



## **Draft Work Plan – March 23, 2005**

### **MSWG Policy Academy**

Fiscal Year 2005

### **Introduction and Organization**

The purpose of this work plan is to direct the activities of the MSWG Policy Academy for fiscal year 2005. The sections of this work plan include:

- Introduction and organization
- Background and history
- Board of Regents recommended process
- Review of fiscal year 2004 activities (the first year of implementation)
- Proposed projects for fiscal 2005
- Funding model and fund raising
- Administration/Broad of Regents Support
- Budget Summary

### **Background and history**

The Policy Academy is a program of the MSWG. Here are the Mission Statement, Principles and Goals of the Policy Academy:

- Mission Statement: Through education, dialogue and research, the Policy Academy on Environmental Management Tools will develop and provide information on credible and effective environmental management systems and other public policy tools that can be used in the pursuit of improved environmental performance and sustainability.
- The Academy shall:
  - Be inclusive/multi-stakeholder driven
  - Teach about holistic environmental management tools
  - Focus on enhanced reporting
  - Conduct research and disseminate information
  - Enhance the current regulatory system
  - Promote and use common language

- Be community/ecosystem based for overall sustainable development
- Serve the principles of honestly and open communication
- Goals:
  - Policy Education
  - Capacity Building
  - Open Dialogue
  - Citizen Involvement
  - Sponsored and shared Research
  - Advance Best Practices

### **Board of Regents Recommended Process**

The Academy Board of Regents has recommended a process, or flow for funded projects. This process would include:

- A dialogue on an emerging issue concerning environmental management tools;
- Research on and the identification of education needs for interested sectors;
- The development of curriculum tailored to meet identified education needs;
- Conduct pilot level education to test and tune curriculum;
- Revise curriculum based upon pilot evaluations; and
- Make the education available and an Academy product and market as demand dictates.

### **Review of Activities of Fiscal Year 2004**

#### **Dialogue of MSWG EVEMS**

**What:** A facilitated Dialogue to present and receive feedback and suggestions on the draft EVEMS Guidance. This was a one-day session open to stakeholders from all sectors. The Dialogue was widely noticed and included 20 participants. The result of the Dialogue was specific recommendations to MSWG on the EVEMS. There were specified learning objectives.

**How:** The Dialogue was designed, organized and facilitated by members of the EVEMS committee and Research Task Team of MSWG without direct compensation. The meeting was designed to elicit focused comments on the draft EVEMS and to identify the experiences from all stakeholders regarding the development and implementation of EVEMS type systems to date. Special effort was made to include firms with existing EMS that fit the model of EVEMS, and to roll these firms' participation in the Focus Group effort.

**When:** The event took place in Chicago on December 9, 2003.

**Cost:** The estimated cost is 10K. This covered meeting facility costs and limited travel stipends.

## **EVEMS Research Project via Focus Groups, Curriculum Development and Pilot Training**

**What:** Two focus groups of facility representatives and other stakeholders that are implementing EMS that have the attributes similar to an EVEMS (note: the project was expanded to include the examination of the Facilities Reporting Project –“FRP”). The focus groups examined the experiences of facilities in implementing EVEMS and FRP, positive and negative. The subjects that were explored included costs, benefits, and best practices. The result of this research will be a report of findings and a template (expanded guidance) on approaches for EVEMS and FRP implementation, and appropriate revisions to the EVEMS and FRP guidance.

Upon the completion of the MSWG EVEMS document and the report of the focus group research, an educational curriculum will be developed and tested. This education program will be targeted at stakeholders, business and others, who want to understand the value of EVEMS and FRP and best practices for EVEMS and FRP development and implementation.

**How:** An RFP was prepared and released to academic research institutions interested in conducting this work. Bidders were asked to propose focus group design concepts, criteria for selecting participants, curriculum and pilot training approach and a project work plan. The RFP called for the successful bidder to secure additional funding support.

The results of this project will include an education design that will be delivered as a pilot. The curriculum should include: presentations of the concepts on EVEMS and best practices case studies and interactive exercises. A final report will include a revised curriculum and an evaluation of the pilot course.

**When:** The RFP was released in January of 2004. The focus groups were held during the summer of 2004. It was hoped the curriculum development and pilot education program could be completed by November of 2004. The successful bidder was a team headed by CERES, with support from the Pacific Institute. They now anticipate the completion of three or four pilot projects that will demonstrate the FRP and will stress the transparency and stakeholder portions of EVEMS. In addition, the team is working with the State of Texas CEQ and the Department of Defense to complete a curriculum development and pilot training program. This work will be completed in 2005.

**Cost:** The Academy made 20K available as “seed money” for this project. It is estimated that the entire project would cost approximately 90K. The Policy Academy Committee has worked with the CERES team to identify and solicit the addition funding required.

## **Dialogue on EMS, Laws and Regulations – The Role of Government**

Note: This dialogue will also follow the model described above. It is hoped the results of this effort could result in the identification of education needs and a curriculum to address the identified needs.

What: A facilitated dialogue on the roles of government in promoting and rewarding the implementation of EMS and other innovative environmental performance tools. This will be a Dialogue designed for the participation of stakeholders from all sectors. The dialogue will focus on the models, experiences, and lessons, of government activity to date. The result of this Dialogue would be a report with findings and recommendations.

How: The Policy Academy Committee selected the team of the University of Massachusetts at Lowell and The Kennedy School of Harvard University. The dialogue is scheduled for March 31, 2005 at the Kennedy School in Cambridge, MA.

Cost: The Policy Academy has made 10K available as “seed money” for this Dialogue. It is estimated that the entire project would cost approximately 30K.

### **Dialogue on Sorting the Tools that Improve Environmental Performance**

What: This Dialogue was designed to build upon the environmental performance tools Dialogues supported by the Academy last year in California and New York. This was a two-day event designed to further sort, evaluate and rank innovative environmental performance tools. The results of this Dialogue will be a report identifying an environmental performance toolbox. The Dialogue was designed for the participation of stakeholders from all sectors.

How: A team headed by the firm of Consensus Solutions was awarded this effort

When: This Dialogue was held fall February 3<sup>rd</sup> and 4<sup>th</sup> at Pace University at White Plains, NY.

Cost: The Policy Academy made available 10K “seed money” for this project. It was estimated that the total cost of this dialogue will be approximately 25K. Significant in-kind support was made available by Pace University and other team members.

### **Proposed Projects for Fiscal 2005**

#### **EVEMS and FRP**

This project will continue through fiscal 2005, as described above.

#### **Sorting Tools that Improve Environmental Performance**

What: Based upon the results and report of the White Plains Dialogue, the Policy Academy plans to develop curriculum and have that curriculum pilot tested to various stakeholder audiences.

How: An RFP will be prepared and released to those interested in performing this work. It is the desire of the Board of Regents to identify sources of funds to support this effort.

When: The target for preparation and release of the RFP is the summer of 2005. It hoped the work can be completed during the fall. Ideally, this work would take place in at least three geographically diverse USEPA regions.

Cost: An initial estimate for this effort is 60k.

## **Laws and Regulations – The Role of Government**

The Board of Regents will review the results of the March Dialogue and determine the appropriate follow on activities. This could be: additional research, curriculum development or the preparation of a publication. The cost is to be determine.

## **Adam Smith-Rachel Carson Ecological Due-Diligence Initiative**

This is a new Policy Academy initiative for fiscal year 2005. It is based upon the following hypothesis: Complex and changing risks affect the economic and social franchises of businesses. The concept of Ecological Due Diligence recognized the role of environmental conduct plays in risk and need for systems that verify multi-faceted environmental performance and serve shareholders and stakeholders. Eco-Due Diligence also may support public policies that promote beyond compliance performance of regulated aspects, controlling of unregulated aspects and performing ecological good deeds. In the context of general law in representative democracies with a free enterprise system, Eco-Due Diligence also may relate to domestic company law; the social license; governance; capital investment; reputation and brand management.

In this regard, the Policy Academy, is proposing three activities for fiscal year 2005:

1. **Design the initiative:** This work product develops the Initiative, validates it with a multiple interests and prepares two dialogue proposals with budgets and deliverables. The Initiative has four goals: a. To create a new vocabulary; b. To create a network of vocabulary users; c. To support theory and practice for all of the Initiative's entrepreneurs; d. To create and connect a community of practice. To be credible the Initiative must: be grounded in business governance, engage government and non-government interests, be supported in business' educational and professional infrastructure. This element supports: a temporary project manager; input from NGOs, government, business and academic interests; three conference calls and one design meeting and vetting. Deliverable: Project white paper, road map and two fundable dialogues. Budget: \$25,000.
2. **East Coast Dialogue:** This work product is a dialogue and report on ecological due diligence and value creation as directed by top corporate officers. It is held on a university campus with strong reputation in business, law and environment. Domestic standing is essential; international standing is added value. This dialogue is focused on

how scholars, teachers and practitioners think about Ecological Due Diligence and value creation as pursued by top executives, supported by staff such as environmental, health and safety officers. The dialogue begins the community of practice on the East Coast. Deliverable: The business case, inside looking out, its vocabulary and inaugural names in the Initiatives network. Budget: \$35,000

3. **West Coast Dialogue:** This work product is a dialogue and report on developing, protecting and using reputation capital for standing with consumers, citizens, employees and other stakeholders. It explores the potential of information to build and protect the social license of a firm. It is documented by researchers and created by corporate leadership. Special focus is placed on universal shareholders that control or influence large investment pools and require information for their investment. Deliverable: The business case outside looking in, its vocabulary and inaugural names in the Initiatives network. Budget: \$35,000

An exact time line and support solicitation will be determined by the Board of Regents. Specific funding will be sought for this effort.

**Note:** It maybe that one or more of the fiscal year 2005 requests for proposals will be released together allowing for single, multiple or coordinated bids. In addition, it maybe suggested that 2005 dialogue events be coordinated with MSWG quarterly meetings.

### **Additional Efforts and State Based Programs**

The Board of Regents is open to additional program concepts and welcomes recommendations from all stakeholders. In addition, the Policy Academy supports “state based” approaches. If a member state has an interest in being a lead participant in any of the work plan activities or in proposing additional work, that is welcome.

### **Funding Model and Fund Raising**

For the last three years, covering the planning phase, the pilot phase and the first year of implementation, the Joyce Foundation has provided funding to support the Policy Academy. It has been the funding philosophy of the Academy that funds be sought 1/3 from foundations, 1/3 from government and 1/3 from business interests. During the first three years of operation the Academy and the events it has sponsored have received funding from several organizations in addition to the Joyce Foundation, including: USEPA, the American Chemistry Council, the Koch Industries Foundation, and Anheuser-Busch Inc. The States of Wisconsin, California and New York have also provided in-kind services. The Joyce Foundation has indicated that their support of the first year of implementation would be their last direct grant to the Academy.

At the Board of Regents meeting on October 5, 2004, the Board agreed to develop a funding strategy and the following principles:

- One of the primary responsibilities of each Board member is to raise funds for the Academy
- Participating Board members should consider contributing to the Academy
- The philosophy of seeking funding from 1/3 foundations, 1/3 government and 1/3 business should be continued
- The Academy should identify opportunities to generate revenue from it' s educational functions
- The Academy should have a policy that recoups it' s expenses from contractors that generate profit from products that are produced through Academy sponsored work

The Board of Regents will utilize the activities of this work plan to approach foundations, government and private contributors to gain support.

**Project Administration/Board of Regents Support**

The current estimate for project administration is 25K for fiscal year 2005. In addition, the Board of Regents will meet ‘face to face’ three times during the year at a cost of 15k.

**Budget Summary Table**

|                                    |   |
|------------------------------------|---|
| EVEMS/FRP Research and Training    | No cost                                   |
| Laws and Regulations Follow-up     | Activity and Cost to be Determined        |
| Sorting Tools Curriculum and Pilot | 60k                                       |
| Smith/Carson                       | 95k                                       |
| Administration                     | 25k                                       |
| Board activities                   | 15k                                       |
| Total                              | 195k plus cost of Laws and Regs follow-up |