

# Guide for local councils

ON PUBLIC-PRIVATE COLLABORATION SCHEMES  
FOR FINANCING CLIMATE CHANGE ADAPTATION  
MEASURES BASED ON THE CORPORATE SOCIAL  
RESPONSIBILITY OF LOCAL COMPANIES



**LIFE  
CITYAdaP3  
LIFE 19 CCA/  
ES/001209**

# **Guide for local councils**

**ON PUBLIC-PRIVATE COLLABORATION SCHEMES  
FOR FINANCING CLIMATE CHANGE ADAPTATION  
MEASURES BASED ON THE CORPORATE SOCIAL  
RESPONSIBILITY OF LOCAL COMPANIES**





**July 2022**

Editorial Team:

**Longinos Marín Rives. CSR Professor at the University of Murcia**  
**M<sup>a</sup> Dolores Abellán Giménez. CSR Professor at the University of Murcia**

Collaborators:

**José Pablo Delgado**  
**Marta Reguilón**

This document has been prepared with the financial support of the European Union within the framework of the LIFE programme. The contents are the sole responsibility of the LIFE CITYAdap3 project and can under no circumstances be regarded as reflecting the position of CINEA, nor can CINEA be held responsible for any use which may be made of the information contained herein.

# Index

P. 06



**01**

**Introduction**

P. 10



**02**

**Phases and methodology to promote public-private collaborations for local climate change adaptation measures**

P. 18



**03**

**How to involve companies in public-private collaborations through the implementation of SECAP**

P. 22



**04**

**How to Educate Companies on Environmental Issues and on the Importance of Climate Change Adaptation Measures**

P. 26



**05**

**Reporting and Disseminating Benefits to Companies from their Participation in Local Climate Change Adaptation Projects**

P. 28



**06**

**Benefits for Municipalities of Public-Private Co-Financing in the Adaptation of Municipalities to Climate Change Based on Corporate Social Responsibility**

01

# Introduction



# Corporate Social Responsibility and Adaptation to Climate Change

Corporate Social Responsibility is understood as the responsibility of an organisation for the impacts that its decisions and activities have on society and the environment <sup>1</sup>. This responsibility is ensured through transparent and ethical behaviour that contributes to sustainable development, including the health and welfare of society, taking into account the expectations of stakeholders, complying with applicable legislation, being consistent with international norms of behaviour and integrating these commitments into the organisation, putting them into practice in all its relationships. (ISO 26000) <sup>2</sup>.

Within the framework of sustainability <sup>3</sup>, climate change can be considered the main current and future challenge facing society, as it poses a major global economic, environmental and social risk <sup>4</sup>. According to the World Economic Forum's Global Risks Report 2019 <sup>5</sup>, extreme weather events, failure of climate

change mitigation and adaptation policies, and natural disasters are the three most likely risks in the next 10 years.

The challenge posed by climate change has led responsible companies to focus on the environment as part of their Corporate Social Responsibility (CSR), thus integrating environmental concerns into their management, both in their daily operations and decision-making processes, through management commitment, impact measurement, environmental management systems, development of environmentally friendly processes and products, dialogue with stakeholders, and participation in initiatives that promote environmental responsibility and local community support.

---

1 EU Commission. Communication 25th October 2011.

2 ISO 26000.

3 The concept of sustainable development was formalised by the World Commission on Environment and Development, responsible for the Brundtland Report, originally called Our Common Future (1987), and is defined as development that "meeting the needs of the present without compromising the ability of future generations to meet their own needs". It is a call for the transformation of the concept of development to include social and environmental dimensions, in addition to the economic dimension.

4 [http://www3.weforum.org/docs/WEF\\_Global\\_Risks\\_Report\\_2019.pdf](http://www3.weforum.org/docs/WEF_Global_Risks_Report_2019.pdf)

5 [http://www3.weforum.org/docs/WEF\\_Global\\_Risks\\_Report\\_2019.pdf](http://www3.weforum.org/docs/WEF_Global_Risks_Report_2019.pdf)



# Adaptation to Climate Change and Public-Private Collaborations

It is worth noting that the magnitude of the fight against climate change has highlighted the need for “unprecedented levels of cooperation, not only between countries, but also between different levels of government and the private sector” (De Boer, 2009:1) <sup>6</sup>. According to the report *Cambio climático y ciudades: la acción de las empresas* (Climate Change and Cities: Corporate Action in English) (Forética, 2017), leading companies in sustainability are encouraged by the administration’s public policies when carrying out climate change mitigation and adaptation initiatives and, in turn, public administrations benefit from the said leading companies that generate solutions with a positive impact on the city’s transition to a resilient and low-carbon environment. Thus, collaboration between stakeholders (government, the business sector and civil society) is one of the keys to success for any type of action.

Undoubtedly, the business sector plays a fundamental role in contributing to solving the challenges that cities are facing both now and in the future. In this sense, companies have shifted their perspective on climate change from initial reactive approaches, trying to influence the political<sup>7</sup>

debate, to assuming their co-responsibility in both the cause of and solution to the problem. However, despite the positive evolution of companies’ environmental commitments, in general, there are still few cases of public-private co-financing for local climate change adaptation actions. It is therefore important to explore possibilities for companies to co-finance local adaptation to climate change on the assumption that companies can undertake this collaboration as an integrated commitment in their CSR strategies.

In this sense, in the Paris Agreement (2016) governments urge companies to engage in the implementation and achievement of the national target presented by each country, promoting greater ambition in climate change mitigation and adaptation measures and sustainable development.

Therefore, as cities become more relevant actors in climate action, the private sector’s financing and involvement is essential, which, in addition to government action, participates through neutral collaboration platforms unrelated to formal public procurement processes (Forética, 2017)<sup>8</sup>. In this sense, companies’ CSR

<sup>6</sup> De Boer, Y. (2009). Keynote Speech, Sustainable Development in Times of Crises. United Nations Framework Convention on Climate Change.

<sup>7</sup> López Pardo, I. (2014). El cambio climático, ¿reto para la Responsabilidad Social Empresarial? *Revista Internacional de Organizaciones*, no 13, diciembre 2014, 39–53 ISSN: 2013-570X; EISSN: 1886-4171. <http://www.revista-rio.org>

<sup>8</sup> Ídem.



policies may become the appropriate channel for developing collaboration agreements with local councils with the aim of designing, selecting and carrying out climate change adaptation projects in the local communities on which the company's activity has an impact. These agreements also respond to the integrated approach to sustainability, encompassing the

economic and social dimensions as well as the environmental dimension, since the effects of climate change also have an impact on the social (welfare, health) and economic (sustainable local development) dimensions.

In this regard, a collaboration precedent is reflected in the Global Cities

Report 2016, which analyses 533 cities, of which 64 % collaborate with the private sector in one of the following areas of work for climate action:



In the case of the European cities analysed in the report, collaborations with the private sector have consisted of knowledge exchange and joint project implementation.

In terms of the benefits of public-private collaborations, in its global report on cities, the Carbon Disclosure Project CDP affirms that urban environments that collaborate on climate action are not only more likely to achieve their emission reduction targets, but are also more likely to be more ambitious in achieving such targets.

Having recognised the importance of co-financing between local councils and companies in adapting urban environments to climate change, as well as the need to engage companies through their CSR strategies and commitments, mechanisms must be established so that local councils can reach collaboration agreements with companies. These mechanisms should be scalable and replicable in other contexts, highlighting the advantages of joining forces and establishing synergies, exchanging knowledge, good practices and experiences with positive results in the engagement of companies in

local adaptation to climate change (Forética, 2018).<sup>9</sup> Bearing this objective in mind, within the framework of the LIFE Cityadap3 project, this guide has been designed so that local councils, following the methodology established below, can encourage companies to include the co-financing of climate change adaptation actions in their CSR commitments.

<sup>9</sup> Forética, 2018 Informe diagnóstico de riesgos y oportunidades de la adaptación al cambio climático en las ciudades españolas (Diagnostic report on risks and opportunities for adaptation to climate change in Spanish cities)

# Phases and methodology to promote public-private collaborations for local climate change adaptation measures





The first phase consists of selecting companies with which to establish contacts in order to seek their collaboration with the local council.

## Phase 1-1 Identifying Companies Active in CSR

- Analysis of studies and reports on companies and CSR in the region.
- Analysis of census and other council documents to help identify the status of local companies in terms of environmental sustainability and commitment to local development.
- The support of university CSR experts can be enlisted to carry out the analyses by requesting the collaboration of professors, research institutes, observatories, etc. that specialise in CSR. In other words, it is advisable to count on the collaboration of structures whose purpose is to establish strategic and lasting collaborations between the University and companies or public or private institutions aimed at training, research and knowledge exchange in CSR.



## Phase 1-2 Selecting the Companies Likely to Be Most Interested in Participating

Once the first study on local companies has been carried out, the next step is to carry out a more specific analysis in order to select the companies that are likely to show a greater interest in co-financing local climate change adaptation actions, according to the following selection criteria:

- Maturity and development of CSR in the company (this information can be obtained by visiting company websites and consulting public documents such as CSR reports, policies, non-financial reports, environmental commitments, etc.).
- Turnover. In principle, the higher the turnover, the greater the chance that the company will be in a position to co-finance climate change adaptation actions. However, the weight of this criterion may also decrease as the weight of the other criteria increases.
- The company's environmental commitments as part of its CSR policies.
- The company's commitments to local development as part of its CSR policies.
- Existence of CSR-trained staff in the company (within the CSR commitments).

## Phase 1-3 How to Approach and Encourage the Selected Companies to Get Involved

Once the companies have been selected, the idea is to arrange personalised meetings between the local council and companies in the municipality. Two mechanisms that have generally shown good results can be used: bilateral meetings and info-days.

### 1.3.1 Bilateral Meetings with the Selected Companies

- The local council contacts the companies and arranges a meeting with the board and/or management to briefly present the project that has been selected as co-financeable and to secure the company's involvement.
- It is highly recommended to develop supporting material for the meeting in the form of a short presentation.

#### Meeting agenda:

- Report on the positive impacts of climate change adaptation on the community.
- Present possible co-financeable actions to adapt the municipality to climate change.
- Communicate the possibility of entering into collaboration agreements between the local council and the company based on the company's CSR.
- Convey the positive impacts for the company in developing its CSR commitments aimed at climate change adaptation of the municipality and local development.

## 1.3.2. Hold Info-days for Local Companies

### How to prepare info-days.

# A

## Invite local companies.

# B

## Publicise locally to all interested companies through the media and social media.

# C

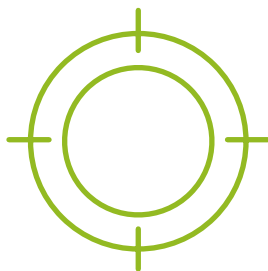
## Info-day contents.

The aim is to inform the representatives of the companies attending about:

- What Corporate Social Responsibility is and its benefits for companies.
- CSR-based public-private collaborations to co-finance climate change adaptation measures in cities.
- Possible co-financeable actions to adapt the municipality to climate change.
- Positive impacts for the company in developing its CSR commitments aimed at climate change adaptation and local development.
- The possibility of participating in local groups on environmental improvement actions and in particular in groups to implement the Sustainable Energy and Climate Action Plans (SECAP) in the municipalities that are implementing them.

In order to convey the contents, it is recommended that the following actors are involved in the info-day:

- Mayor
- Local council technicians (CSR, environmental...)
- CSR and environmental experts
- Local leading CSR companies to talk about their experience in environmental protection and local community development.



## Final objective of this phase:

To secure the express commitment of companies to collaborate in the financing of climate change adaptation projects.





Once the company's commitment to collaborate with the municipality has been achieved, the next step is the the commitment agreement execution to co-finance the climate change adaptation actions. The next steps are aimed at selecting the applicable legal formula and specifying the contents of the agreement.



## Phase 2-1 Selecting the Applicable Legal Formula

It should be noted that the financial contribution made by the company based on its CSR can be considered as a donation to the municipality. CSR is a voluntary commitment by companies that does not require compensation and, on the other hand, is an ongoing commitment. With this consideration in mind, municipalities can explore different types of donations, such as patronage (as long as there are laws in their legal system that regulate patronage for this type of action).

In this respect, the characterisation of the following figures may be useful in choosing the type of agreement:

- **Donation.** This is an act of liberality by which one person freely disposes of something in favour of another, who accepts it. Donations must be irrevocable contributions, pure and simple. This means that the donation is given unconditionally, with no conditions or counterparts. All that is required of the recipient of the donation is their acceptance of the donation.
- **Patronage (or similar figures in each country).** It responds to the CSR principles of companies, which grant donations to local entities to co-finance actions of general interest.

### Considerations on Patronage in Spain\*: Business Collaboration Agreements in Activities of General Interest:

- Patronage is defined as private participation in activities of general interest.
- Municipalities are among the beneficiaries of patronage because they serve the general interest.
- Donations and monetary donations can give rise to corporate tax deductions for companies.
- There are various forms of patronage, including business collaboration agreements for activities of general interest.

It is an agreement whereby the beneficiary entities, in exchange for financial support for the activities they carry out in fulfilment of the entity's specific object or purpose, undertake in writing to publicise, by any means, the collaborator's participation in such activities.

It is recommended that the agreement clearly reflects the following considerations:

- **Intention:** the donation is made to carry out an activity of general interest. The local council publicly acknowledges its gratitude to the company for the support received.
- **Focus:** the donation is intended for purposes of general interest (environmental protection).
- **The non-existence of consideration:** the financial support provided by the company does not correspond to the value of the dissemination provided by the municipality. It is considered that the company does not receive a provision of services (e.g., advertising) in exchange for the support.

\*There is an example of patronage in Italy in the Art Bonus (Law number 106/2014), but it only considers the encouragement of cultural or artistic patronage, not environmental patronage.

---

## Phase 2-2 Discussing the Proposed Collaboration Agreement

The proposed agreement will be discussed among the actors involved in entering into the collaboration agreements (local council and companies) for its legal study and definition of the terms, thus achieving the greatest possible consensus on the model agreement.

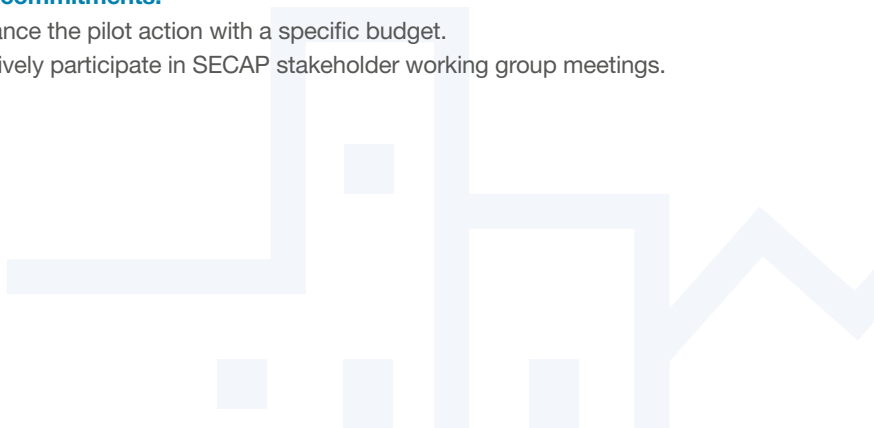
---

## Phase 2-3 How to Define the Specific Terms of Public-Private Collaboration Agreements

The starting point is compliance with the legal requirements of the respective national legislation. Thereafter, additional content can be discussed in a working group, consisting of council technicians (responsible for legal affairs, procurement, etc.), CSR and environmental experts and representatives of the companies involved. The working group will meet to define the formal aspects of the agreement and to review and establish the commitments of municipalities and companies.

The following commitments of municipalities and companies are included in the model which has been developed within the framework of the LIFE Cityadap3 project:

### **Company commitments:**

- To finance the pilot action with a specific budget.
  - To actively participate in SECAP stakeholder working group meetings.
- 



#### Local council commitments:

- To inform companies of progress in the implementation of the pilot action.
- To send the companies a follow-up report on the pilot action, assessing its impact on citizens once it has been implemented and analysed with indicators.
- To include companies in the environmental stakeholder working group and/or, where appropriate, invite them to the bi-annual meetings to be held as part of the development of the Climate and Energy Action Plans.
- To include companies in communication activities related to the project in order to raise awareness of their collaboration.

Model Collaboration Agreements are available for consultation. Annex I and II (Spain, Italy, general model in English)

### Phase 3

Raising Awareness  
and Seeking  
Incentives for  
Collaborating  
Companies

A very important aspect for the collaborating companies is to raise awareness of their commitments to local climate change adaptation and local development. The local council can raise awareness of such collaboration by publicising the signing of the agreements and by seeking other incentives that can make it more attractive for companies to participate in this type of project.

#### Phase 3-1 Execution of the collaboration agreements in a public ceremony

Led by the mayor, giving it as much publicity and dissemination as possible.

#### Phase 3-2 Seeking incentives

Local councils seeking incentives for collaborating companies. It is highly recommended that municipalities, when seeking the involvement of companies, offer additional incentives for companies that sign collaboration agreements, such as:

- Awarding a Responsible Company Badge to collaborating companies that sign the agreement.
- Offering tax incentives.
- Facilitating contracting with local councils for companies that prove their environmental commitments by establishing environmental clauses in their contracting processes.





# 03

## How to involve companies in public-private collaborations through the implementation of SECAP



## 03.1 Form Local Groups to Monitor the Sustainable Energy and Climate Action Plans (SECAP), Involving Companies


### If the municipality has already developed a SECAP and is monitoring it, these groups will most likely already be formed.

groups are a participatory mechanism to leverage public support for local adaptation measures. Therefore, local companies involved in the co-financing of pilot actions should be part of these groups and be informed of the following topics:

In the definition of the Climate Change Adaptation Plan, the contribution of local actors is usually taken into account. To this end, participatory meetings are organised during the drafting process, which are attended by local social agents such as representatives of neighbourhood associations, heads of municipal services and political representatives. The Covenant of Mayors recommends involving these groups in the monitoring of SECAP by holding bi-annual meetings to discuss progress and next steps. These stakeholder

- **Assessment of the measures already implemented, including their impact on the municipality.**
- **Implementation status of measures already approved and in progress.**
- **Planning of further adaptation measures.**
- **Assessment of other measures proposed by the working group.**

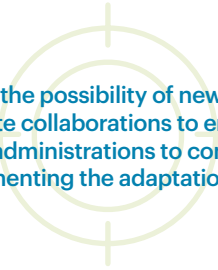
**The objectives of the companies' participation in these meetings are to:**



Allow them to closely monitor the progress and results of the pilot projects they are financing.



Facilitate a platform for dialogue and work with local industry and the business sector to provide feedback on urban adaptation needs and opportunities.



Explore the possibility of new public-private collaborations to enable local administrations to continue implementing the adaptation plan.

This practice is necessary in order to establish a strong collaboration between municipalities and local companies to pave the way for the financing of new urban adaptation initiatives.

Stakeholder revitalisation is also a way of fostering the implementation of SECAPs in each municipality due to the definition, prioritisation and selection of specific adaptation measures.



## 03.2 Co-Financing Companies are Invited to Participate in the Local SECAP Monitoring Groups:

---

### Local Councils will summon the co-financing companies twice a year to monitor the progress made in the implementation of the Action Plans.

They will send the companies a follow-up report on the pilot action, assessing its impact on citizens once it has been implemented and analysed with indicators.

The following topics will be discussed at these meetings:

Assessment of measures already implemented, including cost/benefit analysis and their impact on the municipality.

Implementation status of measures already approved and in progress.

Planning of further adaptation measures.

Assessment of other measures proposed by the working group.

Being part of a platform for dialogue between the municipality and the local business sector to give their views on urban adaptation needs and opportunities that will continue beyond the project's completion.

Exploring the possibility of new collaboration agreements and other proposals for improvement in the municipality.



# How to Educate Companies on Environmental Issues and on the Importance of Climate Change Adaptation Measures



## 04.1 Provide Training and Awareness-Raising for Companies Through Info-Days on Basic and General Issues:

---

**What is CSR?**

**Managing  
stakeholder  
impacts and  
addressing  
stakeholder  
expectations**

**Positive  
consequences  
of stakeholder  
engagement for  
companies**

**What it means to  
be a responsible  
company**

**Transparency  
and  
communication  
of companies'  
CSR  
commitments**

**Sustainable  
Development  
Goals**

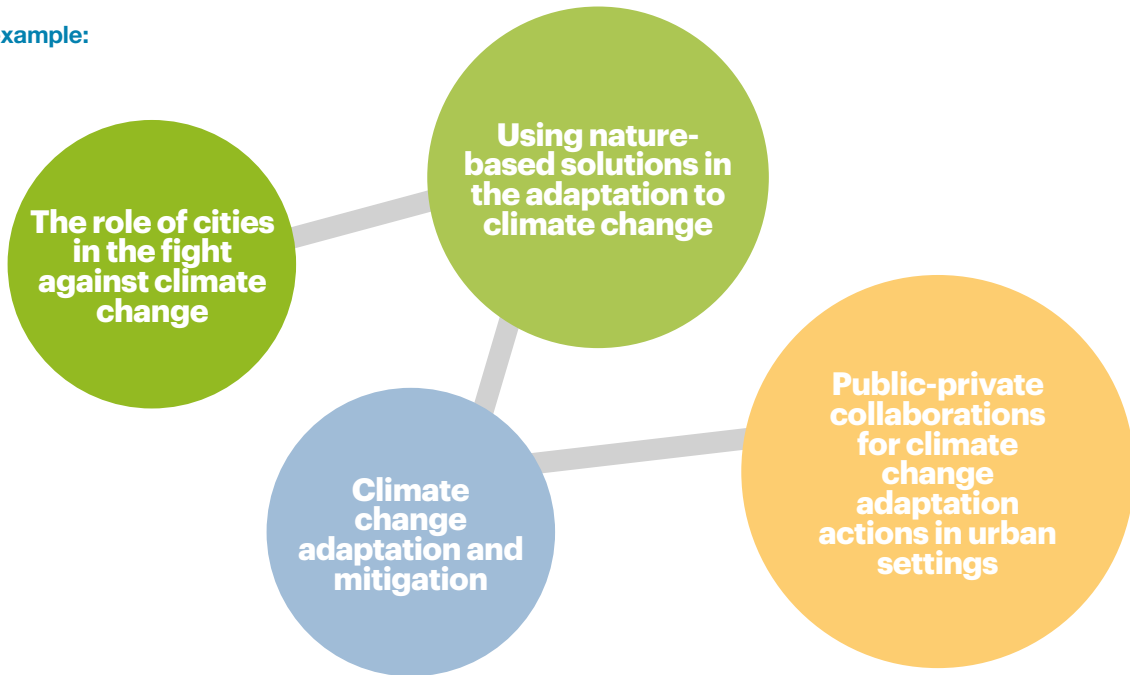
(especially those most directly  
related to the adaptation of cities  
to climate change)

**Social  
expectations  
and demands on  
companies**

**The role of  
companies  
in the fight  
against climate  
change**

## 04.2 Hold themed webinars on different aspects of the adaptation of cities to climate change and public-private collaborations

For example:



## 04.3 Conduct training activities aimed at different stakeholders.

**Education is essential to mobilise society in the fight against climate change.**

### Citizens

Contents:

- How to mitigate carbon footprint
- How to adapt households to climate change
- Tips on how to combat fuel poverty

Create a questionnaire to assess the impact of the course on citizens.



## Students

Organise workshops in local primary and secondary schools.

Contents:

- Training talk on adaptation to climate change
- Participatory activities to engage students in adapting to climate change in their municipality

## General public

Make presentations on examples of collaboration/co-financing between local councils and local businesses to achieve environmental improvement and care.

### 04.4 Provide Knowledge on CSR and Climate Change Adaptation to Companies through the E-Learning Platform.

---

Within the framework of the LIFE CityAdap3 project, the course “Corporate Social Responsibility for companies: implementation, adaptation to climate change and public-private collaboration” has been created and is delivered through the e-learning platform CityAdap3 which can be accessed via the following link:

<https://elearninglifecityadap3.eu/>



### 04.5 Encourage Companies to Consult the “Guide on Adaptation to climate change for companies within the framework of Corporate Social Responsibility”.

---

Available in English, Spanish and Italian. It can be found via the following link:

[https://www.lifecityadap3.eu/files/ugd/47db48\\_e04da3c1db0d4cbd867896f18c1e96f4.pdf](https://www.lifecityadap3.eu/files/ugd/47db48_e04da3c1db0d4cbd867896f18c1e96f4.pdf)



# Reporting and Disseminating Benefits to Companies of their Participation in Local Climate Change Adaptation Projects



**It is important to clearly inform companies of the benefits of their collaboration with municipalities in co-financing climate change adaptation measures in urban environments.**

**Optimal events to carry out this communication are: bilateral meetings, info-days, SECAP monitoring group meetings, etc.**

Benefits for companies:

- 01** Making the territory a benchmark, attracting companies and sustainable investments from which the collaborating companies can benefit.
- 02** Implementing CSR in two areas: Environment and Society.
- 03** Strengthening the company's relations with the town's inhabitants and residents, demonstrating the company's involvement and commitment to society.
- 04** Enhancing companies' CSR Reports and/or non-financial statements.
- 05** Contributing to the achievement of the SDGs, in particular SDG11, SDG13 and SDG 17.
- 06** Obtaining a "Company Committed to the Municipality" label that explicitly recognises the company's contribution.
- 07** Strengthening stable channels of communication with the local council.
- 08** Improving the company's competitiveness.
- 09** Achieving greater brand recognition and an improved corporate reputation in the municipality, among citizens.
- 10** Protecting the environment to solve social problems.
- 11** Creating value in the community in which they operate.
- 12** Improving employee satisfaction by belonging to a valued, socially recognised company that favours the attraction and retention of talent in the company.
- 13** Improving the health and welfare of citizens.
- 14** Strengthening relations with its various stakeholders (shareholders, customers, investors, suppliers, etc.).

# Benefits for Municipalities of Public-Private Co-Financing in the Adaptation of Municipalities to Climate Change Based on Corporate Social Responsibility



## As with companies, there are also benefits or advantages for municipalities in involving companies in the municipality's adaptation to climate change:

- 01** Addressing the lack of financing for climate change adaptation projects.
- 02** Making the territory a benchmark, attracting companies and sustainable investments from which the municipality can benefit, on the one hand, by receiving support from new companies and, on the other hand, by improving employment policies as new companies generate more local employment.
- 03** Strengthening relations with businesses and local residents, demonstrating the council's involvement and commitment to CSR through environmental care and the fight against climate change.
- 04** Communicating through CSR reports or other instruments the fulfilment of the council's environmental commitments, promoting transparency and setting an example for other organisations with regard to CSR.
- 05** Contributing to the achievement of SDG 16 in particular and specifically SDG 11, SDG 13 and SDG 17.
- 06** Establishing and/or strengthening stable communication channels and communication networks with other Covenant of Mayors signatories and those involved in adaptation to climate change.
- 07** Improving the policy to support the local production network by improving the competitiveness of local businesses and helping them to adapt to climate change.
- 08** Achieving institutional legitimacy, improving corporate reputation among the general public.
- 09** Improving employee satisfaction as a result of belonging to a council committed to CSR, helping to attract and retain talent in the council.
- 10** Improving the health and welfare of citizens.
- 11** Becoming an open and approachable local council, by enriching and intensifying relations with its different stakeholders.





**LIFE  
CITYAdaP3  
LIFE 19 CCA/  
ES/001209**



# Guide for local councils

**ON PUBLIC-PRIVATE COLLABORATION SCHEMES  
FOR FINANCING CLIMATE CHANGE ADAPTATION  
MEASURES BASED ON THE CORPORATE SOCIAL  
RESPONSIBILITY OF LOCAL COMPANIES**



# Guide for local councils

ON PUBLIC-PRIVATE COLLABORATION SCHEMES FOR FINANCING CLIMATE CHANGE ADAPTATION MEASURES BASED ON THE CORPORATE SOCIAL RESPONSIBILITY OF LOCAL COMPANIES

