

Green path connecting the city centre and the industrial state cofinanced by public administration and local companies. Alcantarilla, Spain.

Corporate Social Responsibility (CSR)



Fact sheets on funding and financing opportunities

Background

The corporate social responsibility (CSR) emerges in the 1950s in the USA as a new management model followed by organizations aware that the only way to ensure business sustainability is to reinvest profits in society, so that both company and society can move forward and be sustainable over the time. This new management model thus aims to ensure that any organization not only develops its activity and obtain benefits, but also creates value and with the necessary involvement and participation of all agents, achieve a more sustainable society and brings benefits to everyone.

Objective

The main target of this funding model is to include urban climate change adaptation and mitigation as part of the CSR of the private sector in order to return to the citizenship part of the benefits coming from their economic activity and compensate negative environmental and climate impacts, contributing in this way to increase climate resilience in cities and to encourage a transition towards low-carbon city models.

Description of the funding opportunity

Local authorities identify the lack of financial resources as the main barrier to achieve an effective SECAP implementation. Since fighting climate change and transforming the energy system are priority challenges on the path to a sustainable future for business, society and the environment, local authorities can collaborate with the private sector through companies' CSR in the financing of urban adaptation and mitigation measures through public-private cooperation schemes between companies and local authorities.

CSR, understood as the responsibility of an organization for the impacts that its decisions and activities cause on

society and the environment, seems thus to be the appropriate channel to develop collaboration agreements for designing, selecting and carrying out climate change adaptation and mitigation projects. Through these agreements, the integrative approach of the economic, social, environmental and global dimension of sustainability would be developed as the effects of climate change encompass all three.

The inclusion of climate change adaptation and mitigation commitments in the CSR objectives of companies means that budget for these actions can be allocated on a yearly basis. If these companies are also involved in the SECAP stakeholder group, LAs will dispose of a larger budget for the implementation of these action plans.

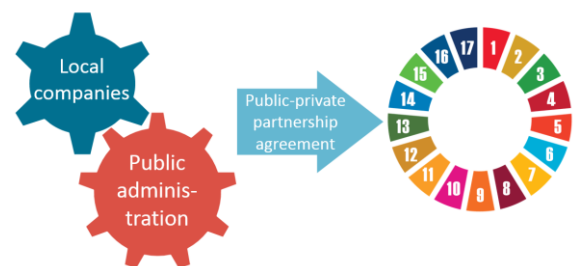


Figure a. Reaching Sustainable Development Goals through a Public-Private Partnership scheme based on local companies CSR

Foretica (Latin business association on CSR) launched in 2017 the initiative "Sustainable LIFE in Cities", in order to show the best practices in CSR for urban sustainability, under the framework of the European project "Sustainable Business Exchange". About 60 projects were selected, mostly related to urban mobility, waste treatment, circular economy and energy efficiency, but any to adaptation.

This shows that there is still ground to work on urban adaptation to climate change in collaboration with CSR projects.

Pros and cons of the CSR

The main advantages of the CSR are:

- LAs get access to new financing coming from local companies CSR.
- The private sector can participate in the design, co-creation and implementation process of adaptation and mitigation projects through company involvement as key stakeholders in SECAP monitoring groups.
- LAs will gain a better understanding of businesses realities and opportunities in the municipality.
- New forms of urban governance and partnership models can be explored.
- Increase the city's innovation capacity.
- Companies can broaden CSR and improve brand image.

However, this model has also some cons, like:

- CSR is not yet widespread in business and few companies already have a strategy. Even those companies with a CSR strategy, they focus primarily on social objectives and GHG mitigation issues.
- This is a new concept for municipalities, which will have to develop public-private partnership agreements with companies.

Public private partnership to create a green path connecting the city centre to a industrial estate.

Although the city centre of Alcantarilla (municipality located in the southeast of Spain) is in close proximity to a large industrial estate (less than 3 km), high temperatures reached during the summer make it difficult to commute on foot or by bicycle.

As part as the municipality SECAP, a green path connecting the city centre and the industrial state has been projected. The green path will protect citizens from the sun through natural shadows where possible and pergolas or photovoltaic pergolas where the space available is reduced.

In addition, SUDS are being installed along the lane to prevent flooding caused by heavy rains.

This project will benefit 1.200 companies (with around 15.000 employees) and will help to comply with the following SECAP measures:

- Creation of corridors and shaded green areas in urban and peri-urban areas.
- Creation of healthy and safe routes.

The investment amount to build the first part of the green path (600 meters) has been budgeted in 201.690 €. When this pilot project was presented to local companies, the municipality got the commitment of six local companies

and associations which compromised 54.000 € to cofinance the project.

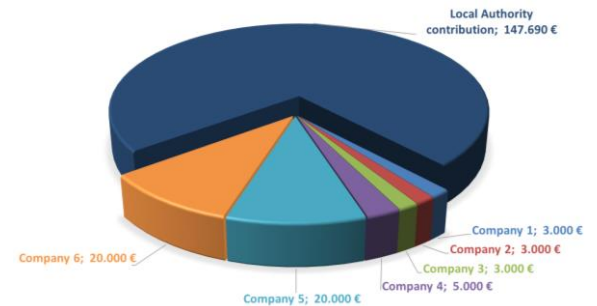


Figure b. Private contribution to the municipality's project

Although the first phase is being constructed in 2019-2020, this scheme will be replicated to complete the green path and continue implementing measures from the SECAP once the first part has been finished.

Summary Table	
City & country	Alcantarilla, Spain
Investment project	Green path
Sector of SECAP	Transport
Year	2018
Funding opportunity	Public private partnership
Energy saving	N/A
Cost saving	N/A
Green energy produced	N/A
Impact on the environment	N/A

Measures eligible for CSR

- Climate change adaptation projects
- Climate change mitigation projects



This fact sheet is part of a series on funding opportunities, which can be found here: [html-link](#)