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GLOBAL COVENANT *of MAYORS for* CLIMATE & ENERGY in Canada

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Navigating Federal Support: Funding Opportunities for Canadian Municipal Climate Initiatives

November 2024

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Table of Contents

Executive Summary	5
Purpose of the Report	7
1. Overview of Available Programs	9
2. Detailed List of Federal Funding Programs	18
2.1 Funding Programs for Transitioning to Green Transportation	18
2.2 Federal Funding Programs for Green Building	29
2.3 Funding Programs for Adapting to and Mitigating Natural Disasters	35
3. Strategies to Better Respond to Funding Opportunities	43
3.1 Key General Observations	43
3.2 Recommendations for More Efficient Federal Funding Programs	45



Executive Summary

The Global Covenant of Mayors for Climate and Energy (GCoM) is the largest global alliance focused on city climate leadership. GCoM aims to foster a low-emission, climate-resilient future through collaboration between mayors, local governments, and global partners.

In 2024, the GCoM Canada Implementation Cohort was launched, funded by the European Union and executed with ICLEI-Canada, to help 14 Canadian municipalities enhance their climate strategies.

A major challenge for Canadian municipalities is accessing climate financing for decarbonization and climate impact management. The Canadian government provides several funding programs to support municipal climate adaptation and mitigation efforts.

This report, "Navigating Federal Support: Funding Opportunities for Canadian Municipal Climate Initiatives," identifies 19 federal programs for decarbonizing buildings, sustainable transportation, and disaster mitigation. It aims to assist Canadian municipal leaders in better accessing federal funding for climate projects.

The report is structured into three sections: an overview of federal funding sources, detailed descriptions of the 19 programs, and observations, recommendations and strategies to better respond to federal opportunities.

The main observations are the following:

- **Timelines and Planning:** Federal funding timelines often don't align with municipal planning processes, creating challenges for municipalities in meeting short application deadlines.
- **Application Processes:** The complexity and resource-intensive nature of federal funding applications can deter municipalities, especially smaller ones with limited staff.
- **Resource Commitment:** Municipalities struggle to estimate the effort and resources needed for applications, impacting their ability to allocate resources effectively.
- **Information on Program Objectives:** Municipalities find it difficult to understand the true objectives of federal programs, which can lead to misalignment with project goals.
- **Matching Fund Requirements:** Smaller municipalities face challenges meeting matching fund requirements due to limited financial resources.
- **Feedbacks:** Feedback on rejected applications varies, with some funders providing helpful guidance and others offering none.



- **Reporting Formats:** Inconsistent and complex reporting requirements across programs are time-consuming and inefficient for municipal staff.
- **Targeted Information:** There is not sufficient targeted communication and support for municipalities from most federal departments, with some exceptions.
- **Trend of Pooling Resources:** Federal departments are consolidating resources into larger programs, which may not specifically target municipalities.

The main recommendations for improved engagement are the following:

- **Influence Program Design:** Municipalities should be more engaged in consultations during program design to inform of their funding gaps and past experience with funding application.
- **Pre-Release of Criteria and Staged Application:** Early announcements and two-stage application processes can help municipalities prepare better.
- **Longer Application Windows:** Longer or rolling application windows would ease the pressure on municipalities.
- **Pilot Projects:** Dedicated funding for early project planning, pilot projects and 'projects in a box' would be valuable to municipalities.
- **Streamline Reporting:** Standardizing reporting formats and requirements across programs would improve efficiency.
- **Understand Federal Upcoming Programs:** Having ways of staying informed about new federal initiatives will help municipalities be ready to access funding more effectively.
- **Share Successful Applications:** Documenting and sharing successful municipal applications can enhance project proposals.



Purpose of the Report

The Global Covenant of Mayors for Climate and Energy (GCoM) is the largest global alliance dedicated to city climate leadership, with over 13,500 cities committed, benefiting 1.3 billion people worldwide. GCoM envisions a world where mayors and local governments, in partnership with global and regional allies, accelerate measurable climate and energy initiatives, leading to a low-emission and climate-resilient future.

In 2024, the GCoM Canada Implementation Cohort, funded by the European Union and executed in partnership with ICLEI-Canada, was launched as a strategic training and collaboration initiative. Its goal was to assist 14 Canadian municipalities in advancing their climate mitigation and adaptation strategies. GCoM and ICLEI-Canada provided comprehensive support to municipal staff through personalized consultations, group training sessions, peer collaboration workshops, and customized deliverables.

A significant challenge for Canadian municipalities in leading climate action through decarbonization, GHG reduction, and climate impact management is accessing climate financing. The Government of Canada has introduced policies and programs to curb emissions from the real estate sector, including stricter energy standards for new buildings and subsidies for transitioning to cleaner energy sources and enhanced energy efficiency. Measures have also been implemented to accelerate transportation sector decarbonization, notably through incentives for purchasing zero-emission vehicles (ZEVs) and hybrids, investing in recharging infrastructure, and adopting alternative active transportation methods. Recently, the federal government has also launched new funding programs to support municipalities in adapting to the growing impacts of climate change.

As part of the GCoM Canada Implementation Cohort's support, this report aims to compile a comprehensive inventory of existing federal funding programs available to municipalities for climate change adaptation and mitigation efforts.

This report, *Navigating Federal Support: Funding Opportunities for Canadian Municipal Climate Initiatives*, highlights 19 available federal programs focused on decarbonizing municipal buildings, transitioning to sustainable transportation solutions, and mitigating environmental disaster impacts. It is designed for municipal leaders and decision makers seeking to understand and access federal funding opportunities for climate-related projects. The report is structured into three main sections:

1. **Overview:** A summary of federal departments, agencies, and organizations currently funding climate projects, along with an outline of available programs, including decarbonization, green transportation initiatives, and adaptation to environmental hazards.



2. **Existing Federal Funding Programs:** A detailed description of each of the 19 identified programs for the three climate-related areas mentioned above, including their objectives, available funding amounts, eligible project types, funding criteria, and the application process. Additionally, a qualitative assessment of the ease and value of applying for municipalities is provided.
3. **Strategies to Better Respond to Funding Opportunities:** General observations on available programs and recommendations on how municipalities can better engage with federal officials regarding existing opportunities and influence the development of upcoming funding programs.

This report was developed following an extensive review of existing federal financing programs, discussions with officials in key federal departments, and interviews with municipalities that had the experience of applying to these programs. However, it has certain limitations.

Firstly, it only identifies funding programs available at the federal level and through national organizations. Some Canadian provincial governments also offer funding to municipalities for climate action, but there are significant variations between provinces. Therefore, the focus was placed on federal funding sources.

Secondly, the landscape of federal funding programs is rapidly evolving. New programs are emerging, others are concluding, or their funds have been exhausted. This report provides a snapshot of the programs active as of early August 2024. It does not include completed programs or those without an open call unless a potential new phase has been indicated by the responsible department.

Additionally, this report only highlights the main programs available to municipalities with substantial budgets. Various national organizations offer small-scale funding opportunities that municipalities could benefit from. Due to their modest budgets, these programs have not been listed.

Finally, the data for each program varies significantly across federal departments and organizations. The available funding programs are presented in the most standardized way possible, given the differences in publicly available information.

In this context, it is important to note that, like any program review, this report will need regular updates to remain relevant. This is part of the recommendations presented in the final section of the report.



1. Overview of Available Programs

This section of the report outlines the federal departments and agencies that provide funding to municipalities in Canada in the areas of decarbonization, green transportation initiatives, and adaptation to environmental hazards.

Federal Funding Sources

The Government of Canada offers a comprehensive environmental portal that lists all online resources and incentives designed to assist individuals, organizations, businesses, and Indigenous communities in taking climate action: [Government of Canada Environment Portal](#).

Several federal departments and agencies also directly offer various forms of funding for green transportation, green buildings, and adaptation to environmental disasters. Some of these departments also provide integrated research tools to help identify funding sources, making it easier to map available opportunities.

- **Housing, Infrastructure and Communities Canada:** This department provides a funding portal that maps available financing opportunities for green transportation, green buildings, and environmental disaster adaptation. [Visit their portal here](#).
- **Natural Resources Canada:** Offers programs focused on both green transportation and green buildings. [Explore their resources here](#).
- **Environment and Climate Change Canada:** Provides a funding portal to help select relevant programs related to environmental disasters. [Access their portal here](#).
- **Transport Canada:** Offers funding programs specifically for green transportation. [Learn more about their programs here](#).
- **Federation of Canadian Municipalities (FCM):** Through its federally funded Green Municipal Fund, FCM offers various financing opportunities, particularly in the areas of green transportation and green buildings. [Discover more about the Green Municipal Fund here](#).

These departments and organizations are key decision makers in shaping policies and allocating financial resources for decarbonization and sustainable mobility concerning municipalities. They play a central role in developing programs, distributing funds, and establishing eligibility criteria.

Overview of Currently Available Programs

The following overview highlights the main objectives and focus areas of each department's funding initiatives, with more detailed information provided in subsequent sections.



Areas of funding	Available programs	Type of eligible projects	Status
Green Transportation	<p>Canada Public Transit Fund (PTF)</p> <p>\$3 billion per year from Housing, Infrastructure and Communities Canada for public transit and active transportation infrastructure.</p>	<p>Metro-Region Agreements (MRA) to encourage long-term integrated planning within large urban areas.</p> <p>Baseline Funding (BF) to communities with existing transit systems to support public transit infrastructure and active transportation infrastructure capital and non-capital projects.</p> <p>Targeted funding (TF) through a series of regular calls for applications for specific types of public transit and active transportation projects.</p>	The current Baseline funding (BF) intake window closed on September 16
	<p>Zero emission transit Fund (ZETF)</p> <p>Housing, Infrastructure and Communities Canada supports public transit and school bus operators plan for electrification, the purchase of 5,000 zero emission buses and associated infrastructure, including charging infrastructure and facility upgrades.</p>	<p>Planning Projects: Eligible projects include studies, modelling and feasibility analysis that will support the development of future larger scale capital projects. Up to 80% of the total eligible costs.</p> <p>Capital Projects: Eligible capital projects include buses, charging and refuelling infrastructure, and other supporting infrastructure needs. Up to 50% of the total eligible costs. Infrastructure Canada will ensure that the total combined Infrastructure Canada funding and CIB</p>	Open for application for both planning and capital projects



Areas of funding	Available programs	Type of eligible projects	Status
		financing will not exceed 100% of eligible costs.	
	Rural Transit Solutions Fund Housing, Infrastructure and Communities Canada supports the development of locally driven and transit solutions for rural communities.	Grants of up to \$50,000 in support of communities' projects to plan and design new or expanded transit solutions for their communities. Activities that are eligible under the stream include public engagement, needs assessments, feasibility or viability studies, surveys and assessments of routes or modes of travel.	The application period for the Planning and Design Projects stream is open.
	Incentives for Zero-Emission Vehicles (iZEV) Transport Canada supports organizations to purchase or lease battery electric; plug-in hybrid electric; fuel cell electric vehicles.	Municipal governments operating fleets are eligible for up to 10 incentives. Battery electric, hydrogen fuel cell, and longer-range plug-in hybrid vehicles are eligible for up to \$5,000. Shorter range plug-in hybrid electric vehicles are eligible for up to \$2,500: shorter range plug-in hybrid vehicles have an electric range under 50 km.	Open with first-come, first-served basis until March 31, 2025.
	Incentive program for zero-emission medium and heavy-duty vehicles (iMHZEV) Transport Canada supports organizations to purchase or lease class B and higher—trucks, cargo	Municipal governments operating fleets are eligible for up to 10 incentives or a maximum of \$1,000,000 per calendar year. Up to \$200,000 depending of type of vehicle is available at the point of sale to organizations:	Open with first-come, first-served basis until March 31, 2026

Areas of funding	Available programs	Type of eligible projects	Status
	vans, shuttles, and other commercial vehicles.		
	Zero Emission Vehicle Infrastructure Program (ZEVIP) 680M\$ from Natural Resources Canada to support the development of charging and hydrogen refuelling stations.	Stream 1: Public EV Charging. Stream 2: Private EV Charging (including workplaces and where on-road vehicle fleets are serviced). Limited to a maximum of 5 million dollars (\$5,000,000) per project.	Current RFP window closed September 19, 2024.
	Green Municipal Fund (GMF)—Fleet electrification FCM/GMF provides combined loan and grant funding for capital projects that achieve a partial or complete transition of municipal and/or transit fleet to zero-emission vehicles.	Capital projects: Replacement of internal combustion engine vehicles with zero-emission vehicles; the required EV supply equipment (EVSE); any required facility upgrades to existing buildings. Combined grant and loan for up to 80% of eligible costs and a maximum of \$10M. Feasibility studies: feasibility of the transition to zero-emission vehicles to significantly reduce GHG emissions associated with municipal and/or transit fleets. Grant of up to 80 percent of eligible project costs and a maximum of \$200,000 to municipalities of 10,000 or under.	Currently open for applications.
Green Buildings	Green and Inclusive Community Buildings (GICB)	Small and medium retrofits: retrofit existing community buildings ranging in total	Currently open for applications.



Areas of funding	Available programs	Type of eligible projects	Status
	<p>\$500 million from Housing, Infrastructure and Communities Canada to support green and accessible retrofits, repairs or upgrades of existing public community buildings and the construction of new publicly accessible community buildings that serve high needs, underserved communities across Canada.</p>	<p>eligible cost from \$100,000 to \$2,999,999.</p> <p>Large retrofits and new builds: retrofit existing community buildings or projects to build new community buildings with total eligible costs ranging from \$3 million to \$25 million.</p> <p>Projects must be completed by March 2029.</p>	
	<p>Clean Energy for Rural and Remote Communities (CERRC)</p> <p>Natural Resources Canada provides funding for renewable energy and capacity-building projects to reduce the reliance on fossil fuels for heating and electricity in Indigenous, rural and remote communities across Canada.</p>	<p>Projects in biomass heating, district heating, and combined heat and power systems that reduce greenhouse gas emissions and fossil fuel use by increasing the use of local renewable energy sources and related energy efficiency measures.</p>	<p>Due to high demand, remaining funding for Research, Development, and Demonstration projects is limited, eligible projects received will be added to a waitlist.</p> <p>Due to high demand, CERRC has also paused application intake for capacity-building projects.</p>
	<p>Clean Energy Initiatives in Indigenous, rural and remote communities</p> <p>\$300 million from Natural Resources Canada to support clean energy projects that can help advance Indigenous-led climate action, support</p>	<p>Projects for renewable energy and energy efficiency, for capacity building, and heating.</p>	<p>Applications on a rolling basis.</p>

Areas of funding	Available programs	Type of eligible projects	Status
	local economic development and create skilled jobs while reducing pollution and improving air quality.		
	Greener Neighbourhoods Pilot Program \$35.5 million from Natural Resources Canada supports targets groups of low-rise residential buildings to test the Energiesprong model by grouping dwellings with similar building forms throughout a neighbourhood to create mass demand for major energy-efficient retrofits.	Initiatives to validate the technical and economic feasibility of the Energiesprong deep energy retrofit approach, to support regional Market Development Teams (MDTs), and deep energy retrofit demonstration projects in community housing buildings in up to six communities (100 or more units per demonstration site).	Currently closed but may be reopened for applications.
	Green Municipal Fund (GMF)—Municipal and community buildings, local energy generation FCM/GMF supports projects in the area of municipal and community buildings, local energy generation and adaptation to climate change.	\$70,000 to \$1M for feasibility study for adaptation; implementation of adaptation solutions; tree planting; retrofit; construction of community and municipal buildings; waste to energy projects, etc	Open for application.
Adaptation and Mitigation to natural disasters	Disaster Mitigation and Adaptation Fund (DMAF) \$1,375 billion from Housing, Infrastructure and Communities	Construction of public infrastructure and/or modification or reinforcement of existing public infrastructure including natural	Currently closed but may be reopened for applications.

Areas of funding	Available programs	Type of eligible projects	Status
	Canada supports public infrastructure projects designed to mitigate current and future climate-related risks and disasters triggered by climate change floods.	infrastructure that prevent, mitigate or protect against the impacts of climate change, disasters triggered by natural hazards, and extreme weather. Projects must have a minimum of \$1M in total eligible costs to be considered for funding.	
	Low Carbon Economy Fund (LCEF) Environment and Climate Change Canada supports projects to reduce Canada's greenhouse gas (GHG) emissions, generate clean growth, build resilient communities, and create good jobs for Canadians.	Projects that deliver or multiple of the following community services: climate change resilience; access to nature; environmental quality; biodiversity; mitigation strategy. \$1 million up to \$25 million in funding for 50% of total eligible project expenditures.	Currently closed but may be reopened for applications.
	Environmental Damages Fund (EDF) Environment and Climate Change Canada supports projects in restoration of natural resources, environmental quality improvement, research and development on environmental damage assessment and restoration methods, and education and community capacity building related to environmental damage restoration.	1) Restoration. Projects that restore natural resources at or near the location where environmental harm occurred. 2) Environmental quality improvement. Projects that improve natural resources at or near where environmental harm was caused. 3) Research and development. Projects that advance science and research on environmental damage assessment and	One to two calls for proposals each year

Areas of funding	Available programs	Type of eligible projects	Status
		restoration methods, and education and awareness. 4) Projects that promote education and community capacity building related to environmental damage restoration.	
	Natural climate solutions \$5 billion from 2021 to 2031 available from Environment and Climate Change Canada to support nature-based solutions to reduce the loss, restore, and improve the management of ecosystems.	Restore carbon storage and biodiversity in converted or degraded ecosystems. Reduce GHG emissions caused by natural resource use, including by implementing new forest harvesting management practices. Develop policies, programs or tools with key actors in priority sectors, and implement them to reduce GHG emissions and improve biodiversity. Measure and report on GHG outcomes from natural climate solutions. Advance science and knowledge on natural climate solutions in Canada.	Currently closed but may be reopened for applications.
	Build and Mobilize Foundational Wildland Fire Knowledge \$48 Million to invest over 4 years starting in 2024 from Environment and Climate Change Canada to encourage collaborative research and	Non-repayable contributions to support collaborative research projects and demonstration sites among researchers, decision makers, the forest industry, Indigenous and forest-based communities, government,	Currently closed but may be reopened for applications.

Areas of funding	Available programs	Type of eligible projects	Status
	demonstration projects focused on innovation in wildfire risk assessment, risk mitigation, and adaptive forest management.	and non-government organizations. Grant funding: non-repayable grants to Indigenous-led projects that support the development of resources and dissemination of knowledge by and for Indigenous communities.	
	2 Billion Trees (2BT) \$3.2 billion invested in tree planting efforts by Natural Resources Canada to provide financial support to organizations to plant trees over 10 years.	Urban projects for local governments and organizations interested in planting trees in and around their communities.	Eligible for funding through the Federation of Canadian Municipalities' Growing Canada's Community Canopies (GCCC) initiative.
	Natural Infrastructure Fund \$200 million from Housing, Infrastructure and Communities Canada to increase the use and uptake of natural and hybrid infrastructure and build community awareness on the value of natural and hybrid infrastructure.	All projects are assessed on the basis that they deliver one or multiple of the following community services: climate change resilience; access to nature; environmental quality; biodiversity; mitigation strategy.	Currently closed but may be reopened for applications.



2. Detailed List of Federal Funding Programs

This section describes in detail the existing federal funding programs available to municipalities, their objectives, eligible project types, funding criteria, and how municipalities can apply. In addition, observations on the ease and value of applying for municipalities are provided.

2.1 Funding Programs for Transitioning to Green Transportation

8 federal programs can support municipalities in these areas of sustainable green transportation:

- Development of regional approaches to public transit
- Purchase and rental of light electric vehicles, heavy-duty electric vehicles and other municipal vehicles
- Purchase of electric buses and accessibility of public transit
- Purchase and deployment of charging stations and other refuelling equipment
- Development of zero-emission public transportation solutions in rural and remote areas.

<i>Canada Public Transit Fund (CPTF)</i>	
Status:	<u>Metro-Region Agreements (MRA)</u> : Open <u>Baseline funding (BF)</u> : Future intake windows may be open on a periodic basis to allow newly interested or newly eligible communities to express their interest in baseline transit funding. <u>Targeted funding (TF)</u> : See specific programs for ongoing calls (Active Transportation Fund, the Zero Emission Transit Fund and the Rural Transit Solutions Fund).
Ministry/Agency:	Housing, Infrastructure and Communities Canada
Program objectives:	The Canada Public Transit Fund is a historic investment that will support transit in communities of all sizes across Canada. Announced in 2024, the Fund will provide \$3 billion per year for public transit and active transportation infrastructure, beginning in 2026-27. The Fund will provide stable and predictable funding to address long-term transit goals and aims to:



	<ul style="list-style-type: none"> • Increase the use of public transit and active transportation relative to car travel • Increase the housing supply and affordability as part of complete, transit-oriented communities • Help mitigate climate change and improve climate resilience • Improve public transit and active transportation options for all, especially Indigenous People and equity-deserving groups. <p>The Canada Public Transit Fund is designed to meet the unique needs of communities of all sizes, from large metropolitan areas, to mid-size and smaller communities, including rural, remote, northern and Indigenous communities. The Fund will deliver stable funding for public transit providing municipalities, transit authorities and other groups with the resources they need to plan and implement key public transit projects over the long-term.</p>
Beneficiaries:	<p><u>MRA</u>: Participating organizations must be located within, be adjacent to, or be responsible for planning and infrastructure within a Census Metropolitan Area (or within a region spanning multiple Census Metropolitan Areas close to one another), as identified by Statistics Canada. Participating organizations must include the respective provincial government(s) for the region.</p> <p><u>BF</u>: As the primary objective of the Baseline Funding stream is to support communities with existing public transit systems, recipients must meet the following eligibility requirements in order to apply:</p> <ul style="list-style-type: none"> • Minimum of 3 (preferably 5) years of historical ridership, population served, and capital investment data; • Public transit system includes fixed route service; • Applicants must have a minimum average capital investment of \$100,000 annually; and ▪ Applicant's transit system must have a minimum annual ridership of 30,000. <p>In addition applicants must be an eligible recipient, which includes a municipal or regional government; a public sector body that is established by or under provincial or territorial statute or by regulation or is wholly owned by a province, territory, municipal or regional government (such as a transit agency); a federally or provincially incorporated not-for-profit organization or charity; a provincial or territorial government; an Indigenous recipient, Indigenous development corporation or Indigenous benefiting organization; a private sector, or for-profit body, if they are working in collaboration with an eligible public sector entity or with an eligible Indigenous recipient.</p> <p><u>TF</u>: see specific programs</p>
Program duration:	Permanent



<p>Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)</p>	<p><u>Metro-Region Agreements (MRA)</u>: it offers a new way for the Government of Canada, provinces, municipalities and other key partners, such as transit agencies and Indigenous communities to collaborate together. These agreements will encourage long-term integrated planning within large urban areas and will support a wide variety of projects, from transformational investments that build new subways and dedicated bus lines, to maintaining and sustaining the health of an existing transit system. MRA offers predictable funding in regions with the highest demand for public transit and active transportation funding, and where travel patterns often cross municipal boundaries. This funding stream is designed to promote coordination among all levels of government, encourage evidence-based decision making, and advance a shared understanding of investment priorities among signatories.</p> <p><u>Baseline Funding (BF)</u>: Will provide predictable, long-term funding to communities with existing transit systems to support routine investments, with an expected focus on public transit and active transportation system expansions, improvements, and state of good repair. The fund aims to improve public transit accessibility and reliability, encouraging cleaner transportation options. BF is an approximately \$500 million annual envelope over several years. Projects may include:</p> <ul style="list-style-type: none"> • Public transit infrastructure: Both capital and non-capital investments, such as planning to expand, rehabilitate or replace sections of an existing public transit system. For example, expanding bus fleets, retrofitting subway stations or constructing new tram lines. • Active transportation infrastructure: Investments to expand, rehabilitate or replace active transportation infrastructure, such as bike or walking paths and pedestrian bridges. <p>1) Capital Projects: up to 40% of eligible costs for projects located within provinces; Up to 75% of eligible costs for projects located within territories. 2) Non-capital projects: Up to 80% of eligible costs.</p> <p><u>Targeted funding (TF)</u>: Targeted Funding stream consists of a series of regular calls for applications for specific types of public transit and active transportation projects. The Government of Canada will be able to adapt the stream to evolving priorities and community needs. This approach builds on current programming through the <i>Active Transportation Fund</i>, the <i>Zero Emission Transit Fund</i> and the <i>Rural Transit Solutions Fund</i>. Targeted Funding will support meaningful transit, school transportation and active transportation needs for communities of all sizes across the country, while also targeting federal priorities such as reducing pollution, supporting rural communities and encouraging active lifestyles.</p>
<p>Other relevant information:</p>	<p><u>MRA and BF</u>: Submit Expression-of-Interest through Housing, Infrastructure and Communities Canada's Funding Portal. Following a review of the EOI successful applicants will be invited to submit an Integrated Regional Plan.</p>



Link:	MRA: https://housing-infrastructure.canada.ca/cptf-ftcc/mra-erm/index-eng.html BF: https://housing-infrastructure.canada.ca/cptf-ftcc/bf-fb/index-eng.html IF: see specific programs
Key contacts:	mra-erm@infcc.gc.ca baselinefunding-financebase@infcc.gc.ca

Active transportation Fund	
Status:	Close—no calls foreseen
Ministry/Agency:	Housing, Infrastructure and Communities Canada
Program objectives:	Enhancement of formal active transportation strategic planning documents or stakeholder engagement and new infrastructure construction, enhancement of existing infrastructure, and/or improvements to design and safety features that encourage increased active transportation.
Beneficiaries:	Municipalities, municipal organizations
Program duration:	Five-year program starting in 2021–2022. All projects must be completed by March 31, 2026.
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	<u>Planning projects</u> : development or enhancement of formal active transportation strategic planning documents or stakeholder engagement. Funded through grants up to 100% of eligible costs to a federal maximum of \$50,000. <u>Capital projects</u> : new construction, enhancement of existing infrastructure, and/or improvements to design and safety features that encourage active transportation. Funded through contributions up to \$50 million with a maximum contribution rate between 40–100% depending on recipient and project location.
Other relevant information:	Application through the portal



Link:	https://housing-infrastructure.canada.ca/trans/faq-eng.html
Key contacts:	ATF-FTA@infcc.gc.ca

<i>Zero emission transit Fund (ZETF)</i>	
Status:	Open for application for both planning and capital projects
Ministry/Agency:	Housing, Infrastructure and Communities Canada
Program objectives:	Support public transit and school bus operators plan for electrification, support the purchase of 5,000 zero emission buses and build associated infrastructure, including charging infrastructure and facility upgrades.
Beneficiaries:	Municipalities; municipal organizations; MRC (Quebec); transit agencies; public bodies (e.g., school boards); private-sector school bus operators; and private accessible transit transportation providers (e.g., paratransit services)
Program duration:	The maximum amount payable through the ZETF will be \$350M for a project unless otherwise agreed to by the Government of Canada. Eligible expenses must be claimed by fall of 2025 unless otherwise specified in the contribution agreement between the recipient and Infrastructure Canada. This investment is being made in coordination with the Canada Infrastructure Bank's commitment to invest \$1.5 billion in zero emission buses.
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	<p>There are two components under which projects are eligible for funding:</p> <p><u>Planning Projects:</u> Eligible projects include studies, modelling and feasibility analysis that will support the development of future larger scale capital projects. Up to 80% of the total eligible costs.</p> <p><u>Capital Projects:</u> Eligible capital projects include buses, charging and refuelling infrastructure, and other supporting infrastructure needs. Up to 50% of the total eligible costs. Infrastructure Canada will ensure that the total combined Infrastructure Canada funding and CIB financing will not exceed 100% of eligible costs.</p>



Other relevant information:	<p><u>Stage 1:</u> download and complete the Expression of Interest form available on the Applicant Portal. After reviewing the Expression of Interest, Housing, Infrastructure and Communities Canada will assess the project's eligibility and direct the applicant toward the appropriate project stream to Stage II. Concurrently, the Canada Infrastructure Bank will also review the Expression of Interest to identify potential opportunities for financing.</p> <p><u>Stage 2:</u> Applicants from Stage I will be contacted by email from Housing, Infrastructure and Communities Canada and invited to submit a full application.</p>
Link:	https://housing-infrastructure.canada.ca/zero-emissions-trans-zero-emissions/index-eng.html
Key contacts:	zetf-ftcze@infcc.gc.ca

<i>Rural Transit Solutions Fund</i>	
Status:	<p>The application period for the <u>Planning and Design Projects</u> stream is open.</p> <p>The application period for the <u>Capital Projects Stream</u> is now closed.</p>
Ministry/Agency:	Housing, Infrastructure and Communities Canada
Program objectives:	Support the development of locally driven and transit solutions that will help people living in rural communities get to work, school, appointments, etc. (on-demand services, to publicly owned ride shares, and volunteer community carpooling)
Beneficiaries:	Municipalities; municipal organizations; including local service districts
Program duration:	<p>No closing date has been announced</p> <p>A minimum of 10% of the funding available will be allocated to Indigenous projects being led by and for Indigenous populations and communities.</p>
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and	<u>Planning and Design Projects stream:</u> Grants of up to \$50,000 in support of communities' projects to plan and design new or expanded transit solutions for their communities. Activities that are eligible under the stream include: public engagement, needs assessments, feasibility or viability studies, surveys and assessments of routes or modes of travel. The total funding



value of expected match (if applicable)	allocated under the Rural Transit Solutions Fund and from all federal sources cannot exceed 100% of the total costs of the planning and design project.
Other relevant information:	Applications on a rolling basis. Applications through the applicant's portal.
Link:	https://housing-infrastructure.canada.ca/rural-trans-rural/application-eng.html
Key contacts:	RTSF-FSTCR@inf.gc.ca

<i>Incentives for Zero-Emission Vehicles (iZEV)</i>	
Status:	Open for application
Ministry/Agency:	Transport Canada
Program objectives:	Offer a financial incentive to organizations that purchase or lease a qualifying vehicle: battery electric; plug-in hybrid electric; fuel cell electric.
Beneficiaries:	Municipalities, municipal organizations
Program duration:	First-come, first-served basis until March 31, 2025. Program may end sooner if available funding is fully allocated prior to this date.
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	<p>Municipal governments operating fleets are eligible for up to 10 incentives.</p> <ul style="list-style-type: none"> Battery electric, hydrogen fuel cell, and longer-range plug-in hybrid vehicles are eligible for up to \$5,000: longer-range plug-in hybrid vehicles have an electric range equal to or greater than 50 km. Shorter range plug-in hybrid electric vehicles are eligible for up to \$2,500: shorter range plug-in hybrid vehicles have an electric range under 50 km. <p>The incentive offered by the federal government for an eligible VZE will be in addition to any incentive offered by a provincial or territorial government.</p>
Other relevant information:	On a rolling basis



	Incentives will be applied at the point of sale by the dealership. The dealership must submit the documentation required to be reimbursed for an incentive provided at the point of sale.
Link:	https://tc.canada.ca/fr/transport-routier/technologies-novatrices/vehicules-zero-emission/vehicules-legers-zero-emission
Key contacts:	iZEV-iVZE@tc.gc.ca

<i>Incentive program for zero-emission medium and heavy-duty vehicles (iMHZEV)</i>	
Status:	Open for application
Ministry/Agency:	Transport Canada
Program objectives:	Offer a financial incentive to organizations that purchase or lease a qualifying vehicle: Class B and higher—trucks, cargo vans, shuttles, and other commercial vehicles fall into the medium- and heavy-duty vehicle category. Many different makes and models of eligible zero-emission vehicles for purchase or lease (12 months or more).
Beneficiaries:	Municipalities, municipal organizations
Program duration:	Funding is given on a first-come, first-served basis for eligible vehicles purchased or leased as of the vehicle's eligibility date listed on Transport Canada's website until March 31, 2026. The Program may end sooner if the available funding is fully allocated prior to this date.
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	Up to \$200,000 is available at the point of sale to organizations: <ul style="list-style-type: none"> ▪ Eligible organizations can receive up to 10 incentives or a maximum of \$1,000,000 per calendar year (whichever comes first). ▪ Limits for provincial, territorial and municipal governments with fleets are applied by level of government, rather than by organization. This means that each provincial, territorial or municipal fleet can use no more than 10 incentives or a maximum of \$1,000,000 per calendar year (whichever comes first).



	The federal incentive for eligible MHZEVs will be applied in addition to any provincial or territorial incentive offered up to a maximum of 75% of the respective vehicles Manufacturer's Suggested Retail Price (MSRP).
Other relevant information:	On a rolling basis Incentives will be applied at the point of sale by the dealership. The dealership must submit the documentation required to be reimbursed for an incentive provided at the point of sale.
Link:	https://tc.canada.ca/en/road-transportation/innovative-technologies/zero-emission-vehicles/incentives-medium-heavy-duty-zero-emission-vehicles
Key contacts:	IMHZEVProgram-ProgrammeI@tc.gc.ca

<i>Zero Emission Vehicle Infrastructure Program (ZEVIP)</i>	
Status:	The Request for Proposals for public electric vehicle charging and private EV charging is open until <u>September 19, 2024</u> .
Ministry/Agency:	Natural Resources Canada
Program objectives:	Addresses a key barrier to the adoption of zero-emission vehicles—the lack of charging and hydrogen refuelling stations in Canada—by increasing the availability of localized charging and hydrogen refuelling opportunities.
Beneficiaries:	Regional or municipal governments or their departments or agencies.
Program duration:	680M\$ until 2027 (including ongoing applications and upcoming calls).
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	<u>Stream 1:</u> Public EV Charging. A) Corridor Public EV Charging Infrastructure The Project must: increase the number of public EV chargers within 1.6 km of Transport Canada's National Highway System Designation and as displayed on the Electric Vehicle Charging Planning Map. This system includes: Highways; Core routes; Feeder routes; or Northern or Remote Routes. B) Community Public EV Charging Infrastructure. The Project must: Increase the number of public EV chargers in communities where gaps still exist.



	<p><u>Stream 2:</u> Private EV Charging. The project must: Increase the number of electric vehicle chargers for private use for existing buildings such as multi-unit residential buildings, workplaces and where on-road vehicle fleets are serviced.</p> <p>Eligible expenditures for an approved project under ZEVIP must be directly related to, and necessary for, the implementation and conduct of the project and will include:</p> <ul style="list-style-type: none"> • Salary and benefits: Professional services (for example, scientific, technical, management; contracting; engineering; construction; installation, testing and commissioning of equipment; training; marketing; data collection; logistics; maintenance plans; printing; distribution) • Reasonable travel costs: transportation, meals, and accommodation • Capital expenses: informatics and other equipment or infrastructure • Rental fees or leasing costs; License fees and permits; environmental assessments <p>Limited to a maximum of 5 million dollars (\$5,000,000) per project.</p> <p>Financial support for projects is based on the total amount of funds available. Funding is subject to an appropriation by Parliament for the fiscal year in which payments are to be made.</p> <p>Up to 50% of Total Project Costs (75% for Indigenous businesses and communities), up to maximum amounts (see table on program page).</p>
Other relevant information:	A complete application package (proposal) to be submitted through the Transportation and Fuels Decarbonization Programs portal.
Link:	https://natural-resources.canada.ca/energy-efficiency/transportation-alternative-fuels/zero-emission-vehicle-infrastructure-program/zero-emission-vehicle-infrastructure-program/25027
Key contacts:	zev-infra-vez@nrcan-rncan.gc.ca

<i>Green Municipal Fund (GMF)—Fleet electrification</i>	
Status:	Open



Ministry/Agency:	Canadian Federation of Municipalities (FCM)
Program objectives:	<p>The Green municipal Fund for Fleet electrification offer combined loan and grant funding for capital projects that achieve a partial or complete transition of municipal and/or transit fleet to zero-emission vehicles, to significantly reduce GHG emissions in line with Canada 2030 and 2050 targets.</p> <p>GMF fund studies that assess the feasibility of the transition to zero-emission vehicles (battery-electric, plug-in hybrid electric and hydrogen fuel cell vehicles) to significantly reduce GHG emissions associated with municipal and/or transit fleets. Studies should also assess the potential economic, social and other environmental impacts of the transition to ZEVs.</p>
Beneficiaries:	Municipal partners, which include private sector entities; municipally owned corporations; regional, provincial or territorial organizations delivering municipal services; non-governmental organizations; not-for-profit organizations; research institutes (e.g., universities); Indigenous community.
Program duration:	Ongoing
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	<p>1) Capital projects</p> <p>Combined grant and loan for up to 80% of eligible costs</p> <ul style="list-style-type: none"> • Combined grant and loan up to a maximum of \$10M • Grant for up to 15%** of loan amount <p>Eligible costs include:</p> <p>The replacement of internal combustion engine vehicles with zero-emission vehicles; the required EV supply equipment (EVSE); any required facility upgrades to existing buildings.</p> <p>The following vehicles are eligible under this offer: battery-electric and plug-in hybrid electric vehicles; hydrogen fuel cell vehicles are eligible if the project demonstrates a low carbon intensity level for hydrogen production, defined as a threshold of 4 kg CO₂e per kg of hydrogen. GMF will consider multipronged capital projects that include other electric vehicles and equipment. Additions may be considered on a case-by-case basis, provided they align with the offer's overarching goals.</p>



	<p>2) Assess the feasibility of the transition to zero-emission vehicles (ZEVs) to significantly reduce GHG emissions</p> <ul style="list-style-type: none"> • Grant for up to 50%* of eligible costs • Up to a maximum of \$200,000 <p>A study that assesses the feasibility of the transition to zero-emission vehicles to significantly reduce GHG emissions associated with municipal and/or transit fleets. The following applicants may qualify for a grant of up to 80 percent of eligible project costs:</p> <p>municipalities (or their partners) with a population of 10,000 or under;</p> <p>regional governments or groups of municipalities where the average population of the member municipalities is 10,000 or under;</p> <p>eligible Indigenous communities.</p>
Other relevant information:	Online under Municipal fleet electrification
Link:	https://greenmunicipalfund.ca/funding/capital-project-municipal-fleet-electrification
Key contacts:	gmfinfo@fcm.ca

2.2 Federal Funding Programs for Green Building

5 programs of the Government of Canada are dedicated to:

- Building and improving community buildings
- Deploying clean energy initiative
- Creating demand and supporting energy efficiency projects through the Energiesprong model

<i>Green and Inclusive Community Buildings (GICB)</i>	
Status:	<p><u>Small and medium retrofits</u>: closed on October 16, 2024.</p> <p><u>Large retrofits and new buildings</u>: closed on October 16, 2024.</p>



Ministry/Agency:	Housing, Infrastructure and Communities Canada
Program objectives:	Build more community buildings and improve existing ones—in particular in areas with populations experiencing higher needs—while also making the buildings more energy efficient, lower carbon, more resilient, and higher performing. This program will support green and accessible retrofits, repairs or upgrades of existing public community buildings and the construction of new publicly accessible community buildings that serve high needs, underserved communities across Canada.
Beneficiaries:	A municipal or regional government established by or under provincial or territorial statute.
Program duration:	On April 16, 2024, the Government of Canada provided \$500 million and projects must be completed by March 2029.
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	<p><u>Small and medium retrofits:</u> Applicants with small and medium-sized projects to retrofit existing community buildings ranging in total eligible cost from \$100,000 to \$2,999,999.</p> <p><u>Large retrofits and new builds:</u> Applicants with large projects to retrofit existing community buildings or projects to build new community buildings with total eligible costs ranging from \$3 million to \$25 million.</p> <p>The following are required for projects of all types, sizes and streams:</p> <ul style="list-style-type: none"> • The building/asset must be a non-commercial community-oriented structure or space that provides open, available, and publicly accessible community services. • The building/asset must be located in an area with underserved populations experiencing higher needs and be the site of the publicly accessible programming and/or activities that demonstrably serve these populations. • The building/asset must be an eligible asset type. • At least two thirds of the building/asset's floor space must be used for publicly open and accessible services. • The applicant must have authority over the building/asset either as the owner or have secured an agreement with the asset owner for a minimum of 6 years, to carry out the project. (Note: Asset ownership will be confirmed for all approved projects through the



	provision of a signed proof of ownership, a declaration or written authority that the applicant has permission from the owner to undertake the project.)
Other relevant information:	Application through the portal.
Link:	https://housing-infrastructure.canada.ca/gicb-bcvi/index-eng.html
Key contacts:	gicbp-pbcvi@infcc.gc.ca

<i>Clean Energy for Rural and Remote Communities (CERRC)</i>	
Status:	Open: Biomass heating, district heating, and combined heat and power systems Please note: Due to high demand, remaining funding for Research, Development, and Demonstration projects is limited, eligible projects received will be added to a waitlist, should funds become available: Please note: Due to high demand, CERRC has paused application intake for: Capacity Building projects and Deployment of renewable energy projects.
Ministry/Agency:	Natural resources Canada
Program objectives:	Provides funding for renewable energy and capacity-building projects to reduce the reliance on fossil fuels for heating and electricity in Indigenous, rural and remote communities across Canada. The program's objective is to reduce greenhouse gas emissions and fossil fuel use by increasing the use of local renewable energy sources and related energy efficiency measures.
Beneficiaries:	Indigenous, rural and remote communities across Canada.
Program duration:	Non disclosed.
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	Contact the team to share more about the community's vision, idea or project. You can submit a contact form through a link or request an application by email.



Other relevant information:	Applications on a rolling basis
Link:	https://natural-resources.canada.ca/reducingdiesel
Key contacts:	nrcan.remoteenergy-energieadistance.rncan@canada.ca

<i>Wah-ila-toos - Clean Energy Initiatives in Indigenous, rural and remote communities</i>	
Status:	<p>Open</p> <p>Due to high demand, the Clean Energy for Rural and Remote Communities program under Wah-ila-toos is no longer accepting applications for:</p> <ul style="list-style-type: none"> • Clean Energy for Rural and Remote Communities Capacity Building projects • Clean Energy for Rural and Remote Communities – Deployment of renewable energy projects <p>The fund is still accepting applications under:</p> <ul style="list-style-type: none"> • Clean Energy for Rural and Remote Communities – Biomass heating, district heating, and combined heat and power systems • Northern Responsible Energy Approach for Community Heat and Energy program (Northern REACHE).
Ministry/Agency:	Natural Resources Canada
Program objectives:	Clean energy projects that can help advance Indigenous-led climate action, support local economic development and create skilled jobs while reducing pollution and improving air quality.
Beneficiaries:	First Nation, Inuit and Métis communities, Indigenous governments, tribal councils, development corporations and other Indigenous organizations; legally registered or



	incorporated Canadian for-profit and not-for-profit organizations; and provincial, territorial, regional or municipal governments and related organizations.
Program duration:	\$300 million is available through 2027.
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	<ul style="list-style-type: none"> • Renewable energy and energy efficiency: solar, wind, hydro, energy storage, innovative technologies (e.g. grid modernization, ocean energy, hydrogen), building retrofits and renovations, measures such as LED lights and efficient equipment, new technologies, energy audits. • Capacity building: training, skills and program development, energy policy coordinators, energy literacy, energy planning, workshops, activities and mobilization, research and feasibility studies • Heating: biomass heating, district heating and combined heating and power systems, biomass supply chains, geothermal and solar thermal systems.
Other relevant information:	<p>Applications on a rolling basis</p> <p>Contact the team to share more about the community's vision, idea or project. You can submit a contact form through a link or request an application by email. Additional funding may be available through the Indigenous Climate Funding programs.</p>
Link:	https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/reduce-emissions/reducing-reliance-diesel.html
Key contacts:	nrcan.remoteenergy-energieadistance.nrcan@canada.ca

<i>Greener Neighbourhoods Pilot Program</i>	
Status:	Closed—no further calls for proposals have been announced at this time.
Ministry/Agency:	Natural resources Canada



Program objectives:	Targets groups of low-rise residential buildings and aims to test the Energiesprong model by grouping dwellings with similar building forms throughout a neighbourhood to create mass demand for major energy-efficient retrofits.
Beneficiaries:	Municipalities, municipal organizations, MRC (Quebec)
Program duration:	35.5 M\$, until 2027
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	<p>Initiatives that:</p> <ul style="list-style-type: none"> • Validate the technical and economic feasibility of the Energiesprong deep energy retrofit approach; • Support regional Market Development Teams (MDTs) in their work to accelerate the market for aggregated deep energy retrofits; • Support deep energy retrofit demonstration projects in community housing buildings in up to six communities (100 or more units per demonstration site); • Fund critical S&T activities to overcome challenges in implementing novel retrofit solutions, and support engagement and sharing of best practices with stakeholders.
Other relevant information:	
Link:	https://natural-resources.canada.ca/science-and-data/funding-partnerships/opportunities/grants-incentives/greener-neighbourhoods-pilot-program/24889
Key contacts:	gnpp-ppqv@nrcan-rncan.gc.ca

<i>Green Municipal Fund (GMF)—Municipal and community buildings, local energy generation</i>	
Status:	Open
Ministry/Agency:	Canadian Federation of Municipalities (FCM)



Program objectives:	From plans and studies to pilots, capital projects and more the objectives of the grants are to support projects in the area of municipal and community buildings, local energy generation and adaptation to climate change.
Beneficiaries:	Municipal partners, which include private sector entities; municipally owned corporations; regional, provincial or territorial organizations delivering municipal services; non-governmental organizations; not-for-profit organizations; research institutes (e.g., universities); Indigenous community.
Program duration:	Ongoing
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	Several programs with envelopes from \$70,000 to \$1M: feasibility study for adaptation; implementation of adaptation solutions; tree planting; retrofit; construction of community and municipal buildings; waste to energy projects, etc.
Other relevant information:	Online application.
Link:	https://greenmunicipalfund.ca/funding/capital-project-municipal-fleet-electrification
Key contacts:	gminfo@fcm.ca

2.3 Funding Programs for Adapting to and Mitigating Natural Disasters

9 programs of the Government of Canada and non-profit organizations for natural disasters are dedicated to:

- Disaster mitigation and adaptation
- GES reduction
- Tree planting

In the area of environmental disasters, the federal government and non-profit organizations offer the following funding programs.



Funded by
the European Union



Disaster Mitigation and Adaptation Fund (DMAF)	
Status:	Funding envelope is currently fully allocated
Ministry/Agency:	Housing, Infrastructure and Communities Canada
Program objectives:	National, competitive, and merit-based contribution program intended to support public infrastructure projects designed to mitigate current and future climate-related risks and disasters triggered by climate change, such as floods, wildland fires, droughts and seismic events.
Beneficiaries:	Municipalities, municipal organizations
Program duration:	As announced in Budget 2021, an additional \$1,375 billion in federal funding over 12 years was provided to renew the DMAF. A minimum of \$138 million of this funding is allocated to Indigenous Recipients.
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	New construction of public infrastructure and/or modification or reinforcement of existing public infrastructure including natural infrastructure that prevent, mitigate or protect against the impacts of climate change, disasters triggered by natural hazards, and extreme weather. Projects must be aimed at reducing the socio-economic, environmental and cultural impacts. Projects must have a minimum of \$1M in total eligible costs to be considered for funding.
Other relevant information:	
Link:	https://housing-infrastructure.canada.ca/dmaf-faac/details-eng.html
Key contacts:	dmaf-faac@infc.gc.ca

Low Carbon Economy Fund (LCEF)	
Status:	Four streams: The Challenge Fund for 2023 is closed Low Carbon Economy Leadership Fund (for provinces and territories)



	Indigenous Leadership Fund: open Implementation Readiness Fund: closed for application
Ministry/Agency:	Environment and Climate Change Canada
Program objectives:	Supports projects to reduce Canada's greenhouse gas (GHG) emissions, generate clean growth, build resilient communities, and create good jobs for Canadians.
Beneficiaries:	See different streams Indigenous Leadership Fund provides up to \$180 million by 2029 to support climate action by Indigenous peoples: applications until March 31, 2027.
Program duration:	See different streams
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	All projects are assessed on the basis that they deliver one or multiple of the following community services: climate change resilience; access to nature; environmental quality; biodiversity; mitigation strategy. Applicants may request from \$1 million up to \$25 million in funding for eligible project expenditures. Federal cost share will be 50% of total eligible project expenditures that a municipal applicant can receive from the Challenge Fund, depending on the applicant type.
Other relevant information:	NA
Link:	https://www.canada.ca/en/environment-climate-change/services/climate-change/low-carbon-economy-fund/challenge.html
Key contacts:	lcef-fefec@ec.gc.ca

<i>Environmental Damages Fund (EDF)</i>	
Status:	EDF generally issues one to two calls for proposals each year



Ministry/Agency:	Environment and Climate Change Canada
Program objectives:	The Fund invests in projects falling within 4 funding categories: 1) Restoration. Projects that restore natural resources at or near the location where environmental harm occurred. 2) Environmental quality improvement. Projects that improve natural resources at or near where environmental harm was caused. 3) Research and development. Projects that advance science and research on environmental damage assessment and restoration methods, and education and awareness. 4) Projects that promote education and community capacity building related to environmental damage restoration.
Beneficiaries:	Environmental community groups, universities and academic institutions, Indigenous organizations, and provincial, territorial, and municipal governments.
Program duration:	The amount of funding available through the EDF at any time varies according to the number and size of court awards and voluntary contributions directed to the EDF.
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	<p>Priority is given to projects that restore the natural environment and conserve wildlife, followed by environmental quality improvement initiatives, research and development on environmental restoration and improvements, education and awareness on issues affecting the health of the natural environment.</p> <p>There is no maximum project duration; however, the average EDF project typically does not exceed five years.</p>
Other relevant information:	Submit an application to the portal
Link:	https://www.canada.ca/en/environment-climate-change/services/environmental-funding/programs/environmental-damages-fund.html#toc4
Key contacts:	edf-fde2@ec.gc.ca

<i>Natural climate solutions</i>	
Status:	Close—check website for upcoming calls



Ministry/Agency:	Environment and Climate Change Canada
Program objectives:	The objective is to implement nature-based solutions including actions to reduce the loss, restore, and improve the management of ecosystems. These actions can help to: reduce GHG emissions from land management; store and capture carbon; mitigate the impacts of climate change; build resilience and improve water quality; provide critical habitat for Canada's wildlife.
Beneficiaries:	Provincial, territorial, and municipal governments.
Program duration:	Canada will invest over \$5 billion from 2021 to 2031. Natural Climate Solutions Fund, which will invest over \$5 billion from 2021 to 2031. This initiative consists of three distinct, but related, programs: <ul style="list-style-type: none"> • 2 Billion Trees Program led by Natural Resources Canada (\$3.19 billion) • Nature Smart Climate Solutions led by Environment and Climate Change Canada (ECCC) (\$1.4 billion) • Agricultural Climate Solutions led by Agriculture and Agri-Food Canada (\$885 million)
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	<p>The primary objective of the NSCSF is to reduce Canada's net GHG emissions using natural climate solutions, while benefiting biodiversity and human well-being. More specifically, the objectives are to:</p> <p>Avoid GHG emissions by halting or reducing the conversion of carbon-rich ecosystems to another less carbon-rich ecosystem (e.g., from a forest/grassland/wetland to cropland or an urban development)</p> <p>Restore carbon storage and biodiversity in converted or degraded ecosystems</p> <p>Reduce GHG emissions caused by natural resource use, including by implementing new forest harvesting management practices</p> <p>Develop policies, programs or tools with key actors in priority sectors, and implement them to reduce GHG emissions and improve biodiversity</p> <p>Measure and report on GHG outcomes from natural climate solutions</p> <p>Provide biodiversity and human well-being co-benefits</p> <p>Advance the federal commitment to reconciliation with Indigenous people</p>



	Advance science and knowledge on natural climate solutions in Canada
Other relevant information:	https://www.canada.ca/en/environment-climate-change/services/environmental-funding/programs/nature-smart-climate-solutions-fund.html
Link:	https://www.canada.ca/en/campaign/2-billion-trees.html
Key contacts:	ec.fscan-nscsf.ec@ec.gc.ca

<i>Build and Mobilize Foundational Wildland Fire Knowledge</i>	
Status:	Call for Applications is now closed
Ministry/Agency:	Environment and Climate Change Canada
Program objectives:	Aims to encourage collaborative research and demonstration projects focused on innovation in wildfire risk assessment, risk mitigation, and adaptive forest management as per the Blueprint for Wildland Fire Science in Canada. This new program will address gaps in foundational knowledge by developing and evaluating wildland fire risk assessment and risk mitigation strategies and technologies that support Indigenous peoples, local and provincial/territorial governments and fire management agencies to reduce wildfire risk in the face of a changing climate.
Beneficiaries:	Provincial, territorial, and municipal governments
Program duration:	\$48 Million to invest over 4 years starting in April 2024
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	Two streams: Contribution funding: non-repayable contributions to support collaborative research projects and demonstration sites. Building on an existing foundation of wildfire research, the emphasis will be placed on fostering new collaborations and partnerships among researchers, decision makers, the forest industry, Indigenous and forest-based communities, government, and non-government organizations



	Grant funding: non-repayable grants to Indigenous-led projects that support the development of resources and dissemination of knowledge by and for Indigenous communities. This includes activities to strengthen community readiness and explore ways to develop cultural practices and fire-management knowledge among Indigenous communities.
Other relevant information:	
Link:	https://natural-resources.canada.ca/our-natural-resources/forests/wildland-fires-insects-disturbances/wildfire-resilient-futures-initiative/build-mobilize-foundational-wildland-fire-knowledge/25689#about
Key contacts:	wildfireprograms-programmesdefeuxdeforet@nrcan-rncan.gc.ca

2 Billion Trees (2BT)	
Status:	Ongoing
Ministry/Agency:	Natural Resources Canada
Program objectives:	Provides financial support to organizations to plant trees over 10 years.
Beneficiaries:	Provinces, territories, non-profit organizations, businesses, and Indigenous governments and organizations
Program duration:	Over a period of 10 years, by 2031, up to \$3.2 billion will be invested in tree planting efforts to support provinces, territories, third-party organizations (for-profit and not-for profit) and Indigenous organizations to plant two billion trees across Canada.
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	<p>Tree planting projects must comply with provincial, territorial and federal laws that have authority over the management of most forested land in their jurisdictions.</p> <p>Urban-project Applicants: for local governments and organizations interested in planting trees in and around their communities, you may be eligible for funding through the Federation of Canadian Municipalities' Growing Canada's Community Canopies (GCCC) initiative. Trees planted through this program will support Canada's goal of planting two billion trees.</p>



Other relevant information:	
Link:	https://www.canada.ca/en/campaign/2-billion-trees.html
Key contacts:	2btrees-2garbres@nrcan-rncan.gc.ca

<i>Natural Infrastructure Fund</i>	
Status:	Not currently accepting applications
Ministry/Agency:	Housing, Infrastructure and Communities Canada
Program objectives:	Increase the use and uptake of natural and hybrid infrastructure; and build community awareness on the value of natural and hybrid infrastructure and the delivery of multiple outcomes to support communities to implement a range of diverse natural and hybrid infrastructure projects. The Small Projects Stream responds to known demand at the local level for smaller projects.
Beneficiaries:	Municipalities, municipal organizations, MRC (Quebec)
Program duration:	As announced in Budget 2021, \$200 million to support natural and hybrid infrastructure projects across Canada.
Type of projects targeted by the program/Type of funding available, envelope, amounts awarded, and value of expected match (if applicable)	All projects are assessed on the basis that they deliver one or multiple of the following community services: climate change resilience; access to nature; environmental quality; biodiversity; mitigation strategy.
Other relevant information:	
Link:	https://housing-infrastructure.canada.ca/nif-fin/index-eng.html
Key contacts:	nif-fin@infc.gc.ca



3. Strategies to Better Respond to Funding Opportunities

3.1 Key General Observations

The review of funding programs highlights several key observations:

- **Mismatch Between Federal Funding Timelines and Municipal Planning:** Except for a few programs, such as the FCM's Green Municipal Fund, federal funding is scattered across multiple programs and is available to various types of beneficiaries. There are very few specific or dedicated programs to support municipalities in their efforts to reduce GHG emissions from transportation or to decarbonize buildings or to adapt to climate change. Therefore, one of the main challenges municipalities face in accessing federal funding is the discrepancy between the short application windows of federal programs and the extensive planning and decision-making processes they must undertake, particularly where council approval is necessary. Municipalities often engage in long-term strategic planning, which includes community consultations, feasibility studies, environmental assessments, and council approvals. However, federal programs frequently operate with short application timelines, creating pressure on municipalities to expedite their internal processes. Tight deadlines for grant applications create challenges. As a result, some municipalities apply without full council backing, taking a calculated risk to meet deadlines but potentially lacking the confidence that their applications are fully supported.
- **Complex Application Processes:** Since most programs are not specifically dedicated to municipalities but cater to various beneficiaries, the application processes are complex and may deter municipal interest. Most identified programs require significant capacity from municipalities to set up and manage projects. Federal funding applications can be resource-intensive, often requiring 20 to 30 pages of detailed information. Completing these applications demands significant coordination among municipal departments, and smaller municipalities may lack the dedicated staff or streamlined processes to manage these lengthy requirements efficiently. Many programs only provide detailed funding information when calls for projects are issued. Numerous technical specifications are outlined in User Guides, which are generally updated only during these calls. Therefore, an analysis of each program will be necessary when calls for projects are launched, making it challenging to anticipate whether a program will be a viable funding opportunity for municipalities.



- Difficult Estimation of Resource Commitment:** For municipalities, it is essential to evaluate the level of effort required to apply for funding against the potential for success and the timeline. This involves determining what is needed to complete the application, establishing a budget to cover the costs associated with preparing the application, including consulting, research, and writing fees. Additionally, assessing the chances of success by analyzing selection criteria and previously funded projects is crucial. This evaluation allows for informed decision-making regarding resource commitment and optimizes the chances of securing the desired funding. It is important to estimate the level of effort required beyond the application process, such as how long it will take to receive a response, the effort needed for reporting, and the process of funding disbursement. However, federal program application forms, processes and the information provided do not sufficiently allow for a proper estimation of these costs, making it challenging to allocate resources effectively. Finally, completing specific technical sections in applications, such as greenhouse gas (GHG) emissions estimates, can be challenging for smaller municipalities, which may lack in-house expertise. To meet technical requirements, these municipalities sometimes turn to consultants, but this additional cost can be hard to justify to council members, who may see the expense as a gamble if the grant is not awarded.
- Need for more Clarity of the “True” Objectives of Programs:** Municipalities often face challenges in understanding the true objectives of federal funding programs when applying. These priorities, especially when related to political orientations, are not always clearly stated. Municipalities often need to be able to read between the lines to better align their projects with program expectations. For instance, they spend time developing complex projects for specific funding envelopes, only to find that sometimes only a certain type of organization received the funding. Federal programs seem to prioritize equitable national representation, which poses unique challenges for larger provinces like Quebec and Ontario compared to smaller, less competitive regions (e.g., New Brunswick). In addition, it seems there is a growing trend to support regional collaboration. A regional approach boosts project appeal, although challenges arise in areas with significant size disparities, where smaller municipalities may feel overshadowed.
- Managing Matching Fund Requirements:** Matching fund requirements in funding applications present budgeting challenges, especially for smaller municipalities. Larger municipalities, which benefit from supplementary funding mechanisms (such as the Climate Action Tax), can more readily meet these requirements. Smaller municipalities, without access to such resources, struggle with the added financial burden, particularly when budgets are tight, or funds are already allocated to ongoing projects.

- **Not Sufficient Feedback:** Municipalities reported varying levels of feedback on rejected applications. Some funders provide guidance on why a proposal was unsuccessful, which helps municipalities improve future applications. Others, however, offer no feedback at all, leaving applicants uncertain about areas for improvement. Municipalities with a proactive approach tend to request feedback, increasing their chances of receiving valuable insights.
- **Difficult Reporting Formats:** Reporting requirements, though generally manageable, are often inconsistent across funding programs. Municipal staff find some formats, like complicated Excel spreadsheets, not very efficient and time-consuming, indicating a need for standardized and user-friendly reporting templates. Streamlined reporting could help municipalities allocate time and resources more effectively to project implementation rather than administrative tasks.
- **Need for more Information Targeting Municipalities:** While some organizations, like FCM, offer targeted communication tools and coaching to support municipalities interested in their programs, this does not seem to be the case with most of the federal departments. An exception is Housing, Infrastructure and Communities Canada, which has recently established a help desk for municipalities.
- **Trend of Pooling Resources into Large Programs:** Some federal departments are showing a recent trend of consolidating new resources into larger programs. For example, the Canada Public Transit Fund from Housing, Infrastructure and Communities Canada illustrates this trend. It is important to confirm this development and engage in discussions to ensure that these larger programs can specifically target municipalities, with distinct funding allocations for them.

3.2 Recommendations for More Efficient Federal Funding Programs

This review of available funding programs and further consultations with GCOM cohort members highlight some avenues to help Canadian municipalities better access programs. Here are a few recommendations:

- **Influencing Upstream Program Design to Fill Funding Gaps:** Directly or through their provincial/federal associations, municipalities could better engage in consultations and discussions with federal departments during the program design phase. By providing data-driven insights and real-life examples, they can advocate for programs that address specific funding gaps. Working with their municipal associations, not only during budget allocation time but also during the specific program design phase, would ensure a more efficient federal funding impact.



- Pre-Release of Application Criteria and Expression of Interest (EOI) Stage:** Municipalities suggest funders offer early pre-announcements or qualification checklists, allowing them to prepare projects proactively. FCM has initiated this practice, proving beneficial. There is also a preference for two-stage application processes. Such processes, implemented in some federal programs and FCM's GMF, which involve submitting initial ideas or concepts followed by a full proposal, is preferred by municipalities when engaging with federal programs. This allows municipalities to gauge the interest and alignment of their projects with federal priorities before investing significant time and resources into a comprehensive proposal. This staged process reduces the risk of expending substantial effort on proposals that may not align with funding objectives, thereby optimizing resource allocation and increasing the likelihood of success. An EOI phase could allow municipalities to outline potential projects briefly to gauge eligibility before committing significant resources to a full application. By assessing fit early on, municipalities can make more informed decisions about whether to proceed, potentially reducing wasted effort on applications with a low likelihood of success.
- Advocate for Federal Programs to Provide Longer Application Windows:** Municipalities suggested longer or rolling application windows to ease the burden of meeting tight deadlines. Advance notice of upcoming funding rounds, such as a six-month lead, would enable municipalities to plan and allocate resources more effectively, enhancing the quality and thoroughness of their applications. Federal programs frequently operate with short application timelines, creating pressure on municipalities to expedite their internal processes. To address this, municipalities could advocate for federal programs to provide longer application windows, allowing for more thorough planning and decision making. Additionally, as mentioned above, they could engage in more pre-planning activities to identify and prioritize potential projects based on anticipated funding opportunities, helping to streamline the application process when funding becomes available.
- Support for Pilot Projects and "Projects-in-a-Box":** Municipalities should advocate for dedicated funding to support early project planning and financial modelling—a funding gap currently identified. Participating in pilot programs that test new projects can provide valuable feedback to shape future approaches and approved pilots can be used to leverage larger funding when opportunities arise.



Funding programs could consider designing “project-in-a-box” templates for common municipal needs, easing the burden of initial project development.

- **Streamline Reporting Formats, Requirements and Deadlines:** Municipalities should advocate for streamlined reporting formats, requirements and deadlines across federal departments per area of programming (green buildings versus sustainable transportation).
- **Understanding Federal Efforts to Improve Access:** It is crucial for municipalities to know what the program prioritizes before investing time and resources in submitting a proposal. Staying informed about federal initiatives, such as Infrastructure Canada’s one-window approach, can help municipalities understand how these efforts can facilitate access to funding. Better Engaging in Conversations with Funding Representatives: Municipalities could create concise fact sheets or one-pagers that summarize their funding needs and project benefit. This would facilitate discussions with federal funding representatives. Organizing roundtable discussions with federal program representatives would foster better dialogue and collaboration.
- **Sharing Examples of Successful Municipal Applications:** This would enable municipalities to learn from each other’s experiences and enhance their own project proposals. By analyzing successful projects, municipalities can better understand the implicit criteria and priorities of funding programs, allowing them to align their initiatives more closely with federal expectations. This information sharing could be facilitated through collaborative platforms, conferences, or municipal networks, thereby providing access to successful models and encouraging a more strategic and informed approach in developing future projects.



