

# Circular Innovation Challenge

## Wood Residues in the Construction, Renovation, and Demolition Sector

International Edition 2026

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Mission Allies



# CHALLENGE OBJECTIVES

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The challenge aims to select and support technological solutions capable of improving the overall performance of the wood value chain generated by construction, renovation and demolition (CRD) activities, by acting across all stages of the value chain — from building design and construction with future deconstruction in mind, to the sorting, conditioning, and recovery of materials.

This call for projects therefore aims to:



Identify and select technological solutions worldwide that can improve wood circularity within the CRD value chain, improving on-site wood sorting, sorting and conditioning in sorting centers, with the objective of producing different wood grades, directing them toward appropriate recovery pathways, and strengthening inventory management and traceability.



Test these solutions under real-world conditions with Québec industrial partners.



Validate the feasibility, performance, and adoption potential of the selected technologies in order to facilitate the deployment of pilot projects with Québec industrial partners.



## **Emmanuelle Géhin**

President and Chief Executive Officer, RECYC-QUÉBEC

*“In our 2025–2028 Strategic Plan, we committed to providing increased support to the construction, renovation, and demolition (CRD) sector, particularly to help reduce the nearly 700,000 tonnes of wood that are still disposed of each year. We are therefore very pleased to join forces and expertise with Cycle Momentum to launch this challenge, which specifically aims to identify innovative, practical, and sustainable solutions to improve wood circularity within the CRD value chain.”*

# WHY THIS CHALLENGE?

The transition toward a circular economy in the construction, renovation, and demolition (CRD) sector is a strategic priority for Québec.

Through the Circular Innovation Challenge – Wood Residues in the CRD Sector, RECYC-QUÉBEC and Cycle Momentum aim to accelerate the adoption of technological solutions capable of transforming industrial practices related to CRD wood management.

The chosen approach is based on real-world testing of mature technologies in order to reduce adoption risks and foster concrete collaborations between technology companies, sorting centers, and industrial partners.

By acting as a catalyst, RECYC-QUÉBEC seeks to generate operational learnings beneficial to the entire value chain and to support the shift toward more efficient and circular models.

## Patrick Gagné – CEO, Cycle Momentum



*“At Cycle Momentum, we believe that innovation and collaboration are essential to accelerating wood circularity in the construction sector. This Circular Innovation Challenge aims to bring forward concrete solutions that optimize resource use, reduce the sector’s environmental footprint, and strengthen the competitiveness of the wood value chain. By mobilizing industrial players and innovators from Québec and beyond, Cycle Momentum is transforming industry challenges into drivers of performance and sustainability.”*

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## PROJECT BACKGROUND

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The construction, renovation, and demolition (CRD) sector generates significant volumes of residual materials each year in Québec. According to the 2023 report by RECYC-QUÉBEC, approximately 1.67 million tonnes of CRD residues were sent to sorting centers, while 1.63 million tonnes were directed straight to disposal without any prior sorting step, revealing a structural gap between the volumes captured by sorting infrastructure and those that still escape recovery pathways.



Among these materials, wood represents the largest resource stream. In 2023, 716,000 tonnes were disposed of, while about 400,000 tonnes (56%) could potentially be recycled. This gap highlights a major untapped recovery potential.

Data also show that most CRD wood flows are currently directed toward energy recovery. In a study published in 2025, CTTÉI found that 68% of wood volumes are used for energy recovery, compared with only 26% for recycling – mainly due to the variable quality and heterogeneity of wood streams, which limit access to higher value material recovery outlets.



In this context, deploying more advanced, automated, and intelligent sorting technologies appears to be a key lever to improve stream quality, reduce losses, and increase material recovery of CRD wood – at the core of a more operational and sustainable circular model.

# WHAT ARE WE LOOKING FOR?

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## Types of solutions sought

As part of this challenge, we aim to identify innovative technological solutions capable of improving the performance of sorting and conditioning operations for wood generated by CRD activities, while facilitating its direction toward higher value-added outlets.

The solutions sought must address concrete field challenges and demonstrate strong potential for integration within existing industrial practices.

- **Improving flow quality and stability:** Solutions for material characterization and recognition (optical vision such as NIR, AI-based sorting, advanced sensors) enabling more accurate detection, separation, and routing of material streams, particularly wood.
- **Reducing operational risks and improving industrial practices:** Solutions that support anticipation and selective deconstruction of buildings, automation or assisted sorting (robotics), optical pre-sorting on containers, as well as intelligent contaminant management systems to limit equipment damage, downstream rejection, and degradation of material quality.
- **Optimizing logistics and operational constraints:** Solutions enabling efficient management of volumes, rotations, storage space, and material flows, supported by digital tools for tracking, coordination, and decision-making across the different stages of the value chain.

# WHO CAN APPLY?

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## Profile of companies sought

### (LOCAL AND INTERNATIONAL)

- SMEs, large companies, or startups with more than two (2) years of existence.
- Based in Québec, other Canadian provinces, or internationally.
- Solutions at a technological maturity level (TRL) of 6 or higher, scalable and ready to be implemented in an industrial context.
- Companies interested in participating in pilot projects with industrial players and manufacturers based in Québec, Canada.
- Organizations with at least three (3) employees.
- Working languages: French or English.

[\*\*APPLY NOW\*\*](#)



# INDUSTRIAL PARTNERS' INVOLVEMENT

The Circular Innovation Challenge – Wood Residues in the Construction, Renovation, and Demolition sector aims to connect innovative technological solutions with industrial stakeholders across the CRD wood value chain.

Selected companies will have the opportunity to engage with a strong ecosystem of key stakeholders across the CRD wood value chain, including organizations involved in sorting, conditioning, processing, and recovery operations. Through their participation, industrial partners will help enrich discussions, clarify real field needs, and foster concrete collaborations aimed at improving sorting practices and operational efficiency.

- Clarify real industrial needs
- Identify opportunities for pilot projects, co-development initiatives, or partnerships
- Assess the fit and application potential of the proposed solutions within targeted operational contexts

Industrial partners participating in the process will therefore help strengthen the evaluation of solutions, guide their refinement, and foster the emergence of collaborations aimed at improving sorting practices and operational efficiency.



# COMPANY SUPPORT

## **Personalized sponsorship and collaboration program with the selected solutions.**

Cycle Momentum will provide personalized support to ensure selected companies are well prepared for meetings with participating industrial partners and other key project stakeholders.

The 3 to 5 selected solutions will take part in an 8-week tailored support program, running from May 2026 to July 2026, including:

- Readiness assessment and preparation: Evaluation of each company's ability to present its solution clearly, effectively, and in a structured way to industrial stakeholders, along with targeted preparation workshops tailored to identified needs (indicative period: late May to early July).
- Technical and regulatory feasibility analysis: Operational scoping of potential pilot projects to assess real-world implementation conditions and prospects for larger-scale deployment.

Following this phase, continued support will be provided, where relevant, to accompany pilot or deployment stages through the end of 2026. A funding envelope of \$25,000, to be distributed among selected projects, will be mobilized to support pilot scoping and launch. This support will help structure projects, prepare additional funding applications, and facilitate access to other public or private financing sources when relevant.

This program aims to create a structured, action-oriented framework that fosters concrete industrial collaborations and accelerates the adoption of selected solutions.



# SELECTION PROCESS

## Next steps

### 1. Pre-selection based on submitted applications.

An initial selection will be carried out upon receipt of applications. Submissions will be reviewed based on the stated evaluation criteria, and companies will receive confirmation of their pre-selection during the week of April 13.

### 2. Interviews with pre-selected candidates.

During the week of April 20, we will organize an interview to learn more about the company, the team, and the proposed solution, as well as the target market, the competitive landscape, and the company's interest in the program.

### 3. Pitch presentation before a selection jury.

Pre-selected candidates will be invited to deliver a presentation and participate in a Q&A session during the week of May 4. The jury will be composed of representatives from RECYC-QUÉBEC, Cycle Momentum

### 4. Final selection.

We will confirm the selection of the 3 to 5 chosen companies during the week of May 25.

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## KEY DATES

### SELECTION PERIOD: FEBRUARY 26 TO MAY 25



**FEBRUARY 26 TO  
APRIL 13**

Call for  
applications.



**APRIL 13 TO  
MAY 25**

Selection  
process.



**WEEK OF  
MAY 4**

Presentation before  
a jury with industrial  
partners.



**WEEK OF  
MAY 25**

Final decision  
by the jury.

### PROGRAM PERIOD: MAY 25 TO JULY 20



**MAY 25 TO  
JUNE 8**

Assessment of  
the selected  
companies'  
readiness to  
launch pilot  
projects with  
Québec industrial  
partners.



**JUNE 8 TO  
JUNE 29**

Organization of  
preparation  
workshops based  
on identified  
needs.



**JUNE 29 TO  
JULY 20**

Series of structured  
meetings between  
the selected  
companies and  
industrial partners.



**FROM JULY 20  
ONWARDS**

Development of  
partnerships and  
implementation of  
pilot projects with  
industrial  
partners.

## WHY APPLY TO THIS CHALLENGE?

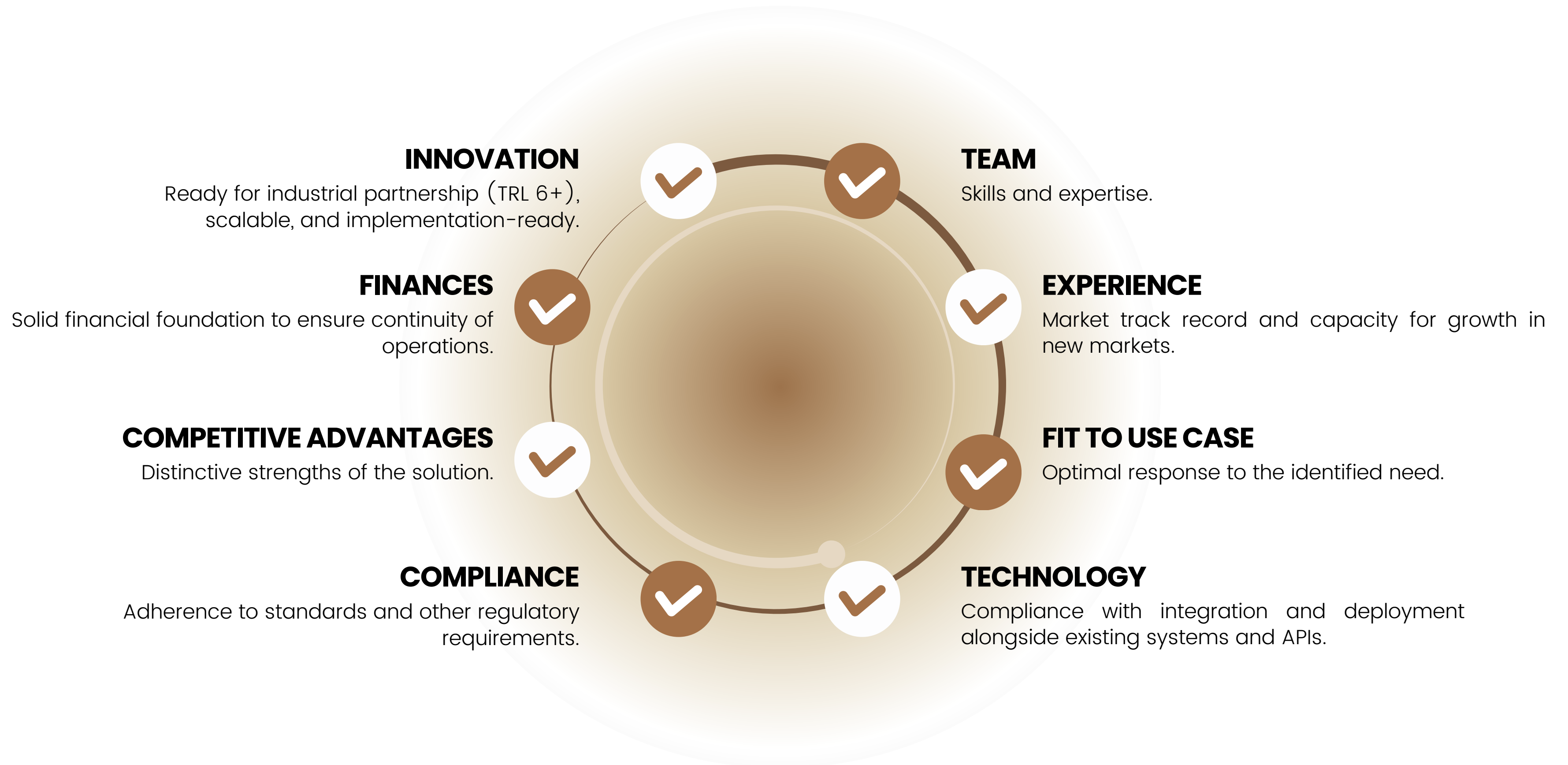
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- High visibility and access to a key network of CRD value chain stakeholders, including organizations active at different stages and committed to developing solutions that promote the circular economy.
- Opportunity to develop strategic collaborations and/or pilot projects with industrial players to demonstrate your solution's performance in real-world conditions. Examples of collaborations include pilot projects, co-development initiatives, supplier-client agreements, strategic partnerships, investments, or licensing.
- Direct access to experts from RECYC-QUÉBEC, Québec's provincial Crown corporation supporting innovation in waste management, with a broad network across the Québec and Canadian circular economy ecosystem.
- Support from Cycle Momentum experts in supply chains, financing strategies, go-to-market planning, solution positioning, and communication, to prepare effectively for meetings with CRD industrial stakeholders.
- Increased exposure for your company and technology through targeted communication campaigns, including social media and institutional channels of the challenge partners.
- Opportunity to present your company and solution before a jury composed of experts, institutional representatives, and recognized industrial players.
- Support for international companies seeking to establish or expand in Québec, leveraging Cycle Momentum's local partners and network.



# SELECTION CRITERIA

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## ABOUT RECYC-QUÉBEC

RECYC-QUÉBEC is a Crown corporation established in 1990 with the mission of making Québec a model for innovative and sustainable waste management in a zero-waste society. It promotes, develops, and supports the reduction, reuse, recovery, and recycling of containers, packaging, materials, and products, as well as their valorization, within a circular economy framework and in the fight against climate change.

## ABOUT CYCLE MOMENTUM

Cycle Momentum is an international acceleration and innovation platform whose mission since 2015 has been to identify and support the development of cutting-edge technologies addressing humanity's major ecological challenges. As a member of the Cycle Capital platform, Cycle Momentum offers acceleration and open innovation programs to support entrepreneurial growth, financing, and commercialization of climate technologies. We facilitate the necessary collaborations between industrial players and startups to accelerate commercialization and provide investment opportunities through our Origo program and extensive network of investors.

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# OUR MISSION PARTNERS

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Are you building, renovating, or demolishing? AIM Éco-Centre is here to support you! Container rental and CRD material management tailored to your needs—simple, fast, and eco-friendly! AIM Éco-Centre and AIM Recyclage—your partners for sustainable and responsible projects! With our eco-responsible approach, we ensure efficient sorting and optimal recycling of materials, helping reduce your environmental footprint.



Groupe Bellemare, through its Environment division, operates a high-performance residual materials management center where more than 80,000 tonnes of materials from the CRD sector are recovered annually, including wood, glass, concrete, brick, shingles, and metals. Recognized for the quality of its operations and its high recovery rate, Bellemare actively contributes to the circular economy in Québec. Wood recovery is a central focus of its activities, particularly through the optimization of sorting, conditioning, and materials management in order to reintegrate them into higher value-added streams. Drawing on its field expertise and facilities, Groupe Bellemare aims to contribute to the development and integration of innovative solutions to improve the overall performance of the wood value chain from CRD materials.



Centrem is a company specializing in the management, recovery, and recycling of materials, offering sustainable environmental solutions to industrial, commercial, and institutional sectors. With a strong presence in Chicoutimi and Alma, it actively contributes to resource valorization and the responsible development of the Saguenay–Lac-Saint-Jean region.

# OUR MISSION PARTNERS

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Hydro-Québec generates, transmits and distributes electricity. It is Canada's largest electricity producer and one of the world's largest producers of hydroelectric power. The company has adopted a comprehensive action plan to secure Québec's energy autonomy for future generations. The deployment of new infrastructure will generate significant economic benefits for Québec, as project implementation is expected to mobilize an average of 35,000 construction jobs per year through 2035. The positive impact on Québec's gross domestic product (GDP) associated with the energy sector could exceed \$100 billion by 2035.



Matrec, a division of GFL Environmental Inc., is a leading player in residual materials recovery. Operating in 16 administrative regions across Québec, we are much more than an environmental services company: we are pioneers in the circular economy and green technologies. Guided by high safety standards, we offer a wide range of integrated and reliable environmental solutions tailored to the needs of municipalities, industries, and businesses. With seven sorting centers dedicated to the construction, renovation, and demolition (CRD) sector in Québec, all certified by RECYC-QUÉBEC, wood recovery is at the heart of our priorities, aiming to give it a second life.



Pomerleau is one of Canada's largest construction companies, with revenue exceeding \$6 billion in 2025. Active in building, infrastructure, and civil engineering, the company places sustainability at the core of its practices through innovation, collaboration, and the reduction of the environmental footprint of its projects. For over 60 years, its teams have been building resilient and sustainable communities across the country.