

Federal Support for Natural Infrastructure

Federal Policy and Funding Context

Natural infrastructure (NI) is increasingly recognized as a valuable approach for municipalities, Indigenous communities, partners, and other stakeholders to address complex societal and environmental challenges. Federal strategies and funding programs support NI to improve water management, enhance climate resilience and mitigation, and protect biodiversity.

The list below outlines active and closed federal programs that contribute to NI development in Canada. **All funding information is subject to availability and may change based on internal government processes and decisions.**

Open Intakes

[Build Canada Homes](#)

Build Canada Homes (BCH) provides low-cost financing to accelerate the construction of new housing and support the development of complete, sustainable communities across Canada.

- **Strategic areas for NI:** Keeping important natural features, using nature-based designs (trees, green space, drainage).
- **Fund:** \$13 billion
- **Lead:** Build Canada Homes

[Build Communities Strong Fund](#)

The Build Communities Strong Fund (BCSF) is investing in a wide range of infrastructure projects that support economic prosperity, housing, sport, education, health, transit, and climate adaptation.

- **Strategic areas for NI:** Climate resilient infrastructure, parks and greenspaces, NI integration into water systems
- **Fund:** \$51 billion, with \$1 million minimum project cost (projects less than 1 million dollars will be delivered through regional development agencies).
- **Lead:** Housing, Infrastructure and Communities Canada (HICC)

[Canada Nature Protection Fund](#)

The Canada Nature Protection Fund (CNPF) supports actions that protect and recover Canadian species at risk and their critical habitat, maintain and restore healthy populations of migratory birds and other wildlife, and manage and expand Canada's network of protected areas to conserve biodiversity. These nature-based efforts may also contribute to climate change mitigation and adaptation and human health and well-being.

- **Strategic areas for NI:** Protected areas; species recovery; ecosystem restoration; nature-based climate solutions
- **Fund:** More information to come
- **Lead:** Environment and Climate Change Canada (ECCC)

[Climate Change Preparedness in the North Program](#)

Climate Change Preparedness in the North Program (CCPN) provides project funding and guidance to build Northern adaptation capacity and to implement adaptation measures increasing the climate resilience of existing community infrastructure, in support of self-determined priorities.

- **Strategic areas for NI:** ecosystem restoration, land-based solutions
- **Fund:** \$98.7 million
- **Lead:** Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC)

Disaster Financial Assistance Arrangements

The Disaster Financial Assistance Arrangements (DFAA) program provides financial assistance to provincial and territorial governments for response and recovery costs from large-scale disasters caused by natural hazards.

- **Strategic areas for NI:** Disaster recovery & resilience: reconstruction; risk reduction; eligible NI/NbS eligible under multiple streams, depending on purpose and outcome
- **Fund:** Demand-driven program with a \$100 million annual reference level, supplemented through additional funding as required to meet disaster liabilities
- **Lead:** Public Safety Canada (PSC)

EcoAction

EcoAction provides annual funding under two-streams of funding to support freshwater sustainability in Canada, with Stream 1 enabling communities to improve freshwater quality and ecosystem health, and Stream 2 supporting national projects focused on innovation, circular economy, and data solutions for sustainable management

- **Strategic areas for NI:** Improving freshwater quality and ecosystem health, urban greening, riparian and aquatic restoration.
- **Fund:** Annual, project and thematic areas dependant. The program funds up to 50% of total project costs, between \$25,000 and \$100,000 per project for Stream 1 and a maximum of \$200,000 for Stream 2.
- **Lead:** Canada Water Agency (CWA)

Environmental Damages Fund

The Environmental Damages Fund (EDF) created in 1995, receives money from fines, penalties, court orders, and voluntary payments from environmental violations. This money is used to support projects that will benefit Canada's natural environment, usually in the area where the violation occurred.

- **Strategic areas for NI:** The EDF invests in projects falling in 4 funding categories: restoration; environmental quality improvement; research and development, and education and awareness.
- **Fund:** Availability of funding at any given time varies according to the number of court awards and voluntary contributions directed to the EDF.
- **Lead:** Environment and Climate Change Canada (ECCC)

First Nation Infrastructure Fund- Structural Mitigation

The Fund supports on reserve First Nation communities to improve their environment and quality of life by investing in nine categories of community infrastructure. This includes structural mitigation measures that reduce or prevent the impact of natural hazards and climate change on infrastructure.

- **Strategic areas for NI:** Community infrastructure & risk mitigation: flood; wildfire; erosion
- **Funding:** Projects must cost \$10 million or less per recipient per year
- **Lead:** Indigenous Services Canada (ISC)

Freshwater Ecosystem Initiatives

The Freshwater Ecosystem Initiatives (FEI) support regionally specific actions to restore and protect water quality and ecosystem health in waterbodies of national significance.

- **Strategic areas for NI:** there is a range of areas for NI based on program priorities in each FEI; examples include wetlands and coastal areas restoration, aquatic ecosystems protection, urban and agricultural beneficial management practices, and phosphorous load reduction.
- **Fund:** Annual, project and thematic areas dependant
- **Lead:** Canada Water Agency (CWA)

Growing Canada's Community Canopies

The Growing Canada's Community Canopies (GCCC) initiative helps communities plant the right type of trees in the right places—bringing multiple benefits to communities.

- **Strategic areas for NI:** Urban greening; tree planting; resilience; direct NI implementation (urban forests, canopy expansion)
- **Fund:** \$291 million. Covers up to 50% of eligible project costs. Lifetime project funding per municipality is \$10 million.
- **Lead:** The Federation of Canadian Municipalities (FCM)

Local Leadership for Climate Adaptation

The Local Leadership for Climate Adaptation (LLCA) provides tailored funding to help municipalities plan, test and implement local climate adaptation solutions.

- **Strategic areas for NI:** Local adaptation: planning; skills; enables NI/NbS projects
- **Fund:** \$530 million; projects that emphasize nature-based climate solutions benefit from a higher cost-share (70% instead of 60%). Maximum funding per projects under the implementation stream is \$1 million; up to \$70,000 in feasibility studies; and up to \$75,000 in funding for projects in municipalities with a population under 50, 000 under the Rapid Adaptation Projects stream.
- **Lead:** The Federation of Canadian Municipalities (FCM)

Sustainable Canadian Agricultural Partnership

The Sustainable Canadian Agricultural Partnership (Sustainable CAP) strengthens the competitiveness, innovation, and resilience of the agriculture and agri-food sector in Canada. Funding is delivered through both federal and provincial/territorial programs tailored to regional needs. The Sustainable CAP is a cost-shared program funded on a 60:40 federal-provincial/territorial cost-sharing basis. Cost-shared programs are delivered by provincial and territorial governments (PTs) to support regional agricultural priorities while advancing Sustainable CAP objectives. Consequently, program design, eligibility criteria, and intake periods vary across jurisdictions.

- **Strategic Areas for NI:** The Sustainable CAP supports the adoption of on-farm practices and technologies that improve environmental sustainability, including protecting water quality, improving soil health, enhancing biodiversity, and reducing greenhouse gas emissions. This includes support for natural infrastructure through programs such as the Resilient Agricultural Landscapes Program.
- **Fund:** \$2.5 billion in cost-shared funding (\$1.5 billion federal and \$1 billion in PT funding).
- **Lead:** Agriculture and Agri-Food Canada (AAFC), in partnership with PT governments.

Closed Intakes

[Agricultural Climate Solutions - On-Farm Climate Action Fund](#)

The Agricultural Climate Solutions - On-Farm Climate Action Fund (OFCAF) supports farmers in adopting beneficial management practices (BMPs) that store carbon and reduce greenhouse gases, specifically through nitrogen management, cover cropping and rotational grazing practices. OFCAF uses a further distribution of funds model, whereby AAFC provides funding to 13 initial recipients, who distribute those funds each year to farmers across Canada who have applied for support to implement eligible projects.

- **Strategic areas for NI:** soil health, sustainable land management
- **Funds:** \$ 704.1 million, 6-year program (end date March 31, 2028)
- **Lead:** Agriculture and Agri-food Canada (AAFC)

[Aquatic Ecosystems Restoration Fund](#)

The Aquatic Ecosystems Restoration Fund (AERF) supports projects that protect and restore coastal, marine, estuarine, and freshwater ecosystems by addressing the root causes of aquatic habitat degradation and improving long-term ecosystem sustainability.

- **Strategic areas for NI:** Aquatic ecosystem restoration; habitat connectivity; wetlands, estuaries and coastal habitat rehabilitation; living shorelines; climate resilience; biodiversity conservation; nature-based solutions
- **Fund:** \$75 million over five years. Maximum funding per project is \$4 million
- **Lead:** Fisheries and Oceans Canada (DFO)

[Climate Action and Awareness Fund](#)

The Climate Action and Awareness Fund (CAAF) supports Canadian-made projects that help reduce Canada's greenhouse gas emissions.

- **Strategic areas for NI:** developing nature for climate mitigation and biodiversity enhancement
- **Fund:** \$206 million
- **Lead:** Environment and Climate Change Canada (ECCC)

[Disaster Mitigation and Adaptation Fund](#)

The Disaster Mitigation and Adaptation Fund (DMAF) supports public infrastructure projects designed to mitigate current and future climate-related risks and disasters triggered by climate change, such as floods, wildland fires, droughts and seismic events.

- **Strategic areas for NI:** prevent, mitigate or protect against the impacts of climate change, disasters triggered by natural hazards, and extreme weather.
- **Fund:** \$3.7 billion. Minimum total eligible project costs per project is \$1 million. Federal share ranges between 25% to 100% depending on organization type.
- **Lead:** Housing, Infrastructure and Communities Canada (HICC)

[Natural Infrastructure Fund](#)

The Natural Infrastructure Fund (NIF) supports projects that use natural and nature-based infrastructure to enhance climate resilience, biodiversity, and community well-being.

- **Strategic areas for NI:** climate resilience, improving environmental quality, biodiversity, community access to public green and blue spaces, and climate mitigation.

- **Fund:** \$200 million. Maximum funding per project is \$1 million, under the small projects stream. Federal share ranges between 25% to 100% depending on organization type
- **Lead:** Housing, Infrastructure and Communities Canada (HICC)

Other Programs and Key Federal Strategies

[Canada Housing Infrastructure Fund](#)

The Canada Housing Infrastructure Fund (CHIF) Supports housing enabling infrastructure (e.g., water, wastewater, and solid waste) needed to accelerate housing development and increase supply across Canada.

- **Strategic areas for NI:** NI is a standalone asset when connected to improving water, wastewater, stormwater, or solid waste infrastructure and systems.
- **Fund:** \$6 billion
- **Lead:** Housing, Infrastructure and Communities Canada (HICC)

[Canada Public Transit Fund](#)

The Canada Public Transit Fund (CPTF) Fund supports public transit and active transportation infrastructure, offering both stable and predictable funding to address long-term transit goals, as well as responsive funding to target evolving transit needs.

- **Strategic areas for NI:** targets changes and policies for vegetation management and biodiversity
- **Fund:** \$25 billion
- **Lead:** Housing, Infrastructure and Communities Canada (HICC)

Key Federal Strategies

- [Canada's 2030 Emissions Reduction Plan](#)
- [Canada's 2030 Nature Strategy](#)
- [Canada's National Adaptation Strategy](#)
- [Greening Government Strategy](#)
- [Federal Sustainable Development Strategy](#)