

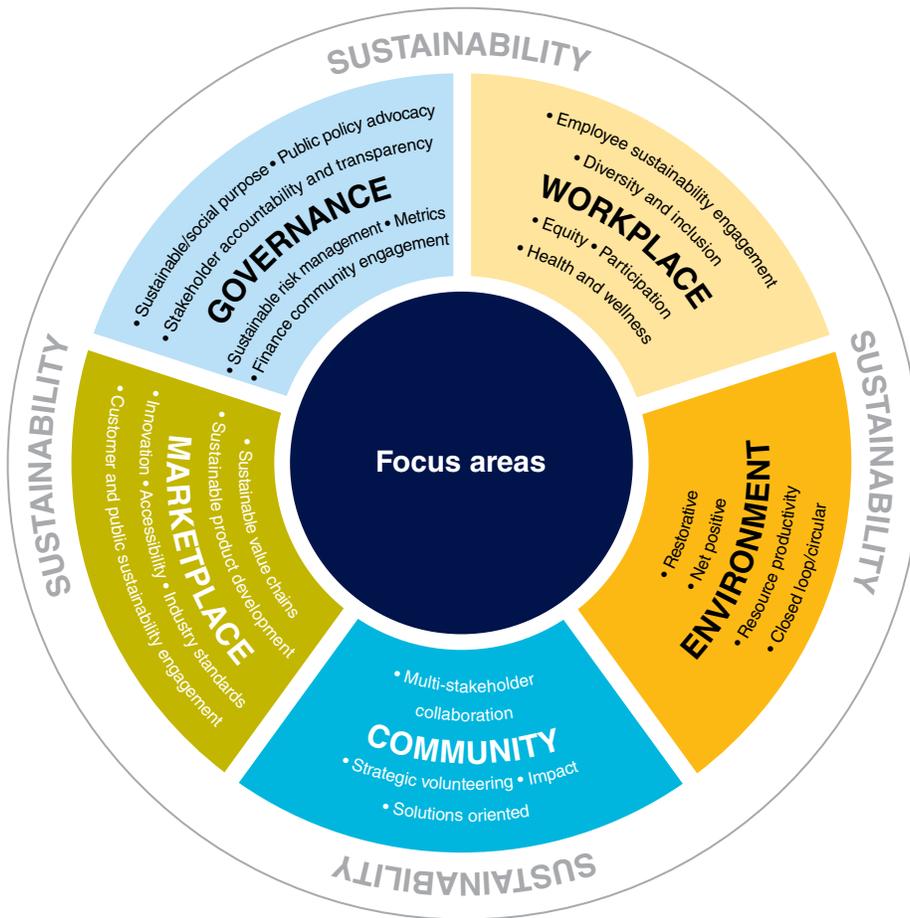


INSIGHT BRIEFING 7

# Advocacy for Good: Public Policy Advocacy for a Sustainable Future.

**Issue:** Government leadership in developing progressive economic, social, and environmental policy is essential to achieve a future in which business and society can thrive. Governments are more prepared to lead on sustainable public policy measures when there is demonstrated private sector support. In the absence of such support, legislative, regulatory, and programmatic changes that favour sustainability remain slow and incremental. To accelerate their sustainability ambitions and make the necessary business model investments, progressive businesses need governments and policy-makers to provide an enabling environment. This is integral to advancing sustainability progress for businesses and for the communities in which they operate.

## Corporate Responsibility & Sustainability Institute



## About the Corporate Responsibility & Sustainability Institute

The Corporate Responsibility & Sustainability Institute was established by The Conference Board of Canada in 2016 after an extensive consultation revealed the need for a professional body to help practitioners excel in their roles. The Institute brings together business, industry, government, academia, and civil society as partners to envision a sustainable future and identify and address corporate responsibility and sustainability challenges and opportunities. We offer independent research and thought leadership that support collaboration, knowledge transfer, innovation, monitoring, and evaluation of contemporary corporate responsibility and sustainability issues. Our collaborative program of research, education, information dissemination, and engagement accelerates and scales next-generation practices in corporate responsibility and sustainability in Canada.

This briefing was prepared by Coro Strandberg, President of Strandberg Consulting and associate with Canadian Business for Social Responsibility (CBSR). Some sections have been reproduced from CBSR's *The Transformational Company Guide: Quality #19—Public Policy Advocacy*.<sup>1</sup>

<sup>1</sup> Canadian Business for Social Responsibility, *The Transformational Company Guide: Quality #19—Public Policy Advocacy* (Toronto: CBSR, 2015).

## Introduction

The Conference Board of Canada's Corporate Responsibility & Sustainability Institute has partnered with Canadian Business for Social Responsibility (CBSR) on an initiative to accelerate and scale corporate responsibility and sustainability across Canada. Together, these organizations are promoting the aspirational qualities to inspire Canadian organizations.

In 2015, CBSR published research into the qualities of a transformational company. A key quality identified in the global research is “public policy advocacy.”

“Transformational companies advocate for public policy that advances sustainability.”<sup>2</sup>

Increasingly, businesses are using their clout to influence governments to advance a fair, inclusive, and sustainable society and thus position their business for success. They recognize that government leadership is essential to develop progressive economic, social, and environmental public policy to realize a future in which business and society can prosper. Leading companies actively engage with policy-makers and regulators to create the context to achieve their sustainability goals and build a strong foundation for societal well-being and business health. Transformational companies advocate for good so they can inform and advance the policies needed to support stable local and global economies and a sustainable society.

## Business Benefits

Business and society both benefit if companies play an active role in shaping public policy that enhances positive social and environmental outcomes. Clear frameworks and strong signals from government are necessary to stimulate business investment and help business and society avoid higher social and economic costs in the future. Such policies are essential to create the market signals and incentives to mobilize and accelerate private sector leadership on social and environmental issues. These are some of the business benefits that leading companies can realize from a proactive approach to sustainable public policy advocacy:

- Stimulate market signals and create incentives.
- Level the playing field and capitalize on early sustainability investments as slow movers catch up.
- Earn a seat at the table to shape policy design.
- Build reputation, stakeholder trust, and social licence to operate.
- Gain market share and attract customers by being seen as a proactive business working in the public interest.
- Increase employee attraction, retention, and motivation.
- Generate earned media.

<sup>2</sup> Ibid.

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## Pro-Sustainability Business Needs to Speak Out to Mobilize Government Sustainability Leadership

“Public policy can set guiding principles and general direction, offer incentives, and prompt legislation to make change easier. Conversely, it can provide obstacles to a better future. It’s important that pro-sustainability businesses speak out and take action to influence public policy and practice in ways that result in stronger sustainability outcomes.”

Marks and Spencer (M&S), *Advocacy: Leading With Others to Accelerate Change*.<sup>3</sup>

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## Building a Sustainable Public Policy Agenda

Here are five steps for creating a sustainable public policy agenda for your company:

### 1. Adopt an Advocacy Policy

Adopt an advocacy policy that outlines your company’s sustainability philosophy, rationale, and approach. Include criteria for evaluating emerging opportunities as they arise: when should we act on an issue and, if so, why and how?

### 2. Set Priorities

Review your strategic sustainability goals and priorities to identify which of them could be enabled through public policy interventions locally, provincially, federally, or beyond. Consider which government policy changes are necessary to realize your sustainability strategy and long-term business viability. For example, if you are a beverage company, you may prioritize recycling infrastructure, and if you are an insurance company, you may prioritize mandatory fire sprinklers to enhance home safety.

### 3. Prepare an Advocacy Plan

To develop your advocacy plan, conduct stakeholder research to understand their views on your priorities. Study the government legislative agenda to identify if opportunities to promote sustainable public policy exist or need to be developed. Conduct or fund research to further understand the issues and opportunities, and develop the case for change. Engage internal stakeholders, such as the board and senior leaders. As well, involve government affairs, risk management, and marketing and sustainability teams to validate the plan. Develop goals and targets to measure and monitor success.

### 4. Implement the Plan

Assign responsibility to oversee, manage, and execute the advocacy plan. Ensure consistency across the organization on your policy position. Confirm that indirect lobbying—i.e., through your industry association—is in alignment. Consider withdrawing from industry associations that lobby against your sustainability positions.

### 5. Disclose Efforts

Prepare and publish position statements and report on influences and outcomes to stakeholders.

<sup>3</sup> See M&S, *Advocacy* at <https://corporate.marksandspencer.com/plan-a/delivering-plan-a/leading-with-others-to-accelerate-change/advocacy>.

## Sustainable Public Policy in Action

### The Co-operators: A Canadian Example

In 2007 The Co-operators, a large multi-line insurance company based in Canada, created an advocacy policy that sets the terms for proactive engagement with government to create the enabling conditions to improve prospects for its business, customers, and society. The organization adopted a 10-year advocacy goal to 2022, called “Our Public Voice.” It reads, “We are strong and effective public advocates for sustainability and inspire others to take action.”<sup>4</sup> The advocacy goal set public policy objectives to influence government on building code changes to address the following:

- wind storms and flooding
- mandatory installation of fire sprinklers in new homes and residential care facilities
- mandatory installation of carbon monoxide detectors in all homes
- increased access to safe cycling in communities

While direct attribution is not possible, notably, the Ontario government committed to retrofitting care homes with fire sprinklers. These include care homes for seniors, people with disabilities, and other vulnerable Ontarians.

Other efforts include:

#### Join and Establish Industry Coalitions

Five years ago, The Co-operators’ CEO became a founding member of the [Council for Clean Capitalism](#). The Council is a group of influential CEOs with a mandate to advocate for policy changes and to create an economic model that specifies: *What is good for business is good for the environment and society*. The Council has successfully lobbied Canadian governments on green bonds and other measures.

#### Publish Research and Create Multi-Stakeholder Collaborations

As Canada was the only G8 country without overland flood insurance, The Co-operators committed to initiating industry and government dialogue on this gap to help Canadian home owners protect themselves from flood damage. They commissioned and [published](#) academic research on the issue, which called for a multi-stakeholder approach. The organization then held an industry and government roundtable to pursue solutions, publishing another [report](#) summarizing the dialogue. This evolved into a multi-stakeholder collaboration, called Partners for Action, that was officially established at the University of Waterloo to continue the thought leadership and public policy engagement.

#### Influence Financial Markets and Write Opinion Letters

To influence financial markets on systemic sustainability issues, the CEO at the time joined the advisory council of the United Nations Environment Programme’s Inquiry Into the Design of a Sustainable Financial System. Among other efforts, she wrote [an opinion letter to the a national newspaper](#), *The Globe and Mail*, calling for the federal government to create a roadmap to ensure the financial system serves the needs of Canadians. In part, the letter read, “The [global financial] system must be assessed and modernized to adjust to complex global pressures, so it can promote more forward-looking investment, innovation, and sustainable prosperity.”<sup>5</sup>

4 The Co-operators, *The Co-operators Sustainability Strategy*, <https://www.cooperators.ca/en/About-Us/about-sustainability/strategy.aspx>.

5 Kathy Bardswick, “We Need to Ensure Canada’s Financial System Remains Enviable,” *The Globe and Mail*, July 14, 2016.

Exhibit 1 below captures the spectrum of sustainable public policy practices, demonstrated by The Co-operators and other leading organizations. This is an illustrative continuum of sustainable public policy practice from opposed to transformational.

## Where Is Your Company on the Continuum?

### Exhibit 1

#### Sustainable Public Policy Continuum

Opposed	Reactive	Opportunistic	Strategic	Transformational
<ul style="list-style-type: none"> <li>• Lobby against sustainable regulation &amp; public policy.</li> <li>• Contribute to industry association efforts to protest sustainable public policy.</li> <li>• Fund third-party groups that oppose sustainable public policy.</li> </ul>	<ul style="list-style-type: none"> <li>• Share expertise with government on request.</li> <li>• Disclose donations to political parties, lobbying efforts, and industry association memberships.</li> </ul>	<ul style="list-style-type: none"> <li>• Sign petitions; write opinion letters that promote sustainable public policy.</li> <li>• Join industry coalitions addressing shared sustainability objectives.</li> <li>• Leave industry associations lobbying against sustainable public policy.</li> <li>• Resign from government policy tables that don't reflect sustainability.</li> </ul>	<ul style="list-style-type: none"> <li>• Fund &amp; publish research &amp; advocacy organizations addressing strategic sustainability issues.</li> <li>• Lead creation of bilateral or multi-stakeholder collaborations advancing sustainability that includes government.</li> <li>• Influence direction of industry association.</li> </ul>	<ul style="list-style-type: none"> <li>• Tackle systemic issues undermining sustainability affecting business, customers, &amp; society.</li> <li>• Influence government &amp; other stakeholders on systemic issue.</li> <li>• Leverage all assets &amp; innovate products/ services to address systemic issue.</li> <li>• Engage finance community on systemic issue.</li> </ul>

Source: Strandberg Consulting.

## Marks and Spencer Pursues a Sustainable Public Policy Advocacy Approach

Marks & Spencer (M&S), a global U.K.-based retailer, has an active sustainable public policy agenda, an abridged version of which is reproduced below.<sup>6</sup>

### Commitments and Targets

Our ambition is to accelerate change by leading with others. We're committed to engaging with governments, both directly and indirectly through industry groups, trade bodies, and the third sector. We aim to help shape public policy that's relevant to our business interests, and to the retail sector. We're committed to share practical insights and knowledge to help others refine their ideas and develop effective sustainability solutions. We champion sustainability and choice in the development of economic, environment, and social policy. We're politically neutral and make no donations to political parties.

6 See Marks and Spencer, "Advocacy," accessed May 16, 2018, <https://corporate.marksandspencer.com/plan-a/delivering-plan-a/leading-with-others-to-accelerate-change/advocacy#fddab3c1e36b471f97e0b53beb73302b>.

## Approach

We're focused on six areas that we believe are most crucial to delivering our ambitions:

1. demonstrating the business case for sustainability
2. climate change
3. deforestation
4. product sustainability
5. circular economy
6. enhancing the lives of people and communities

We're also involved in other policy areas that are relevant to us:

- the environment
- employment and skills
- consumer affairs and trading
- food
- finance and tax
- planning and trade

We advocate on issues in many different ways and many different levels, from local communities through to international forums. We focus on media work, consultation responses, political engagement, and participation in multi-stakeholder activities.

We try to advocate openly and constructively, in line with our values and aims. We take the views of other stakeholders—for example, customers and employees—into account when we develop our views about policy. Our definition of advocacy covers public policy and thought leadership positions.

## Spotlight on Climate Policy Advocacy

*We engage in global efforts to reduce greenhouse gas emissions and to help the world move to a low-carbon, climate-resilient economy.*

We advocate for effective, proportionate, and fair regulation on climate change issues. We've supported the need for mandatory reporting on greenhouse gas emissions in the U.K. and for ambitious legally binding emissions reduction and energy efficiency targets in the U.K., EU, and globally. We believe business leadership is needed to make a global climate deal happen. Through our membership of the Consumer Goods Forum, the Aldersgate Group, and the World Economic Forum, we supported initiatives to help achieve an agreement at the UN Climate Change Conference of the Parties (COP21).

We were signatories to a [letter organized by the Aldersgate Group](#), which was sent to the heads of state and government of the European Union. The letter calls for a “robust 2030 energy and climate policy framework and energy security strategy,” that can meet Europe’s long-term climate objectives and deliver a global climate agreement in next year’s negotiations in Paris.

Through the World Economic Forum, we signed an open letter—sent to world leaders by global CEOs from 43 companies with operations in over 150 countries and territories. The letter called for [concrete climate action](#) for an ambitious climate deal at COP21, aligned with the UN Post-2015 Sustainable Development Goals (SDGs). We're signatories of the [Prince of Wales's Corporate Leaders Group's Trillion Tonne Communiqué](#)—a global call to arms from businesses that take the science of climate change seriously and demand a proactive policy response.<sup>7</sup>

<sup>7</sup> *Ibid.*

## Resources

### The Qualities of a Transformational Company Website and How-To Guide

Published by Canadian Business for Social Responsibility, these resources profile the 19 qualities that businesses will need to scale, accelerate sustainability and corporate social responsibility, and create business and societal value.

<http://cbsr.ca/transformationalcompany/>

### Transformational Quality #19 Public Policy Advocacy

This is a six-page summary on the imperative and opportunities for developing sustainable products. It includes case studies, suggestions on how to get started, and additional resources.

<http://transformationalcompany.ca/wp-content/uploads/2015/11/19-public-policy-advocacy.pdf>

### Council for Clean Capitalism

The Council is a group of forward-thinking companies working together to make clean capitalism a reality in Canada. Membership includes 10 CEOs from leading Canadian companies.

<http://cleancapitalism.com/>

### Guide for Responsible Corporate Engagement in Climate Policy, United Nations (UN) Global Compact, UN Environmental Programme, UN Framework Convention on Climate Change

This report is the output of a review and consultation on responsible corporate engagement in climate policy, undertaken by the UN Global Compact in cooperation with UNEP, UNFCCC, WRI, CDP, WWF, Ceres, and The Climate Group. The report sets guidelines for why and how companies can provide constructive influences on public policy.

[https://www.unglobalcompact.org/docs/issues\\_doc/Environment/climate/Guide\\_Responsible\\_Corporate\\_Engagement\\_Climate\\_Policy.pdf](https://www.unglobalcompact.org/docs/issues_doc/Environment/climate/Guide_Responsible_Corporate_Engagement_Climate_Policy.pdf)

### Advocacy for Good: Public Policy Advocacy for a Sustainable Future—Webinar

This webinar delves into the strategies that leading companies are pursuing to encourage governments to adopt public policies for a sustainable future so that their companies, customers, and society can thrive.

Panellists include:

- **Tom Ewart**, Senior Manager, Sustainability, The Co-operators Group
- **Coro Strandberg**, President, Strandberg Consulting, and Fellow, The Conference Board of Canada's Institute of Corporate Responsibility & Sustainability

<http://www.conferenceboard.ca/e-library/abstract.aspx?did=9478>

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June 2018

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