COOPI and CORPORATE PARTNERSHIP
Development of strategic collaborative partnerships within the framework of Corporate Social Responsibility

Why the guidelines?

The following guidelines for the creation and development by COOPI of strategic partnerships with businesses have the objective of contributing to the elaboration of possible action routes, and of being a useful reference point for developing CSR policies and strategies. The emphasis is on multinationals and big businesses, but it is right to imagine that some parts may also be useful with reference to smaller and less structured companies.

The term ***"strategic partnership"*** is used with the intention of overcoming the traditionally reductive approach to the relationship between businesses and NGOs which takes the form of one-off donations for short-term projects, where the role of the business is emphasized and in which the NGO carries out the passive role of a mere executor of the project. In fact, the more recent panorama of collaborative relationships between businesses and NGOs has witnessed a growing number of long-term experiences between private companies and NGOs which have a substantial potential of added value and increasing mutually beneficial returns of scale.

These "guidelines" are intended to be a series of "recommendations" for directing the action of COOPI personnel charged with looking after and following the evolution of such partnerships, so they have at their disposal a tool that can operatively support the creation and development of strategic partnerships. The guidelines, insofar as they are general and independent from the business sector of activity, will not pretend to identify all possible case studies, but, as much as possible, will tend to highlight how to treat the "exceptions".
During their drawing up, some of the needs and characterizations of COOPI's work were taken into consideration.
The first was having ***"slender" guidelines***, in the sense that COOPI does not intend to engage directly in CSR certification activities, but to enhance the experience and know-how of other organizations specialized in such functions. In this sense, COOPI intends to develop specific skills in the supervision and interpretation of the relationships which happen during the CSR evaluation and certification processes. It is believed that the growing phenomenon of chains of holding companies structured like "Russian Dolls" and the asymmetry of information between the businesses and the community which hampers this approach are compensated for by the flow and transparency of information that is aided by the Internet.

The second need to be considered was that of developing the ***"propositional" guidelines*** so that, as much as possible, the negative criteria could be overcome.
The third need was ***marrying such guidelines to the typicality and specificity of the activities of COOPI***, whose "core business" is international cooperation for development. Humanitarian and emergency activities are of great significance within this core business area and, in comparison with other Italian NGOs, COOPI has a greater visibility in developing countries than it has in Italy.
Finally, ***the guidelines are the result of a systematic process of collaborative formulation by experts and COOPI personnel from both the headquarters and the coordinating offices in developing countries*** which, as well as utilizing the more current good practices in setting up and developing partnerships within the framework of CSR between businesses and international cooperation NGOs, allows a non-conflictual approach in their practical application. In particular, the COOPI operational guidelines originated from the ambit of the working group set up by the COOPI Corporate Partnership Office in Italy and by the Centro SEDA and ELACID at the University of San Bonaventura in Cartagena.

Evolution of the relationship between businesses and international cooperation NGOs

Traditionally, businesses and NGOs have occupied antagonistic positions with little space for dialogue and collaboration. From the business point of view, the usual procedure and the most followed business management theories pointed to the fact that a commitment to environmental protection or to a compliance with and protection of the social security system, which was greater than that which was legally required, hampered the maximization of profit, damaging the investors and the owners, and having a negative impact on the survival of the business itself.
Variations on this vision of profit maximization, which placed a stress on market shares and innovation etc., did not dispute the centrality of the business and the interests of the proprietors/investors, if necessary, mediated by the interests of the managers. A partial mitigation of this vision has been witnessed above all in the small- to medium-sized business systems typical of the "Third Italy" as defined by the sociologist Bagnasco according to Marshall-Becattini's industrial districts outline, which foresaw the distribution of economic benefits to the community and the enhancement of local public services requested by the community.
From the point of view of the NGOs, in particular the international cooperation ones, what has prevailed has been the vision of the large Taylorist mass production business with, in the case of multinationals, the aggravating circumstances of behaviors damaging to the protection of human rights and the environment. Whenever the NGOs have developed a partial engagement with the cooperatives' production systems, these relationships have been developed above all with individual citizens and with any decentralized state authorities.
Changes have increasingly taken place over the past few decades which have brought NGOs and businesses closer together and which have supported systems of mutually beneficial collaboration which have a bigger impact on great challenges such as global warming, poverty, biodiversity, etc.

Businesses have been progressively taking an hegemonic role in the worldwide economic landscape and in the process of globalization. On an international level over the last few decades, there has been a highlighting of the reduction of the relative importance of public development aid when compared with international commerce, direct foreign investment and remittances. Public development aid, one of the principal sources of NGO financing, has been noticeably reduced compared with other flows of international capital tied to businesses, from multinationals to micro-businesses.

In addition to this hegemonic role, businesses have begun to recognize the need to achieve both economic and financial results as well as environmental and social results, such as a long-term sustainability strategy. What is intended by Corporate Social Responsibility (CSR) is the integration within the strategic vision of a business of concerns of an ethical nature, and a strategic mode of business management in which the system of governance of transactions and the relationships between a company and its stakeholders are widened, taking a new look at all of the stakeholders in a wider vision. Interest and the growing demand have, over the last decade, brought about a proliferation of various standards for CSR management systems. These standards are often the result of collaboration between the world of research and universities, NGOs, businesses, multinational institutions, and also public and government authorities.

To face the phenomenon of the growth of the role of business in international financial flows (international trade, direct foreign investment, remittances) with respect to official development aid, NGOs, who have traditionally favored public development aid in order to avoid seeing their role marginalized, have had to in the first instance introduce the professionalization of personnel, introduce business efficiency criteria, and more generally entrepreneurial management styles, focusing on projects capable of carrying out the role of a catalyst for additional resources in development processes. Secondly, it has become fundamental for NGOs to diversify their sources of financing, paying particular attention to those originating from business. While businesses in the past tended to dedicate resources above all to the social environment closest to the business itself, now, with the internationalization of production and the globalization of information, they need to extend their social responsibility to developing countries as well. NGOs are therefore finding businesses to be an increasingly accessible source of financing for their collaborative projects, even if it is frequently an approach merely of reciprocal use in which companies provide the resources whilst the NGOs provide the technical knowledge for implementing the projects.

In parallel with this, a rediscovery of the role of business in poverty reduction has been witnessed within NGOs for international cooperation, particularly in the grass roots development approach which is marked by the championing of the informal sector and of micro-businesses through microcredit and through micro-business development services. One of the best known and most emblematic examples of this is represented by the growing success of the Grameen Bank as both a self-sustaining tool of poverty reduction and as a promotion of a balanced and participatory development model. Created as an NGO project, the Grameen Bank grew thanks to its sustainability until it transformed itself into a formal bank, becoming the principal financial institution of Bangladesh. The Grameen Bank represents a business in which social responsibility has fused with the objective of sustainability, and the emulation of it in the banking sector and in many other sectors will allow the resolution of the great development problems of the current world.

Typologies and phases of collaboration

The typologies of collaborations between businesses and NGOs can be identified as follows:

- Fickle : i.e. inconstant and without any guiding criteria;
- Charitable/philanthropic: i.e. the result of a generic moral compromise towards the human race;
- Reactive: developed in order to respond to the reaction of or pressure from governing bodies or public opinion, or more simply because it is the latest trend;
- Strategic: representing an integral part of the business strategy and decisive for its development;
- Supporting: developed to promote a durable and optimal equilibrium between state, civil society and the market (businesses).

The process of the development of strategic partnerships between NGOs and businesses goes through 3 evolutionary stages: formation, operation and development. It is essential to bear in mind that the passage from one phase to another requires the satisfaction of certain conditions, as well as significant changes both within the NGO and within the business.
Practically, both within businesses and NGOs, “forward leaps” as well as resistances and defenses of the “status quo” take place which need to be managed and harmonized through the development of adaptation capabilities and through the periodic realignment of the strategic partnership’s objectives with those of the NGO and the business. A strategic partnership presumes an effort of adjustment and adaptation between its activities and its values on the part of both the business and the NGO. Given the predilection by business for projects and activities which are self-sustaining in the medium- to long-term (which derives from the objective of economic and financial sustainability which is written in business DNA), a growth can be witnessed in the relevance of activities which develop micro and small businesses, producers' cooperatives, and infrastructure projects with local community supported maintenance systems etc.
In brief, the evolution of a strategic partnership – from the stage of formation to the stages of operation and eventually development – is marked by a quantitative (the number of activities carried out in collaboration) and qualitative growth of activities such as the participation of NGO members on business advisory committees, which indicates a high level of mutual trust and respect.
A definite timescale for the passage from one phase to the next does not exist, but with reference to successful experiences which could constitute bench marks, it is believed that, as a rule of thumb, the passage from the formation to the development phase requires a minimum of 7-10 years.
The partnerships are not often created with a strategic “footprint”, but are usually the evolution of an initial philanthropic approach which evolves with reciprocal knowledge and growing trust into a single phase that integrates, in both internal and external communications, the collaboration happening, until it transforms into a strategic partnership.

OPERATIONAL GUIDELINES

Premise

COOPI recognizes the importance and value of promoting an ethical and responsible business culture with the goal of pursuing balanced and sustainable economic development.
COOPI intends to offer itself, in practical terms, as a strategic interlocutor for business, with the aim of discussing the synergies that are possible between profit and non-profit organizations in order to continue *to contribute to the process of fighting poverty and to the growth of the communities worldwide with which it cooperates*, as established in its mission statement.
COOPI also recognizes the fragility of partnerships with private businesses. Some businesses might want to partner up with COOPI, not by virtue of a sincere desire to engage in a common project, but in the hope that COOPI's image – its most precious capital, arduously built over 50 years of field work – might qualify, improve or "readjust" the image of the business, thus exploiting the social cause.
To such an end, COOPI considers it appropriate that a partnership should above all be an AUTHENTIC SHARING of values, which for COOPI means CONSISTENCY with its mission and vision, whilst respecting the needs of the business for commercial returns and communication. That is, a mutual benefit that begins with the recognition of the identity of both parties, each with their own competences and roles within the partnership.

1. WHICH PARTNERSHIP? Typologies of collaboration with private companies

Even though each partnership case is considered individually, the most important forms of collaboration between COOPI and businesses can be summarized as follows.

- *Institutional sponsorships*
  In this instance, the business will be called upon to support the statutory activities of COOPI without reference to specific projects. The financial contribution will be fixed and determined on an annual or longer basis.

- *Event sponsorships*
  In this case, the business will support a specific event of the association. The financial contribution will be determined on the basis of the costs of the event and will cover such costs, net of general and coordination expenses.

- *Cause related marketing*
  In this instance, the business will be called upon to promote, together with one of its products or services, the institutional activities of COOPI or one of its specific projects. The financial input will consist of a fixed contribution, and also a percentage of the turnover of the product or service which was the object of the promotion.

- *Cash donations*
  Donations constitute free gifts which are decided upon by the administrative body of a company or its proprietors, or gifted on a personal basis by business employees. In principle, donations will not involve any promotional activity which will make news of the donation public domain. In some cases, COOPI may gift objects of limited value such as greeting cards, letters of thanks, etc., in return for the donation.

- *Donations of goods and services*
  Business donations can also consist of goods and services needed by the association and its beneficiaries.

- *Staff involvement*
  The company can involve its staff in a common project of solidarity which may offer stimuli and motivations to their daily work. Amongst the main types of involvement are; payroll giving, in which employees are asked to assign one hour of salary in favor of a project; a company volunteering day, in which employees who want to offer their service to COOPI are encouraged to organize a fundraising day through stalls, concerts, sporting events or theatre shows; and company workshops on team building and training within the company with an ethical and responsible approach (also with trips to COOPI cooperation projects in developing countries). The company may participate in the project realization with a contribution equal to or greater than that of its own employees (gift matching).

- *Skill sharing*
  Partnerships with skill sharing objectives will be fostered in Italy as well as in projects in developing countries.

- *Joint projects for the development of local communities*
  A strategic partnership can involve joint participation in developing countries in which both organizations work to encourage the empowerment of the local community, with an eye on corporate social responsibility and integration within the area for the business and, for COOPI, with an eye on promoting the development of the people.

- *Conferences, seminars and training corse*
  Periods of meeting and reflection on the theme of profit/nonprofit partnerships will be fostered to investigate the potential of this profit/nonprofit collaboration.

With an eye on long-lasting relationships, it is also possible to think about relationships which have their own internal governance and which have cross participation in their advisory and executive boards, if allowed by consolidated mutual trust.

2. CRITERIA FOR EXCLUSION FROM A PARTENERSHIP WITH COOPI

COOPI will not consider partnerships with businesses involved in the following sectors:

1. Production, distribution and sale of arms
2. Manufacturing, sale or distribution of spirits and tobacco or involvement in gambling (with the exclusion of national lotteries and also of businesses with a total corporate revenue not exceeding 10% in these areas)
3. Employment of minors contrary to local legislation or (in the absence of local legislation) international conventions (in any production phase)
4. Involvement in the exploitation of individuals or nations (violation of human rights, pornography, fraud, corruption, criminal activity)
5. Involvement in grave environmental abuses and/or in problems of pollution and environmental degradation (in particular, the business will not have been declared guilty of grave environmental abuses during its last 5 years of operation)

3. PARTNERSHIPS THAT COOPI CONSIDERS TO BE A RISK

Considering the characteristics and/or history of the business and the characteristics of the partnership, the following possible examples of risk can be identified:

1. the business is certainly not linked to one of the prohibited categories mentioned in point 2, but remains a source of doubt due to questions related to at least one of the excluding categories, or it is a business that has, in the past, been involved in one of the excluding categories but has since undertaken a substantial step on the road to change;
2. the business belongs to a sector considered a risk by COOPI, i.e.: banks and financial institutions (a risk due to financing armament production), the metal and precious stones extraction sector, the oil and gas sectors, and the pharmaceutical sector;
3. the partnership involves a substantial financial involvement with COOPI (with financing from the business in excess of 100,000 Euros);
4. the partnership involves a substantial media involvement of COOPI alongside the business;
5. other elements and sectors which are not characteristically in fitting with COOPI.

In such cases, the COOPI Corporate Partnership Office, under supervision from the Communications and Fundraising Office Manager, will work on the specific considerations of the business and, in the case of serious issues being found, will create a dossier and present the case to the COMITATO VALUTAZIONE CORPORATE RELATIONSHIP (CVCR) (Corporate Relationship Evaluation Committee).

4. CONDITIONS FOR ENTERING INTO A POTENTIAL PARTNERSHIP WITH COOPI

Once the exclusion and critical criteria for the business and the type of partnership have been met, the following positive criteria will be evaluated:

- Business partners of COOPI must have undertaken or be interested in undertaking a journey on the road to ***Corporate Social Responsibility (CSR*****).**
  Such a journey must consist of an identifiable concrete commitment to achieving ***international certification*** (SA8000, AA1000 and possibly ISO26000) or, as an alternative, having undertaken initiatives which are relevant to at least two of the three themes of interest: ***Ethics***, ***the Environment*** and ***Workers' Rights***. As far as ethics are concerned, a social audit and/or an ethical code will be considered positively.
  In terms of the environment, we will be looking for the presence of an environmental sustainability report or an ALSO 14001, EMAS (Regulation CEE/1836/93 on eco-management and eco-auditing) or British Standard 7750 (BS 7750). As far as a respect for human and workers' rights is concerned, joining the Global Compact and/or adherence to and implementation of the ICHD's (International Council of Human Duties) Charter of Human Duties will be considered indicative of a refusal to be involved in the exploitation of labor by minors and gender discrimination, as well as a guarantee of the safety and sobriety of the workplace.
  This criteria is considered to be qualifying for multinational businesses and for small- or medium-sized businesses with brands recognizable to the general public.
  COOPI will recommend support partners with know-how and competences specializing in CSR certification to businesses which have not yet embarked upon the road to CSR.

- All businesses which are partners of COOPI must ***share its mission, vision and charter of values***. It is therefore fundamental that every potential partnership with a business satisfies the following criteria:

1. **Solidarity:** business partners must commit, together with COOPI, to spreading and affirming a culture of solidarity though spreading information about and increasing sensitization to the defense and respect of the fundamental rights of all people, as stated in the United Nations' Universal Declaration of Human Rights.
2. **Transparency:** business partners will have to demonstrate transparency in their business, their company organization and in their commitments in relation to all of their stakeholders, in the same way that COOPI will commit to efficiently manage its funding, guaranteeing the business transparent accounting.
3. **Neutrality:** business partners must accept the fact that COOPI operates in total independence from private interests and autonomously in terms of company politics, even whilst committing itself to a partnership of mutual benefit in relation to the company objectives.
4. **Participation:** COOPI will apply to business partners the same participatory method with which it engages institutions, communities and local associations and organizations in order to analyze problems and to identify the most adequate solutions, whilst respecting the social cause and the commercial outcomes that must coexist in the partnership.
5. **Sustainability:** the partnership must adhere to the objective of a concrete and durable development of the relationship for mutual benefit in the medium- to long-term period.

6. **Responsibility:** COOPI and its business partners will concretely evaluate the efficiency of their participation in developing countries as well as in Italy, always verifying the mutual benefits.
7. **Transfer of knowledge**: partnerships with private businesses that can contribute to spreading skills so that the beneficiaries of COOPI's participation in developing countries might be able to work in complete autonomy and in an independent manner will be favored. As part of this, there is the opportunity for the creation of real and proper social businesses between COOPI's business partners and the beneficiaries of its projects.
8. **Innovation:** partnerships with private businesses that can bring about a continuing improvement of their own skills by refining their methods and operational strategies, and which are capable of generating innovative and evermore efficient approaches, will be favored.
9. **Respect for diversity and the fighting of discrimination:** COOPI and its business partners share the objective of striving towards the enhancement of cultures and of differences with the conviction that such endeavors are a fundamental condition for progress.
10. **Enhancement of human resources:** COOPI and its business partners share a respect for the rights, the protection of and the safety of all of their collaborators and volunteers, recognizing their professional work which they carry out with respect to international laws and the countries in which they work.

5. THE COMMITTEE FOR THE EVALUATION OF CORPORTAE RELATIONSHIPS (CVCR)

The Committee for the Evaluation of Corporate Relationships (CVCR) is a tool which COOPI has set up to analyse possible partnerships that might pose a risk to the association.

The CVCR will be presided over by the President of COOPI and by a delegate of his, and will be composed of: the Director, the Corporate Partnership Office Manager, the Office of Communications and Fundraising Manager and, if necessary, the Area Managers, the Regional Coordinators or other individuals internal or external to the operational structure who will be selected by the management according requirements. In particular, the operational structure's territorial managers will be involved in case some businesses carry out or have carried out some or all of their production in developing countries (including indirectly via sub-contractors and in any case when the public image of the business is in any way linked to a determinate area of developing countries). The country managers may support the Corporate Partnership Office by supplying information, particularly on the perception of the business in question by the local community, with an emphasis on any issue relating to the activities planned by COOPI.

The CVCR will carry out a brief evaluation of the feasibility of the partnership, and will specify its approval or denial. In the case of a critical area arising, possible corrective measures or conditions under which the partnership will have to be operated will be contextually determined.

The Committee's decisions are taken by a qualified majority, with a binding vote by the management.

6. PROCEDURES

In order to guarantee the mutual benefit of the partnership, COOPI and its business partners commit themselves to clearly sharing their objectives, plans and commitments according to a ***procedure*** that can be summarized as the following phases of work.

Phase 1. Before the start of any joint activity, COOPI will, through the Corporate Partnership Office and under the supervision of the Communications and Fundraising Office Manager, check all of the most important information relating to the potential business partner and prepare a specific dossier on each business. In particular, in-depth research will be undertaken into its ethicality, activities, both its recent history and past history, and into its steps regarding CSR.

1. **Businesses that fall within the exclusion criteria will therefore be excluded a priori.**

2. **Businesses for which a risk has been identified, according to what has been described above, will be submitted to the CVCR.**
   In such cases, the Corporate Partnership Office, under the supervision of the Communications and Fundraising Manager, will prepare the following documents to be submitted to the CVCR:

   - The Partnership Introduction Report will be submitted to the Committee for the Evaluation of Corporate Relationships (Form A). This contains all of the information relating to the potential partnership, the project, the partners involved, the duration of the partnership, the personnel and countries involved, and the financial and non-financial commitments on the part of both COOPI and the business, including the foreseen terms of financing.
   - The corporate relationship evaluation checklist, which contains all main information relating to the business, its activities, any concerns encountered, the behaviors that are under investigation, its commitments to CSR, and the risks and the opportunities of the partnership.

Such documents will be sent via email to the General Secretariat.

The General Secretariat will arrange a date for the CVCR meeting within less than a month of the report being submitted, and will distribute the documentation via email to all members of the CVCR, including the country managers and all of the individuals who the management consider it appropriate to involve according to the business and the type of partnership that is under evaluation, and according to the points previously highlighted.

Once the partnership has been approved, the Corporate Partnership Office, under the supervision of the Communications and Fundraising Manager, will prepare a preliminary agreement with the business which will ratify the motivations and the precept objectives, and through which the key elements of the partnership will be conducted and shared, including any potential conditions for the containment of risk.

3. **For all businesses which do not fall into the previous categories, it will be the responsibility of the Corporate Partnership Office, under the supervision of the Communications and Fundraising Manager, to evaluate and approve the partnership with the business.**
   Such a process of evaluation and approval will, however, be formalized through the internal documents of the Communications and Fundraising Office.

Phase 2. The planning of collaboration strategies with the business which foresees the joint investigation of all collaboration opportunities, will be developed by the COOPI Corporate Partnership Office, under the supervision of the Communications and Fundraising Manager.

Phase 3. The drawing up of a written agreement. The management of a partnership which has been approved will be prepared by underwriting an apposite written agreement between the parties. The contract will be drawn up by the COOPI Corporate Partnership Office, under the supervision of the Communications and Fundraising Manager, and must state:

- the nature of the relationship, its activities and the results desired by both sides;
- the procedure for decisions and amendments, clearly identifying the contact people in each organization and those who will take decisions on the common projects;
- the commitments of each party with respect to the costs and benefits of the partnership;
- the use of the name and logo of both parties in partnership communications;
- the control and advance approval by COOPI on the wording accompanying all promotional products, including all text, publicity and other material drawn up by the company;
- the duration and the exact conditions of the initiative and/or campaign, including:

1. exclusivity clauses which may prohibit similar agreements with other companies and, for the companies, similar agreements with other associations. COOPI can guarantee exclusivity for a specific activity for a determinate period of time and within the boundaries of a specific product/category so long as there are no prohibitions to engaging in different types of activities with competing businesses;
2. information/considerations on transparency: if requested, COOPI will provide information on all the benefits, financial or otherwise, that it receives from its

relationship with a business. It is necessary to clarify with the business partner how and in what measure the details of the partnership will be included in advertising, on product packaging and in any other material destined for the public.
When a purchase by a consumer generates a donation to COOPI, the exact quota that will be received by COOPI should always be declared.

Once the contract is approved and underwritten by both parties, the partnership can commence.

Phase 4: Ongoing monitoring of the Partnership.
The partnership will be subject to constant monitoring by the Corporate Partnership Office under the supervision of the Communications and Fundraising Manager.

Phase 5. Conclusion and evaluation of the Partnership.
At the conclusion of the partnership, the outcomes obtained and any difficulties encountered, the respect to the original commitments shown by both parties, and the benefits and relative costs - both tangible and intangible (communication, visibility, brand reputation, etc.) will be evaluated.