

Environmental Funding in Canada

Charitable & Grants Data | Devika Shah

AGENDA

- Introductions & Context Setting (10 m)
- Part 1: How Big is Our Slice of Pie?
 - Presentation (10 m)
 - Questions & Group Reflections (15 m)
- Part 2: What are We Funding?
 - Presentation (10 m)
 - Questions & Group Reflections (15 m)
- Part 3: What Next?
 - Presentation (5 m)
 - Group Feedback (15 m)



3 Big Questions

- 1. OUR SLICE OF PIE:** How much funding in Canada is allocated to environmental work?
 - Challenge: CRA data needs to be extracted and methodology needs to be developed to analyze it within the limitations of the available data
- 2. WHAT IS BEING FUNDED?** Climate, Conservation, Indigenous-focused, ETC.
 - Challenge: Shared taxonomy & tagging
 - Challenge: Info analysis capacity
- 3. WHO IS BEING FUNDED?** Alignment with demographics of Canada?
Equity-deserving groups?
 - Challenge: Shared taxonomy
 - Challenge: Data hasn't been collected

Enter ... DARO (formerly Ajah)

- 1. OUR SLICE OF PIE:** Nathan Grasse (Carleton University)
 - Capacity & expertise to aggregate CRA data, develop methodology, analyze
- 2. WHAT IS BEING FUNDED?** Ben McNamee
 - Keyword search vs shared taxonomy + tagging
- 3. WHO IS BEING FUNDED?**
 - Referenced the work of Dr. Christina Hoika (UVic, research commissioned by McConnell Fdn)
 - Analysis from grants data collected – NOT YET



Slice of Pie for Environmental Work

CRA DATA (2000 – 2021)

Limitations of CRA Data

- Compliance vs content
- Only operating charities (grassroots, non-profits not included)
- CRA has changed method of classification over time
- Imperfect data submitted by charities
- Does not include operating charities whose primary purpose is not environmental (e.g. universities)
- Assumptions all funds toward orgs classified as environmental are environmentally focused

A better estimate requires better data.



Methodology

- Adjusted for inflation
- Combination of 2 classification codes (Program Code + Category Code) = just under 1400 environmental operating charities (cross-checked with grantees of EFC member organizations)
- Includes different sources of revenue:
 - Government funding
 - Gifts from other charities (e.g. foundations)
 - Receipted gifts (e.g. donations from individuals)
 - Unreceipted gifts
 - Unreceipted gifts from fundraising (e.g. event sponsorship)
 - Sales of goods & services (e.g. social enterprise, fee-for-service)



Key Takeaways

Heads-up: it's not pretty!

*When you consider total revenue from
ALL SOURCES, 2% is not accurate.*

*It's actually 0.5% for
environmentally-focused operating charities*

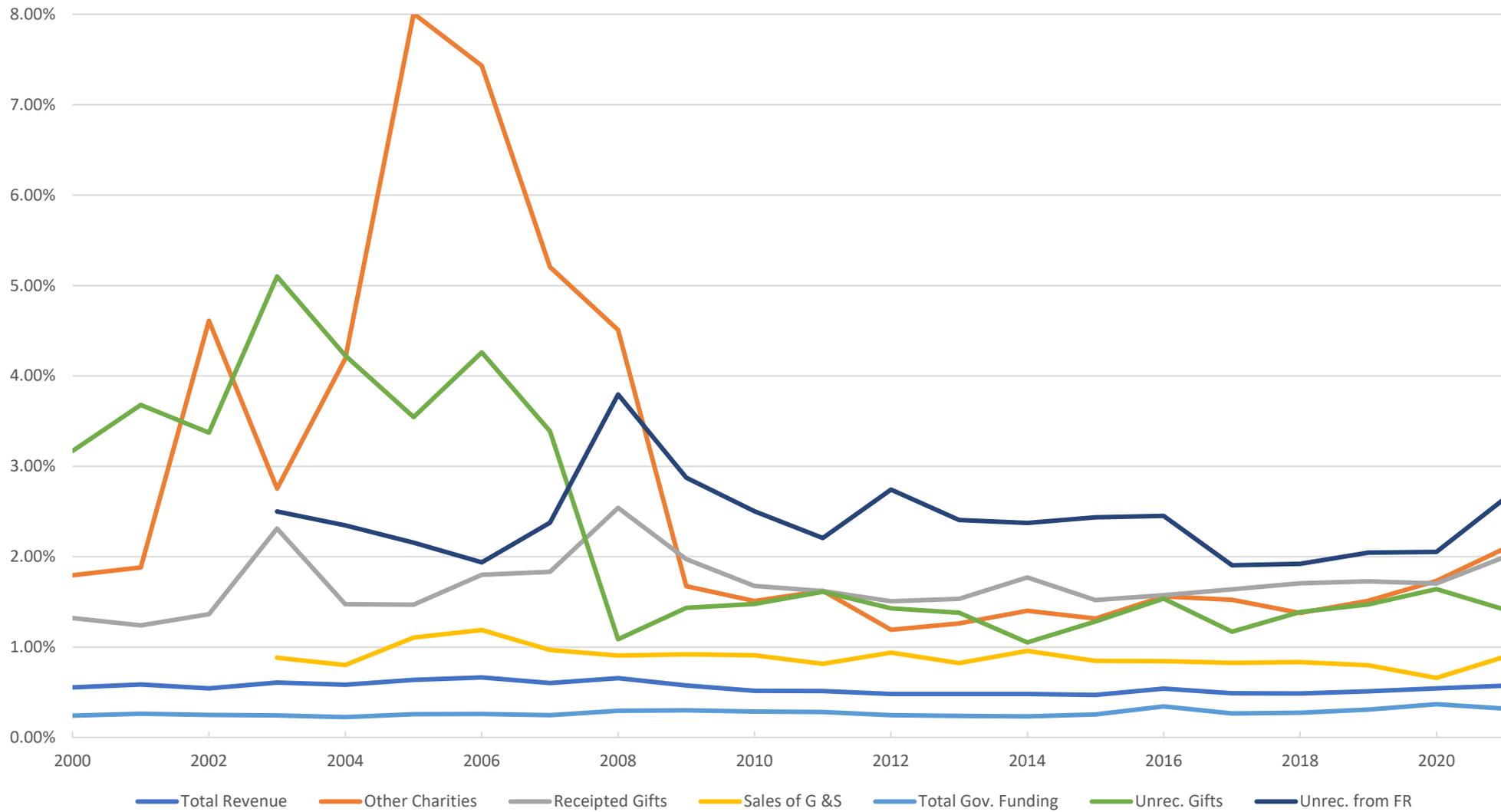
However, 2% IS accurate for these sources of revenue:

- Gifts from other charities
- Receipted donations
- Unreceipted gifts from fundraising

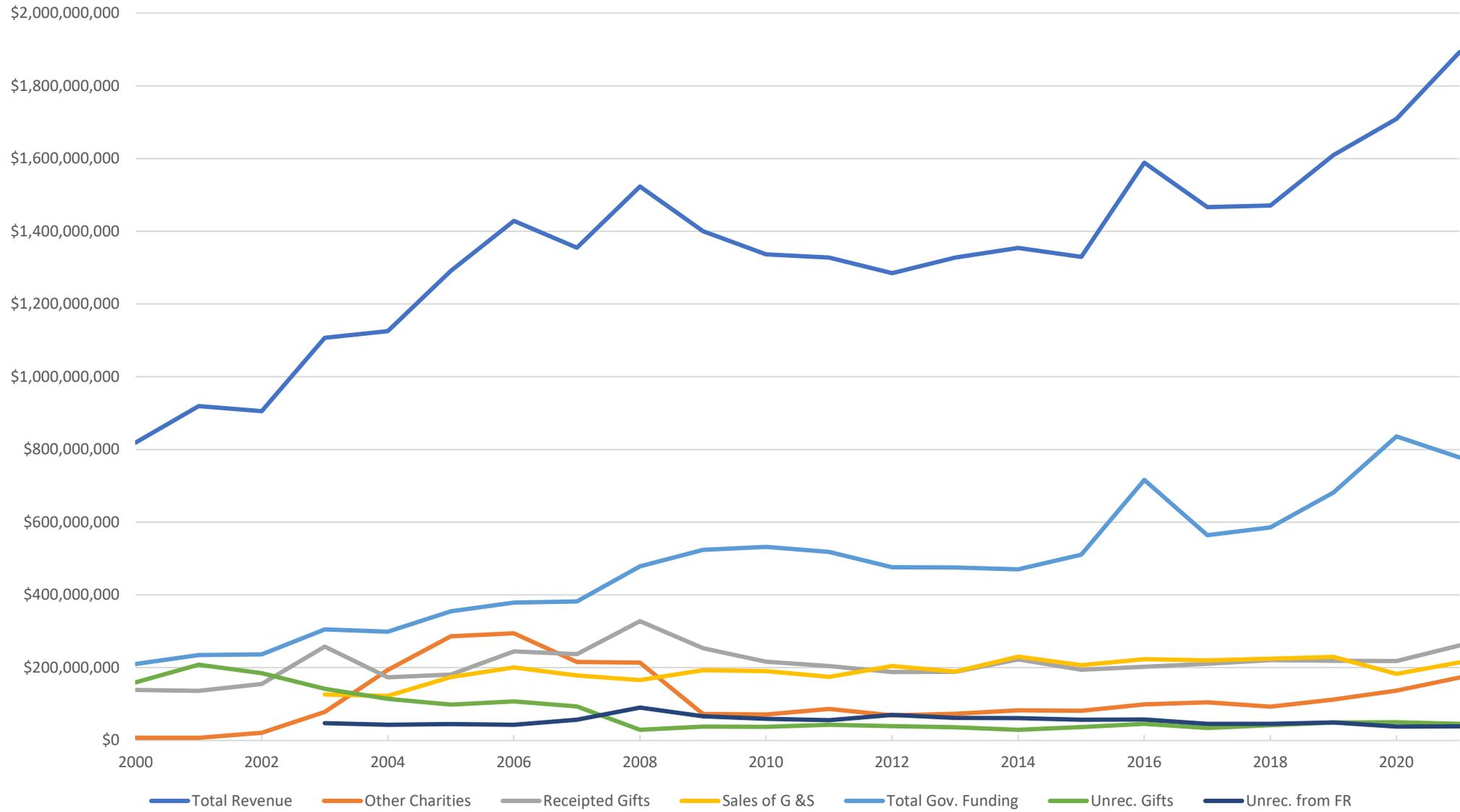
In comparison, 0.3% of total government funding is allocated to environmental operating charities.



Panel A. Percentage of Revenues to Operating Charities Classified by Either Method 1 or 2, Organizational Data - 2000 to 2021 (CAD 2022)



Panel B. Revenue in Dollars (CAD 2022)



Sources of Revenue Surprises

- Gifts from other charities contribute less to environmental charities than sales of good & services and receipted gifts
- Government funding contributes 4.5X more revenue than gifts from other charities. *Therefore, even though the % of government funding allocated to environmental charities is only 0.3%, very large increases in total dollars are required to maintain that percentage as total government funding grows (in comparison to maintaining 2% of other sources of growing revenue)*

Environmental charities are becoming increasingly reliant on government funding as a percentage of total revenue

Year	% from other charities	% from government
2002	2%	26%
2006	20%	26%
2017	7%	38%
2021	9%	41%

Other Reference Points

- PFC – Environment = 4% (200 largest foundations from 2013-2018)
- Canada Helps – Environment = 1.5%, or 3.9% during climate-driven crises such as emergency support during 2023 wildfires (receipted gifts via Canada Helps platform)

We can reasonably conclude that **these two sources of revenue (gifts from other charities and receipted gifts) are not higher than 4%.**

- Climate Works Foundation – 2% for climate mitigation (global philanthropy).

How much higher would the global percentage be than Canada's if this were an apples-to-apples comparison?

What We Are Funding

2022 Grants Data from EFC Members

Methodology

- 2022 Grants Data, 44 Funders, 1,941 grants
- Collected between July – Sept, 2023
- Accepted in any form, template provided
- Keyword search relies on **grant titles** and **grant descriptions**
- Identified member-to-member giving and categorized it as either programming or regranting



Methodology

SEVEN DISTINCT CATEGORIES

- Conservation
- Climate Change
- Nature Education
- Food & Agriculture
- Pollution & Toxics
- Waste Reduction
- Other (includes general operating and organizational support grants)

ADDITIONAL LAYER: INDIGENOUS FOCUSED WORK

(overlaps with each of the categories above)



Methodology

ITERATIVE REFINEMENT OF KEYWORD SEARCH TERMS

- Started with our best guess
- Eliminate terms that generate very little, overlap in more than one category
- Reviewed grants not captured, added additional search words and categories
- Excluded terms from different categories – e.g. conservation search terms minus words that are almost always associated with nature education (e.g. schools, children)
- Addition of category tags where insufficient grant titles and descriptions provided
- Result: distinct keywords for each category that can be reused each year!

Limitations

TRENDS IN FAVOUR OF ACCURACY

- Overlap counting in locations
- Overlap counting in environmental categories (less than 20%)



2022 Grants Data Collection Analysis

Total \$ Grants Received	Total # Grants Received	Total # Data Submissions
\$183,626,078.04	1,941	44

Chart 1. 2022 Grant Dollars by Geographic Focus

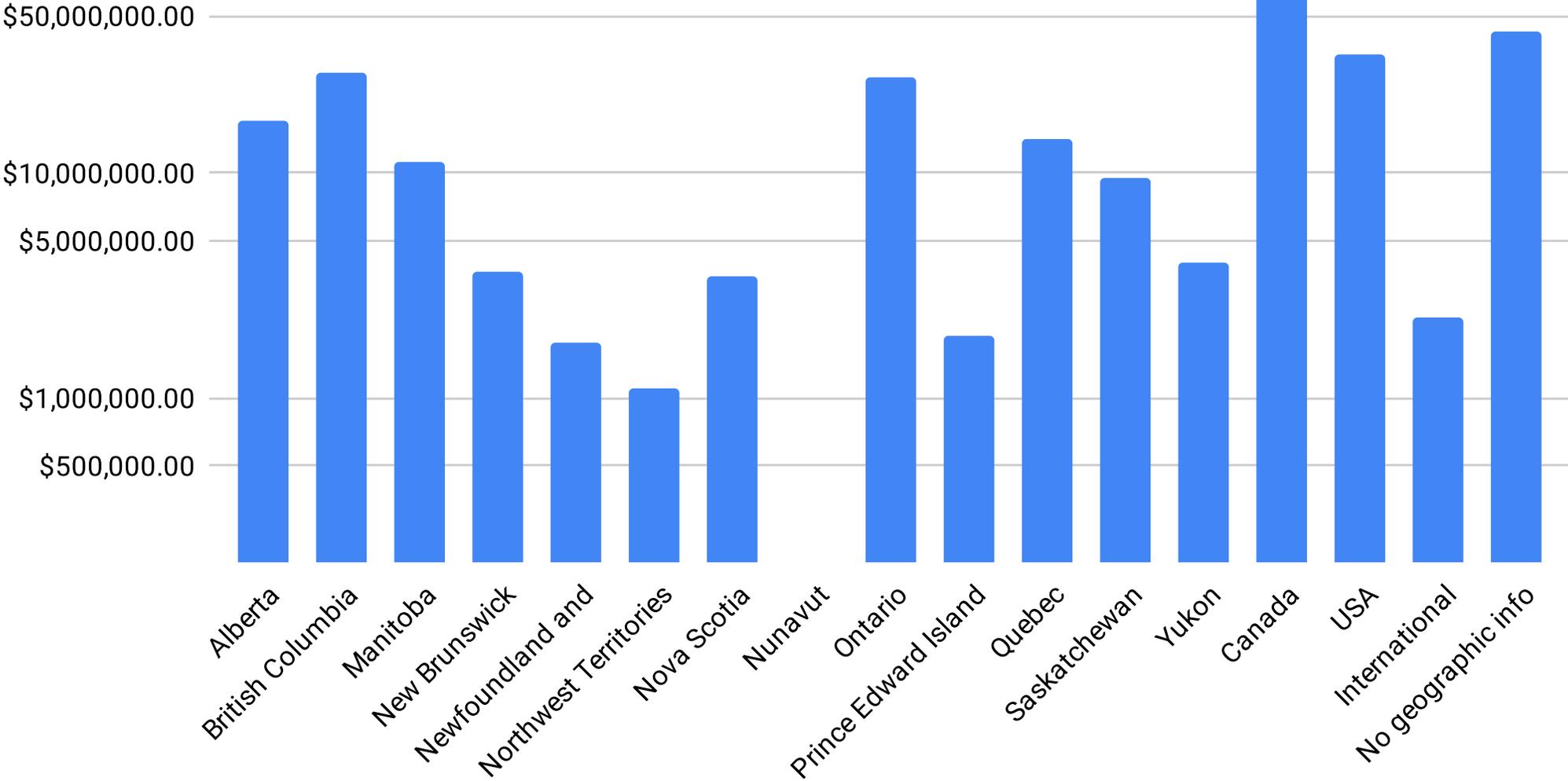


Chart 2. Percentage of 2022 Grant Dollars Awarded by Geographic Focus

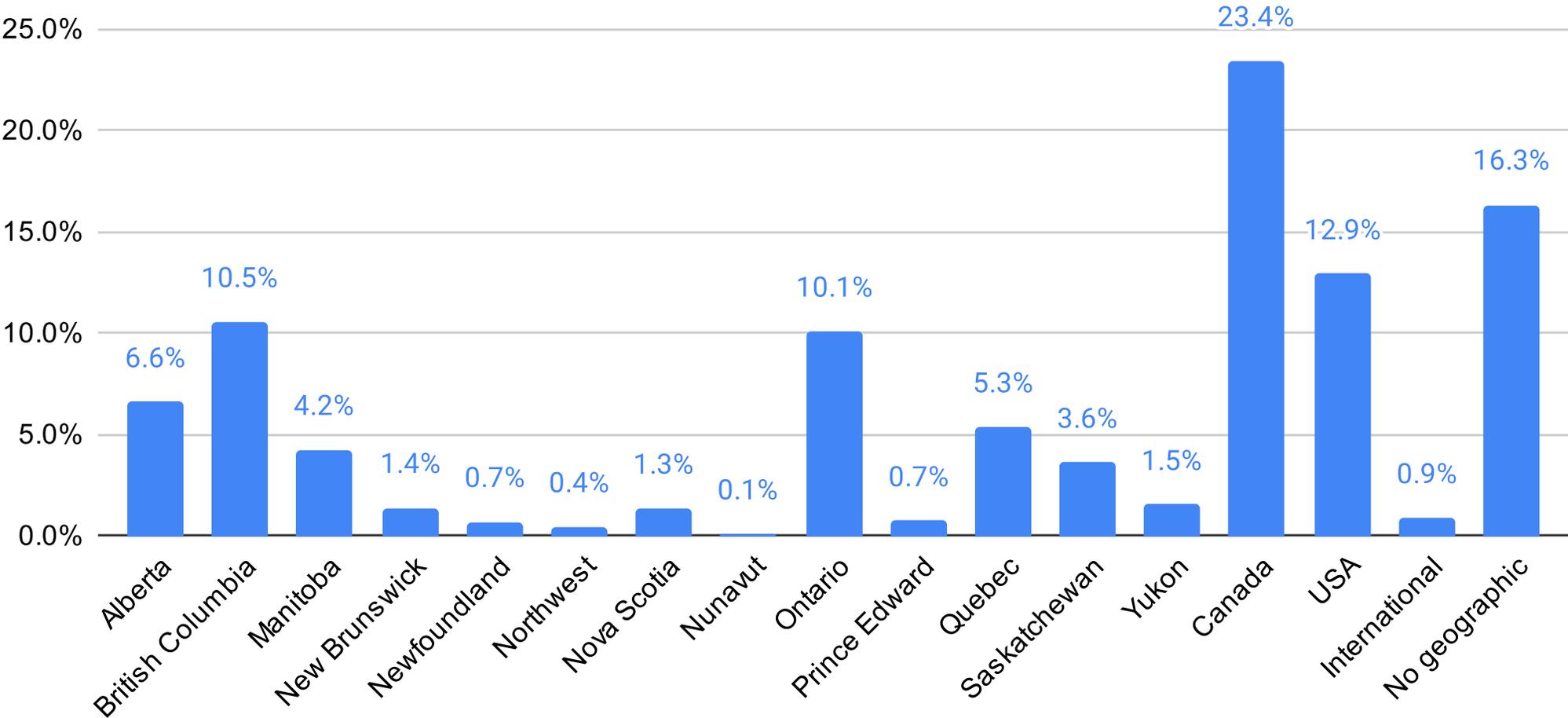


Chart 3. 2022 Grant Dollars by Environmental Category

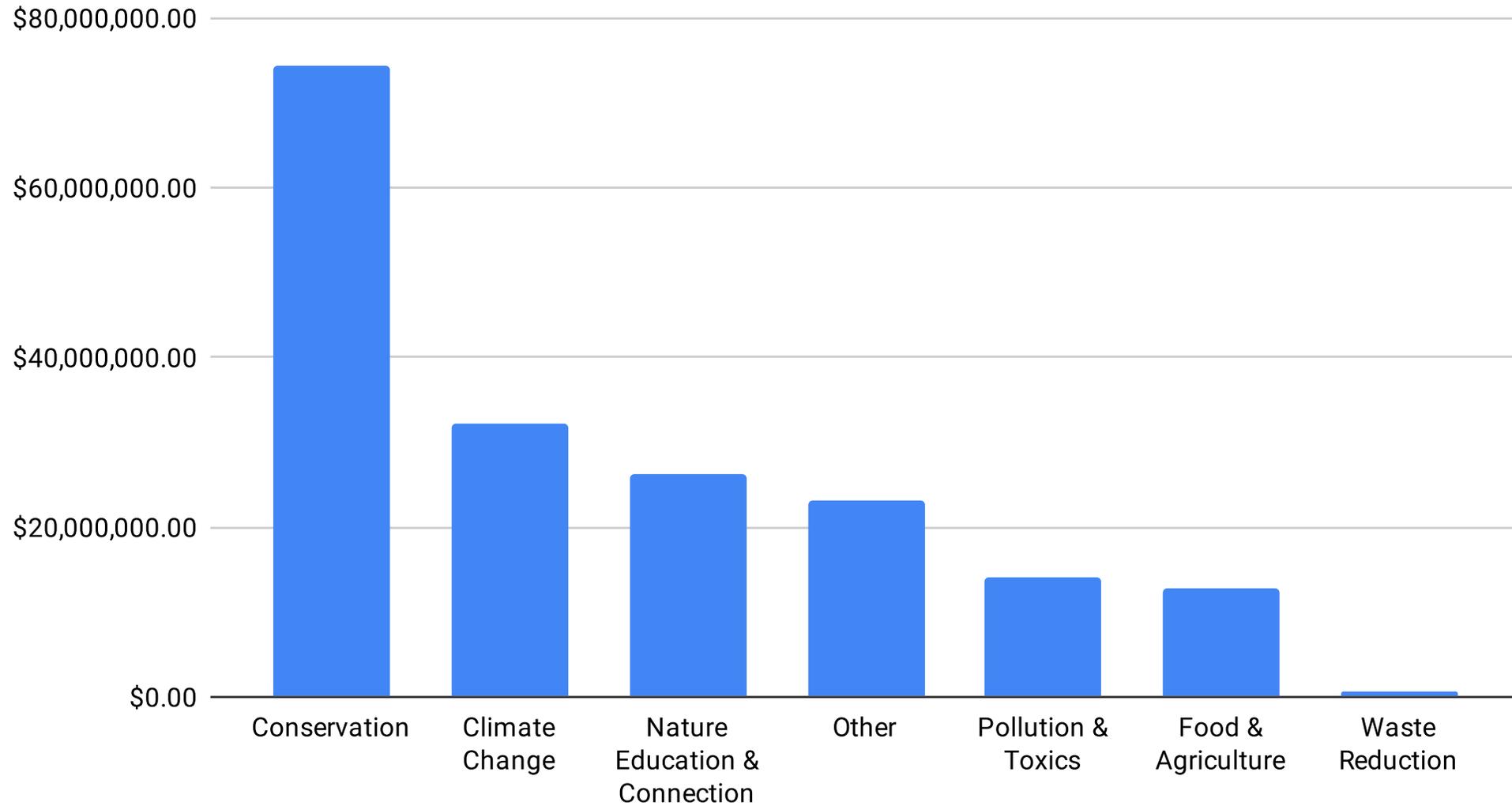


Chart 4. Percentage of 2022 Grant Dollars by Environmental Category

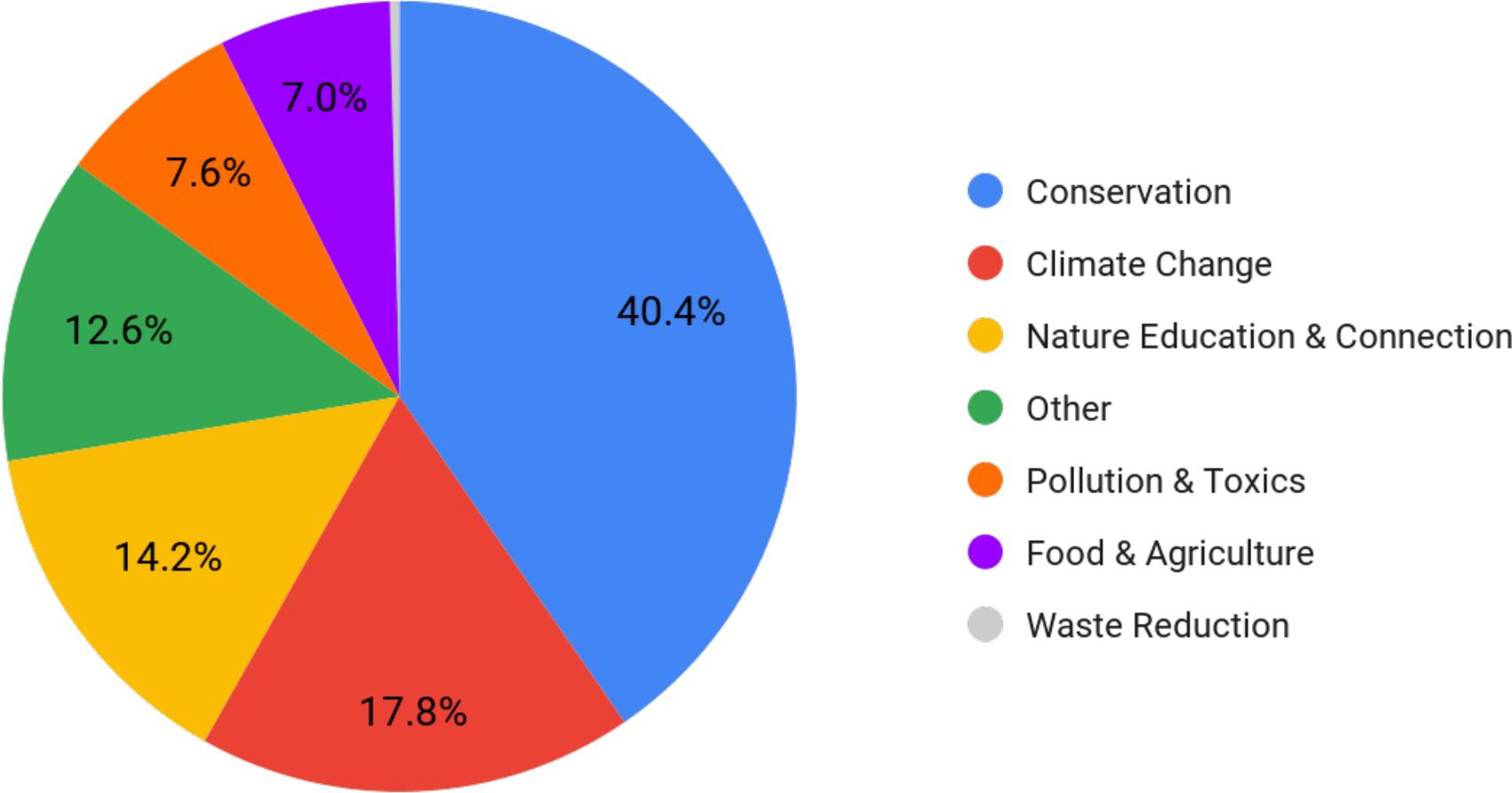
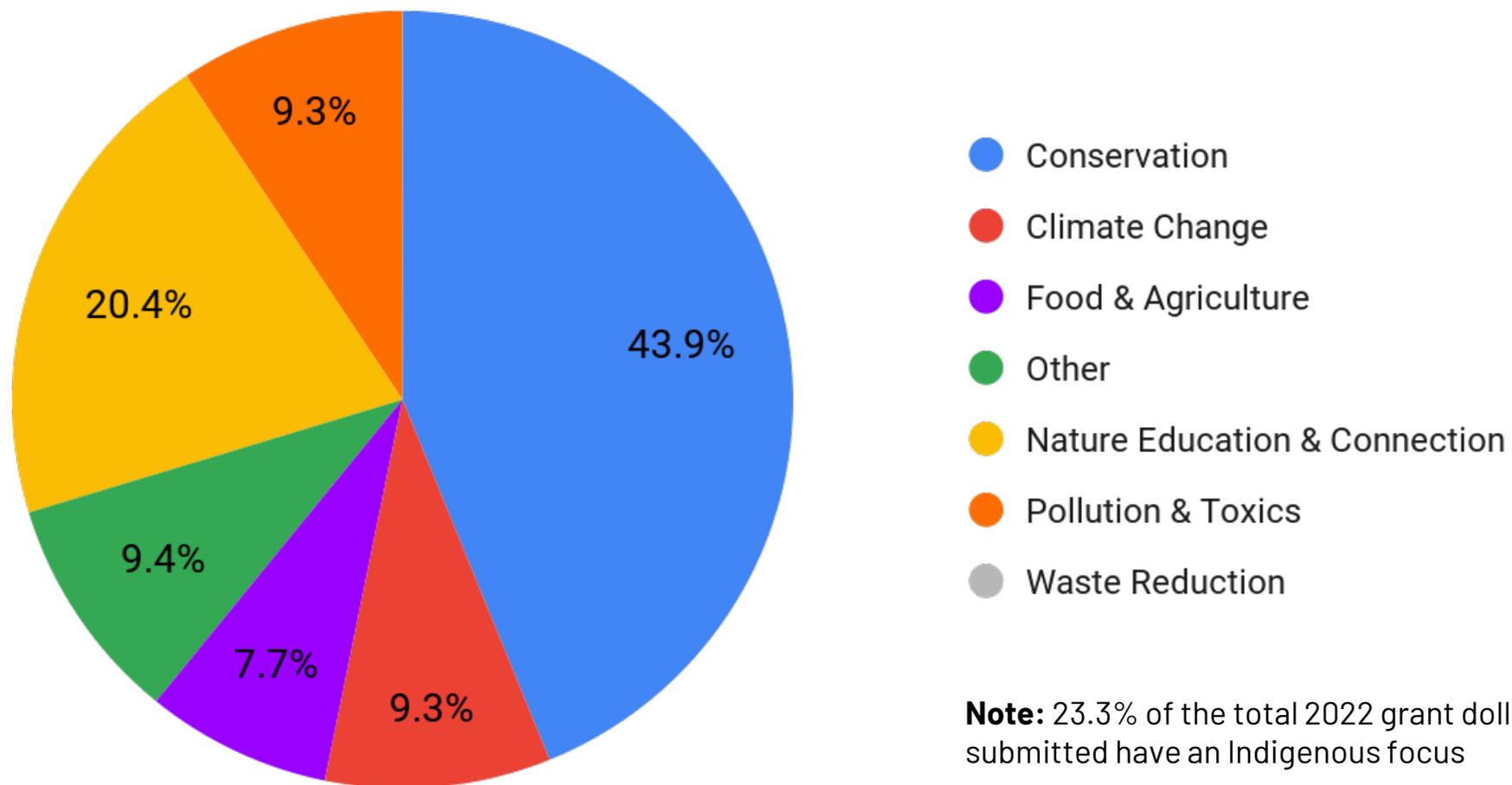


Chart 5. Breakdown of Categories of Investment in Indigenous Focused Grants



Note: 23.3% of the total 2022 grant dollars submitted have an Indigenous focus

Chart 6. Percentage of 2022 Grant Dollars Awarded by Geographic Location and Environmental Category

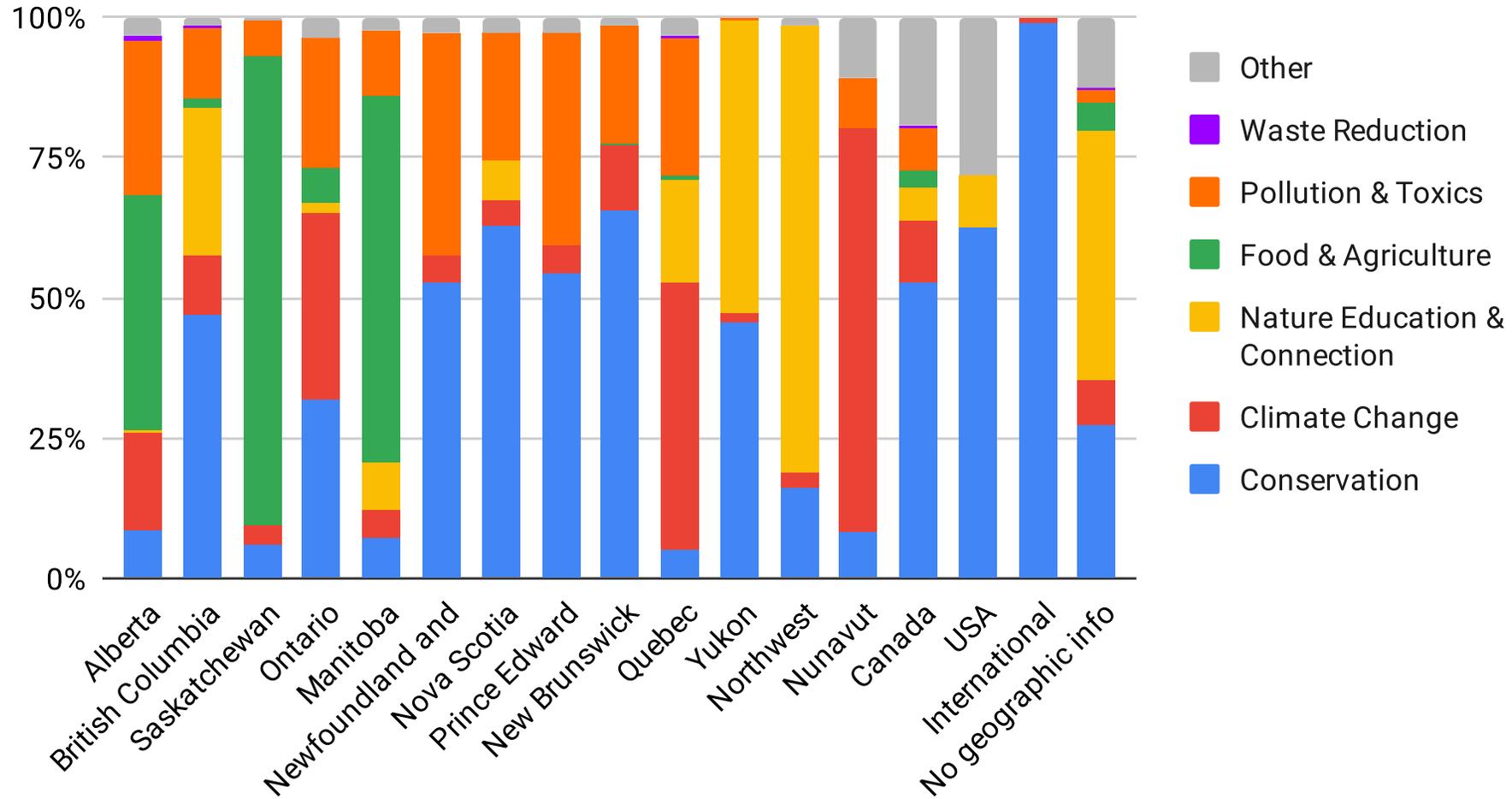
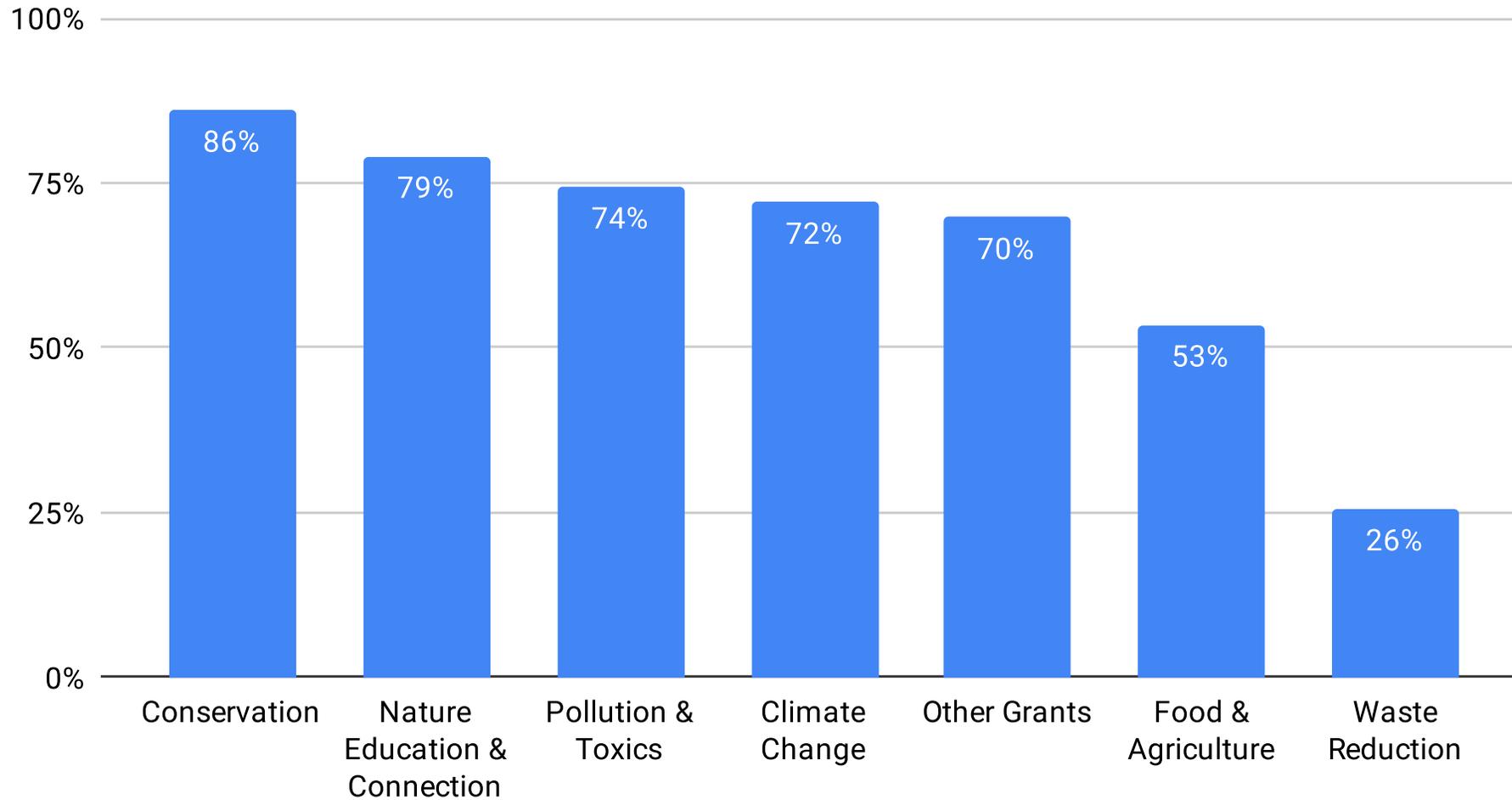


Chart 7. Percentage of Members Funding Environmental Categories



Thank You to these Funders!

Thank you to all members who submitted their data. The analysis contains data from the following members.

444S Foundation
Alberta Ecotrust Foundation
Banff Canmore Community Foundation
Chamandy Foundation
Chawkers Foundation
Chisholm Thomson Family Foundation
Coast Funds
De Gaspé Beaubien Foundation
Definity Insurance Foundation
Dickhout Family Foundation
Donner Canadian Foundation
Echo Foundation
Glasswaters Foundation
Gordon and Betty Moore Foundation
Greenbelt Foundation
Ivey Foundation
Laidlaw Foundation
MakeWay Foundation
Meighen Family Foundation
Mott Foundation
Okanagan Basin Water Board
Ottawa Climate Action Fund (OCAF)

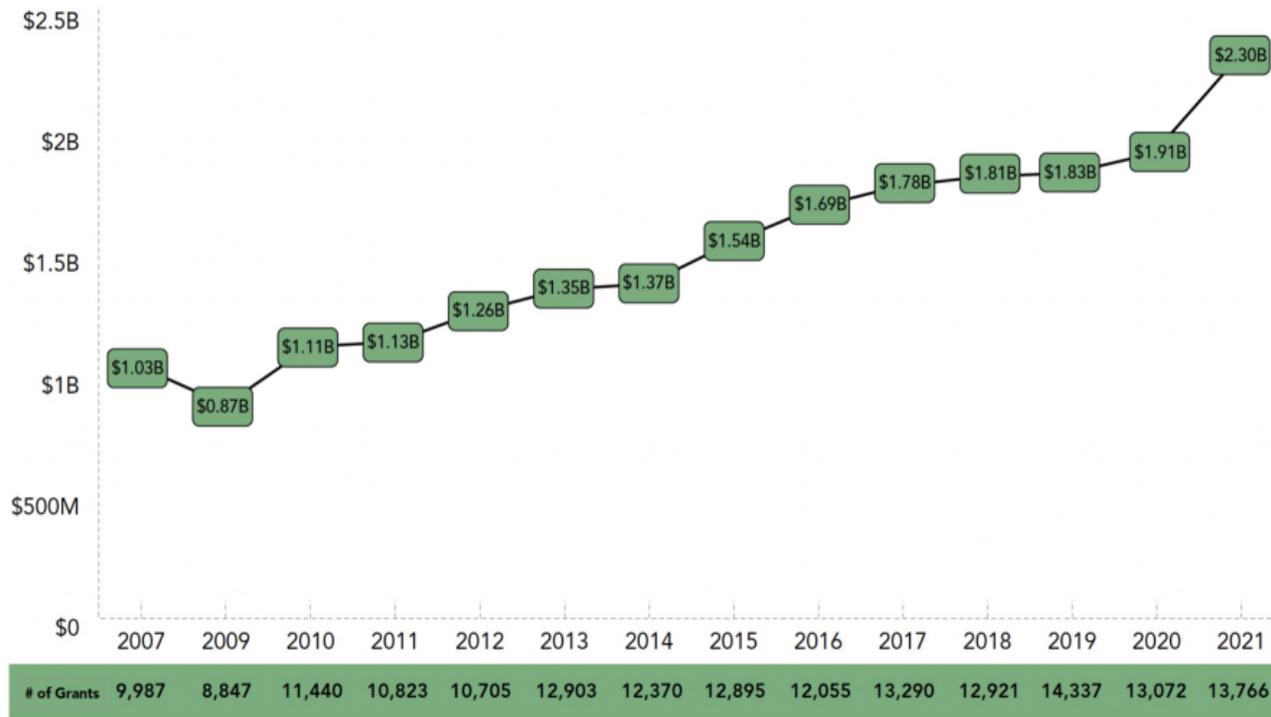
Peter Gilgan Foundation
Real Estate Foundation of BC (REFBC)
TD Friends of the Environment Foundation
The Atmospheric Fund
The Calgary Foundation
The Catherine Donnelly Foundation
The Dragonfly Fund
The Foundation of Greater Montreal
The George Cedric Metcalf Charitable Foundation
The Houssian Foundation
The Lawson Foundation
The McConnell Foundation
The McLean Foundation
The Schad Foundation
The Sitka Foundation
The Trottier Family Foundation
The Waltons Trust
The Winnipeg Foundation
Toronto Foundation
Weston Family Foundation
Wilburforce Foundation
Woodcock Foundation

Some interesting U.S. Data from
Tracking the Field (2007-2021)
Environmental Grantmakers Assoc.



Overall Environmental Funding

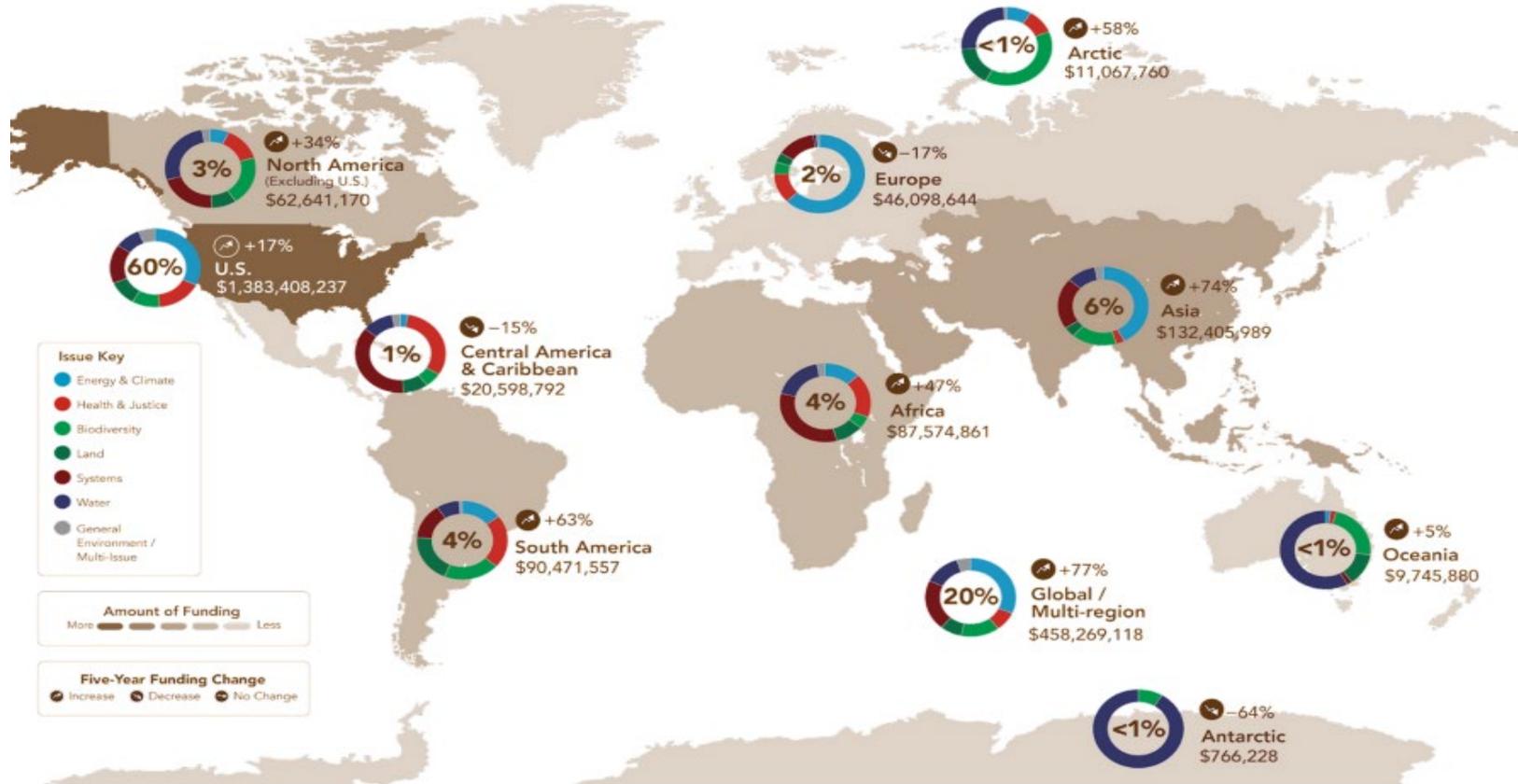
EGA Members' Total Environmental Grantmaking Over Time, 2007–2021



- 2021 had the largest year-over-year increase in environmental funding observed by EGA since 2007.
- The increase of environmental funding outpaced the growth of overall philanthropic giving.
- Despite this increase, environmental grantmaking is **still largely insufficient** relative to the urgency and scale of the growing global environmental crisis.

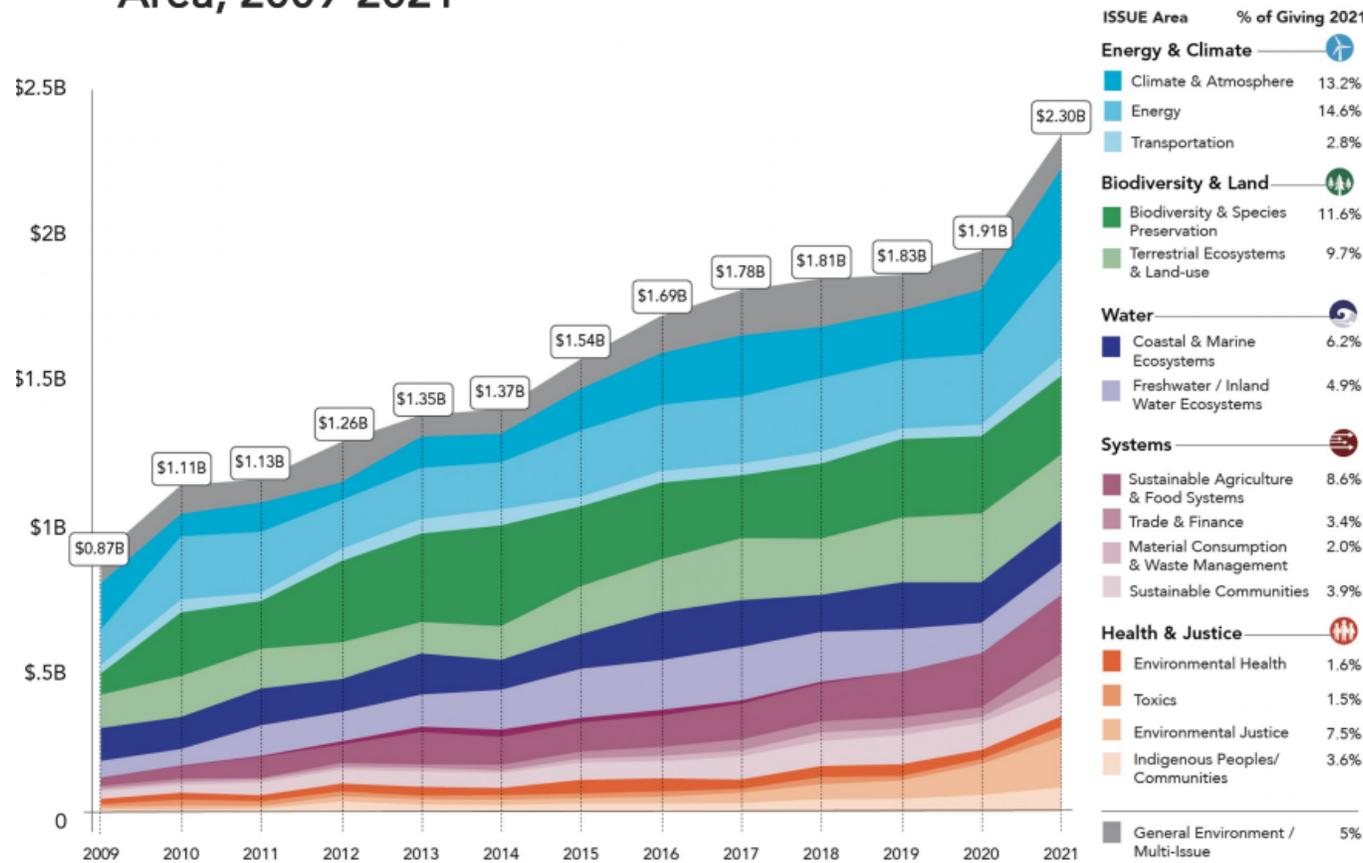
WHERE Do EGA Members Fund?

EGA Members' Grantmaking by International Region and Primary Issue Group, 2021



WHAT Do EGA Members Fund?

EGA Members' Environmental Grantmaking by Primary Issue Area, 2009-2021

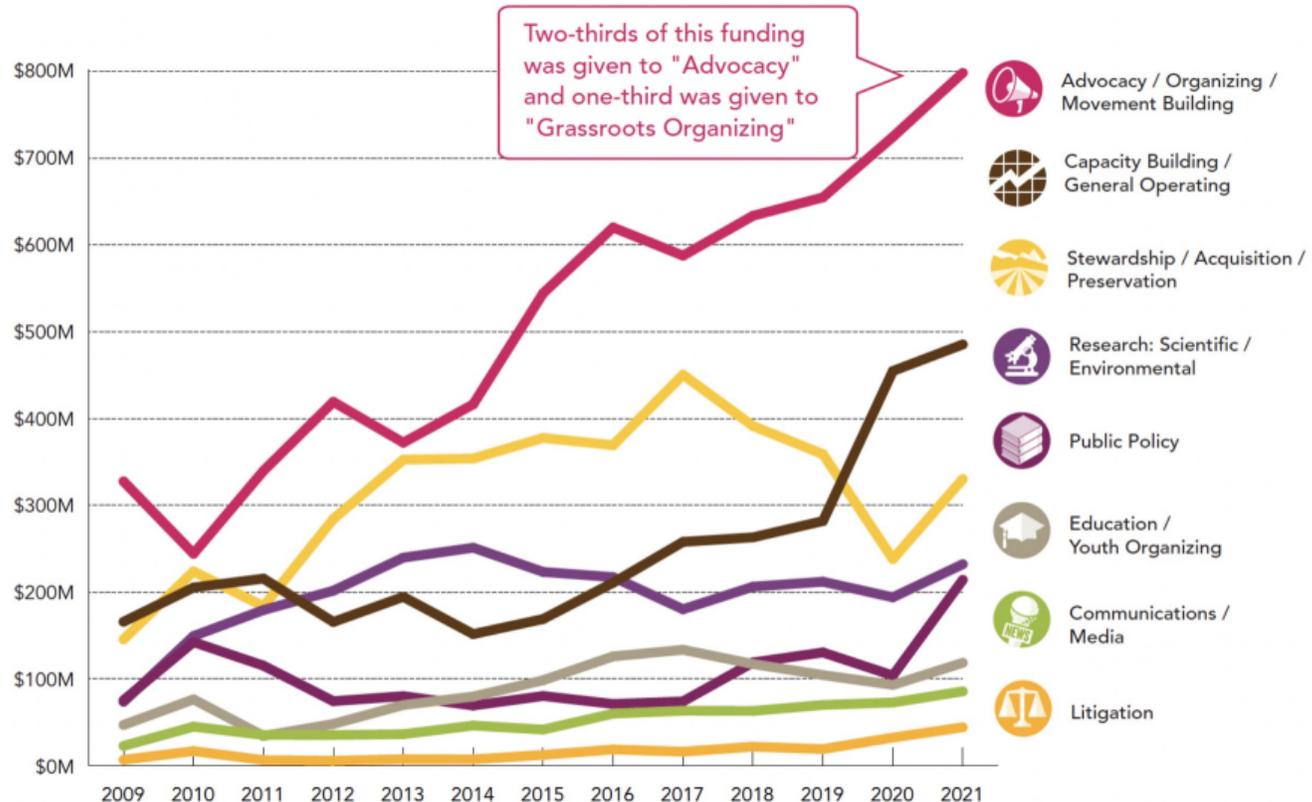


- In 2021, "Energy & Climate" remained the most-funded primary issue group with the most increase in funding dollars, receiving \$705 million or 31% of the total funding.
- "Health & Justice" funding nearly tripled compared to 2017.
- Conservation issues (Biodiversity, Land and Water) continued to receive about one-third of the total funding.



HOW Do EGA Members Fund?

EGA Members' Environmental Grantmaking by Strategy, 2009-2021



- Funders are giving much larger grants. 2021 saw the largest median grant size (\$48,628) ever recorded by EGA.
- **"General Operating" funding surged since 2019, accounting for 21% of total funding in 2021.**
- **Funding to "Grassroots Organizing" and "Public Policy" both doubled from 2020 to 2021.**

TRACKING 

Where are we going next?

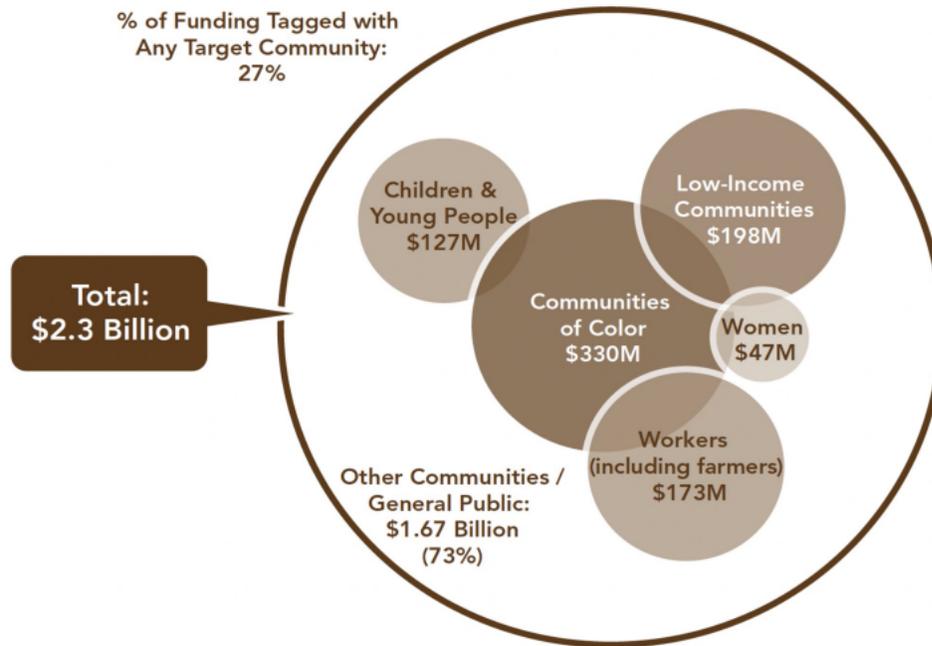
3 Levels of 'Open'

- EFC Only
- EFC Members Only
- Public Site
 - 360Giving in UK
 - 8 years old
 - Open data standards for grants
 - Funders collect & publish own data (360Giving amalgamates)
 - Tools for funders to access, search, visualize

We can't do this yet ...

WHO Do EGA Members Fund?

EGA Members' Environmental Grantmaking by Communities Impacted, 2021



- From 2019 to 2021, funding to “Communities of Color” more than doubled (from \$140M to \$330M), with over 80% of all EGA members giving at least one grant directed to this group.
- Of the \$198 million given to “Low-Income Communities,” two thirds supported domestic initiatives.
- “Women” and gender-equity issues received the least support out of all groups.

Learn more at ega.org/ttf/reports, *Tracking the Field: Volume 8*

Exploring Options to Support Equity Data Collection

ACTIVATING EXISTING PARTNERSHIP WITH NEW POWER LABS

STANDARDIZED SINGLE QUESTION ON ALL MEMBER GRANT APPLICATIONS?

OTHER?



REQUEST TO ALL ENVIRO FUNDERS!!!

- 2023 Grants Data
- Collected from June – August
- Any format but we have a template
- Grant titles & grant descriptions are mandatory

THANK YOU