

**Society for Ecological
Corporate Sponsorship Ethics & Decision-Making Framework
June 2016**

Background and Need

Corporate sponsorships raise a variety of ethical issues for nearly any non-profit organization. The Society for Ecological Restoration (SER), however, faces specific challenges because of its unique position bridging degradation and restoration. The very industries and entities who are most in need of restoration expertise and information are often the same entities who have caused the very ecological damage and degradation that requires restorative action. Much ecological degradation or environmental harm is associated with industrial activity, especially resource extraction (e.g. mining, oil and gas extraction, logging), though restoration is also often required in association with nonresource extractive impacts (e.g. manufacturing). Whether compelled by law or motivated by a desire to improve brand image, in practice a large segment of ecological restoration is corporate, and corporations are often at the forefront of the application of restoration ecology. Is it appropriate or inappropriate, therefore, for SER to consider sponsorship from ecologically damaging industries and corporations? And how can SER most effectively and justifiably make such a determination? The field of environmental ethics offers an excellent framework for answering this question and developing a set of ethical guidelines for corporate sponsorship.

Key Ethical Considerations

SER defines ecological restoration as the process of assisting the recovery of an ecosystem that has been degraded, damaged, or destroyed (*SER Primer 2004*). SER seeks to promote restoration as a vital tool for recovering degraded landscapes.

From the very outset, restoration has been accused of being a trojan horse for industry. In his 1982 essay "Faking Nature," Robert Elliot was one of the first to articulate a central ethical problem of ecological restoration: industry may use restoration promises to undermine opposition to despoiling natural areas. Elliot argued that industry was promoting a "restoration thesis" that harming nature is permissible because we can put it back later.

Responding to Elliot's objections, environmental philosopher Andrew Light distinguished between what he termed "malicious" restoration described by the restoration thesis, and "benevolent" restoration activities that heal past harm but do not serve to rationalize further destruction. Light proposes that "malicious restorations are those that are offered as substitutes for original systems and the possibility of their creation is supposed to justify the destruction of the original system. In contrast, benevolent restorations are those that are undertaken to remedy some kind of intentional or unintentional destruction of a natural system and not offered as prior justification for a destructive act." (*Valuing Novel Ecosystems* ch.31)

This conflict between restoration as ecologically sound practice and restoration as deceitful excuse for environmental destruction means that any sponsorship relationships between SER and corporations may be subject to intense scrutiny. Any financial ties between SER and deceitful or destructive corporate behavior could be seen as proof that the restoration thesis is true, especially as implemented through malicious restoration.

Indiscretion on the part of SER in vetting corporate sponsors and distinguishing malicious from benevolent restoration could lead to associations that tarnish both the SER brand and the public perception of ecological restoration in general because of the highly visible role the Society plays within the field. If restoration becomes viewed as a corporate ploy for further ecological destruction it may lose public support. This could jeopardize public support for government policies that require restoration as well as public support for SER.

Additionally, it could jeopardize the involvement of thousands of volunteers as well as the benefits derived from participating in restoration, such as learning about nature, feeling connected to place, the feeling of “ecological citizenship,” and the feeling of doing the right thing and giving back. Many thousands of volunteers participate in restoration projects across the world each year.

While corporate sponsorship is an important funding tool, it must be approached deliberately and ethically, using a consistent and transparent framework that enables SER to ensure such partnerships are consistent with long-term organizational and ecological goals.

Key Corporate Sponsorship Themes

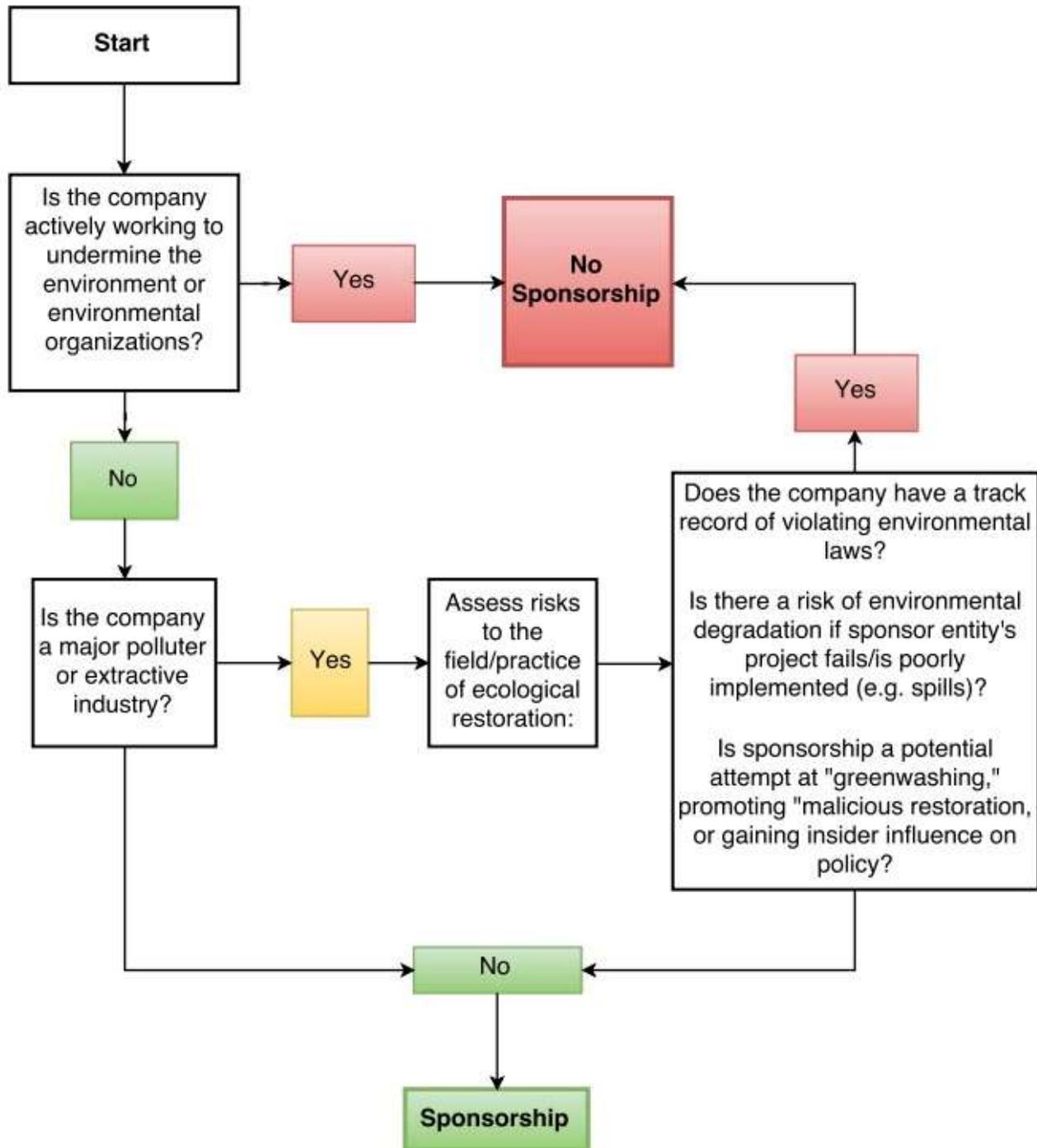
In order to develop a comprehensive policy that will fully protect SER, it is instructive to look at the policies of other organizations that also solicit and/or accept corporate sponsorships. We reviewed four policies, representing both large and small organizations as well as more and less restrictive sponsorship approaches. We looked at The Nature Conservancy, Environmental Defense Fund, Sierra Club, and The Cumberland (Maine) District Health Council. The following themes emerged, all of which are relevant to any formal policy SER may adopt.

1. No endorsements, real or implied, are given to the sponsoring corporation.
2. The relationship with the sponsoring corporation remains transparent, and SER remains independent.
3. Corporate sponsorship will confer no real or assumed rights to the corporation to influence SER’s policies, positions, practices or science.
4. There will be no conflict of interest such as:
 - a. Greenwashing; sponsor gaining an environmentally friendly image through partnership with SER
 - b. Confirming the Restoration Thesis
 - c. Supporting malicious restoration
 - d. Attempting to influence SER’s actions for private gain

Creating an ethically-based decision-making structure for corporate sponsorship

Considering the complex history of ecological restoration and the recurring themes in other non-profits’ policies regarding corporate sponsorship, the question of sponsorship is particularly challenging. In addition, because SER is the international network and clearinghouse on issues related to restoration, any decisions SER makes can be seen as representing the field itself. Thus SER resolves to accept sponsorships only from entities that, to the best of our knowledge, are ecologically responsible. To help SER maintain both our own organizational integrity and integrity in the field of ecological restoration, we have developed and are using the following decision chart when considering corporate sponsorships.

Decision Chart for Evaluating Corporate Sponsorship



Appendix A: Examples of Corporate Sponsorship guidelines at other organizations

Organizations Reviewed

To develop the Society for Ecological Restoration's corporate sponsorship policy, we looked at the policies of other organizations that also have a critical need for organizational independence and integrity, both actual and as perceived by their members and the public at large. In order to gain a representative sample of the range of policies currently being implemented by other organizations, four policies were chosen that represent both large and small organizations as well as more and less restrictive sponsorship policies. These four policies are summarized here as supporting information. The four policies are those of:

The Environmental Defense Fund: The EDF has a very restrictive corporate donor policy that lists industries will be disqualified from sponsorship. Classifications of eligibility are based on corporate activities as defined by Standard and Poor's Register of Standard Industrial Classifications (SIC). For example, weapons and mining are excluded.

The Sierra Club: The Sierra Club has a moderately inclusive sponsorship policy. While the mission of Sierra Club is not as ethically complex as that of the SER in being tied to lands that have been damaged by corporate activity, they do have a comprehensive policy for maintaining independence, protecting brand image, and avoiding real and perceived conflicts of interest.

The Nature Conservancy: The Conservancy is the largest environmental organization in the world. It has a policy that states it is open to working with any company that shows commitment to either furthering conservation efforts or becoming more environmentally friendly. However, their policy contains extensive requirements outlining what constitutes a significant commitment and how that is to be measured over time, and also that allows the Conservancy criticize the actions of a sponsor, terminate relations with a sponsor, and present unedited scientific evidence without the sponsor's approval or notification.

The Cumberland (Maine) District Health Council: This is a small organization seeking financial support for its programs. Its sponsorship policy focuses on maintaining the ability of the organization to be independent of corporate influence. It establishes that endorsements will not be given, that the organization maintains complete control of funds, and that sponsors must not be antagonistic to the organization's mission.

Elements of a comprehensive corporate sponsorship policy

These four policies were parsed to determine the concerns and potential risks other organizations are addressing when pursuing corporate sponsorship. This yielded a range of specific positions that we considered in the course of developing guidelines for SER. What follows are the elements of each organization's sponsorship policy that were noted as useful for our organization:

The Nature Conservancy's "Principles of Corporate Engagement"

No endorsement: The relationship is not an implied or real endorsement

Aligns with Mission and Values: “The engagement must be consistent with the Conservancy’s Mission and Values and should respect the sensitivities of the Conservancy’s members, donors, conservation partners and communities in which it works. Examples of potential compromise include a conflict of interest or an implication that the relationship will influence the Conservancy’s science or priorities.

One Conservancy: (Corporate sponsorship) benefit must outweigh risk or potential damage to all Operating Units throughout the Conservancy.

Transparent and Independent Role: The Conservancy retains the option to publicly comment on the merits of any corporation’s activities, The Conservancy will seek input on its analysis as appropriate from regulatory agencies and other key stakeholders, The Conservancy will disclose the identities of companies with whom it engages and the nature and purpose of its corporate engagements.

Corporate reputation, policies, and practices not a material risk to TNC: “These risks include environmental risks; human rights violations or similar abuses by the corporation; prosecution of the corporation for illegalities; regulatory compliance failures in places or countries where the Conservancy works; or a highly-publicized controversy related to the corporation.

Conservancy right to terminate: “The Conservancy must retain its unilateral right to terminate a corporate engagement for reasons relating to actual or potential reputational harm or legal compliance, breach of an agreement, and misuse of the Conservancy’s intellectual property including the Conservancy’s name.”

Environmental Defense Fund “Corporate Donation Policy”

Purpose: “To be truly effective in achieving meaningful and significant environmental gains, we must maintain our independence and our organizational integrity.”

Environmental Defense Fund will not accept a donation from any corporation that is: Engaged in any significant activities that are in direct conflict with Environmental Defense Fund’s environmental protection objectives or activities, a potential beneficiary of advocacy measures Environmental Defense Fund is promoting, or in a Standard Industrial Classification (SIC) code listed by the EDF (mining, fisheries, etc).

Cumberland District Public Health Council “Principles for Corporate Support/ Sponsorship”

We considered the following specific language from this policy: -
CHPHC “will at all times maintain an independent position on public health issues and concerns”, and “will solicit and accept support only for projects and activities that are consistent with the Council’s mission.”

- It is the Policy of CDPHC “not to provide product or service endorsements.” -

“The general expectation is that sponsorships would be non-exclusive,” with potential exceptions - CDPHC’s “intangible intellectual assets, including the Council’s name and logo, will be protected at all times. Sponsors will not be permitted to use CDPHC’s name or logo for any commercial purpose or in connection with the promotion of any product.”

- “CDPHC will be vigilant at all times to avoid any real or apparent conflict of interest in accepting sponsorships.”

The Sierra Club “Gift Acceptance Policy”

The Sierra Club has experienced problems in the past with “Anonymous donations” from Chesapeake Energy, a natural gas producer. These donations were not fully disclosed to the entire board at the time, and the Club experienced brand image problems when the nature of the donations became public. The specific language from the Sierra Club policy that we considered is:

Gifts must be disclosed to the Sierra Club board

“The Sierra Club reserves the right to refuse or return any gift that is not consistent with its mission, that could introduce a conflict of interest, that is prohibitively restrictive, that could expose the Sierra Club to liability or adverse publicity, or that could violate local, state or federal law.

Furthermore, gifts will be accepted only when: (i) Undue influence would not be exerted by the donor to shape the spending of the Sierra Club nor to distort the programs of the Sierra Club (i.e., the independence of the Club’s advocacy or political endorsements is not compromised by the gift); and (ii) The gift does not endanger the public’s trust in the Sierra Club to preserve and protect the environment. For example, the Sierra Club will not accept gifts from recognized major polluters; sources that make or sell, or whose name is widely associated with, a business practice or product that is unusually damaging to the environment; recent (within the last 5 years), significant violators of environmental laws; or major antagonists of environmental organizations. (iii) The sources of the gift are lawful. (iv) No goods, services or more than incidental benefits are provided to the donor or recommending donor if given via a donor advised fund”

Appendix B: Additional questions to consider while using Decision Tree

- A. Is the sponsor associated with practices or products that are in conflict with SER's mission and values?
 - Directly?
 - Indirectly?
- B. Is the sponsor antagonistic towards environmental organizations?
- C. Is the sponsor involved in activities in direct conflict with ecological restoration?
- D. Will the sponsor receive greater benefits than SER in partnership?
- E. Will partnership tarnish the brand of SER?
- F. Can malicious restoration practices be separated from benevolent?
- G. Does sponsor spend more money on destructive practices or restorative practices?

Appendix C: Sample Memorandum of Understanding Text

This is a voluntary partnership between _____ (organization name) and the Society for Ecological Restoration (SER), collectively “the Parties”. SER seeks to promote restoration as a vital tool for recovering degraded landscapes. In order to best achieve this goal, SER seeks financial assistance through corporate sponsorships. SER faces exceptional challenges in accepting corporate sponsors because of its unique position bridging degradation and restoration. The very industries and entities that are most in need of restoration expertise and information are likely the very same entities that have caused the most ecological damage. This Memorandum sets guidelines to any corporate sponsorship to provide full transparency and to ensure that this sponsorship is in the best interest of the field of ecological restoration and of the Parties. This Memorandum takes effect when signed by both Parties.

Upon becoming an SER sponsor, your organization and contact information will be considered publicly available information. The responsibilities of each party—SER and _____ (organization name) —are summarized below.

SER’S RESPONSIBILITIES

- Provide benefits to partner, as determined by level of sponsorship.
- Provide resources to partner to further partner’s involvement in ecological restoration.

PARTNER’S RESPONSIBILITIES

- Provide financial support to SER.
- Continue to conduct itself in a manner that aligns with SER’s mission and values

GENERAL TERMS

- Either party can terminate this agreement, without cause or penalty, and both will then cease to publicize the Parties’ partnership with SER (must be submitted in writing).
- The Sponsoring Party agrees that it will not claim or imply that its partnership with SER constitutes SER approval or endorsement of anything other than the Sponsoring Party’s commitment to financially support SER
- The relationship with the Sponsoring Party remains transparent and SER remains independent of the Sponsoring Party.
- Sponsoring Party has no influence over any actions, activities, policies or public statements made by SER.
- The Sponsoring Party will not use the SER logo without explicit permission
- ** OTHER **

