



# Nature Smart Climate Solutions Fund

Sector-based Policy Application Guide



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# Summary of Key Information

## Overview

- Environment and Climate Change Canada's Nature Smart Climate Solutions Fund (NSCSF) has three funding streams (Place-based actions stream, the Sector-based policy stream and the Reverse auction pilot stream). This applicant guide provides information for **Sector-based policy** projects only.
- To apply to the Sector-based policy stream, complete a Letter of Intent (LOI). Successful applicants will be contacted by ECCC to further discuss and refine the Letter of Intent. The LOI is a fillable **PDF document** AND **excel spreadsheet** that can be downloaded from the Grants and Contributions Enterprise Management System (GCEMS) and then needs to be uploaded back into GCEMS.
- Organizations are welcome to apply to multiple funding streams, but must fill out individual applications linked to the different funding streams.
- Applicants may apply as individual organizations or a collaborative groups. Organizations may participate in more than one application for the Sector-based policy funding stream. Please note that all applications must have a designated principal applicant to whom any future correspondence is directed and who has authority to sign a contribution agreement on behalf of a collaborative group.
- Under the NSCSF, individual organizations, including their subsidiaries, may not receive more than \$25 million per fiscal year across all streams, this includes the Place-based actions stream, the Sector-based policy stream, the Reverse auction pilot stream and the Indigenous partnership stream.
- Information sessions for each project stream will be offered on December 7 and 8, 2021 to interested organizations. See below for the links to each call.

## Deadlines

The open call for sector-based policy projects will close on **January 25, 3 pm PST**. Please consult the ECCC funding programs page and the Grants and Contributions Enterprise Management System (GCEMS) for application deadlines for this and other ECCC funding programs. Please note that on the application deadline, GCEMS technical support will only be available until 3 pm PST; **there will be no IT technical support available after 1 PM PST**.

## Project Timelines, Budgets, and Matching

1. Applicants **must** fill out a **LOI** on GCEMS.
2. Proposed projects should be between two and five years in duration.
3. Applications should be for at least \$100,000 per project.
4. For non-Indigenous applicants, 1:1 matching contributions (from non-federal sources) are sought (\$1 confirmed match for \$1 NSCSF funding). Preference will be given to projects with contributions that match or are in excess of 1:1 and to projects with higher cash-matching

contributions in relation to in-kind contributions. For Indigenous applicants, 0.20:1 matching contributions (from non-federal sources) of the NSCSF funding amount are sought (\$0.20 match for each \$1 of NSCSF funding). Preference will be given to projects with contributions that match or are in excess of 0.20:1 and to projects with higher cash-matching contributions in relation to in-kind contributions.

## Eligible Project Types

NSCSF activities during 2021-22 to 2030-31 will seek to reduce 2-4 megatons of GHGs per year from 2030 to 2050 onwards, as ecosystems will continue to sequester carbon for many years after the initial investment ends.

The NSCSF has now opened its Request for Letters of Intent (LOI) for the Sector-based policy stream. This funding supports projects that will contribute to and/ or result in the update, development and/or implementation of policies, programs and tools that address systematic issues limiting the successful implementation of natural climate solutions and thereby reduce GHG emissions and/or optimize GHG sequestration and storage in Canada by:

1. Reducing the conversion of forests, wetlands, or grasslands through increased rates of securement or other means;
2. Increasing restoration of grasslands and wetlands;
3. Increasing the adoption of enhanced land management practices in grasslands, forest lands, or wetlands.

Projects may include:

- a) Activities that are **preparatory** to developing or adapting a policy, program, or tool to achieve one or more of the above three goals listed above, such as an analysis of factors contributing to emissions, improvement of inventories required to support changed land management, etc.,
- b) Activities to **develop** or update a policy, program, and/or tool to achieve one or more of the three goals listed above, and
- c) Activities linked to the **implementation** of a policy, program, or tool that would directly result in the adoption of actions that will achieve one or more of the three goals listed above at a sectoral or jurisdictional level (e.g., a municipal rule that requires companies to restore more degraded lands more quickly), etc.

## Reporting

Successful applicants will need to commit to

- a) Providing the project data required to quantify emission reductions and integrate the project information into the National Inventory Report where applicable.
- b) Help the ECCC develop projections for what would have occurred with and without the implementation of the policy, program or tool.

# What is the Nature Smart Climate Solutions Fund?

Climate change and the loss of biodiversity are connected and natural climate solutions are required to tackle these crises. Canada is committed to natural climate solutions to build resilience and help Canada meet its 2030 and 2050 climate change objectives.

To address climate change and biodiversity loss, the Government of Canada has established the Natural Climate Solutions Fund which will invest \$4 billion from 2021-2031:

- 2 Billion Trees Program led by Natural Resources Canada (\$3.19 billion)
- Nature Smart Climate Solutions led by Environment and Climate Change Canada (\$631 million)
- Agricultural Climate Solutions led by Agriculture and Agri-Food Canada (\$185 million)

The Nature Smart Climate Solutions Fund (NSCSF), managed by ECCC, will support partner-led projects that result in the reduction of greenhouse gases and increased carbon sequestration through the restoration of degraded grassland and wetland ecosystems; the conservation of carbon and biodiversity-rich ecosystems (grasslands, wetlands, forests) at high risk of conversion to other uses that would release their stored carbon and the implementation of enhanced land management practices that reduce GHG emissions or increase carbon sequestration in ecosystems and support biodiversity values.

The goal of the NSCSF is to reduce greenhouse gas emissions by 2-4 MT annually, such that Canada's GHG emissions will fall 40-45% below 2005 levels by 2030 and net zero emissions will be achieved by 2050.

The fall 2021 application-based process is targeted to three project streams under the NSCSF: **Place-based actions** stream to advance place based projects, **Sector-based policy** stream to advance policy based projects, and for delivering a **Reverse auction pilot stream**. Any organization meeting the eligibility criteria with relevant projects are encouraged to apply.

Note that the information provided in this Guide is applicable to the 2021 Call for Letters of Intent for the Sector-based policy stream only.

## What Is The Purpose Of This Guide?

This guide includes general NSCSF program information, specific information on how to complete an application for NSCSF funding, and guidance on how to apply using the online Grants and Contribution Enterprise Management System (GCEMS).

Guidance on specific questions start on page 13.

In addition to this Guide, information sessions for each project stream will be offered on December 7 and 8, 2021 to interested organizations. The session in English will be on December 7, 2021 at 1 pm EST. The session in French will be on December 8, 2021 at 1pm EST.

December 7, 2021
<p>NSCSF Information Session - English</p> <p><a href="https://canada.webex.com/canada/j.php?MTID=m3732a2ab23fdb3b64695043efbaf5f30">https://canada.webex.com/canada/j.php?MTID=m3732a2ab23fdb3b64695043efbaf5f30</a>  Tuesday, Dec 7, 2021 1:00 pm   (UTC-05:00) Eastern Time (US &amp; Canada)  Event number: 2335 535 3205  Event password: tKxView5\$23 (85984395 from phones)</p> <p>Join by phone  +1-343-602-2007 Ottawa-Hull  +1-647-418-2019 Toronto  Access code: 233 553 53205</p>
December 8, 2021
<p>Session d'information FSCAN</p> <p><a href="https://canada.webex.com/canada/j.php?MTID=m3efd40f623988b3da576da726301adad">https://canada.webex.com/canada/j.php?MTID=m3efd40f623988b3da576da726301adad</a>  Wednesday, Dec 8, 2021 1:00 pm   (UTC-05:00) Eastern Time (US &amp; Canada)  Event number: 2341 177 1803  Event password: Q9QsBhNF*34 (79772463 from phones)</p> <p>Join by phone  +1-343-602-2007 Ottawa-Hull  +1-647-418-2019 Toronto  Access code: 234 117 71803</p>

## About the Nature Smart Climate Solutions Fund

The objectives of the NSCSF are to:

1. **Optimize** capacity of ecosystems to sequester and store carbon by restoring wetlands and , grasslands; and, by implementing improved land management practices in grasslands, forests and wetlands with biodiversity benefits;
2. **Prevent** the release of greenhouse gas emissions by conserving and securing ecosystems sequestering or storing high levels of carbon – such as wetlands, grasslands, peatlands, or forests – sequestering or storing high levels of carbon - at risk of conversion.
3. **Engage** priority sectors, agriculture, forestry, urban development, oil and gas, and mining working to reduce GHG emissions and improve biodiversity.

The NSCSF will support these objectives by providing contribution funding to successful applicants undertaking projects using a site-by-site approach (Place-based actions or Reverse auction pilot) or via projects supporting changes in policies or decision-making processes that impact land use and management activities (Sector-based policy). These approaches are called **Project Streams** in this document.

**Please note that each stream has specific application questions and requirements, this document applies to the Sector-based policy stream only.**

The GHG emission reductions or increased sequestration achieved by projects supported by the NSCSF will be used to support Canada's 2030 and 2050 emission reduction targets to the United Nations Framework Convention on Climate Change. In order to demonstrate the climate mitigation value of the nature-based climate solutions supported under the NSCSF, quantifying the greenhouse gas benefits of all the supported projects and their activities undertaken will be a central aspect of the Fund. All selected applicants will be required to provide the data and information to support this endeavor with financial support from the NSCSF. The information will be integrated into Canada's national greenhouse gas (GHG) inventory and reported in Canada's Biennial Report on Climate Change, which are submitted to the United Nations Framework Convention on Climate Change (UNFCCC), in order to demonstrate the efforts being taken to meet Canada's commitments under the Paris Agreement.

Additionally, consistent with the premise of natural climate solutions, all projects need to achieve demonstrable benefits for biodiversity and human well-being.

### Are you applying to the correct fund?

The government of Canada has several funding programs that could help support your natural climate solutions project. Below are a few funding opportunities to consider should your project activities not align with those described in this document:

**Indigenous Partnerships:** For Indigenous-led, on-the-ground projects focused on ecological restoration, improved management and conservation of wetlands, grasslands, agricultural lands, and forests that will result in lowered greenhouse gas emissions. For more information email:

[gardiensautochtones-indigenousguardians@ec.gc.ca](mailto:gardiensautochtones-indigenousguardians@ec.gc.ca)

**2 Billion Trees:** For projects focused on restoring areas of forests by planting trees, please visit the Growing Canada's forest website, which can be found at [Growing Canada's Forests program \(nrcan.gc.ca\)](https://growingcanada.gc.ca). Forest conservation projects or projects seeking to adopt enhanced management practices with biodiversity and carbon benefits could be a match for the NSCSF.

**Natural Infrastructure Fund:** For projects focused on restoring ecosystems with the intent to reduce climate risks and improve the resilience of a community, please see Infrastructure Canada's Natural Infrastructure funding, which can be found at [Government of Canada announces new Natural Infrastructure Fund - Canada.ca](https://www24.international.gc.ca/government-of-canada-announces-new-natural-infrastructure-fund-canada-ca). Wetland restoration projects focused on habitat and emission reduction outcomes could be a match for NSCSF.

**Climate Action and Awareness Fund:** For projects focused on advancing climate science and technology, supporting youth climate awareness, and supporting climate research in academia and at Canadian think tanks. For more information, please see [Climate Action and Awareness Fund - Canada.ca](https://climateactionandawarenessfund.ca).

**AAFC Agricultural Climate Solutions funding:** For projects focused on cover cropping, rotational grazing, or nitrogen management, visit the AAFC site [here](https://www24.international.gc.ca/government-of-canada-announces-new-natural-infrastructure-fund-canada-ca). Grassland conservation and restoration projects with habitat and carbon benefits could be a match for NSCSF.

Additional funding opportunities, including application information, may also be found on the [ECCC funding programs webpage](https://climateactionandawarenessfund.ca).

## Funding Description: Sector-based Policy

In order to reduce GHG emissions or increase sequestration resulting from land use change, land restoration and management practices in Canada, we need to decrease the rate of activities that cause GHG emissions (e.g. reduce the rate of wetland conversion), or increase the rate of activities that

increase sequestration (e.g. increase the rate of grassland restoration activities) are occurring compared to historical levels.

The Sector-based policy fund is looking to support projects that will contribute to and/ or result in the update, development and/or implementation of policies, programs, or tools that address systematic issues limiting the successful implementation of natural climate solutions and reduce GHG emissions and/or optimize GHG sequestration and storage in Canada by:

- Reducing the conversion of forests, wetlands, or grasslands through increased rates of securement or other means;
- Increasing restoration of grasslands and wetlands;
- Increasing the adoption of enhanced land management practices in grasslands, forest lands, or wetlands.

Projects should help to address systematic issues limiting the implementation of natural climate solutions and may include:

a) Activities that are **preparatory** to developing or adapting a policy, program, or tool to achieve one or more of the above three goals listed above, such as an analysis of factors contributing to emissions, improvement of inventories required to support changed land management, etc.;

b) Activities to **develop** or update a policy, program, and/or tool to achieve one or more of the three goals listed above, and

c) Activities linked to the **implementation** of a policy, program, or tool that would directly result in the adoption of actions that will achieve one or more of the three goals listed above at a sectoral or jurisdictional level (e.g., a municipal rule that requires companies to restore more degraded lands more quickly), etc.

Applicants should be able to demonstrate:

- the link between their project and the development, update or implementation of one or more specific policies, programs or tools, and;
- the extent to which the policy could have a positive impact for biodiversity.

## Reporting Requirements

Project expected results for annual or final project reports could include indicators such as:

Indicators:		
Performance Indicator	Description (Select at least one appropriate indicator from each category)	Unit
1. Change in policy strength for climate mitigation	a) The estimated difference between the existing and new policy, program, or tool in terms of the rate of conversion, restoration or enhanced management activities.  or	Difference in amount of restoration, conversion, or management in # ha/yr  tC (sequestration) or CO2 eq (GHG)



	b) The difference in the likelihood of the uptake of the nature-based climate solution.	emissions)/ year if known
2. Number of hectares impacted by the policy, program, or tool	The estimated total number of hectares, by ecosystem type – forest, wetlands, grasslands, impacted by the new policy, program or tool developed and implemented.	# of ha
3. Shift towards implementation	Target audiences have modified their behaviour to take action to reduce greenhouse gases. Or Target audiences have designed or developed a policy, program or tool that will lead to a reduce greenhouse gases. Or Target audiences have the information needed to create the policy, program or tool needed to help others modify their behaviour to take action to reduce greenhouse gases.	% of target audience
4. Biodiversity Co-Benefits	The estimated number of hectares impacted by the new policy, program or tool with targeted benefits for species at risk, migratory birds, or other species of cultural and/or socio-economic importance to local communities. Or The estimated number of hectares impacted by the new policy, program or tool that overlaps with <a href="#">Habitat Joint Venture (HJV) priority areas</a> , <a href="#">species at risk Priority Places</a> ; species at risk critical habitat; important migratory bird habitat or areas that meet the <a href="#">Ecological Gift Program Eco sensitivity criteria</a> .	# hectares that overlap with important biodiversity areas

Outcomes and accomplishments must be reported using the performance indicators identified in the Contribution Agreement. It is important to note that different projects may have different reporting requirements.

The GHG emission reductions or increased sequestration achieved by projects supported by the NSCSF will be used to support Canada's 2030 and 2050 emission reduction targets to the United Nations Framework Convention on Climate Change (UNFCCC).

In order to demonstrate the climate mitigation value of the nature-based climate solutions supported under the NSCSF, quantifying the greenhouse gas benefits of all the supported projects and their activities undertaken will be a central aspect of the Fund. All selected applicants will be required to provide the data and information to support this endeavor with financial support from the NSCSF.

The information will be integrated into Canada's national greenhouse gas (GHG) inventory and reported in Canada's Biennial Report on Climate Change, which are submitted to the UNFCCC, in order to demonstrate the efforts being taken to meet Canada's commitments under the Paris Agreement.

# Who Can Apply?

Eligible Funding Recipients are

- Domestic or international not-for-profit organizations, such as charitable and volunteer organizations, professional associations, and non-governmental organizations;
- Domestic or international Indigenous organizations, governments, individuals, boards, commissions, communities, associations and authorities, including:
  - Indigenous not-for-profit organizations
  - district councils, Chiefs councils and Tribal councils
  - Indigenous research, academic and educational institutions
  - Indigenous for-profit organizations;
- Domestic or international research, academic and educational institutions;
- Canadian individuals;
- Domestic or international for-profit organizations, such as small businesses with less than 500 employees, companies, corporations, and industry associations;
- Local organizations such as community associations and groups, seniors' and youth groups, and service clubs; and
- Provincial, territorial, municipal and local governments and their agencies.

In cases where recipients further distribute funds, the ultimate recipients must be the same as those listed above.

## How much Funding is Available?

This process may lead to the allocation of up to 23 million dollars over the next 5 years under the Sector-based policy stream for projects from 2-5 years in duration. The actual amount awarded will depend on the quality of applications, other opportunities for partnering and the applications received under the other funding streams.

The minimum funding request is \$100,000 per project.

## What Types of Activities Are Eligible for Funding in the Sector-based Policy Action Stream

The following are the types of activities that will be supported as part of this funding stream for projects that will contribute to and/ or result in the update, development and/or implementation of policies, programs, and tools:

- Research;
- Surveys;
- Inventories and Monitoring;
- Outreach and Education;

- Capacity building and training
- Collection and gathering of Indigenous traditional knowledge;
- Project evaluation;
- Policy, program or tool development, modernization or realignment;
- Development of alternative GHG capture and storage or conservation governance and financing tools

## What Costs will be covered?

The eligible costs incurred in the course of conducting a project may include:

- Human resource costs, including salaries and benefits;
- Management and professional service costs, such as accounting, monitoring, communications, official languages translation, audit and legal charges;
- Hospitality, travel (including field costs), and venues/conference expenses in accordance with the Treasury Board Secretariat's Directive on Travel, Hospitality, Conference, and Event Expenditures;
- Material and supplies costs;
- Printing, production, and distribution costs;
- Equipment purchase or rental;
- Lease of office space;
- Vehicle rental and operation costs;
- Contractors required to perform activities related to the Project, including carbon quantification related activities;
- A reasonable share (10% or less) of overhead and/or administrative costs which are directly attributable to the carrying out of the project; and
- Any GST/HST that is not reimbursable by Canada Revenue Agency and any PST not reimbursable by the provinces.

### Ineligible Costs under Contributions

Expenditures related to lobbyist fees are ineligible under the Contribution Program.

## Match Funding Requirements

- **For non-Indigenous applicants, 1:1 matching contributions (from non-federal sources) are sought** (\$1 confirmed match for \$1 NSCSF funding). Preference will be given to projects with contributions that match or are in excess of 1:1 and to projects with higher cash-matching contributions in relation to in-kind contributions
- **For Indigenous applicants, 0.20:1 matching contributions (from non-federal sources) of the NSCSF funding amount are sought (\$0.20 match for each \$1 of NSCSF funding)**. Preference will be given to projects with contributions that match or are in excess of 0.20:1 and to projects with higher cash-matching contributions in relation to in-kind contributions.

## What is the Maximum Duration of a Project?

The maximum duration of a project is five years for Sector-based Policy projects.

## When are application deadlines?

The open call will close on **January 25, 2022 at 3 pm PST**. Please consult the Available Funds page and GCEMS for application deadlines.

Please note that on the application deadline, GCEMS technical support will only be available until 3 pm PST; **there will be no technical support available after 1 pm PST**.

## How Do You Apply?

### Step 1: Confirm available funds and project eligibility

Review the various funding opportunities, and confirm you are applying to the correct fund. Review fund use requirements and ensure your project's activities satisfy those requirements.

Log into GCEMS. Ensure all proposed project activities are eligible NSCSF expenditures.

### Step 2: Prepare your funding application using the fillable PDF and excel spreadsheets that can be downloaded from the Grants and Contributions Enterprise Management System (GCEMS)

Using the PDF and Excel spreadsheet available online in GCEMS online application, develop your NSCSF LOI.

Your application and all the supporting documents must be submitted in GCEMS before the stated deadline.

### Step 3: Submit your application

## Question by Question Guidance

The following information will enable you to complete the LOI application for the NSCSF. Note that the NSCSF Applicant Guide is not a technical guide for navigating GCEMS, but rather provides NSCSF program-specific information in order to ensure project proposals meet program criteria.

### A) Applicant Data

Applicant Data is a summary of organizational and contact information. It is necessary to complete all fields:

- organization name, address, email and phone number
- contact information for the principal applicant representative (individual representing the project, responsible and knowledgeable about the project and application)

- select your organization type, provide organization identification number, and provide a brief description of your organization (including mandate)
- identify the funding experience your organization has had with ECCC, or other federal departments

## B)Project Summary

This section provides an overview of your project. All information is mandatory.

**Project Title:** It is recommended that you use a short title to identify your project.

**Project Start Date/End Date:** When determining the project start date, please allow a minimum of 16 weeks following the funding deadline for project funding decisions. Please contact the NSCSF office should you require further details or clarification.

**Project Location:** Use the check boxes to explain the province (s)/ territory (ies) where the project will take place.

**Project Goals/Objectives:** Clearly state the goal(s) and objective(s) of the project and how these align with the goals of the funding for the NSCSF Sector-based policy stream.

**Project Synopsis:** Provide a summary description of your projects activities, showing the link between these, the stated goals and the program criteria.

**Project Team Experience:** Please describe any relevant qualifications and experience of the project team members that could demonstrate the organization's experience and capacity to carry out the proposed project.

**Supporting applicants or Partners:** Please provide the name of the organization, the main contact and email of any supporting applicants or partners, and the key expertise they will bring to the project.

- **Supporting applicants:** An organization that will receive a portion of the funds contributed to the lead applicant, be involved in some portion of project implementation, and contribute to the success of the project.
- **Partner:** An organization that will not receive a portion of the funds contributed to the applicant, but will contribute to the success of the project by providing funding and/or in-kind contributions.

## C)Project Budget

This section will present the project's financial details. Please clearly state the total amount of NSCSF funding being requested for your project. Prepare a budget using the budget tables provided in the online application. Note in the table below the types of costs for each category.

<b>Coordination and delivery costs</b> <ul style="list-style-type: none"> <li>• salaries and benefits,</li> <li>• contractors and consultants,</li> <li>• professional services (legal, communications, accounting)</li> <li>• hospitality and travel</li> <li>• vehicle rental and operation</li> </ul>	<b>Materials and supplies</b> <ul style="list-style-type: none"> <li>• Printed material production and distribution</li> <li>• other material and supply costs</li> </ul>	<b>Administration and project support</b> <ul style="list-style-type: none"> <li>• Overhead/ administrative costs</li> <li>• Office space and equipment costs</li> <li>• GST/HST costs incurred by not reimbursable by CRA</li> </ul>
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Please consider the following elements:

- Fair market value represents the standard rate for a product or service in your area;
- Provide the best estimates of all expenses at fair market value;
- Volunteer time is valuable; calculate all volunteer time at fair market value and include it in your budget as an in-kind contribution;
- Expected revenue generated by the project must be included in the budget. Provide an approximate value of the expected revenue. Any revenue generated by the project is expected to be used toward project activities;
- You must present a balanced budget.
- Letters confirming other funding (both cash and in-kind) will only be required from successful applicants before a funding agreement can be signed and funds are provided.

## D) Initial Questions

1. Do you consent to let ECCC share your full proposal with philanthropic foundations that may be interested in providing matching funds for NSCSF projects?

Please check the box if you consent. *Note: consent is not a requirement*

*Also, please note that you are invited to directly send NSCSF your project description by email any time during the application process, whether or not you consent to share your full proposal with potential funders, to share with philanthropic foundations. Foundations will likely want a 250 word summary of your project to begin discussions. The description will not be evaluated by ECCC in any way, but directly forwarded to a group of interested philanthropic foundations who may reach out to you if they are interested in a further discussion about funding opportunities. If interested please send the description with a contact email and the subject line **Project Description for Philanthropic Foundations** plus your organizations name to: [ec.fscan-nscsf.ec@ec.gc.ca](mailto:ec.fscan-nscsf.ec@ec.gc.ca).*

Please note that if a foundation is interested, they will reach out to you directly and it will be your responsibility to follow up. NSCSF staff will not be privy to any further information or able to answer follow up questions.

2. Do you accept that, should your project be funded through the current process, directly-affected Indigenous communities must be engaged in a timely, meaningful and appropriate manner?

Depending upon the region of the country, there may be specific protocols for engaging Indigenous communities for projects on private and public lands within their traditional territory and beyond the boundaries of any reserve created under the *Indian Act*. You are responsible for identifying and respecting those protocols in order to carry out successful projects.

- Check that you accept this funding condition. *Note: applicants unwilling to accept this condition should not apply.*

3. Do you accept that, should your project be funded through the current process, you may be required to allocate some of the project costs for a) providing the project data required to quantify emission reductions and integrate the project information into the National Inventory Report where applicable; and b) help develop projections for what would have occurred with and without the implementation of the policy, program or tool?

- a) Check that you accept this funding condition. *Note: applicants unwilling to accept this condition should not apply*

## E) About the Project

- 1. Project Work Plan:** Please download and fill out the excel spreadsheet called the Sector-based Policy Work Plan which can be downloaded from GCEMS along with the fillable pdf.

**Activity #, Activity Name, Activity Description:** For every activity that will be undertaken in the projects please determine if the activity is a Type 1, 2, or 3 activity, based on the definition below and then give each a name and activity number to use throughout. Please also describe the activity in more detail. Under each activity type, you may have multiple activities. For example, under a Type 1 activity (Preparatory) to develop a grassland inventory, your individual activities could include: 1) acquisition of data; 2) analysis and consolidation of data; 3) ground-truthing inventory data, etc.

	Definition	Example of Activities
Type 1	Type 1. Activities that are preparatory to developing or adapting policies, programs or tools that support natural climate solutions (NCS)	A grassland inventory; an analysis of socio-economic drivers of ecosystem conversion; researching effective policies, programs or tools in other jurisdictions.
Type 2	Type 2. Activities to develop or update policies, programs or tools that support (NCS);	Design of policy, program or tool; policy, program or tool design workshops and outreach with rights holders and stakeholders; pilot testing of new or adapted policies, programs or tools.
Type 3	Type 3. Activities to support the implementation of policies, programs or tools that support (NCS)	Implementing a new regulation; deploying a new incentive program; training for land managers, etc.

**Activity Timing and Linkages:** Please give a general sense of the timing of the activity in the project timeline and list the different activities that link together. The linked activities may be in a different “Type” category.

**Immediate and Direct Outputs:** Outputs refer to what was produced as a result of activities. Please give a brief description of the outputs expected from the activity. In some cases several activities may be linked to a single output. For example research and outreach activities might all be linked to developing an options document to support a Type 2 activity. Examples of immediate and direct outputs include: inventory completed (Type 1); policy design recommendations from stakeholder engagement (Type 2); draft policy posted for public review (Type 3).

**Expected Outcomes:** Outcomes refer to what was achieved as a result of outputs. Outcomes might still not be the implementation of the NCS policy, program or tool, depending on the project type. Please list the short-medium term outcomes that will result from your outputs, including how they are an improvement from the current situation. Please provide your answer in aggregate for all activities of a certain kind, i.e. all Type 1 activities, all Type 2 activities, all Type 3 activities. Be sure that your expected outcome relates directly back to your activity type. For example, an expected outcome from a Type 1 Activity (Preparatory) would be: grassland inventory improved for specified area; an expected outcome from a Type 2 Activity (Development) would be: policy X strengthened; an outcome from a

Type 3 Activity (Implementation) would be: increased implementation of X (NCS activities).

**Linkages between project activities and implementation of NCS activities:** Please describe the necessary conditions for the implementation of NCS activities to result from your project. This may include steps or actions outside the scope of your project.

Please provide your answer in aggregate for all activities of a certain kind, i.e. all Type 1 activities, all Type 2 activities, all Type 3 activities. If your project does not include any Type 3 (implementation of policies, programs or tools), describe how the outcomes of your project will lead to such activities. If your project does include Type 3 activities but they are insufficient on their own to result in the desired level of implementation, please describe how the project outcomes will support the implementation of these additional activities. Please provide any supplemental documents that may be required as evidence of the described linkages, e.g. letters of support from targeted implementing agencies.

**Barriers to the NCS Policy, Program or Tool Implementation:** Please list the key barriers to implementing the NCS policy, program, or tool. Which barriers does this project activity help address in advancing your desired natural climate solution outcome? Examples of barriers might include opposition from key stakeholders, inadequate human or financial resources, lack of clarity on operational guidelines or roles and responsibilities for implementation, conflicts with other existing policies, lack of coordination and collaboration between parties responsible for implementation, or lack of motivation or political will.

Please provide your answer in aggregate for all activities of a certain kind, i.e. all Type 1 activities, all Type 2 activities, all Type 3 activities. Please provide any supplemental documents that support your identification of the barrier(s).

**Opportunities supporting the NCS Policy, Program or Tool Implementation:** What opportunity does this project activity leverage or help address in advancing your desired natural climate solution outcome? In your answer, please include description of external projects or programs that have or are creating enabling conditions for this project. **Examples of opportunities** might include, public statements of intent, the passing of a new policy, a group of key stakeholders with common interests, etc.

Please provide any supplemental documents, e.g., letters of support that strengthen statements related to the opportunities. Please provide your answer in aggregate for all activities of a certain kind, i.e. all Type 1 activities, all Type 2 activities, all Type 3 activities.

For the following 4 questions, please add the information into the tables in the fillable pdf or attach an additional document if more room is needed. The numbers requested in these tables are not meant to be exact, but to get a sense of the magnitude of the potential impact of the project.

- 2. Maximum potential area impacted\*:** Please estimate and provide the maximum potential area (in hectares) that your activities would apply to either directly, e.g., if developing an inventory of some kind; or indirectly, e.g., linked to an outcome related to the implementation of a policy. Note which [ecoregion](#)(s) will be impacted and break out hectares based on the type of habitat (grasslands, forests, wetlands, etc.). Use the table provided in the fillable pdf. Attach additional documents if more space is needed.



- 3. Threats of conversion to potential area impacted\*:** If doing a project where the outcome of the implemented policy, program or tool is focused on reducing conversion, please describe the key threats of conversion in the area to which your activities would apply. Please note this area may be impacted either directly or indirectly. Please using the IUCN threat classifications (see the list of these below). Note whether the threats are high, moderate or low. Continuing threat = high threat; likely to occur or reoccur in the next ten years = moderate threat, or could occur or reoccur in the long term = low threat.

Separate out by ecosystem type (forest, wetland and/or grassland) if appropriate. If not applicable, write not applicable

- 4. Potential for restoration in the potential area impacted\*:** If doing a project where the outcome of the implemented policy, program or tool is focused increasing the rate of restoration please estimate the area that could be restored by type of ecosystem (e.g., wetlands or grassland) and describe the current land uses. If not applicable, write not applicable.
- 5. Potential for enhanced management in the potential area impacted\*:** If doing a project where the outcome of the implemented policy, program or tool is focused on enhanced management please estimate the area that could be impacted by type of ecosystem (e.g., forests, wetlands or grassland) and describe the current management practices. If not applicable, write not applicable.
- 6. Risks:** Please describe any external factors to the project that might affect the ability to implement the project and how you will address them

#### IUCN Threats Level 2

- |  |   |
|--|---|
| 1.1 Housing & urban areas                    | 8.1 Invasive non-native/alien species/diseases    |
| 1.2 Commercial & industrial areas            | 8.2 Problematic native species/diseases           |
| 1.3 Tourism & recreation areas               | 8.3 Introduced genetic material                   |
| 2.1 Annual & perennial non-timber crops      | 8.4 Problematic species/disease of unknown origin |
| 2.2 Wood & pulp plantations                  | 8.5 Viral/prion-induced diseases                  |
| 2.3 Livestock farming & ranching             | 8.6 Disease of unknown origin                     |
| 2.4 Marine & freshwater aquaculture          | 9.1 Domestic & urban waste water                  |
| 3.1 Oil & gas drilling                       | 9.2 Industrial & military effluents               |
| 3.2 Mining & quarrying                       | 9.3 Agricultural & forestry effluents             |
| 3.3 Renewable energy                         | 9.4 Garbage & solid waste                         |
| 4.1 Roads & railroads                        | 9.5 Air-borne pollutants                          |
| 4.2 Utility & service lines                  | 9.6 Excess energy                                 |
| 4.3 Shipping lanes                           | 10.1 Volcanoes                                    |
| 4.4 Flight paths                             | 10.2 Earthquakes/tsunamis                         |
| 5.1 Hunting & collecting terrestrial animals | 10.3 Avalanches/landslides                        |
| 5.2 Gathering terrestrial plants             | 11.1 Habitat shifting & alteration                |
| 5.3 Logging & wood harvesting                | 11.2 Droughts                                     |
| 5.4 Fishing & harvesting aquatic resources   | 11.3 Temperature extremes                         |
| 6.1 Recreational activities                  | 11.4 Storms & flooding                            |
| 6.2 War, civil unrest & military exercises   | 11.5 Other climate impacts                        |
|  | Unknown   |

- 6.3 Work & other activities
- 7.1 Fire & fire suppression
- 7.2 Dams & water management/use
- 7.3 Other ecosystem modifications

## F) About the Policy, Program or Tool

In the following section, please describe the policy, program or tool you hope will be updated, developed or implemented as the result of the project.  
For Type one projects where the information could be used to support multiple policies, programs or tools, please indicate those that could be supported and which are most likely to be implemented or adopted based on existing opportunities.

1. What policy(ies), program(s), or tool(s) do you hope will be updated, developed or implemented differently as a result of your project?

Please provide the following details in your answer for each of the relevant policies, programs or tools:

- a. A name for the policy, program, /or tool and whether it already exists or not,
- b. Who does, or would, implement the policy, program or tool ? (e.g. Municipal or Provincial/ Territorial government, land trust, company, etc.),
- c. What type of policy, program or tool is it? (e.g., an economic instrument, a regulatory tool, etc.),
- d. Which sector or sector(s) does it apply to? (e.g. agriculture, mining, forestry, urban, oil and gas, other).

2. If implemented, how would the new, updated, or implemented policy, program or tool reduce the rate of land use change or increase implementation of activities that will sequester more carbon compared to the current situation?

Please describe the link between the policy, program or tool and reducing net GHG emissions from:

- a. reducing forests, wetland, or grassland conversion;
- b. increasing restoration of grasslands and wetlands;
- c. Increasing the adoption of enhanced land management practices in forests, wetlands and grasslands.

Please describe how the policy, program or tool addresses one or more of the underlying drivers of the current rates of conversion, restoration, or implementation of enhanced management activities.

Please flag if the full hectares noted in the tables above would be impacted. If only a portion would be impacted, please indicate which portion and the related hectares.

3. If implemented, would the policy, program or tool target the creation or maintenance of habitat for species at risk, migratory birds, or other species of cultural and/or socio-economic important to local communities? If so, how?

4. Would implementing the policy provide any benefits for climate change adaptation (i.e., help ecosystems or humans adjust and prepare for actual or expected change in climate and its impacts)? If so, please describe the specific climatic effects and how implementing the policy, program or tool would help? If not applicable, please write not applicable.

## G) Other Supporting Information

The following supporting information is recommended but not required. It may be required at a later date:

- Support letters endorsing the project; these letters are different from partner letters confirming their monetary and/or in-kind contribution;
- Any additional information you think supports the claims made or will enhance your proposal; and
- Letters confirming other funding (both cash and in-kind) will be required from successful applicants before a funding agreement can be signed and funds are provided.

Any information submitted after the deadline will **NOT** be considered in the application evaluation process.

## H) Certification

Certification that the information stated in the application is complete and accurate is required.

Please review the text closely and check the box that you agree.

In particular, note the additional check box providing you consent to share the proposal with other agencies administering NSCF funding, such as Natural Resources Canada (NRCAN) and Agriculture and Agri-Food Canada, as well as staff in relevant provincial and territorial governments as part of the review process.

- Once you complete your application, submit it online. Don't forget to also add the excel spreadsheet

Please note that NSCSF will **not** accept project applications by email, fax or mail.

## What Will Happen After You Submit A Project Application?

### Acknowledgment of Receipt

Acknowledgment of receipt is automatically generated by GCEMS. If you did not receive an acknowledgment of receipt, we recommend that you contact [ec.fscan-nscsf.ec@ec.gc.ca](mailto:ec.fscan-nscsf.ec@ec.gc.ca) to make sure that your application was received.

### Review

Your application is reviewed to verify eligibility and to assess technical and scientific merit. All Sector-based policy project proposals are subject to the same evaluation criteria. Project applications are reviewed by the NSCSF program to confirm that:

- the project is eligible for funding;
- the project addresses the NSCSF's objectives related to GHG emissions reductions (or increased carbon sequestration) and the provision of co-benefits for biodiversity;
- the proposal describes realistic and eligible activities; and,
- the proposal has been submitted by an eligible NSCSF applicant.

Following this administrative assessment, your project proposal is examined by a technical review team in order to evaluate your application for its scientific and technical merit and to finalize the overall analysis of each of the project applications received.

As part of the technical review, applications may get shared with other agencies administering NSCF funding, such as Natural Resources Canada (NRCAN) and Agriculture and Agri-Food Canada, as well as staff in relevant provincial and territorial governments.

If your project application is screened in, you will be contacted to discuss next steps. Because the Sector-based policy area of work is new, ECCC intends to work with screened in applicants to clarify the program requirements prior to seeking approval in principle.

Federal Members of Parliament and/or their team may be advised about the approval in principle of a project and may be provided with information provided in this Application including applicant's name, project title, project description, project location, funding amounts and contact information.

If your application is not approved, you will also be informed of this decision in writing.

Any questions or comments may be directed to [ec.fscan-nscsf.ec@ec.gc.ca](mailto:ec.fscan-nscsf.ec@ec.gc.ca). Good luck!

## Contact Information

Email: [ec.fscan-nscsf.ec@ec.gc.ca](mailto:ec.fscan-nscsf.ec@ec.gc.ca)