



NEWS RELEASE

Green Municipal Funds

COMPETITIVE, LOW-INTEREST LOANS AVAILABLE FOR GREEN INFRASTRUCTURE PROJECTS

Ottawa, ON, April 8, 2002, - The Federation of Canadian Municipalities (FCM) and the Government of Canada today announced changes to the Green Municipal Funds to allow for more innovative environmental projects and studies to be undertaken by municipal governments across Canada.

The changes were initiated in last December's federal budget when the Government of Canada's endowment to FCM for the Green Municipal Funds was doubled to \$250 million from \$125 million. The Funds, established in the Federal Budget 2000, stimulate investment in innovative and environmentally advanced projects for Canadian municipal governments and its public/private-sector partners.

The changes include:

- The Green Municipal Investment Fund (GMIF) now offers municipal governments low-interest loans. Interest rates will be 1.5 per cent below the Government of Canada bond rate. Public/private-sector partners of municipal governments are also eligible for loans at attractive rates. GMIF finances up to 25 per cent of the eligible costs of a qualifying infrastructure project.
- The Green Municipal Investment Fund and the Green Municipal Enabling Fund (GMEF) are expanded to support a broader range of transportation projects, sustainable community planning including energy and greenhouse gas reduction plans and integrated community-wide environmental projects. Existing categories include energy and energy services, sustainable transportation services and technologies, water, and solid waste management.
- The Green Municipal Enabling Fund will accept feasibility study proposals assessing community options for brownfields redevelopment.

GMIF, valued at \$200 million, finances the capital cost of innovative, environmental technology projects. The GMEF, valued at \$50 million supports feasibility studies to assess innovative processes and practices that will improve environmental performance.

To date, 152 projects have been approved for funding of more than \$10 million, leveraging \$46 million in total spending to act on cleaner air, water, soil and climate change across Canada.

FCM has been the national voice of municipal governments since 1901. It is dedicated to improving the quality of life in communities by promoting strong, effective and accountable municipal government.

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More information about the Green Municipal Funds is available on the FCM Web site, www.fcm.ca. Also, visit the Government of Canada climate change Web site, www.climatechange.gc.ca.

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