



ICM Solutions

Leveraging Public-Private Sector Partnerships in ICM through Corporate Social Responsibility (CSR)

Petron Foundation

- Increased private and corporate sector consciousness in sustainable development initiatives is resulting in increased investments worldwide. This provides new opportunities for national and local governments in the region.
- ICM is a practical platform for implementing private/corporate sector social responsibility initiatives, as it enables the private sector to identify and contribute to social, economic and ecological objectives that are highly relevant to their respective businesses and the communities in which they operate.
- Innovative public-private partnership arrangements among national agencies, local governments, communities, and the corporate sector enhance marine and coastal governance through shared values, responsibilities, and investments among the partners.



Context

Corporations around the world as well as their shareholders are becoming increasingly conscious of the need for socially responsible behavior. While corporate objectives normally revolve around financial returns, many corporations see social and economic value in making a difference in the community in the form of CSR. There represents an opportunity for the local government and the private/corporate sector to forge partnerships and pool projects and resources in order to maximize impact.

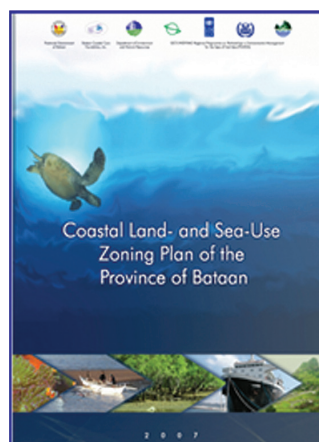
Although there is a considerable increase in private and corporate sector participation in environmental initiatives, the potential to engage the private sector has not yet been fully capitalized by local governments. This is evident at many ICM sites with a low

percentage of private sector participating in the ICM programs compared to the total number of private sector situated in the ICM sites. A conscious effort is needed from the local government in order to tap the potential resources and expertise from the private sector in the local area.

The innovative partnerships forged between the local governments and the private sector in the Provinces of Bataan and Batangas in the Philippines have demonstrated that the local government and the private sector both benefit from their shared values and responsibilities.

Box 1. Why ICM is an ideal platform for CSR.

- Exposure to multisectoral partnerships which have wider audience reach.
- ICM offers a wide range of green/blue issues such as responsible agriculture, biodiversity, conservation, sustainable fisheries, waste and water management, reforestation, and restoration of ecosystems.
- It supports the global goals of the World Summit on Sustainable Development (WSSD) and Rio +20.
- Opportunity for businesses to align their initiatives with existing LGU programs, facilitating common objectives with high-impact, long-term results.
- Access to best practices and synergistic solutions.



Corporate sector participation in the planning and development of the ICM program has resulted in the development of a sustainable development strategy and a coastal land and sea use zoning plan for Bataan Province. As part of the Bataan Sustainable Development Coordinating Council (BSDCC), the Bataan Coastal Care Foundation, Inc. (BCCFI) participated as a member of the Technical Working Group (TWG) that included local government agencies and offices and PEMSEA.

Local governments in the the Provinces of Bataan and Batangas have engaged the private/corporate sector in the implementation of their respective ICM programs. The corporate sector has contributed by:

- participating in the multisectoral coordinating council of the ICM program of the local government;
- contributing input to planning and development activities of the ICM program;
- providing resources, skills, equipment, and facilities in support of ICM program activities and events; and
- acting as a catalyst to increase awareness and promote community and corporate participation in coastal resources management.

A number of good practices in corporate sector engagement have developed, which demonstrate the effective collaboration between the local government and the corporate sector. The experiences of the Provinces of Bataan and Batangas, Philippines, follow.

Create a policy environment for private sector investment in sustainable development. In the Philippines, ICM was adopted as the “national strategy to ensure the sustainable development of the country’s coastal and marine environment and resources” with the issuance of Executive Order No. 533 in 2006. Section 7 of the said strategy provides that corporate and private sectors, among others, “shall be engaged in ... planning, community organizing, research, technology transfer, information sharing, investment, and training programs in the development and implementation of the ICM program.”

The national policy bolstered local initiatives in developing and scaling up ICM implementation in Bataan and Batangas Provinces, and highlighted the objectives and potential role that the private sector could and should play in the program. This cleared the way for more substantive efforts on the part of local governments across the country to better engage the private sector, with Bataan and Batangas providing on-the-ground examples of how the local government and the private sector both benefited from this shared responsibility.

Transform Corporate Social Responsibility principles into ICM actions. While businesses and corporations worldwide are increasingly becoming responsive to standards of socially responsible behavior and sustainable development, the private sector needs to better understand integrated coastal management (ICM) and the opportunity it provides for greater on-the-ground actions, leading to improvements in governance and management of coastal and marine areas, resources and economies. A deeper understanding of the ICM framework opens doors of opportunities for companies where they can maximize their CSR investments and initiatives.

Steps involved:

1. Identify/understand objectives of existing CSR programs within the ICM site;
2. Organize individual/corporate briefings with existing CSR practitioners to build awareness of ICM and its objectives, and how the private sector can get involved;
3. Engage corporations in planning and development of ICM programs, including coastal strategy/coastal strategy implementation plan (CS/CSIP);
4. In collaboration with local government, corporates, and other stakeholders, delineate specific actions for CSR/private sector initiatives within ICM governance mechanism and CSIP; and
5. Forge partnership agreements with corporates/foundation of corporates to implement specific actions within the CSIP, including, for example, commitments to awareness building, biodiversity conservation and restoration, pollution reduction, food security, alternative livelihoods, and climate change and disaster risk reduction.

Find a corporate champion to mobilize the private sector/corporate community. In Bataan, Petron Corporation recognized the potential value and benefit of ICM in relation to its CSR program. Petron did not merely participate as a stakeholder, but assumed a leadership role in the process, rallying other members of the corporate community. Eventually, the corporate sector established a Bataan Coastal Care Foundation, Inc., comprised of 15 corporate members, supporting the ICM program in Bataan. This was a remarkable display of commitment to the ICM program, in partnership with the Provincial Government, which has continued for more than 12 years.



Petron Foundation

Box 2. Petron Corporation: An ICM Corporate Champion in the Philippines.

Petron continues to lead coastal management programs in the Province of Bataan as it heads the private sector consortium Bataan Coastal Care Foundation, Inc. (BCCFI). The consortium has been engaged with the provincial and local governments since 2000 in a public-private partnership in support of an ICM effort that goes well beyond the shores of Bataan ... with technical and scientific assistance from PEMSEA.

Lessons from the BICMP are now mirrored in the Boracay Beach Management Program. Established in 2010, the initiative brings together the Province of Aklan, Municipality of Malay, San Miguel Corporation, and the Boracay Foundation, Inc. to implement a sustainable development program in the Philippines' premier tourist destination of Boracay Island.

– Petron Sustainability Report 2011

Province of Bataan

The Bataan Integrated Coastal Management Program (BICMP) is a good example that showcases the effective partnership among various stakeholders in the Province of Bataan, including the private sector. BICMP actions include annual coastal cleanups, improvements in solid waste management, establishment of sewage treatment facilities, support for livelihood programs, and the formulation and enforcement of the Coastal Land- and Sea-Use Zoning Plan (CLSUZP) of the province.

The provincial CLSUZP was developed and adopted in 2006 with the support of the BCCFI. It serves to identify and protect designated uses of coastal areas (land and sea), eliminate illegal and uncontrolled use of those areas, and reduce adverse environmental impacts of coastal activities. It also helps to address the multiple resource use conflicts in Bataan, including informal settlers, illegal and destructive fishing methods, land and sea-based pollution, and degradation/destruction of habitats and consequential impacts including siltation and sedimentation.

In addition, a series of tangible and intangible outcomes of the public-private partnership in Bataan have resulted in: (1) demonstrable improvement in environmental conditions in Bataan, (2) strengthening of development and management of coastal areas through sharing of corporate expertise and technical and scientific support, and (3) long-term solutions toward sustainable development (see box 3).

The Provincial Government of Bataan and the private sector's efforts have paid off, as the BICMP has repeatedly been recognized as an ICM model worthy of replication elsewhere, with numerous awards and citations for Petron as the lead private sector collaborator in the program.

Box 3. Key Accomplishments of Bataan Province and BCCFI

- At present, BCCI has 15 member companies;
- Implementation of Bataan's Coastal Land- and Sea-use Zoning Plan (CLSUZP) with technical descriptions for the establishment of municipal water boundaries certified by the National Mapping and Resource Information Authority (NAMRIA), and a unified zoning ordinance drafted with the objective to govern the CLSUZP implementation for the whole province;
- Integration of the Land- and Water-Use Development Plan for the Municipality of Abucay as part of the Comprehensive Land-Use Plan already nearing completion;
- Mangrove planting conducted annually, now covering a total of at least 45 hectares, with 47,000 seedlings and 337,000 propagules planted;
- Regular coastal cleanup activities covering 156 km of the 188-km coastline of the province (83 percent);
- Regular Talisay River cleanup, which is a major tributary of Manila Bay;
- Establishment of the Ecological Waste Management Program;
- Establishment of artificial reefs (at least 600 units established in Limay, Mariveles and Orion's municipal waters) and fish sanctuaries;
- Establishment of Bataan as a birdwatching site in the Philippines with over 12,500 bird count and 38 species (2015 Annual Bird Census in Balanga City).

Province of Batangas

Over the years, significant progress has been made in expanding the Province's ICM strategy for sustainable development of the coastal and marine areas, in collaboration with the private sector and other stakeholders. A key player in the program, the Batangas Coastal Resources Management Foundation (BCRMF) was established in 1991, through the efforts of the provincial governor and five of the largest companies in the province: Pilipinas Shell, Caltex Philippines, Chemphil Albright Philippines, AG&P Inc., and General Milling Corporation. BCRMF initially organized events to raise awareness on the coastal and marine environment of the Bay, though lacking in strategy or program relative to coastal resources management.

The selection of the Batangas Bay as a national ICM demonstration site in 1994 provided a more focused direction to the Foundation and served as a channel for private sector investment in ICM. A Project Coordinating Committee was organized to coordinate the implementation of the ICM program (i.e., the committee eventually evolved into the Batangas Bay Region Environmental Protection Council [BBREPC]), which created an effective platform for the private sector to participate, channel its expertise, and better define the objectives and expectations of its CSR program. The corporate sector became an active participant in the BBREPC, including the planning and development of the ICM program.

As an active participant, the BCRMF provided supporting funds, staff, and other logistical support for the implementation of the ICM program, covering such activities as public awareness, coastal cleanups, coral reef rehabilitation, and monitoring of environmental changes in Batangas Bay. First Gen, Inc. and Malampaya Foundation likewise became active private sector partners, whose activities included artificial reef monitoring, mangrove rehabilitation, waste management, marine protected area management, biodiversity conservation in Verde Island Passage, disaster preparedness and response, and capacity building for waste management and law enforcement.

The Province of Batangas has now scaled up its ICM program from Batangas Bay to the entire coastline of the province. Central to this feat is the proactive involvement of the corporate sector.



Calatagan Bantay Dagat



Nasugbu Bantay Dagat



Calatagan Rescue Operation



*Mabini-Tingloy
Joint Rescue Operation*



*Mabini Bantay Dagat with
local Philippine National
Police*

Photos of First Gen's support to the Province of Batangas.

Lessons Learned

Public-private partnerships, which are broadly defined as collaborations between government and nongovernment actors to achieve mutually defined goals, offer one way to steer CSR funds toward coastal and marine development priorities of local governments. The ICM framework and process enhance opportunities for collaboration between public and private sector partners, and based on the experiences of Bataan and Batangas, can improve the targeting of private funds for social ends, thereby increasing the development impact of CSR activities compared with independent corporate initiatives in CSR.

Extending the public-private partnership to include other stakeholders who are dependent on and benefit from coastal and marine resources can further increase the impact of the partnership investment and ensure sustainability. While PPP can enhance the development impact of CSR, partnerships that embrace a participatory element may further advance social goals. The Bataan and Batangas experiences demonstrate the benefit of including coastal communities, universities, and local groups/organizations within the community (i.e., women; youth; fishers) in a coordinating mechanism to plan and implement ICM programs, in which:

1. the government partners are oriented toward general development goals (i.e., social, economic, and environmental benefit) in the coastal area;
2. the private partner brings the business acumen into the planning and implementation process; and
3. the community representation ensures the local priorities, risks and benefits in the program.

Box 4. Benefits of a Corporate Network.

- The opportunity to advance sustainability solutions in partnership with a range of stakeholders, including the PEMSEA Network of Local Governments (PNLG), UN agencies, civil society, labor, and other non-business interest groups.
- Access to opportunity briefs for corporate responsibility from PEMSEA publication; national and local governments; and PNLG on programs to be initiated and implemented in the East Asian region.
- Institutional strengthening, capacity building, and information exchange on skills, best practices, and knowledge related to the ICM implementation as a framework for corporate social responsibility systems
- Opportunity for award and recognition for initiatives on practices related to Integrated Coastal Management and the Sustainable Development Strategy for the Seas of East Asia (SDS-SEA).
- Branding of company-funded projects with an international development agency

Engaging these different stakeholders in a partnership can reduce project costs, target benefits more effectively, and improve sustainability as the local community gains greater ownership over project activities.

CSR investment opportunities facilitated by the local governments through policy reforms encourage private sector investment. Some of these opportunities include: (1) solving environmental problems at the community level (e.g., pollution control, waste management, restoration of habitats, access to safe drinking water); (2) developing sustainable environmental enterprises (eco-tourism, sport fishing, and sustainable aquaculture, manufacturing, and trade); (3) strengthening and facilitating the participation of SMEs and informal enterprises; and (4) “living” the universal principles identified in Agenda 21, among others.

Quite understandably, the corporate sector needs to establish the business case for its CSR activities. As the concept of CSR continues to evolve, so are the means and tools to quantify the benefits—perceived or otherwise—that should aid them in their decision making. Clearly, the notion of triple bottom line or sustainable responsible business, along with the numerous CSR approaches and cost-benefit analysis methodologies suggest a growing regard for the environment and stakeholders.

A champion for ICM among the members of private sector. As in the case of Bataan and Batangas Provinces, there is a need for a champion among the members of the private sector—be it a corporation (Petron Corporation and First Gen) or an individual or prominent personality that can provide a face to the private sector participation to ICM. Greater involvement of corporations in ICM projects can likewise enhance their perceived social license to operate, decrease regulatory risks and benefit from the sharing of resources, opportunities, and risks that ICM partnerships can bring.

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