



GREEN
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Green Municipal Fund

Three-year Plan

2023–2026

A program of/
Un programme de la
FCM

Funded by/
Financé par
Canada

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Our journey

Who we are

The Federation of Canadian Municipalities' Green Municipal Fund (FCM's GMF/ the Fund) is a globally unique and catalyzing mix of funding and capacity building. GMF leverages a \$1.65 billion (and growing) investment from the Government of Canada to give municipalities nation-wide the tools they need to accelerate their transition to a resilient, net-zero, sustainable future.

For more than two decades, GMF has helped communities adopt high-performing climate solutions and practices *faster*.

MILESTONES

- 20+ years of support to GMF's core sectors: energy, land use, transportation, waste, and water.
- Established the Low Carbon Cities Canada (LC3) network in seven urban regions (Vancouver, Edmonton, Calgary, Toronto, Ottawa, Montreal, and Halifax) as locally managed endowment funds to scale the adoption of low-carbon solutions.
- \$950 million in additional funding received through *Budget 2019* for the Community Efficiency Financing (CEF), Sustainable Affordable Housing (SAH), and Community Buildings Retrofit (CBR) funding streams.
- \$530 million invested in the GMF through the Government of Canada Climate Adaptation Action Plan (GoCAAP) to launch a new program to help support, accelerate, and scale up community-based climate adaptation initiatives.

As the flagship program of the FCM, municipal needs are at the heart of GMF's capacity development and funding

programs. These programs are complemented by responsive client services, credible reporting, robust governance, and impressive thought leadership. GMF promotes what is ecologically imperative and technologically possible. This, combined with a strong relationship with the Government of Canada, puts GMF in a unique position to help Canadian communities prepare for and tackle the climate crisis.

GUIDING PRINCIPLES

Six principles guide GMF's program design and decision making:

1. Focus on the needs and expectations of GMF clients (i.e., municipalities).
2. Centre decisions around the urgency of climate change mitigation and adaptation.
3. Remain innovative and ambitious enabling transformation while managing risk.
4. Support healthy, empowered teams that deliver organizational growth and respond to a rapidly changing world.



- Operate as an anti-racist, equitable, and inclusive organization.
- Create results-oriented design and delivery models for all programs.

This *GMF Strategic Plan 2023-26* (the Plan) outlines strategic priorities and outcomes, building on the progress made in the previous two decades. It articulates areas of focus for GMF in the medium-term, which align with the current and emerging goals and objectives of the Government of Canada. GMF supports municipalities across Canada in achieving local climate change plans that are aligned with their citizens' needs. The Fund reports on its activities and progress annually in the *GMF Annual Statement of Plans and Objectives* (ASPO). It also provides results yearly in the *GMF Annual Report*.

Where we've been

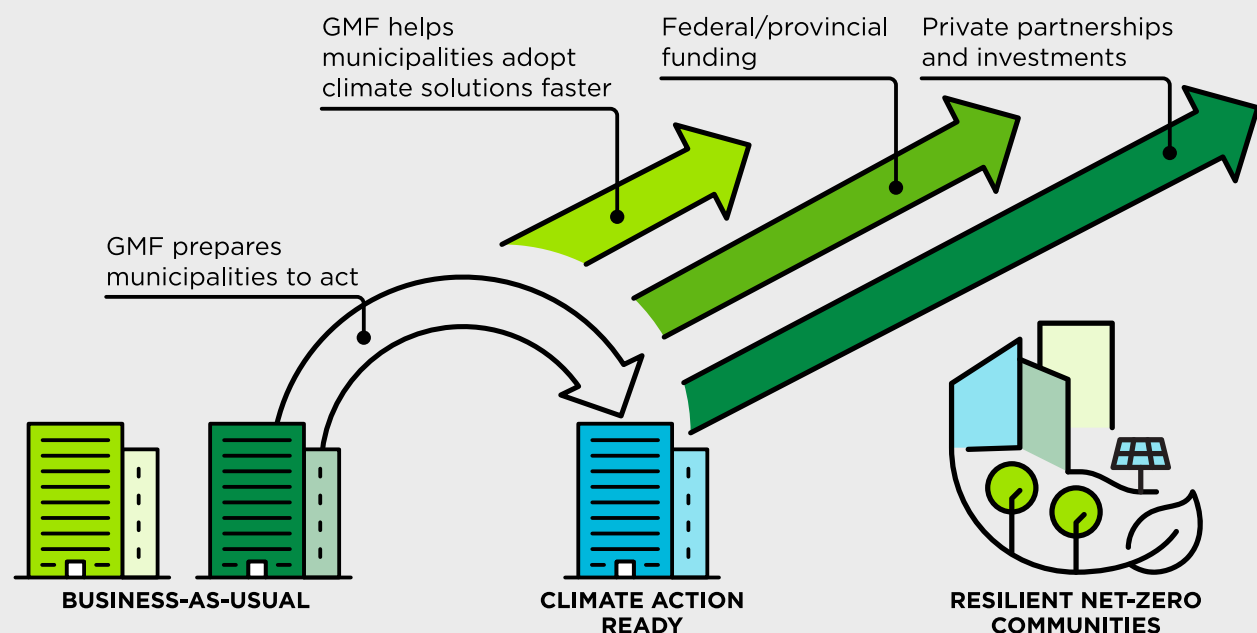
"GMF's efforts have always emphasized the most enabling solutions possible for municipalities and paired them with assistance from a diverse team of experts and support staff." —Chris Boivin
 Chief Development Officer, Federation of Canadian Municipalities, and Managing Director, Green Municipal Fund

GMF'S INCEPTION

The GMF was established in 2000 as a way to gain experience in developing and executing municipal sustainability projects. As a well-managed endowment, GMF has invested more than \$1.25 billion into almost 2,000 municipal projects since inception, all while preserving its base operating capital and creating enough return from GMF's loan portfolio and investments to increase the total funds available to invest in communities across Canada.

The Fund has always had a broad mandate to support projects in five sub-sectors: water, waste, transportation, energy, and land use. It does so in communities of all sizes and regions in Canada. The previous GMF Five-Year Plan 2018-23, included 11 key results areas that supported work on these five sub-sectors. Several of the key results areas continue to direct GMF's strategic priorities in terms of empowering innovation, accelerating replication, and attracting additional capital (Figure 1).

FIGURE 1. GMF PATH TO TRANSFORMATION



GROWTH AFTER BUDGET 2019

Before 2019, the Fund managed a \$625 million endowment, yet it struggled to meet municipal needs. It was increasingly challenging to advance any one solution quickly and comprehensively enough to achieve the critical mass required to truly transform the municipal sector. GMF found itself taking a broad approach effectively supporting a wide variety of environmental solutions in communities across Canada but was unable to take any of these to scale in a timeframe that matched the urgent need for high-performing climate solutions. The 2019 funding increase made way for a new approach. The \$950 million for new programs funded by the Government of Canada in *Budget 2019*

enabled GMF to go deeper and quickly create a critical mass of high-impact projects in residential energy efficiency financing, ultra-energy efficient affordable housing, and deep energy efficiency retrofits to community buildings. Each of these programs was inspired by proven projects from GMF's long-standing core funding (Figure 2).

GMF has used these additional resources to complement its long-standing, broad approach with targeted, deeply resourced, and comprehensive programming for specific, high-impact solutions that were already de-risked. This has enabled significant scaling for municipal sustainability solutions and created major opportunities to leverage investments from other actors (public and private).

FIGURE 2. GMF PROGRAMS ARE BROAD AND DEEP



Services are **broad** across all sectors to fund, raise awareness, and inspire innovative leading-edge solutions and practices.

- GMF Core Funding
- Low Carbon Cities Canada (LC3) network



By working at the leading-edge, GMF identifies when solutions are ready to scale-up. Services are **deep** with targeted funding and capacity building to address challenges and amplify success factors and build a critical mass of projects in different contexts that support broader transformation.

- Community Efficiency Financing (CEF)
- Sustainable Affordable Housing (SAH)
- Community Building Retrofits (CBR)
- Adaptation initiative (to launch in 2024)

GMF'S FINANCIAL MANAGEMENT

A signatory to the UN Principles of Responsible Investment, GMF's endowment management practices have evolved to keep pace with the Fund's growth. It uses financial modelling, including scenario and sensitivity testing, to assess the maximum level of funding support available to the municipal sector while preserving the endowment and offering working capital over the long term. The endowment is in a strong position to continue supporting the growing needs of the sector, having successfully balanced financial sustainability and risk under extreme and volatile market conditions between 2019 and 2023.

GMF is preparing for challenges experienced in the current macroeconomic environment that may persist in the future. In terms of program

delivery, the funded project costs have escalated due to inflation, yet the environmental benefit do not change meaning the cost-effectiveness of GMF's interventions are impacted. Further, there may be continued volatility impacting GMF endowment assets, given the gyrations and unique situations in the fixed-income and equity markets over the past few years. The Fund has a robust long-term investment strategy and takes a diversified portfolio approach to managing these uncertainties. GMF proactively monitors the investment performance and the shifting macroeconomic environment to respond appropriately when unique situations arise. Regardless of financial market conditions, GMF will remain committed to maximizing the environmental outcomes achieved through program funding and capacity development.

ADDITIONAL SCOPE ENABLED IN 2022

Given the Fund’s outstanding management and program successes, in November 2022, the Government of Canada announced a further \$530 million commitment to GMF to support the implementation of the GoCAAP. It includes a comprehensive approach that integrates climate action into municipal planning processes and adaptation-based solutions.

Where we’re going

Cities, communities, and municipalities have an essential role to play as economic centres, knowledge hubs, product and material consumers, and waste producers. Big cities have direct and indirect control of 70% of global GHG emissions. As centres of commerce, they house decision makers who can drive down the remaining 30%. Communities must adapt to the impacts of climate change today and prepare for worsening impacts to come, due to GHG emissions already in the atmosphere.

In 2019, the C40 Cities Leadership Group and Arup Engineering found that if cities and towns in the global north wanted to reach *The Paris Agreement* targets,¹ then greenhouse gas (GHG) emissions needed to peak by 2020, reduce by half by 2030, and achieve net-zero by 2050. The next three years will be critical in driving down GHG emissions in Canada.

GMF’s success has also catalyzed private financing and incentivized the participation of non-government stakeholders and financiers,

including local credit unions, traditional banking institutions, private developers, utilities, non-profits, and housing cooperatives. Significant progress has been made in launching and expanding municipal district energy systems, which stems largely from de-risking the initial investments and leveraging large, private capital infusions at subsequent project stages. The local programs supported under CEF, for example, have had strong uptake in jurisdictions across Canada, proving that the transition to third-party financing is a viable pathway.

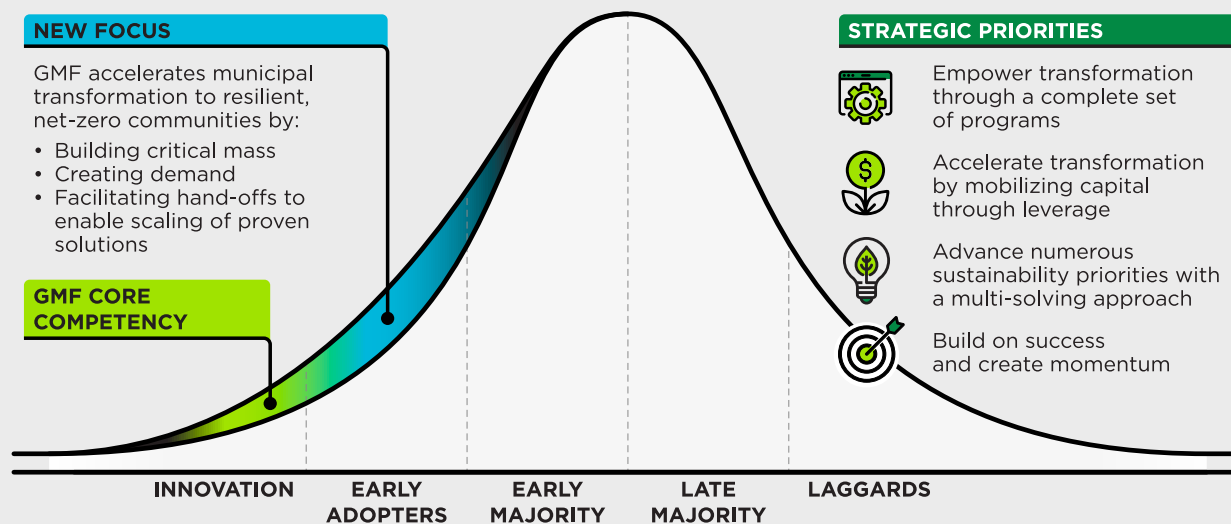
With diverse forms of capital entering GMF-funded projects, the next step is exploring and scaling other innovative finance mechanisms that can make more financing available to municipalities and relieve the pressure on their balance sheets.

Now is the time for GMF to move from project support to transformation, and from a role as a funding and capacity building organization to one as a catalyst for broad-based investment in municipal sustainability. It’s time to use GMF’s 20+ years of learning and success to address the impacts of climate change, which are happening decades earlier than predicted.

GMF’s rapid delivery of the SAH, CEF, and CBR funding streams has informed the priorities for this new Plan as GMF seeks to accelerate GHG emissions reduction and expand the adoption of the most promising solutions (Figure 3).

With more than 20 years of experience in supporting municipalities, GMF is an effective and efficient program that can make these changes happen.

FIGURE 3. MOVING UP THE ADOPTION/INNOVATION CURVE



1 Miller, D. (2020). *Solved: How the World’s Great Cities are Fixing the Climate Crisis*. Toronto: Aevo UTP, an Imprint of University of Toronto Press.



Our commitment

Purpose

GMF exists to enhance the quality of life for people in Canada by accelerating a transformation to resilient, net-zero communities. It does this by providing grants, loans, innovative financing, leveraged investments, capacity building, and strategic support.

Vision

The GMF vision is that Canadian municipalities lead the way to achieving Canada's climate change and sustainability targets. GMF aims to be the go-to resource and partner for municipalities in Canada that are accelerating their transformation to resilient net-zero communities. GMF drives municipal progress using solutions that address wider outcomes across sub-sectors. It is committed to the principles of anti-racism, equity, inclusion, and reconciliation between Indigenous and non-Indigenous peoples.

SUB-SECTOR-SPECIFIC STRATEGIES FOR CHANGE

Energy: All buildings achieve net-zero status and are resilient in the face of a changing climate. Innovative financing mechanisms, fuel switching, energy efficiency, and renewable energy production have accelerated net-zero new builds and retrofits to provide people with healthy, safe, and affordable spaces. Buildings are connected to resilient, net-zero energy supply systems for their thermal and electrical needs, mitigate their impact on supply systems, and even support these energy supply systems.

Transportation: Municipalities achieve net-zero transportation emissions by prioritizing demand management, affordable and accessible transit, and active transportation. Zero-emission vehicles enable the remaining movement of goods, services, and people. Transportation investments incorporate adaptive actions to ensure infrastructure and equipment resilience.

Land Use: Local governments foster the development of resilient, net-zero, inclusive, and complete communities. They prioritize compact growth that supports sustainable mobility, provides diverse housing and amenities, reduces infrastructure and service costs, enables improvements in community energy use, and uses previously developed land whenever possible. Local governments also protect and deploy natural assets to capture carbon, increase biodiversity, and enhance liveability and climate resilience.

Circular economy: In a circular, net-zero economy, municipalities deploy strategies and incentives to ensure that products and materials stay in use in the community at their highest possible value and are managed as resources. This helps eliminate waste and pollution. Resource management infrastructure and systems — such



as collection, recovery centres, and existing landfills — are resilient and optimized to reduce GHG emissions and restore nature.

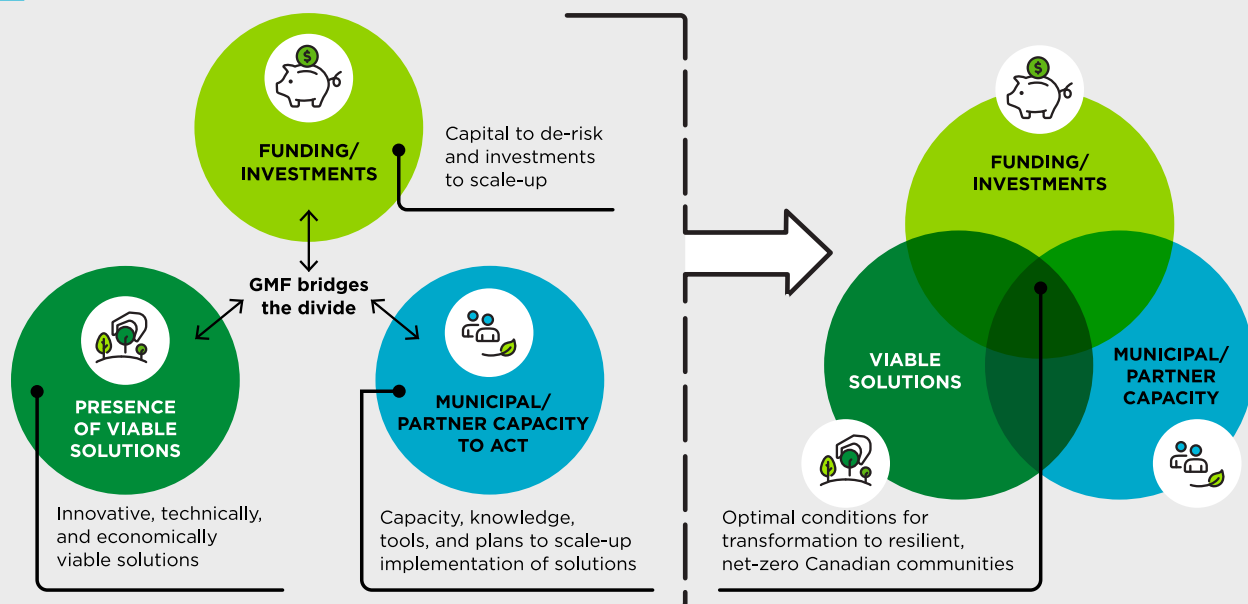
Water: In a circular, net-zero economy, all water is preserved and managed to maintain water quality and accessibility while minimizing the energy and material input needed for supply and use. Municipal water systems and infrastructure support community resiliency, and returned water supports natural systems’ regeneration.

10-Year “ultimate goals”

GMF established “ultimate goals” to pursue this vision and transform the market in the next 10 years. They reflect the guidance provided in the GMF funding agreement with the Government of Canada and were developed as part of the GMF Five-Year Plan 2018-23 (Figure 4). They remain relevant and guide GMF’s priorities:

- **Ultimate goal #1:** Municipalities can access innovative, technically, and economically viable solutions to their climate change mitigation, adaptation, and sustainability challenges.
- **Ultimate goal #2:** Municipalities have climate change mitigation and adaptation plans, and they and their partners have the capacity, knowledge, decision-making tools, and support to scale-up the implementation of sustainable, resilient, net-zero solutions.
- **Ultimate goal #3:** Municipalities can access the capital they need to invest in or fund sustainable, resilient, net-zero solutions.
- **Ultimate goal #4:** GMF has the means, resources, and partner support to lead the transition to sustainable, resilient, net-zero Canadian communities.

FIGURE 4. TRANSFORMING THE MARKET



Net-zero Eliminating operational and embodied GHG emissions bringing them as close to zero as possible and reabsorbing the equivalent of any remaining emissions.

GMF supports municipalities in Canada on the path to becoming resilient, net-zero communities. Resilient, net-zero projects incorporate climate change adaptation by preparing for the impacts of climate change while driving net-zero actions to reduce GHG emissions in line with the Government of Canada 2030 and 2050 targets and beyond to negative GHG emissions. (Note: net-zero includes the goal of achieving zero waste by adopting a circular approach to materials and waste.)



Three-year strategic objectives

Over the next three years, GMF will prioritize four strategic objectives that move the Fund toward its ultimate goals, in line with its principles, purpose, and vision:

1. Empower transformation through a complete set of programs

GMF will continue to scale innovation and advance new solutions from the idea phase through planning, feasibility assessment, piloting and validation, full-scale demonstration, and ultimately broad adoption/mobilization.

GMF is targeting innovative solutions in technology, funding and financing, municipal processes, and policy. The rapid and broad implementation of these solutions is critical if Canada is to meet or exceed the change required in its municipal sector to achieve Canada's climate change mitigation targets, and targets being developed in the Government of Canada Climate Adaptation Action Plan (GoCAAP).

GMF programs will increase the municipal readiness to act while validating the performance and business case of solutions, which should help de-risk adoption at scale. GMF will consult and collaborate with clients and key transformation partners as it designs and delivers its programs.

GMF'S APPROACH

It will deliver on five key results under this objective:

1. Embed net-zero and climate resilience-aligned performance targets in all GMF offers.
2. Fully deploy the SAH, CEF, CBR, and LC3 funding streams while raising performance standards, focusing on other sustainability priorities (adaptation, biodiversity, equity, and reconciliation) whenever possible, and propagating successful models.
3. GMF will renew its core offer in line with sub-sector strategies and their associated investment priorities. It has a suite of sub-sectors strategies in the energy, circular economy, transportation, and land use sectors, with ongoing work happening on a water sub-sector strategy. These strategies identify key problems municipalities face, solutions they can deploy, and a range of barriers to implementation.

4. Design and launch GMF climate change adaptation programming. A continuum of funding streams will be delivered as part of the \$530 million investment from the Government of Canada.
5. Grow GMF's ability to support municipal climate action. The scale of municipal action required today is enormous, and

GMF will continue to act as the leading resource and go-to partner for municipalities. This includes working collaboratively with other organizations and partners, and securing additional capitalization where GMF's unique mix of funding and capacity development can address critical gaps in the pathway to transformation.

2. Accelerate transformation by mobilizing capital through leverage

Achieving national and community climate change objectives requires collaboration with funders in the investment and financial sectors, as municipal needs far outstrip the resources available in public funds. That's why GMF must accelerate investments from other actors.

It's difficult for most Canadian municipalities to access private and public capital markets to finance infrastructure projects. Large municipalities may have the expertise and systems required to navigate private finance, but for small and mid-sized communities the ability to do so is generally lacking.

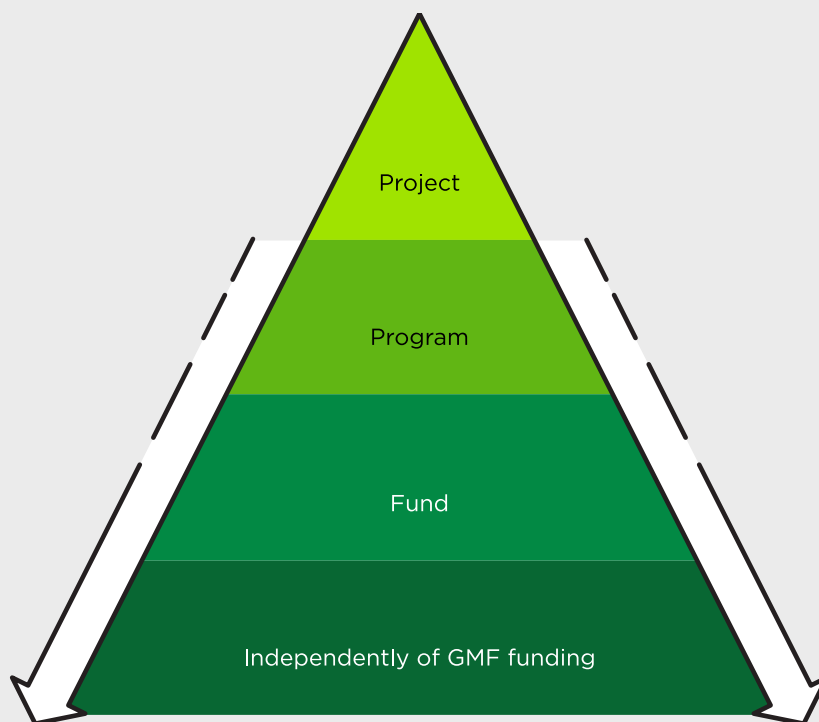
New partnerships and financing tools can improve the business case for investing in

low-carbon, climate-resilient infrastructure; de-risk investments; and create hand-over points where investors can take solutions to scale.

INVESTMENT LEVELS

Private capital can be mobilized into GMF at multiple levels. Each level features diverse stakeholders and funders with different priority areas and investment or engagement criteria. While GMF has achieved project-level investments from private sector partners in the past — and is advancing opportunities at the program level and in the renewal of its core funding stream — it needs to explore and experiment more options at every level (Figure 5).

FIGURE 5. PRIVATE INVESTMENT OPPORTUNITY LEVELS



PARTNERSHIPS

Partnerships will be essential for achieving GMF's leverage objectives. The leverage strategy and implementation plan will be designed in consultation with private sector and institutional investors, who will be engaged early in the process. The goal is to communicate GMF's value in catalyzing private investment by demonstrating the successes of innovative GMF projects that progressed from proof-of-concept to attracting large-scale financing.

Partnerships are possible at all four levels — the project, program, fund, and handover level. Some partners are best suited to individual projects (e.g., energy service companies, utilities). Others will opt for economies of scale and support a funding stream by financing thematically grouped projects (e.g., CEF or SAH). More exploration is needed into large institutional and impact investors to understand their interest in bundled financing vehicles (e.g., bonds, loan securitization, contributing assets to GMF for investment).

GMF'S APPROACH

GMF will continue building a flexible platform that acts as a one-stop-shop, offering financing solutions to municipalities and investors. This requires more internal capacity to develop investment leverage tools and functions, and support matchmaking with impact investors. GMF will cater to the needs and realities of all municipalities in this work and will remain nimble enough to accommodate unique opportunities.

To implement this approach, GMF will deliver on five key functions in its role as a conduit between municipalities, their partners, and private lenders:

1. Set up programs that unlock investment structures (e.g., Property Assessed Clean Energy [PACE] in CEF)
2. Facilitate connections between investors/lenders and municipalities
3. Offer innovative financing tools that facilitate private sector partnerships, such as:
 - a. Credit enhancement and loan guarantees
 - b. Equity financing
 - c. Concessional loans as a proxy to venture debt
 - d. Aggregation mechanisms (e.g., green bond)
 - e. Sustainable project investment options for municipalities' reserves
4. Build municipal capacity to transact with private sector investors and provide financial advisory support
5. Align reporting with best practices in environmental, social, and governance (ESG) reporting

The work GMF does in risk management, revenue modelling, and forecasting a project's financial viability are a form of credit enhancement for municipalities. GMF can help applicants favourably position projects to private investors through this work.

GMF aims to achieve \$300 million in private, philanthropic, and other non-governmental forms of leveraged capital investments over the next three years.

3. Advance numerous sustainability priorities with a multi-solving approach

EMBRACE “MULTI-SOLVING”

GMF will use “multi-solving” principles in its project evaluation, selection, and performance monitoring processes. That is to say, GMF will use its resources to address multiple societal problems in several sectors through its climate mandate and resources.

Climate change mitigation and adaptation initiatives cannot focus on singular outcomes while ignoring or even impeding progress on other critically important issues. Those designing municipal projects must recognize that environmental, economic, and social challenges are interconnected and can be addressed using multi-solving solutions. Furthermore, federal, and provincial orders of government see municipalities as key delivery partners in achieving national objectives beyond just climate change.

They range from nature conservation and achieving international biodiversity commitments, to circular economy approaches, and managing waste and materials all while ensuring the most vulnerable in society – who are often disproportionately impacted by climate change – benefit equally from investments in climate action. These areas are primed for multi-solving solutions.

EMBED ANTI-RACISM, EQUITY, AND INCLUSION

Environmental issues negatively impact vulnerable populations more than the general population. Today’s investments in climate change mitigation and adaptation can help mitigate current and avoid future inequities. Additional vulnerabilities would only put greater pressure on the services, social systems, and infrastructure delivered and maintained by local governments everywhere.

INVOLVE INDIGENOUS PEOPLES

The drive to resilient, net-zero communities must also deliver on the recommendations of the Truth and Reconciliation Commission. Therefore, GMF programs will align with the principles of equity, inclusion, and reconciliation between Indigenous and non-Indigenous peoples. Climate change solutions will perform better when informed by Indigenous knowledge and perspectives and when Indigenous peoples are included in planning how land is used, and resources allocated. Their participation in the design, development, and use of climate change solutions is imperative and can also provide Indigenous peoples with access to the economic opportunities created by climate change mitigation and adaptation investments.

FOCUS ON THE NATURAL ENVIRONMENT

The rapid loss of habitat and decline in biodiversity has critical implications for humanity, ranging from the disruption of supply chains to the full collapse of food, economic, and health systems. The Government of Canada has committed to ambitious actions that restore and protect the natural safety net provided by biodiversity. This includes measures such as protecting and recovering Canada’s species at risk and restoring natural areas and biodiversity. The federal government will need partners at all levels of government to succeed in this endeavour. Local climate change projects can help support bio-recovery, and GMF is uniquely positioned to catalyze such solutions.

GMF'S APPROACH

In the future, GMF will prioritize projects that are top performers in terms of climate protection, circular economy, water, biodiversity, and ecosystem outcomes. GMF's sector-specific approach is highly valuable in this context. Understanding the best approaches to multi-solve in each sector allows GMF to promote and support truly exceptional projects that are resilient, that produce the greatest GHG emission reductions, and that solve for a broad range of sustainability and inclusivity outcomes. Municipal budgets will go farther

when they take integrated approaches to climate change investments, and when such investments are not siloed from other societal needs and national objectives.

GMF will deliver on two key results under this objective:

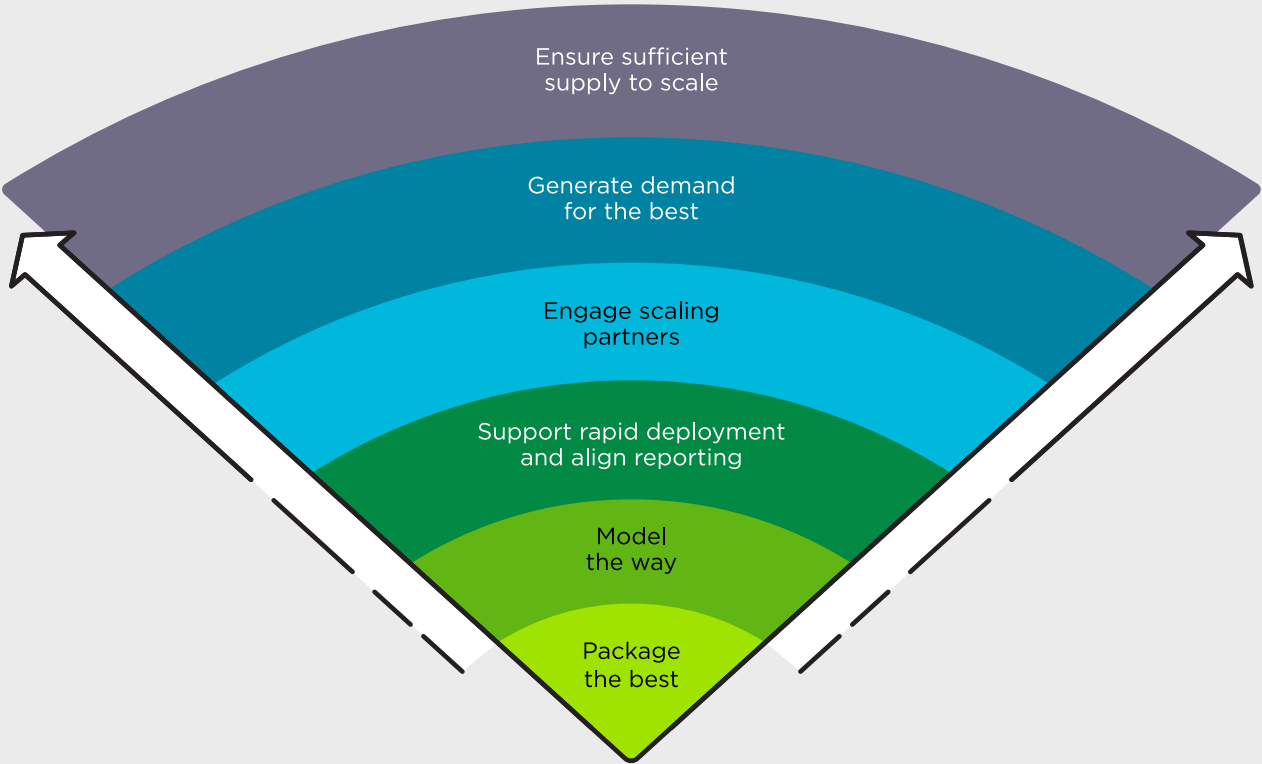
- 1. Embed and measure anti-racism, equity, inclusion (AREI), and Reconciliation principles in all GMF and LC3 capacity-building and funding offers.
- 2. Incentivize and measure biodiversity in all GMF capacity-building and funding.

4. Build on success and create momentum

GMF will stimulate mechanisms across the broader municipal sector that accelerate the adoption of and demand for high-impact solutions. It will also use the strength of its brand to influence others to scale opportunities. As the market grows, GMF will hand over

opportunities to partners that have the means and market to take solutions to broad adoption. GMF will also partner with organizations that can raise awareness about the adoption of solutions with the public to create demand and support for these solutions (Figure 6).

FIGURE 6. STEPS TO CREATING MOMENTUM



PACKAGE THE BEST

GMF will continue to build its influence in the sector while highlighting projects that work and the municipalities where they happen. It will package the best GMF-funded and non-funded solutions, making them more attractive and clarifying their business cases for other actors. Packaged opportunities help achieve investment scale, save costs, demonstrate a business case, exchange know-how, and promote joint procurement and joint ventures. This will amplify awareness of the most successful models and projects, providing updates with each generation of implementation.

MODEL THE WAY

GMF will also demonstrate best-in-class climate performance within GMF operations and mobilize awareness to influence others to follow. GMF will align its operational performance targets and reporting with best-in-class standards (e.g., UNFCCC Race to Zero).

SUPPORT RAPID DEPLOYMENT AND ALIGN REPORTING

Fast-following municipalities can act more quickly if they have GMF knowledge, capacity-building support, and funding to accelerate implementation and improve the performance of the highest-impact solutions. This is how GMF will continually improve the speed of implementation, reduce the level of effort, and reduce the costs (includes funding, technical support, peer support, policy, and process costs) required by municipalities. To complement packaging, GMF will explore changes to project reporting to enable alignment with the ESG models and Sustainable Development Goals (SDGs) frameworks used by scaling partners.

ENGAGE SCALING PARTNERS

After engaging scaling partners through packages, GMF will secure follow-on support by mapping out market readiness and policy/capacity/funding gaps for specific high-impact opportunities. It will also identify

intervention opportunities, which will likely involve multi-stakeholder partnerships. GMF will continue to provide implementation support through waves of deployment and in strengthening the municipal capacity to secure and navigate support from scaling partners.

GENERATE DEMAND FOR THE BEST

GMF will run capacity-building and funding programs that generate high demand within the municipal market, support best performance, enable replication, and catalyze the next wave of projects. Participants will get high value when they participate in these programs. GMF will leverage municipal procurement to signal private suppliers, generate a stronger municipal market, de-risk, and drive down costs. It will also pursue opportunities to collaborate with experts and influencers to increase the uptake of the highest-impact solutions beyond the municipal sector.

ENSURE SUFFICIENT SUPPLY

To ensure a sufficient supply of the labour and materials required to bring the highest-impact opportunities to scale, GMF will collaborate and communicate with other stakeholders (e.g., college and trade school associations, suppliers, manufacturing associations). GMF will champion opportunities for investments (to the federal government and other actors) that target jobs and economic development in the highest-impact opportunity areas.

GMF'S APPROACH

GMF will deliver on three key results under this objective:

1. Grow GMF's influence in the sector by a factor of five.
2. Demonstrate the achievement of best-in-class climate performance (e.g., UNFCCC Race to Zero) within GMF's operations.
3. Package and deliver at least four highly scalable opportunities through partnerships (twice the replication achievable through GMF resources alone).

GMF logic model

Purpose

GMF exists to enhance the quality of life for people in Canada by accelerating a transformation to resilient, net-zero communities.

It does this by:

- providing grants
- innovative financing
- capacity building
- providing loans
- leveraged investments
- strategic support

Vision*

The GMF vision is that Canadian municipalities lead the way to achieving Canada's climate change and sustainability targets.

GMF aims to be the go-to resource and partner for municipalities in Canada that are accelerating their transformation to resilient, net-zero communities.

GMF drives municipal progress using solutions that address wider outcomes across sub-sectors. It is committed to the principles of anti-racism, equity, inclusion, and reconciliation between Indigenous and non-Indigenous peoples.

** Supported by sub-sector specific strategies for change*

Ultimate goals

To achieve its vision, GMF has set "ultimate goals" for the next 10 years:

- 1.** Municipalities can access innovative, technically, and economically viable solutions to their climate mitigation, adaptation, and sustainability challenges.
- 2.** Municipalities have climate change mitigation and adaptation plans, and they and their partners have the capacity, knowledge, decision-making tools, and support to scale up the implementation of sustainable, resilient, net-zero solutions.
- 3.** Municipalities can access the capital they need to invest in or fund sustainable, resilient, net-zero solutions.
- 4.** GMF has the means, resources, and partner support to lead the transition to sustainable, resilient, net-zero Canadian communities.

Three-year strategic objectives

- 1.** Empower transformation through a complete set of programs
- 2.** Accelerate transformation by mobilizing capital through leverage
- 3.** Advance numerous sustainability priorities with a multi-solving approach
- 4.** Build on success and create momentum

Three-year outcomes (key results)

OBJECTIVE ONE OUTCOMES

- A. Net-zero targets embedded in all programs.
- B. CEF, SAH, and CBR programs fully allocated over three years:
 - i. \$767 million allocated
 - ii. >50kt/yr CO₂e GHG emissions reduction
 - iii. regional balance targets met
 - iv. Target audience of 15,000 reached and 80% result on capacity built
- C. Core program renewal complete and initial demand/uptake targets met:
 - i. \$185 million approved
 - ii. 20kt/yr CO₂e GHG emissions reduction
 - iii. Outreach and capacity building acceleration objectives met
- D. Climate adaptation stream launched, and demand/uptake targets met:
 - i. \$115 million allocated
 - ii. 625 communities supported
 - iii. Capacity building targets defined and met
- E. Additional program resources to support even greater sector transformation secured in high-impact areas (e.g., tree canopy, EV fleets, waste, distributed energy).

OBJECTIVE TWO OUTCOMES

- A. Up to \$300 million in private, philanthropic, and other forms of leveraged capital investments in support of GMF's climate change mitigation and adaptation solutions and LC3's capital mobilization goals.

OBJECTIVE THREE OUTCOMES

- A. Anti-racism, equity, and inclusion, and reconciliation principles embedded and measured in all GMF and LC3 programs and capacity development.
- B. Biodiversity and nature-based solutions incentivized and measured in GMF programs and capacity development.

OBJECTIVE FOUR OUTCOMES

- A. GMF's influence/inspiration of the sector has grown by a factor of five.
- B. GMF has achieved best-in-class climate performance (e.g., UNFCCC Race to Zero) within its own operations.
- C. At least four highly scalable opportunities packaged and delivered through partnerships leading to twice the replication achievable through GMF resources alone.



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