

Commissioner Miguel ARIAS CAÑETE
Commissioner of Climate Action and Energy

The Honourable Gian Luca GALLETTI
Minister of Environment and Protection of Land and Sea

The Honourable Barbara HENDRICKS
Federal Minister for the Environment, Nature Conservation, Building and Nuclear Safety

The Honourable Nicolas HULOT
Minister for the Ecological and Inclusive Transition

The Honourable Andrea LEADSOM
Secretary of State for Environment, Food and Rural Affairs

The Honourable Catherine MCKENNA
Minister of Environment and Climate Change

The Honourable Scott PRUITT
Administrator of U.S. Environmental Protection Agency

Commissioner Karmenu VELLA
Commissioner of Environment, Maritime Affairs and Fisheries

The Honourable Koichi YAMAMOTO
Minister of Environment

June 1st, 2017

Honorary Ministers,

We, the undersigned organisations in the LADDER Project Consortium, are writing on the occasion of the G7 Environmental Ministers' meeting on June 11-12 in Bologna, Italy. The LADDER Consortium is composed of 46 Local Authorities, Civil Society organizations and networks originating from 36 EU and non-EU countries (<http://www.ladder-project.eu/>) and active – amongst others - in the sphere of *Public-Private Cooperation* in the context of international development cooperation (hence IDC), where it pools together expertise and knowledge.

To achieve the ambitious targets of the 2030 Agenda, it is necessary to strengthen the involvement of the private sector in development programs: enterprises are and must be active agents of IDC. Companies willing to cooperate with the public sector in the implementation of development projects, should however qualify for it, demonstrating the adoption of some **key principles and purposes** of IDC, that prove their work is sustainable and ethically robust. A number of private firms, indeed, are

proving to be sensitive towards the issue of ensuring an overall coherence between their economic targets and environmental and social objectives. Regrettably, many still do not follow suit.

We would like to draw attention to the urgent need to build a **new and sustainable development model in third countries**, based on the active contribution of the private sector and involvement of state and non-state actors in the process and **green economy transition**.

As such, we, the members of the Public-Private Cooperation working group of the LADDER Consortium, firmly believe that a move towards a **binding regulation on shared minimum standards for enterprises** to be considered eligible in development programs is crucial, taking the internationally recognized guidelines and principles as a benchmark.¹

From an environmental point of view, enterprises should therefore:

- take due account of the **need to protect the environment, public health and safety**, and to conduct their activities so as to contribute to the wider goals of sustainable development, within the framework of laws, regulations and administrative practices in the countries in which they operate, and in consideration of relevant international agreements, principles, objectives and standards;
- **establish and maintain a system of environmental management**, providing the collection and evaluation of adequate and timely information regarding the environmental, health and safety impacts of their activities, also including the establishment of measurable objectives and targets for improved environmental performance and resource utilization, and the regular monitoring and verification of progress,
- provide the public and workers with **adequate, measurable, verifiable and timely information on the potential environmental impacts of their activities** and engage in adequate and timely communication and consultation with the communities directly affected by their environmental, health and safety policies, Taking into account concerns about cost, business confidentiality and the protection of intellectual property rights.
- assess and address in **decision-making the foreseeable environmental, health and safety-related impacts** associated with their processes, over their full life cycle, with a view to prevent or mitigating them;
- **maintain contingency plans for preventing, mitigating and controlling serious environmental and health damage** from their operations, including accidents and emergencies, and provide adequate *education and training to workers* in environmental, health and safety matter,
- **adopt technologies and operating procedures that reflect standards concerning environmental performance** and develop products or services that have no undue environmental impacts, are safe in their intended use, reduce greenhouse gas emissions, are efficient in their consumption of energy and natural resources and can be reused or recycled, with a view to continually *improve corporate environmental performance*;

¹ See the following sources:

- The *UN Guiding Principles on Business and Human Rights*;
- The *International Labour Organisation (ILO) Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy*;
- The *Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises*;
- The *UN Global Compact*;

The *International Organisation for Standardisation (ISO) 26000 Guidance Standard on Social Responsibility*

- **promote higher level of awareness among customers of the environmental implications** of using the products and services of the enterprises and explore ways of improving their environmental performance over the long term.

We therefore call on governments to draw up a regulation, as a result of multi-stakeholder consultations, that would require companies to provide **two types of reports**.

The first one, to be published before the decision on eligibility for funding, should include:

- a) a policy statement committing the firm to respect **environmental clauses**;
- b) a description of the internal processes aimed at ensuring that the company will comply with these commitments in the conduct of development cooperation activities;
- c) a description of the appropriate remedial mechanisms the firm will activate or participate to.

The second type, to be published at regular intervals and when the works are completed, should include:

- a) a description of how the internal processes worked (and if not why);
- b) a description of how remedial mechanisms worked.

The upcoming meeting is a great opportunity to give a decisive impetus to the green economy transition. We therefore hope you will take all these considerations into account.

Sincerely,



Pier Virgilio Dastoli

President
European Movement – Italy



Fabio Masini

Vice-President
European Movement – Italy

On behalf of LADDER Public-Private Cooperation Path