I would encourage people to go first on to the website, read through the application guide, read through the frequently asked questions, we will try and update the frequently asked questions, based on the questions that came through today, so that answers are available to everyone.

01:03:43.860

Jena Cameron: Give us a couple of days to do that and then I'm feeling that if you still don't see an answer to your question, then please go ahead and feel free to contact us.

01:03:58.110

Wendy Cukier: And I think all those details are back in chat. I have also asked that my team send out a follow up survey to the participants today. Just in case there are any people that we didn't get to, or we missed in the Q and A session.

01:04:21.450

Wendy Cukier: But, I'm hoping we have covered most of the questions that have appeared. A few people have sent chat notes asking for specific follow up, and we will retain all of that. Back to you Sabine. Is anything anything else that we need to cover or that I missed?

01:04:42.630

Sabine Soumare: So nothing on my end in terms of different questions.

01:05:03.840

Sabine Soumare: Wendy I think we're close to the end, so do you want to say the final words?

01:05:06.840

Wendy Cukier: No, I'm passing it back to you.

01:05:09.930

Sabine Soumare: Happy to do it. So thank you all for joining us today.

01:05:13.290

Sabine Soumare: I hope you found this session helpful and informative. A replay of this webinar I know you've asked the question, so it will be available to all registered attendees.





Women Entrepreneurship  
Knowledge Hub

Portail de connaissances  
pour les femmes  
en entrepreneuriat

01:05:22.860

Sabine Soumare: Feel free to share the recording with colleagues who were not able to attend and if you have any questions, I think we've shared the email addresses, so you can email us at [di.wekh@ryerson.ca](mailto:di.wekh@ryerson.ca).

01:05:36.720

Sabine Soumare: You can also email ISED directly, so thank you once again for joining us and enjoy the rest of your Wednesday. Thank you Jena for your time. I really appreciate that, and thank you Wendy it's been a pleasure to be with you.

01:05:54.450

Jena Cameron: Thanks very much.