



ARTICLE | COLLECTIVE CLIMATE ACTION FUNDING

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Ensuring that there are necessary financial supports in place to propel climate action in local communities remains a challenge. Currently, most of the funding available to the social impact sector is project-based and usually only available to registered entities such as charities, non-profits and municipalities. Grassroots groups and climate start-ups face significant challenges when it comes to accessing funding, whether that's for ad-hoc projects or for scaling successful local efforts that have reached the tipping point and require more than part-time volunteer hours to continue.

This article provides an overview of some of the most common challenges faced by smaller neighbourhood-based groups and local non-profits eager to grow their reach and offers suggestions for how to apply a Collective Impact (CI) approach to establishing a backbone infrastructure that enables and sustains community climate transitions in the long-term.

BACKGROUND

From grassroots activism to Collective Impact (CI) movement-building, climate work is a complex and multifaceted process. Community groups interested in receiving funding for their work could choose to build up their own organization and incorporate as a non-profit, to merge with an existing organization, or to keep their existing structure and participate in a CI project

instead. What the right solution is depends on a number of factors, such as local community needs, priorities and vision. There is no one-size-fits-all approach when it comes to climate work because each community is unique and has its own assets, dynamics and demands to consider and prioritize. At the same time, CI may have a lot to offer to community groups looking for a powerful and responsive framework to grow their impact nimbly and innovatively.

The next section explores how to apply the CI process in setting up a local initiative onto steady rails that will keep it going.

What is Collective Impact and how do we apply it?

Collective Impact (CI) is a form of collaboration which brings together different sectors to solve large complex problems. The CI framework contains five core conditions:

1. The development of a common agenda
2. Using shared measurement to understand progress
3. Building on mutually reinforcing activities
4. Engaging in continuous communication
5. Providing a backbone to move the work forward

WHAT MAKES COLLECTIVE IMPACT UNIQUE

As an emerging approach, what distinguishes CI is the fact that it promotes shared ownership and responsibility instead of placing the onus on a single organization alone. As a process, CI harnesses a [Collaborative Governance](#) approach through which a Leadership Table is formed and a Collaborative Governance Agreement is established between partners. The parties then proceed to outline answers to key questions such as who is responsible for specific aspects of their shared work, who will act as a **financial host organization**, and more.

These agreements are important because, traditionally, when there is no designated organization to take on this host role, a chicken and egg situation can occur and it may become necessary to incorporate as a local non-profit organization. Indeed, while a CI project itself neither needs to nor should become its own organization, it does however require **backbone infrastructure** to support it. In order to do so, clear communication will be foundational to ensuring there is clarity around roles and a strong common vision to guide the shared work.

Successful organizations prioritize the following two actions:

- Building trust among community actors and stakeholders
- Creating agency and buy-in around shared goals for the community

This is the work that must be done before a CI project gets to a fundable stage. Putting together a plan to fund collective climate action requires extensive partnership-brokering and planning, and the funding readiness of local climate action can be divided into three stages:

1. Pre-seed (pre-fundable)
2. Ready to grow (fundable)
3. Scalable (scaling beyond pilot projects)

THE PRE-SEED STAGE

At this stage, the founders are typically community leaders, citizen-led groups or local non-profits who oversee all aspects of the work that goes into building a local movement, such as partnership brokering, overseeing setup, getting the necessary partners together and coordinating integrated planning with stakeholders to get the project/local plan to a fundable stage. During this process, it's important to frame the CI initiative as a project to better help secure any funder support.

While the initial community mobilization and momentum-building stage is generally all volunteer-run, once groups reach a stage when they want to scale their projects and grow their impact they will need to start thinking beyond volunteer support alone.

At this critical juncture, groups and organizations must find a way to raise some funds and form or join a backbone structure in order to continue their work. Of course, the problem with most forms of fundraising is that they take a while. Typical grant cycles take 6-9 months to complete and most grassroots groups only start thinking about fundraising once they need money.

Tips for success

- Start thinking and planning for how to sustain your climate work early! Even if you fundraise just \$1,000 in the beginning, this can go a long way in helping you cover some communications costs or to help hire someone to write your first grant proposal when you are ready to begin this work.
- Think about fundraising expansively. In-kind donations (e.g., of someone's expert skills at creating a website, designing posters or social media campaigns) are just as valuable as receiving money and paying a professional to help you complete a task.

Usually, in a for-profit start-up context, founders are expected to put in a lot of sweat equity – that is, work for free, usually for 1-2 years, with an expectation that one day they will get a return on the time they have invested once the business starts to make a profit.

In the community organizing world, the efforts needed to successfully launch an initiative are akin to those of launching a start-up – yet often without compensation for the critical resources invested at the start-up stage. Since reducing greenhouse gas (GHG) emissions and engaging people in climate action is not a responsibility that should be shouldered by grassroots groups and community non-profits alone, municipalities are encouraged to recognize the crucial role that local climate champions play and ensure that necessary financial supports are put in place to help them get their projects off the ground.

How municipalities can create low-barrier supports to help local climate action grow:

- Offer climate action champions training and recognize their contributions with an honorarium. For a case study, see what [City of Toronto offered champions as part of their TransformTO strategy](#).



- Offer micro-grants/seed funds of up to \$5,000 for community greening, waste reduction or citizen science/climate mobilization projects. In this instance, it's important to include project management and evaluation work in the budget, too, not just the cost of materials and salaries.
- Engage with grassroots groups and local non-profits and hire them to do innovative community engagement work as an integrated part of public consultations for local climate plans. Community engagement is typically the hardest part for municipalities and often consulting firms are hired to facilitate such a process. However, these external parties often have a limited understanding of local context and no ties to the local community.

Place-based local groups have deep understanding and wider connections and are much better placed to do this work. Offering this form of support through a service contract, much like ones provided to consultants, is an easy and straightforward way to support local groups and to achieve project engagement objectives as well.

- Proactively identify and support projects that fulfill multiple goals and offer multiple benefits to multiple partners, such as combining an urban infrastructure project with project(s) that target socio-economic and environmental goals. Combining budgets and bringing together residents and diverse partners helps to shift from the traditional single-silo approach to an intersectoral, inclusive, multi-objective and collaborative one where everyone is included and where the dollars invested go much further.

THE READY TO GROW STAGE

Once the initial pre-seed planning and partnership building work has been completed, a registered local non-profit or a charitable entity should take on the role of host organization. There is an important distinction for CI initiatives to ensure that this organization does not become a backbone organization but rather is part of the backbone infrastructure described earlier. If the host organization is a non-profit, a fiduciary charitable partner will also be needed to apply for and accept any private foundation funds.

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At the heart of CI is a common agenda, and one of the most impactful ways for joint climate action to make a difference is to unite not only local strengths but also to pool budgets and other supports to achieve mutually beneficial outcomes.

In municipal contexts, for example, this could mean integrating community resilience projects into the urban planning process and vice versa, leveraging existing mandates to grow momentum and enhance

efficiency. Engaging in local watershed and emergency preparedness planning is another.

In other words, this means that, for municipalities, there is an opportunity to adopt a more holistic approach to their funding policies. When municipalities proactively identify projects that fulfill multiple goals and offer multiple benefits to multiple partners, they can begin to shift from a traditional single-silo approach to an intersectoral, inclusive, multi-objective, and collaborative one.

For example, in Ontario, the Toronto and Region Conservation Authority (TRCA) has been piloting and scaling a successful local collective urban renewal and climate action program called [Sustainable Neighbourhood Action Program \(SNAP\)](#) with over 15 participating neighbourhoods. Similarly, in San Francisco, a [Joint Benefits Authority](#) is currently being piloted as a mechanism for pooling resources that are hard to obtain in order to share them among several city departments and partner groups for mutually beneficial public-focused projects, helping overcome silos.



For members of a CI Leadership Table, this means being ready to actively and strategically seek partners – including and especially, their municipality – and identifying other calls for proposals where there are social, environmental and economic co-benefits. Clearly illustrating how proposed projects provide protection to both residents and local ecosystems is a great strategy to help secure more grant funding.

Local climate collectives should also have a good understanding of their municipality's climate budget and what climate related projects have already been planned and funded through it. This information is usually publicly shared with citizens through council meeting decisions and the annual budget reports. Knowing what is available and what is already in the works will enable local collectives to better position their projects and proactively seek additional funding sources where needed. Since project benefits will directly impact the local community, municipalities should aim to cover around 75% of the cost and CI projects should seek this share of support in their proposals.

As an example, in the case of the SNAP projects, a typical budget of an integrated neighbourhood climate action program is around \$200,000 per year for two years with local municipal and regional funding covering 71% of the budget. The remainder of the budget could come from private foundations and federal programs such as those offered by the [Federation of Canadian Municipalities](#).

THE SCALABLE STAGE

With communities needing to meet their initial emission reduction targets in less than eight years, there is an urgent need to move rapidly beyond the pilot project stage. While sharing knowledge, lessons learned, skills, networks, resources and social capital are all important parts of an iterative approach to accelerating a local climate transition and advancing equity, expanding the reach of pilot projects requires ongoing backbone funding. At the time of writing, there are no federal or provincial core

funding programs available that specifically support environmental or climate work at the local community level. Most organizations must search for and renew their annual or 2- to 3-year funding with their existing partners.

As a potential means to generate revenue to sustain their work, local non-profits and charities could draw on their expertise to offer consultation and partnership-brokering services, or act as a host organization for other projects or groups. For example, if an organization is a carrier for another group's or organization's project, 10% of their budget will be attributed to the host organization. Similarly, it's important to ensure that a percentage of every CI project-focused grant goes towards maintaining the collaborative infrastructure.

Finally, evaluating and measuring the impact of CI projects and having a framework in place to do so is key when reporting back to funders but also for securing new funding. Below are some helpful resources to take your learning further:

- Check out SNAP [Transition 2050 Project](#) and their [Climate Action Co-benefits Project Evaluation Guide](#)
- Try Tamarack's Tool for [Assessing the Effects of Local Intersectoral Action](#)
- Read the article [Impact Reporting – From Activities to Outcomes](#).

Examples of successfully funded collective climate projects

[Sustainable Neighbourhood Action Program \(SNAP\)](#) is a neighbourhood-based climate action program that engages and empowers local communities through collaborative strategy and urban co-planning. Its goal is to transform older neighbourhoods into better and more sustainable places to live while reducing GHG emissions, promoting biodiversity, renewing public infrastructure, and building community resilience.

First launched in 2009, SNAP now covers 15 neighbourhoods from 9 municipalities in the Greater Golden Horseshoe Region of southern Ontario and is led by the Toronto and Region Conservation Authority (TRCA), a registered charity which successfully co-developed integrated climate action and urban green and grey infrastructure renewal projects in partnership with municipalities, community groups, local businesses and residents. Each SNAP costs around \$200,000 to implement and is funded 71% by municipal and regional sources, 22% by FCM and 7% by private foundations.

The success of this model has inspired 17 communities in The Netherlands to adopt SNAP's framework, which in 2020 received the Federation of Canadian Municipalities' Sustainable Communities Visionary Award and was also a finalist in 2016's C40 Cities Awards.

[Transition Salt Spring \(TSS\)](#) is a charitable organization based on Salt Spring Island, BC. The initiative started off as a grassroots community group over 25 years ago, then registered as a non-profit in 2011 and obtained charitable status in 2022. In 2011, TSS released its first local climate plan, with a [second iteration](#) published in 2020. During this time, TSS went from a \$15,000 to \$300,000 budget in less than

two years. Their funding is primarily based on local private foundations and federal climate action programs.

TSS uses a sociocratic operating model with equal pay for core staff and has autonomous working groups such as [Electric Vehicles Group](#) that are run by various partner groups operating under the TSS umbrella. There is also a community lending co-op that is funded by local investors. The [Transition Salt Spring Enterprise Co-op](#) offers green loans to local social enterprises.

LIST OF RECOMMENDED STEPS

- When it comes to CI, consider shifting from a backbone organization to a host organization model
- Set out Collaborative Governance Agreements that outline partners' roles and responsibilities
- Build strategic relationships with your local municipality, elected officials and other local stakeholders
- Seek shared objectives and benefits with local agencies to leverage co-planning and potential shared projects and budgets
- Frame your collaborative work as a "project" to help secure funder support
- Start planning early. Allow 6-9 months to establish initial funding and 3-6 months to create a vision, theory of change and a business plan
- You will likely need a non-profit or charitable status in order to apply for funding. A charitable fiduciary partner may also be needed to access private foundation funding
- Diversify your funding "portfolio". Do not count on one major funder or project and continuously build your funding pipeline. Proactively seek opportunities for collaboration
- Make sure to include a percentage of every project-focused grant towards supporting the collaborative infrastructure
- Value and acknowledge in-kind contributions

The specific conditions of each community will bring opportunities and constraints for both the municipality itself and its local partners. Some of the common challenges for smaller municipalities include misaligned climate targets, where emissions reduction commitments at the higher levels of government are difficult to apply at the local level; political polarization for communities depending on fossil-fuel industries, which can hinder engagement; and shifting priorities and loss of funding for existing community climate action work due to political short-termism. And lastly, lack of evaluation and/or reliable accounting frameworks can hinder stakeholder accountability and affect the ability to make project impacts measurable and visible to others.

For this and other reasons, climate start-ups must learn how to navigate complex ecosystems of policy and advocacy, governance structures, community engagement, urban planning, emissions reduction, emergency preparedness, climate change adaptation, and community resilience planning – in addition to local politics, business-planning and fundraising.



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They must also self-advocate for the critical role they play as integrators and partnership-brokers who bring the right people and resources together. Perhaps, the most meaningful action a municipality can take is to hold space for people from their own community to step into and take charge of the decisions that impact their lives.

FUNDING OPPORTUNITIES – SOME USEFUL STARTING POINTS

General Programs

[Canada Summer Jobs](#) is an annually recurring program which offers wage subsidies for non-profit and private sector employers to hire youth aged 15-30 years over the summer period (typical contract length is 12 weeks). This is a great program for non-profits, as it covers 100% of the provincial minimum wage and mandatory employment related costs (i.e., source deductions). Generally, organizations offer a bit more than the minimum wage by covering the difference themselves, which gives them better chances of securing funding for the requested positions. This program is a wonderful opportunity to engage youth and young adults in community climate projects over the summer.

The application period usually opens in January and approved positions are communicated around April. It's important to note that, if you intend to apply, you should share your community summer programs and projects with your local Member of Parliament (MP) and check that your project aligns with local priorities as established by your MPs they have oversight over this program.

The [Eco Canada Environmental Employability Pathway](#) wage subsidy program is part of the Government of Canada's Youth Employment and Skills Strategy (YESS) program and offers up to \$15,000 for helping youth aged 15-30 years pursue environmental jobs.

The [Climate Action and Awareness Fund](#) was launched in 2020 and has three main priorities: to support youth climate awareness; to support climate research at Canadian think tanks and in academia; and to advance climate change science and technology. It currently has no open projects, but it is an ongoing program worth regularly monitoring for any new calls for proposals.

The [EcoAction Community Funding Program](#) provides financial support to non-profit and non-government organizations that wish to engage Canadian communities to take on local action-based projects that produce measurable, positive effects on the environment and that build the capacity of

communities to sustain these activities in the future. Grants offered are between \$25,000 and \$100,000. At the time of writing, their 2022-23 intake has closed, but it's worth checking for updates on a regular basis.

The [Local Food Infrastructure Fund](#) (LFIF) is a 5-year, \$60 million initiative ending March 31, 2024. It was created as part of the Government of Canada's Food Policy for a healthier and more sustainable food system in Canada. The LFIF is aimed at community-based, non-profit organizations with a mission to reduce food insecurity by establishing and strengthening their local food system. The 5th intake is planned for 2023.

This fund is targeted only to applicants who fall within at least one of the following categories:

- Located in rural communities (population under 1,000)
- Small cities (population between 1,000 and 29,999)
- Indigenous groups in either urban centers or rural areas (for example, Indigenous governments/communities, Indigenous non-profit organizations)

[Green and Inclusive Community Buildings](#) (GICB) – this program aims to build more community buildings and improve existing ones by making them more energy efficient, lower carbon, more resilient, and higher performing. This program is geared towards regional or municipal government bodies and Indigenous groups, particularly in areas where populations are experiencing higher needs. Funding available ranges from \$100,000 to \$3.1 million per project. At the time of writing a new intake is forthcoming.

Provincial and Municipal Programs

The [Federation of Canadian Municipalities Green Municipal Fund](#) offers a wide range of funding opportunities. Local organizations must partner with their municipality to be eligible.

Alberta

[Community Initiatives Program](#) offers project-based and operating grants of up to \$75,000 annually for community-based initiatives.

British Columbia

[BC Community Funding Guide](#) is an all-in-one directory of funding opportunities for climate action projects for Indigenous communities and local governments. Non-profits and charities should approach their local governments for specific opportunities that are part of the programs listed in this guide.

Manitoba

[Conservation and Climate Fund](#) provides support to projects occurring in Manitoba that incorporate actions to address and adapt to climate change and protect the environment in alignment with the

priorities and implementation of the [Climate and Green Plan](#). This program has an annual intake with funding of up to \$150,000 per project. Non-profits, municipal governments and social enterprises are eligible to apply.

New Brunswick

[Environmental Trust Fund](#) provides assistance for action-oriented projects with tangible, measurable results, aimed at protecting, preserving and enhancing the province's natural environment. Community groups, non-profits, First Nations, local municipalities and sustainability-focused institutions can apply. This is an annual program with an application period that generally opens during the month of November.

[Canada Community-Building Fund](#) is a permanent source of funding provided to local governments biannually per the formula in the Canada-New Brunswick agreement. This funding program is for the construction, renewal or material enhancement of infrastructure in New Brunswick communities. Municipalities can pool, bank and borrow against this funding, providing significant financial flexibility. Funding is also provided for projects in unincorporated areas (local service districts).

Newfoundland and Labrador

[Stewardship Association of Municipalities](#) offers several funding opportunities on an ongoing basis. There is also the [NL government Climate Change Challenge Fund](#) which is more targeted towards larger infrastructure and retrofits projects with direct GHG emissions reductions in mind. Municipalities and non-profits are among those eligible to apply.

Nova Scotia

While the City of Halifax has its own extensive and inspiring [climate action plan](#), province-wide, a recent call for projects launched in 2022 under the [Sustainable Communities Challenge Fund](#) so we recommend checking the Nova Scotia Government's website for updates and new opportunities under this program.

[Rural Communities Foundation of Nova Scotia \(RCFNS\) Joan Feynman Climate Change Fund](#) also offers small matching grants of up to \$5000 for climate change-related projects targeting rural communities and youth throughout Nova Scotia. The grants are designed to support innovative, community-based action and to promote environmentally sustainable, socially supportive, and economically thriving communities. We suggest checking their website for updates.

Ontario

There are several opportunities, including the following:

- [Toronto Climate Action Fund](#) supports community-led projects, activities and events that directly or indirectly (through education and outreach) reduce the harmful emissions that contribute to climate change
- [Kingston Community Climate Action Fund](#) offers yearly grants for GHG emissions reduction projects
- The [Ontario Government's Climate Action](#) grants program supported 10 partners with their first round of funding. We recommend regularly checking the government's website for updates and checking your local municipality's website for climate action funding programs.

Prince Edward Island

The 2022-23 [PEI Climate Challenge Fund](#) will support projects that start in 2022 and that will finish before March 31, 2024. The Climate Challenge Fund (CC Fund) is a \$1 million annual fund intended to support the development of innovative solutions to the threat of climate change. First Nations, municipalities, businesses, academic institutions, organizations representing culturally diverse communities and non-profit organizations doing projects in Prince Edward Island are all eligible to apply.

Quebec

[Ministère de l'Environnement et de la Lutte contre les changements climatiques](#) provincial programs page posts granting opportunities once or twice a year: Major cities such as Montreal and Québec City have their own municipal climate action programs that periodically put out calls for proposals. For example, Foundation of Greater Montreal (FGM) [Collective Fund for Climate and Ecological Transition](#) supports projects aiming to reduce GHG emissions and mitigate climate change, adapt to climate change, protect natural environments, and promote green and natural infrastructures, as well as those aiming to increase awareness, mobilization and engagement of residents and community.

The [Greater Montreal Climate Fund](#) supports the existing Montreal ecosystem to reduce GHGs by taking action based on the following pillars: incubation of innovative programs, capital mobilization and consultation, research, and promotion.

Saskatchewan

Most of the climate action projects are delivered through municipalities. Saskatchewan Environmental Society (SES) offers The [Ann Coxworth](#) Environmental Fund ([ACE Fund](#)), which gives out grants of up to \$1,500 to be used for special projects related to SES's issue-related work that supports environmental leadership development.

Foundations and Charities

[Community Foundations of Canada](#) regularly acts as a program delivery arm for many federal programs but it is also a gateway to finding local foundations.

[Environmental Funders Canada](#) is a network of foundations and philanthropic organizations dedicated to increasing the impact of funding to tackle climate change.

The [Canadian Philanthropy Commitment on Climate Change](#) website shows the list of major Canadian foundations committed to fighting climate change.

For finding local foundations and charities that support and offer grants for climate work, it's worth doing a web search.

Funded by the Government of Canada's Sustainable Development Goals Funding Program.

Canada 

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