CCES 2025 Session Summary

SME Workshop: Supporting Canada's Circular Economic Engine

Small and medium-sized enterprises (SMEs) are the cornerstone of Canada's economy, generating over 50% of the nation's GDP and representing over 99% of all businesses. Also, SMEs collectively account for a significant share of Canada's carbon emissions, highlighting the urgent need to shift toward a climate-smart circular economy.

This workshop focused on how and where SMEs can access programs, resources, and support to tackle environmental challenges and unlock substantial economic opportunities.

This comprehensive session featured exercises designed to provide insights into various supports available to help SMEs transition to circular practices. These supports include funding opportunities, strategic planning resources, measurement tools, research initiatives, and collaborative partnerships. The workshop concluded with a fun and structured networking activity, as expanding contacts is vital to the success of the SME sector. By utilizing these resources, SMEs can enhance efficiency, mitigate risks, and strengthen their position in a changing and challenging marketplace.

Date / Location Tuesday, April 15, 2025 | Montreal

Speakers

- **Andrew Telfer**, Director, Circular Innovation Council (moderator)
- **Chrystal Healy**, AVP, Sustainability, BDC
- **Kookai Chaimahawong**, Executive Director, Centre for Climate & Business Solutions
- **Emilie Roy**, Trade Commissioner, Global Affairs Canada
- **Georgia Lavender**, Managing Director, Synergy Foundation
- **Mathieu Sasseville**, Director, Sustainable Investments and Impact, Fondaction
- **Chantal Rossignol**, Coordinator, ETS/CERIEC

SUMMARY

This workshop was focused on empowering small- and medium-sized enterprises (SMEs) as key players in Canada's transition to a circular economy. Following the morning's presentations, where leaders brought theory into action by sharing how they've embedded sustainability and circularity into their operations, the workshop focused on the support systems that help other SMEs do the same.

On stage were representatives from organizations that offer a wide range of programs for SMEs—business acceleration, greenhouse gas (GHG) measurement, financial support, or other types of capacity building. Each panelist briefly introduced themselves, their organization, and the programming they offer.

Audience participation is encouraged throughout. You're not just here to listen—your stories, questions, and insights are equally valuable in advancing this conversation. The room is full of changemakers, and we want to hear from all of you.

Why this focus on SMEs? Because they are vital to Canada's economy and our climate goals. SMEs comprise over 98% of businesses in the country, contribute between 50–54% of the GDP, and employ more than 88% of the private workforce. Importantly, they are responsible for an estimated 44% of national GHG emissions.

Engaging SMEs is essential for achieving Canada's net-zero targets. As the Ellen MacArthur Foundation notes, energy transition alone can only get us 55% of the way—circular strategies are needed to tackle the remaining 45%. That includes how we make, use, and reuse products and materials.

But this isn't a one-way ask. Circularity offers real value to SMEs. Reducing waste means reducing costs. Circular strategies can improve resilience, create new revenue streams, enhance brand reputation, and support regulatory readiness. They can open new markets, shorten supply chains, and improve engagement with both internal and external stakeholders.

SPEAKERS

Chrystal Healy, BDC

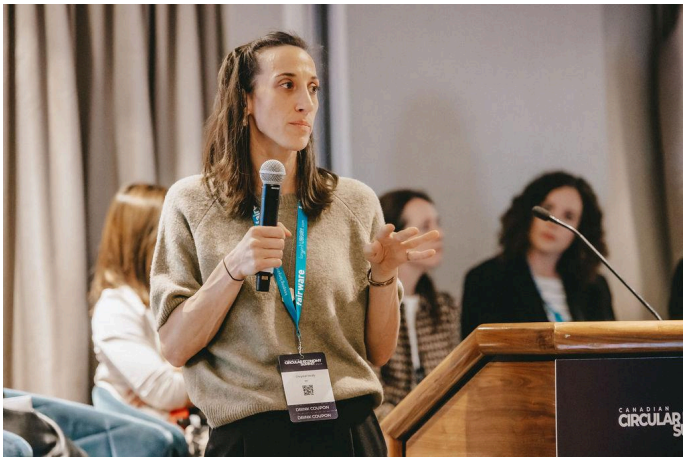
Business Development Bank of Canada (BDC) is the only financial institution in the country solely dedicated to supporting small and medium-sized enterprises (SMEs). Our purpose is to help Canadian entrepreneurs and businesses grow and thrive.

We support SMEs through three key service streams:

1. BDC Capital – Our venture capital arm includes specialized funds such as the Cleantech Fund and Sustainability Venture Fund, designed to support businesses advancing environmental and circular solutions

2. Financing – We provide term loans and traditional financial services tailored to the specific needs of SMEs across industries.

3. Advisory Services – This sets us apart. We deliver expert advice to help businesses grow, optimize operations, and embed sustainability into their strategies. Last year alone, we completed over 3,000 advisory mandates.



Today, BDC serves approximately 100,000 clients across Canada—about one in twelve SMEs. We're proud of that reach and the trust SMEs place in us.

What makes BDC special is what we offer and how we do it. Sustainability is a cornerstone of our approach. Whether an SME is fully committed to sustainability or just beginning the journey, we meet them where they are. We often say, "Sometimes the green smoothie works, but sometimes it's the orange one." Not every business has a sustainability-first model, but many want to start integrating green principles. And that's okay—we support both.

We're proud to be a B Corp ourselves, and even prouder that one in four B Corp-certified businesses in Canada are our clients. That reflects our shared values and commitment to better business practices.

Ultimately, SMEs are the heartbeat of Canada's economy—and a critical force in building a circular economy. I'm genuinely excited to be part of today's conversation and look forward to learning from you. Every interaction with an entrepreneur inspires me, and I know we'll all gain valuable insights from our exchanges today.

Kookai Chaimahawong, Centre for Climate & Business Solutions

The Centre for Climate and Business Solutions at the UBC Sauder School of Business is the first climate-focused centre based within a Canadian business school. Although just one year old, the Centre is already making a significant impact by bridging business education with real-world climate action. Its mission is twofold: to support businesses, particularly SMEs, in achieving their climate goals and to equip students with the practical skills needed for a sustainable economy.

A cornerstone initiative is the BMO SME Climate Clinic, a free national program launched in partnership with the Bank of Montreal. The clinic pairs trained business students with SMEs to calculate their Scope 1, 2, and 3 greenhouse gas (GHG) emissions. Students are first educated in a specialized course focused on climate reporting and emissions accounting—critical skills still rare in many business programs. They then apply this knowledge directly by supporting real SMEs needing GHG reporting services.

This hands-on learning model provides SMEs with valuable climate insights at no cost and prepares students to enter the workforce with experience and credibility in sustainability reporting. Over three cohorts, the program has already supported 40 businesses and is scaling nationally.

The Climate Clinic helps address what the Centre calls the “intention-action gap” in business. Many companies intend to pursue climate initiatives but lack the tools and knowledge to act. The Clinic provides “how,” delivering tangible support to improve cost efficiency, strengthen market resilience, and meet growing supply chain demands.

A key driver for many SMEs to participate is customer demand, especially from large buyers that have committed to net-zero targets. These companies increasingly need accurate Scope 3 data, which means collecting Scope 1 and 2 emissions data from their SME suppliers. The Centre works directly with large organizations like MEC, Telus, and the Provincial Health Services Authority to help SMEs in their supply chains measure and report emissions. Importantly, data shared through the program is confidential and used strictly for the benefit of participating SMEs.

Beyond emissions reporting, the Centre also runs Life Cycle Assessment (LCA) programs for SMEs developing new products. These assessments help companies understand their products' environmental impact and communicate sustainability performance to investors and customers.

Through programs like the Climate Clinic and LCA services, the Centre for Climate and Business Solutions creates a powerful feedback loop: helping SMEs reduce their climate impact while training the next generation of climate-literate business leaders. It is a practical, scalable, and collaborative approach to advancing climate action and circular economy principles within Canada’s SME sector.

Emilie Roy, Global Affairs Canada

Based in Montreal, Emilie represents the Trade Commissioner Service (TCS), part of Global Affairs Canada. The TCS helps Canadian small and medium-sized enterprises (SMEs) expand into international markets. With over 1,000 trade commissioners in more than 160 cities worldwide and six regional offices across Canada, the TCS offers a globally connected network to support export readiness and growth.

The core services the TCS offers are free for Canadian companies with substantial ties to Canada. These companies contribute to the national economy, demonstrating the capacity and commitment to international expansion.

In Canada, trade commissioners work directly with SMEs to help prepare for global markets. This includes understanding each company’s unique value proposition, client base, and expansion goals.

Once a business is ready to enter a new market, TCS provides on-the-ground support for its key priority markets. The TCS can help exporters prepare for international markets, assess their market potential, connect with qualified contacts, and resolve business problems abroad.

TCS also facilitates international engagement through various events and programs, including webinars, business-to-business programs at international conferences, and trade missions.

Beyond advisory services, TCS offers financial support through targeted programs. The CanExport SME supports costs related to exploring and entering new markets. CanExport Innovation, reopening June 1st, supports companies pursuing collaborative research and development agreements with global partners. Strong and carefully prepared applications are encouraged because these programs are competitive and often oversubscribed.

TCS also runs Canadian Technology Accelerators (CTAs) for innovative SMEs. These sector-specific programs offer mentorship, coaching, and introductions to potential clients and investors. CTAs are held in leading global markets and cover industries such as cleantech, digital tech, and health innovation. Companies interested in participating can subscribe to alerts for updates on application periods and upcoming cohorts.

TCS also offers practical online tools and resources. These include the Tariff Finder, which provides tariff information for markets where Canada holds free trade agreements—51 countries across 15 agreements. Other tools include step-by-step exporting guides and a website regarding support for Canadian exporters faced with U.S. tariffs.

Partners from NRC IRAP, a program that offers R&D funding and support for innovative companies, were also in the room. Emilie emphasized that in Quebec and across Canada, many programs and funding opportunities are available to help SMEs grow domestically and internationally.

Emilie and her colleagues are happy to speak with participants during or after the session for more information or individual advice.

Georgia Lavender, Synergy Foundation

Georgia, Managing Director of the BC-based nonprofit Synergy Foundation, presented the organization's mission to drive regenerative local economies and support small and medium-sized enterprises (SMEs) in adopting circular and sustainable business practices. Synergy Foundation fosters an equitable, inclusive, and resilient economic future for communities through its core programs.

Synergy Foundation's work is anchored in three key program areas: the BC Green Business certification program, which supports SMEs in greening their operations; FED Urban Agriculture, a charity advancing food security and urban growing initiatives; and Project Zero, the flagship initiative focused on circular economy programming.

Project Zero was launched in 2019 and now includes three core areas of activity. First is the Incubator Program, designed to help early-stage entrepreneurs move from idea to launch. This free, eight-month program supports participants in developing business acumen, entrepreneurial skills, and connections with circular economy leaders. Since its inception, it has supported over 80 ventures and helped create

more than 170 green jobs in BC. Ventures range from upcycled product makers to seaweed-based acoustic panels. The Foundation is now working to scale this model nationally by partnering with host organizations such as Queen's University and EcoNext in Newfoundland and Labrador.

Second is the Accelerator Program, which works with existing businesses—often unfamiliar with sustainability or circular economy concepts—to help them identify circular opportunities within their operations. The program uses a proprietary tool with over 70 indicators to assess circularity and gather baseline data, enabling the team to create customized strategies. These strategies help businesses realize economic benefits through increased operational efficiency, reduced waste, cost savings, and new revenue streams. The program targets businesses in traditional sectors like manufacturing, food and beverage processing, construction, and tourism.

Third is Synergy's broader capacity-building work, which includes developing educational resources, delivering workshops, and partnering with post-secondary institutions. This strengthens the circular economy knowledge base across communities and sectors while attracting a more diverse range of participants.

The Foundation's approach emphasizes accessibility by eliminating barriers to participation, particularly in the incubator program. Many entrepreneurs entering Project Zero do not initially identify as businesspeople or sustainability experts, yet they graduate with viable business models and measurable impact.

Georgia closed by encouraging attendees to explore videos and resources that highlight businesses' experiences in the programs. Synergy Foundation continues to champion a model that combines economic opportunity with environmental benefit, bringing new voices and industries into Canada's growing circular economy movement.

Mathieu Sasseville, Fondaction

Representing Fondaction, a four-billion-dollar fund based in Quebec, Mathieu Sasseville shared the organization's long-standing commitment to sustainable investing. Founded in 1996, Fondaction was one of the first institutions in Canada to adopt sustainability as a core investment principle, well before it was widely discussed or embraced in the finance world.

Since joining Fondaction in 2013, Mathieu has seen the organization move from early adoption to strategic implementation of sustainability and impact investment across its entire portfolio. The circular economy is one of the core focus areas in recent years.

Fondaction has supported circular economy initiatives for over two decades, though earlier efforts were more opportunistic than structured. However, the organization has recognized the need for a more

focused and strategic approach in the past five to six years. This shift has been informed by data showing a significant circularity gap, particularly in Canada and Quebec. While the circularity index is about 15 percent in Europe, it remains around six percent in Canada and approximately 33.5 percent in Quebec, indicating both a challenge and a market opportunity.

To help close this gap and catalyze real systems change, Fondaction has begun aligning capital more intentionally with circular economy goals. In 2021, it partnered with the City of Montreal and the Government of Quebec to launch Canada's first venture capital fund dedicated exclusively to the circular economy. This pioneering move marked a significant step in building a more formalized ecosystem of circular investment in the country.

One notable portfolio company supported by this initiative is Dispersa, a startup led by founder Niveata, who exemplifies the kind of innovation Fondaction aims to back. Companies like Dispersa are applying circular principles in scalable, impactful ways, demonstrating that financial returns and environmental benefits can go hand in hand.

Mathieu emphasized that the current global context of disrupted supply chains, economic uncertainty, and rising tariffs makes circular investments more relevant than ever. Localized production, collaborative networks, and resource-efficient systems help build the resilience that is increasingly essential for long-term business success and community well-being.

As an investor, Fondaction sees itself as more than a funder. It convenes partners from across sectors, including CERIEC (Centre for Intersectoral Studies and Research on the Circular Economy), to advance circularity in Quebec and beyond. The organization believes collaborative partnerships and capital allocation can help scale circular economy solutions, drive innovation, and foster economic and environmental resilience across Canada.

Mathieu concluded by reaffirming Fondaction's belief in the circular economy not just as a sustainability strategy, but as a viable and essential economic opportunity, especially in times of change and disruption.

Chantal Rossignol, ETS/CERIEC

Chantal, coordinator of the circular economy acceleration lab ecosystem at CERIEC, shared insights into their unique approach to systems change. CERIEC, based at a French-language engineering school in Montreal, has established a growing network of labs designed to accelerate the circular transition in key economic sectors through collaborative research and field-based innovation.

The ecosystem currently includes three complete labs focused on the construction sector, food systems, and textiles, and two micro labs focused on the health sector, run in partnership with Université Laval. These labs adopt a model partly inspired by the living lab methodology, bringing research out of the traditional academic setting and into the field where real-world users can co-develop and test solutions.

CERIEC's lab methodology is grounded in three pillars: co-creation, field experimentation, and shared benefits. Each lab operates over a three-year cycle, beginning with mobilizing various stakeholders across the value chain, including public, private, academic, and civil society actors. Together, these groups develop a shared vision for a circular sector 25 to 30 years into the future. They identify barriers to that vision and collaboratively design and test projects to overcome them.

Solutions target various obstacles, including regulatory frameworks, infrastructure needs, organizational practices, technology gaps, and perceptions. The labs serve as a platform for practical innovation and capacity building, allowing stakeholders to engage deeply, gain new knowledge, and create a tangible impact.

The Construction Lab is the only one to complete a full three-year cycle. It successfully engaged over 300 individuals from 120 organizations, including many SMEs, and led to the development of 19 pilot projects. According to a participant survey, 60 percent of respondents felt more empowered after participating, likely due to new knowledge and the collaborative relationships formed. A detailed booklet on the projects is available in English on the Circular Construction web platform.

The Food Systems Lab, co-led with a nonprofit dedicated to reducing food waste, is active and hosts a public-facing web platform. The newly launched Textile Lab is just beginning its journey. Looking ahead, CERIEC aims to expand this model to additional sectors, including critical and strategic minerals.

Chantal emphasized that these labs are not just about solving individual problems—they represent a systemic approach to transforming entire value chains. By engaging all parts of a sector and prioritizing shared learning and collaboration, CERIEC's lab ecosystem supports the scalable adoption of circular practices across Quebec and potentially beyond.

Participants and stakeholders are encouraged to explore CERIEC's platforms and connect with lab alumni, who continue to drive circular innovation in their industries.

Audience Q&A

Questions

1. Is Mathieu's funding available only for Quebec businesses?

2. How can the panelists and their organizations collaborate more effectively to scale circularity in Canada beyond siloed SME initiatives?

Summary of Responses

1. Mathieu Saville (Fondaction) confirmed that while its core funding focus is in Quebec, Fondaction also invests through a network of impact funds across Canada. This means opportunities can exist for companies outside Quebec, especially if they align with Fondaction's sustainability strategy through these partner funds.

2. BDC emphasized its national scope as Canada's development bank. It works with over 200 partners across the country and actively seeks collaborations with organizations like Fondaction. It focuses on partnerships that create the most significant impact and avoid duplicating efforts.

3. Chantal (CERIEC) explained that while CERIEC's labs are Quebec-based and primarily in French, their vision is national and systemic. They engage with stakeholders across Canada and internationally, share resources (some available in English), and draw from best practices beyond Quebec. Circularity must be scaled through ecosystems, not isolated efforts, and CERIEC is committed to sharing and adapting its model more broadly.

4. Georgia (Synergy Foundation) spoke about building business-to-business collaborations through their incubator and accelerator programs. They connect early-stage entrepreneurs with solution-seeking businesses and identify gaps where new innovations are needed. Partnerships

with the government's help implement and share circular strategies across communities.

5. UBC Centre for Climate and Business Solutions highlighted the need for a systems-level approach. They partner with SMEs, large corporate customers, standards organizations, and science-based target initiatives. Their programs are designed to respond to upstream and downstream pressures in the supply chain, ensuring circularity is integrated into broader sustainability frameworks.

6. Emily (Trade Commissioner Service) confirmed that TCS regularly partners with federal and provincial organizations to support SME growth abroad. They often collaborate with local associations and incubators in Canada and internationally to help Canadian businesses expand into global markets.

In conclusion, the panel affirmed that scaling circularity in Canada requires coordinated efforts across sectors, regions, and levels of government. While organizations may operate in specific geographies or focus areas, they actively build partnerships to ensure that knowledge, resources, and solutions are shared. The collective goal is to move from isolated success stories to a cohesive, national circular economy movement.

Question

Is the UBC student support program for greenhouse gas (GHG) analysis only available to British Columbia SMEs, or can Quebec SMEs also participate?

Response

The program is not limited to BC-based SMEs. While the students conducting the work are based at UBC, the program is open to SMEs across Canada, including those in Quebec. Interested SMEs can apply to participate in carbon accounting and life cycle assessment programs, which are provided free of charge. The long-term goal is to scale the program nationally to ensure widespread access.

The panel emphasized that GHG reporting, especially Scope 3, can be complex and resource-intensive for SMEs. The program helps address this barrier by offering tailored support based on the business's complexity and readiness. Tools like BDC’s free GHG calculator and eBook, available through their Climate Action Hub, may suffice for simpler cases. More complex cases benefit from hands-on student support over a multi-month period.

Panelists agreed that meeting SMEs where they are is key. Many businesses begin the program with little interest in sustainability but often emerge with a deeper understanding of their operations and new opportunities for cost savings and environmental improvements. Programs like CERIEC’s labs are also helping to address system-wide barriers, including gaps in GHG accounting protocols like the exclusion of incineration emissions.

The discussion reinforced the importance of accessible, customized support to help SMEs engage meaningfully in climate action and circular practices.

Audience Comment

Rob from Cascadia Seaweed expressed appreciation for the support from the UBC program (Kookai) and the Canadian Trade Commissioner Service. He praised the ease of completing Scope 1 and 2 emissions reporting, especially from an accounting perspective. He highlighted how the Trade Commissioner Service has been instrumental in helping the company explore export opportunities beyond the U.S.

His main comment focused on a gap in the demand side of the circular and sustainable economy. While government programs have provided strong support for supply-side activities, such as investment, market access, and guidance, there is a lack of market signals or requirements that encourage or mandate the purchase of environmentally beneficial products. Despite their product's clear environmental advantages, customers are not incentivized or obligated to choose it. Rob noted that Canada lags behind European jurisdictions in implementing standards, protocols, and mandatory requirements that could drive this demand and support circular businesses through stronger market pull.

Audience Comment

Wendy Potomski, speaking as a member of the Circular Innovation Council board and through her involvement with other organizations, highlighted a key gap in scaling circular solutions: the lack of a clear, accessible pathway to deploy existing, proven technologies.

She emphasized that while calculating emissions, financing, and forming partnerships are important, the real challenge lies in connecting businesses that know they need to act with solutions ready to be implemented. She likened this need to a “dating app” for circularity—an easy, streamlined way for companies to find and adopt technologies or partners to help them take action.

Wendy noted that the focus is often on creating new technologies, when many effective, credible solutions are underutilized. She is involved with a group working on deployment in collaboration with the University of Toronto, similar to UBC’s approach.

She closed by stressing the importance of piloting projects, demonstrating results, and sharing those outcomes widely so others can build on proven successes. This will make adoption easier across sectors, regions, and even internationally.

Audience Comment

A Natural Products Canada (NPC) representative shared an overview of the organization’s role in supporting small and medium-sized businesses across Canada, especially those working with bio-based innovations. While NPC focuses on SMEs, it refers to them as SMBs and supports them across various sectors, including agriculture, natural health, food, nutrition, packaging, and cosmetics. Its unifying theme is bio-based solutions, which align naturally with circular economy goals.

NPC's approach is gap-driven. They assess the innovation and funding landscape, identify what’s missing, and design programs to fill those needs. This includes support for talent acquisition, especially for companies seeking to hire mid- to senior-level roles, and proof-of-concept funding, which helps SMBs overcome regulatory barriers by funding necessary trials and validation work.

A central part of NPC's value is connectivity. They facilitate real-world collaborations between companies, for example, matching a business with a calcium-rich byproduct to a pet food manufacturer seeking sustainable calcium sources. These partnerships would not happen without NPC's national network and sector-spanning visibility.

NPC operates federally, with representation in every province. It supports regional strengths, such as connecting seaweed-based companies in British Columbia and Nova Scotia to shared resources and opportunities for product development, such as alginate and wood pulp.

They also have a capital investment arm, now operated through an independent fund called Nadara, which invests directly in bio-based innovation. Initially working with $9 million and achieving a 53x return, they have since scaled up to a $20 million fund with ambitions to reach $50 million. Their mandate is to lead investment in the bio space, leveraging their specialized knowledge and positioning themselves as the go-to catalyst for others like BDC and Fondaction.

Ultimately, NPC exists to remove barriers and accelerate the growth of bio-based circular innovation in Canada through funding, talent support, proof-of-concept assistance, and nationwide connectivity.

Audience and Panel Discussion

The conversation began by reflecting on the early-stage nature of many circular economy collaborations. One panelist likened the process to dating—organizations are still learning how to work together, define shared language and goals, and prepare for more formal frameworks, such as the structured standards seen in Europe. When those standards arrive, participants won't be starting from zero—they will already have trust, experience, and partnerships in place.

The discussion then shifted to maintaining momentum with SMEs after they complete a circular accelerator or incubator program. The concern was that participants often feel highly engaged during the program but experience a drop-off afterward, creating a need for continued connection and support.

Georgia (Synergy Foundation) shared that they maintain informal relationships with alumni through check-ins, events like their annual awards gala, and tailored support. They are also building connections between businesses that went through different cohorts and exploring more formal post-program pathways.

Others contributed examples of how ongoing support can be structured. One model mentioned was "Coffee with COIL," a monthly virtual meetup that kept alumni connected and engaged through discussions and guest speakers. Another panelist described how their accelerator includes formal six- and twelve-month check-ins with alumni to track progress and understand barriers. This feedback is also shared with government partners to inform policy and support systems.

Another panelist added that their organization is launching a third program focused on storytelling and communication, after learning that many SMEs struggle to articulate their sustainability value proposition. The insight is that circularity and sustainability are complex, and continued support must be practical, customized, and accessible.

Audience members emphasized the importance of embedding sustainability into core business strategies, especially for SMEs that often operate with limited resources and staff. If circular practices are not

integrated into governance and business operations, they risk being deprioritized. Leadership support—“tone from the top”—is crucial, but so is communicating the value and relevance of circularity to every level of the organization.

The conversation concluded with agreement that many current efforts are still person-dependent and vulnerable to disruption. To scale circularity, initiatives must be institutionalized within businesses and economic development strategies, not just as side projects or individual efforts. Actual progress requires both strategic alignment and cultural buy-in.