

A daunting new challenge – are standards the right mechanism to advance corporate social responsibility?

Can ISO standards or other deliverables play a role in addressing the challenges in corporate social responsibility? The ISO/COPOLCO (ISO Committee on consumer policy) workshop on 10 June 2002 in Port-of-Spain, Trinidad, entitled “Corporate social responsibility – Concepts and solutions,” focussed on examining whether ISO standards might serve as useful tools in the vast and

complex universe of corporate social responsibility. Some 170 participants listened to the fascinating debates on the wide-ranging topics that come under the global definition of corporate social responsibility. Industry, business, consumer, environmentalist, trades’ union views from developed and developing countries brought divergent emphasis and focus on the issues.

COPOLCO is now seeking to take the issue a stage further, and to have the question studied by all the different stakeholders who could have an interest in creating – and inputting into – Corporate social responsibility standards, grouped into a strategic advisory group. It has put this recommendation forward to ISO Council, ISO’s governing body, for a decision.



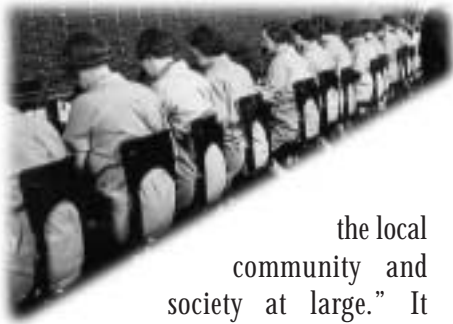
CSR –
a “social
package” making
fast headway

Corporate social responsibility is about the values and standards by which businesses operate. **Mr. Clement K. Sankat**, Chair of Trinidad and Tobago Bureau of



Standards (TTBS), called it “the commitment of business to behave ethically, operate legally and

contribute to economic development while improving the quality of life of its employees and their families, as well as



the local community and society at large.” It affects every aspect of the business, from the source of the raw materials and how they are produced to what happens to the products and services. A document published in 2001 by BT (British Telecom) on “the economics of sustainable business” concluded that: “It is impossible to consider the economic dimension in isolation from the social or the environment.” To be exposed as greedy, insensitive, or uncaring is disastrous for business, often in the short term, but even more certainly in the longer term.

“Enlightened business enterprises will view CSR as an integral part of business performance, strategic planning, and the decision-making process.”

Recent examples abound of companies being “caught out” for having worked with subcontractors using sweatshop labour, employing untested pesticides, exposing their workers to unnecessary risks, forcing workers to do overtime, exploiting children and paying derisory wages, being negligent about waste and effluents, etc. Such exposures can leave companies reeling after the shock. Their image in the public conscience is often durably dented, and repercussions on sales, considerable. It is not only a matter of altruism – it is also a matter of money.

Many businesses were trying sincerely to tackle the issues of ethical trading. “It’s not by chance that many compa-

nies behave like this,” said **Ms. Ziva Patir**, Director General of SII (Standards Institute of Israel). Big companies find themselves grappling with tough questions about how they can meet the financial demands of shareholders while at the same time improve their impact on society in general. CSR standards from ISO, she contended, could, in this context, be most valuable to them.



A short-term view is short-sighted

Trinidad and Tobago’s Minister of Trade and Industry, **Mr. Kenneth Valley**, set the scene: “As corporations provide their



environments for long-term profitability, they must of necessity consider the constraints posed by the environment external to the firm. The uninitiated may consider these external constraints as restraints on the firm’s ability to maximize profits. The reality is that such a view is myopic since a neglect of these societal constraints compromises the very existence of the firm, witness Enron.”

“Substantive obligations are owed to all of a firm’s affected societal stakeholders throughout the supply chain, from customers, workers, and their families, to suppliers, the community at large, the environment, investors, shareholders and governments,” continued Mr. Valley. It is important to get the message understood across the board, but specifically in business and industry, that looking after other parties’ interests is a form of “enlightened self-interest”, and is, effectively, looking after one’s own. Indeed, “enlightened business enterprises will view CSR as an integral

part of business performance, strategic planning, and the decision-making process, said the Minister.

Success for any business over time requires a concentration by the firm on profit optimization rather than profit maximization, he went on. The fact of the matter is that bottom-line concerns embrace other factors beside short-term profit, and corporate business responsibility is simply good business sense. Finally, he concluded “the benefits from any future ISO CSR standards will only be fully realized with the cooperation and commitment of the various agencies and organizations that have a stake in seeing higher levels of corporate social responsibility in practice.”

ISO is well positioned to take the leadership

Dr. Kernaghan Webb, Chief of Research and Senior Legal Policy Advisor, Canadian Office of Consumer Affairs, member of the ISO/COPOLCO working group “Consumer protection in the Global



Market,” and working group project leader who drafted the comprehensive *Report on the desirability*

*and feasibility of ISO Corporate social responsibility standards*¹, gave an overview of the conclusions drawn from the work accomplished. He said that “in

¹ For the executive summary from the ISO/COPOLCO working group “Consumer protection in the Global Market,” Report on the desirability and feasibility of ISO Corporate social responsibility standards, see: <http://www.iso.org/iso/en/commcentre/presentations/wkshps.seminars/copolco/copolco2002/cop2002summary.pdf> For the complete presentations given at the workshop: <http://www.iso.org/iso/en/commcentre/presentations/wkshps-seminars/copolco/copolco2002/cop2002summariesofpresentations.pdf>



recognition of the wide variation in operating conditions from firm to firm, sector to sector, and country to country, there is a strong need to devise approaches to corporate responsibility which are flexible and practical so that they can be used by small, medium and large businesses operating in both developed and developing countries." His working group recommended taking the issue a stage further, and having it studied by all the different stakeholders in corporate social responsibility, grouped in a strategic advisory group.

Whatever the outcome, cautioned Dr. Webb, echoing in this the words of Mr. Valley, "ISO standards would be only part of an effective response to that challenge, focusing on management system standards which assist in operationalizing CSR responsibilities within a firm but do not by and of themselves set prescriptive substantive performance obligations." The *Report* included arguments against ISO corporate social responsibility management system standards (CSR MSSs) – but also the responses to counter those arguments.

A CSR MSS would need to be used in combination with other legal or regulatory tools developed by international organizations. Such a standard from an internationally recognized body such as ISO, known for balanced, transparent, multi-stakeholder and voluntary stan-

dards, with a track record of market-based and market-accepted MSSs, could however make a big difference, and be the tool that some international businesses and organizations would feel comfortable in using. It could reassure them that they were doing, in all good faith, what they could to ensure fair and reasonable employment to many thousands of people all over the globe and the communities dependent on them.

"ISO is well positioned to take leadership with respect to the development of voluntary corporate social responsibility management systems," Dr. Webb said, "and could build on the intellectual and practical infrastructure of ISO 9000 and ISO 14000 MSSs and the momentum associated with close to a half-million firms certified as compliant to these systems. As with ISO 9000 and ISO 14001, firms could self-declare compliance with the proposed ISO CSR MSSs, or seek certificates from authorized third parties." He sketched out the bare bones of what such an MSS might look like, the differences as well as the similarities between it and the other ISO MSSs. Dr. Webb re-emphasized, however, that in his view, this MSS would be just one piece – albeit a fundamental building block – of effective CSR approaches.

Dr. Webb also gave a detailed view of why, in the view of the working group, ISO represented the most appropriate forum for the development of CSR MSSs. "It is an opportunity," commented Ms. Ziva Patir, Director General of SII, "for ISO to add to its relevance in world affairs."



Global trade – but with global social guarantees for employees

The Minister of Trade and Industry, Mr. Kenneth Valley, spoke of Trinidad and the countries of the Caribbean as being "linked in expanding circles of regional integration." Trade means

The five foundations of a corporate social responsibility MSS

Five elements emerged from the Consumer Protection in the Global Market Working Group Report as fundamental to the effective implementation of any CSR principles:

- identification and selection by a firm of relevant substantive CSR norms and principles;
- techniques for engaging the full range of stakeholders impacted by a firm's activities in firm-level corporate responsibility development and implementation approaches;
- processes and systems to ensure effective operationalization of CSR commitments and objectives, and measurable, verifiable results;
- techniques for the verification of progress towards CR commitments and objectives;
- techniques for stakeholder and public reporting and communication.

An effective approach to CSR will necessarily involve all five elements, and will also be flexible and practical so that it is useable by firms in widely divergent environments.

global trade. "We are engaged in gearing to penetrate export markets, since our very survival depends on this. It is not a question as to whether we shall export, but rather what and how," he said.

"From a Caribbean perspective, commented Mr. Clement K. Sankat, Chair of TTBS, "CSR does not appear new, but in today's globalized world of transnational corporations, CSR is being given new impetus and possibly new meaning.

“We have all experienced the positive role which industrial companies have played in the social and economic well-being of their communities in the pre- and post-independence era,” he went on. Despite attitudes that had sometimes been judged ‘paternalistic’ or even ‘patronizing’, the benefits were real. “As many of these corporations experienced the processes of nationalization and their privatization in the 1970’s, 1980’s and 1990’s, however,” continued Mr. Sankat, “their bottom line began to focus on financial performance. Much of their social engagements and community involvement were picked up by local and central government; some of these were not as successful as they should have been.”

“ISO is well positioned to take leadership with respect to the development of voluntary corporate social responsibility management systems.”

Corporate social responsibility has a special relevance for developing countries, said Dr. Webb, even though corporations cannot and should not be expected to assume the role of governments in protecting the public interest. Despite fears expressed at the breakout group discussions that some developing countries already had “enough problems” digesting the previous two series of MSSs, and that a CSR MSS could look like another set of management system standards ‘imposed’ on them, Dr. Webb advanced some strong arguments that the existence of CSR MSS could work in favour of countries needing support and protection. Because of their participation within ISO, such developing countries had a real opportunity to participate in the development of the standards. They also had a real opportunity to participate

in the implementation of the standards in their jurisdiction, and the assurance that those firms in developing countries which have in place ISO CR MSSs are complying with an internationally accepted standard. Finally, there is every chance that firms complying with ISO CR MSSs will contribute to the economic, environmental and social well-being of the communities in which they operate, and operate approaches within their MSS that reflect the specific circumstances of those communities.



What can be done – Levi Strauss provides a concrete example

There was nothing new in corporate social responsibility systems. Many already exist, of varying quality, developed by international organizations as well as individual firms. “Even good-faith efforts to be socially and environmentally responsible may suffer in the confusing sea of variable quality initiatives,” deplored Kernaghan Webb.

In answer to its own needs, as well as after listening to its consumers’ demands, **Mr. Mo Rajan**, Director, Worldwide Government Affairs and Public Policy of Levi Strauss & Co., gave an account of the system of assessment and ratings being used within his firm that



allowed them to make an accurate evaluation of the situation of any country in which they were envisaging

setting up a factory or a site, from the point of view of its human rights record, its employment situation and its social environment.

Based on the assessment made, a country is given a rating: Level 1 was minimal risk; Level 2 was manageable risk; Level 3 was significant risk that required the approval of the Senior Vice President Supply Chain, or the Region



President. Finally, for Level 4: High risk, no business at all could be conducted.

The type of challenges involved included changing country climate (political, economic, human rights), balancing risks with potential opportunities, protecting brand image, and corporate reputation.

Among the terms of engagement were certain supplier issues such as: ethical standards, legal requirements; environmental requirements; community involvement, and employment standards; within the latter, aspects such as child labour, prison or forced labour, disciplinary practices, working hours, wages and benefits, freedom of association, discrimination and health and safety were weighed up individually.

When taking the step to establish a plant in a country, therefore, Levi Strauss & Co. did so in agreement with the local authorities, and with full knowledge of what the needs of the local community were that it undertook to fulfil. This being the case, when it decided that, on balance, it could justify establishing a site somewhere, it knew where it was putting its feet. The local community benefited, the country benefited, and the company also benefited – though, said Mr. Rajan, it ploughed back many benefits into the country and the community.

And, in the view of Mr. Rajan, an ISO standard could be of real value in indexing these measures in terms of an international benchmark, with a non-onerous management process. In the future, collaboration with the local authorities, transparency, standardization of the monitoring and reporting process would be developed, using, if possible, a minimum number of global standards and a management process.

This would help avoid the purely sporadic philanthropic gestures with public relations benefits in mind operated by some firms, and favour long-term collaborative efforts with local authorities bearing the lasting interests of the population in mind.



Corporate manipulation of national vulnerabilities

Seen from the perspective of **Mr. David Abdulah**, Chief Education and Research Officer, Oilfield Workers Trades Union in



Trinidad and Tobago, the picture was less bright in “an imperfect market where competition is not

between equal firms, and where there is little or no regulation.” “The outcome,” he said, “is that business is driven not by the objective of efficiently producing the best quality product, but rather by the race to produce the best financial bottom line and shareholder value.” Mr. Abdulah observed that “this obsession with the bottom line became more important than the efficient delivery of services.”

“Competitiveness has led to a reduction, not an increase in the number of firms since one way to beat competition is to eliminate it,” he said, and emphasized the disproportionate power that mega-corporations represented – and wielded. He quoted Noreema Hertz, Associate Director at the Centre of International Business and Management at the University of Cambridge: “51 of the 100 biggest economies in the world are now corporations, and only 49 are nation states... Governments once battled for physical territory; today they fight for market share.” The result is that often a multinational corporation “obtains investment conditions that are just not acceptable and would certainly not be possible in its home country. This

“...Multinationals are too important to be left to voluntary and self-generated standards.”

unevenness in bargaining strength is aggravated by the fact that most developing countries have economies that are structurally dependent on the export of one set of goods or one service.” He quoted the case of Dominica, a neighbouring Caribbean island, almost totally dependent on export of the banana.



Unevenness in bargaining strength

Mr. Abdulah stressed that COPOLCO's choice of theme was “an indication of the forward-thinking of ISO that has for some time been concerned about the manner in which corporations have been functioning to the disadvantage of national and human development.” However, he said, quoting the United Nations Development Programme (UNDP) Report of 1999, “A multilateral code of conduct needs to be developed

CSR for protection

The issue was extremely topical, and a fitting theme in the context of a developing country. The natural beauty of the island of Trinidad and the infectious optimism of its people cannot occult the need for protection of its working population with an economy based largely on the petroleum industry and its derived products in a globalizing world. Today, issues concerning the behaviour of corporations towards its local stakeholders, its suppliers, its workers, and its customers – as well as its shareholders – are being forced into corporate boardrooms all over the world.

A mention of corporate social responsibility often brings to mind the protection of children, of exploited labour, of unjust conditions imposed on developing country workers by international companies switching their production sites to

take advantage of the best financial operations, where their first worry is the shareholder's profit and the company's bottom line, not their workers' well-being.



If these considerations do certainly come under the wing of corporate social responsibility, the field is much wider; in developed countries,

situations arise in which employees and workers find themselves treated without consideration, and their jobs, livelihoods and conditions disposed of or regulated at the whim of distant bosses or boardrooms. The spate of recent spectacular collapses and revelations of financial malpractices shows what can happen when huge companies fail to apply ethical values or appropriate social behaviour in their operations.

for multinational corporations. They are held to codes of conduct only for what national legislation requires on the social and environmental impact of their operations. True, they have taken up voluntary codes of ethical behaviour. But multinationals are too important to be left to voluntary standards," deplored Mr. Abdulah (adding, as an aside, that he would also have said "too powerful").

"The management systems standards or other type of ISO document envisaged would need to give due consideration to the widely differing possibilities and requirements of developing countries."

Indeed even when adequate national laws or standards exist, many countries just do not have the resources to police and implement them, and the corporations can, said David Abdulah, "violate the law with some impunity." Speculative capital ('hot money') accounts for more than 80% of all daily cross-border capital flows, and the sole objective of these movements being profit, the effects can often be dramatic and usually negative in developing countries. Nor indeed, said Mr. Abdulah, were the issues of free trade necessarily being dealt with by the World Trade Organization to the benefit of the workers' interests in the developing world, and gave the recent banana dispute as an example.

Finally he broached the delicate issue of corruption, mentioning that, following the Enron debacle, BP (British Petroleum) had announced that it would no longer contribute to any political campaign anywhere in the world. He noted that corruption had become more prevalent where the liberalized environment had resulted in more

intense competition. In this context, an internationally recognized standard of corporate behaviour might help render the practice of corrupting others and being corrupted not only undesirable, but also make it simply "not done" and unacceptable.

Mr. David Abdulah concluded that the very existence of ISO CSR standards, however, although voluntary and probably not implemented by all firms, "will raise a bar on how corporations function". A "triple bottom line (economic, social and environmental performance) culture" would certainly be an advance. And education would play a big role: consumers should be encouraged to purchase in priority those goods and services that have been produced by corporations that were certified to any eventual future ISO CSR standards.



Synergies between CSR and other management systems

The interest of an ISO standard would be to provide a common platform of criteria for all companies worldwide to judge

themselves and to be judged upon. The intention for such a standard would be to work within the "triple bottom line" concept in which economic, social and environmental parameters for measuring corporate social performance were embodied. "A standard based on a holistic approach that involves all aspects of life will be an excellent tool for the guidance of corporate managers, and will enable a real contribution to the community," said Ms. Ziva Patir, Director General of SII.

ISO would be the best forum for the development of a standard in this area. After product standards, "ISO management systems took the concept of standardization a step further," said Ziva Patir. A CSR management system could be fully compatible with existing ISO management systems and could have the advantage of profiting from the lessons learned during and after the development of the two existing ISO series of MSSs on quality and the environment. These could then form a trio of ISO management standards, and be three pillars supporting business efforts to show that they cared about quality, the environment, and the social effects of their production or activity. "The success we have achieved with Quality management systems comes from the triangular



model of its implementation, a combination of Awareness, Demand and Infrastructure,” said Ms. Ziva Patir. Furthermore, ISO might be able to combine some of the CSR requirements with those in QMS (quality management systems) and EMS (environmental management systems) and thereby produce less of a burden to industry in terms of certification.

Dr. Kernaghan Webb had looked at why ISO standards fit the corporate responsibility story, and studied the initiatives, national and international, underway, with which an ISO management standard would mesh easily. Describing SII’s CSR standard, Ms. Ziva Patir said that it represents “a holistic approach to quality”.



Opportunities and pitfalls for an eventual ISO CSR MSS

Mr. Iwao Taka, Professor at R-BEC, Reitaku University, Chiba, Japan, gave an account of the history, development, and workings of the national Japanese management systems standard for ethics compliance, ECS2000, *Ethics compliance management system standard*



2000. His account of the experiences of using the MS standard in his country and of its use in practice were revealing,



and allowed him to suggest some opportunities and pitfalls to avoid for an eventual ISO CSR MSS. Created

in the wake of scandals in the Japanese financial sector, it was hoped that this national standard would become a “code” for business in the new millennium. The management system standard approach was adopted after much discussion as the only way possible to deal with the issue of diversity (legal, ethical, social issues, for each corporation) – which exists even in an apparently homogeneous society such as Japan’s, so that the standard was created using a base framework similar to that of the ISO 14000 series. Mr. Taka said that by treating the CSR standard as a management system standard, it was able to contain and treat the diversity issue in a “consistent, creative and dynamic manner.”

The standard puts great emphasis on ethical/legal compliance. The general structure of the standard is composed of four management processes (Plan, Do, Check, Act). Such a standard does not lay down the objectives that any organization should pursue, but lets each determine its own objectives.

“Of importance,” mentioned Mr. Taka in establishing the CSR standard “is motivating organizations to get involved in CSR activities. If they feel there is little or no incentive, the CSR standard will have little effect in changing corporate behaviour, the business world, or the overall situation.” Most attractive to a corporation in this respect is to position CSR activities as a competitive advantage. “ISO should learn from its own past successful achievements in the process of making the management system standards, especially the experience of developing ISO 14001,” said Mr. Taka.

In the Japanese standard, “ethical/legal compliance” means obeying not

“... Often a multinational corporation obtains investment conditions that are just not acceptable and would certainly not be possible in its home country.”

only the letter but the spirit of the relevant laws, regulations, and codes of conduct. The interpretation of this point was important, as Mr. Taka drew attention to the potential gap existing between customers’ expectations and possible disappointments. Situations might be imagined where it is discovered after the event that a certified organization has indulged in unethical business practices that were not apparent at the time of certification. If such an event were to occur, not only the reputation of the organization but also the fundamental credibility of the entire ISO certification system could thus be damaged, he warned.



Market growth is not transparent, balanced, or equitable

The consumers are increasingly concerned with labour protection, the environment and the social aspects of a firm’s activities. They will less and less accept to buy goods made by firms who have not respected a code of good conduct in their dealings with their suppliers and employees.

“The work of ISO COPOLCO in bringing consumer interests to the fore within ISO is vital,” said Mr. Clement K. Sankat, Chair of TTBS, “as, in the final analysis, we are all consumers, and standardization must work for us.”

Mr. José Vargas Niello, regional director



of the Consumers International Office for Latin America, pursued this idea, dwelling on the issue of fairness. "From the moment we are born, we are consumers according to our possibilities, although as we grow up, our capacity to consume will vary greatly depending on our social class and the country where we live," he said.

"In the current economic model, relations of consumption are highly unequal, and consumers are generally at a disadvantage to producers or suppliers." In developing countries in Latin America, Asia and Africa, indeed, the acceleration of communications, information, and advertising, along with the arrival of Internet and e-commerce, "have instilled consumption patterns imposed by the interests of large

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transnational corporations, which have little or nothing to do with the cultures, customs and habits of the areas concerned," he declared. "What a young child consumes today in the Caribbean is not substantially different from what a child buys in Madrid or in Kuala Lumpur," he continued. "The worldwide supply of goods has become so abundant and at the same time so uniform that consumption has turned into an a-cultural act, and what's worse, it has become completely unsustainable."

Faced with the new realities of globalization, the consumer movement must focus its priorities on creating fair, transparent and competitive markets and on



achieving sustainable consumption and development. All of this should be carried out within a framework of equity, a search for social justice, consolidation of democracy, greater governability and more citizen participation. "But we also consider it a priority that relations of consumption operate in an environment where ethical treatment prevails, on behalf of both producers and consumers. If relations of consumption are not based on ethical values, then norms, standards and certification do not make any sense," he said.

Considering this changing scenario, "we recognize the necessity to promote standardization as a way to diminish the negative effects that modernity, free markets and globalization have on consumers," he said, and looked at how and where the standardization process can help the latter, and how consumers, in turn, can influence standardization in the interests of all.



Ethics at the heart of justice and morality

Kenneth Munroe-Brown, Attorney at



Law and Director of Trinidad's Public Interest Research Group (PIRG), Port of Spain, looked at the

question of Corporate Social Responsibility from the point of view of Ethics and Accountability in the context of Trinidad and made recommendations

for improving the quality of justice.

"Our organization," he said, "the Public Interest Research Group (PIRG) has gained notoriety for its relentless drive to tidy up the local banking system."

Ethics is at the heart of justice and morality, and accountability is a check on ethics and deals with trust and confidence. The absence of both ethics and accountability can, in the view of many philosophers, lead to the destruction of society.

President Robinson of Trinidad and Tobago, said Mr. Munroe-Brown, had recently cautioned the country that "bad habits gather in small degrees like streams into rivers and rivers into seas", and reminded it of the relevance and need for moral and spiritual values in the affairs of man, state and country. PIRG considered that the system of justice needed to do a better job at measuring up against spiritual and moral values and the rule of law, and made five specific recommendations for this. And, added Kenneth Munroe-Brown, "You may wish to consider whether any of these recommendations are applicable to your country."



A sharing of responsibility for sustainable consumption and production

Corporate social responsibility is a whole, covering the range of areas where man's actions within an industry affect others, both within and outside of that industry. And today, "societal issues" said Mr. Kenneth Valley, Trinidad's Minister of Trade and Industry, "are being forced onto the corporate agenda."

Indeed, the term "sustainable" was often heard. "Sustainable development must be the foundation of economic transformation," said Mr. Valley. "In Trinidad and Tobago, with a depleting oil and gas base, our corporations should lead the way to putting in place a

strategy for development which emphasizes sustainable growth for communities of the nation, not for 40 or 50 years, but for the next 100 years and beyond," added Mr. Clement Sankat, Chairman of TTBS.

Ms. Charmaine Gomes, Programme Specialist, Environment and Governance, UN Development Programme (UNDP) addressed the specific issue of sustainable production and consumption.



"The utilization of inappropriate technologies and the wide-

spread adoption of unsustainable production patterns are inefficient in the use of renewable resources, and lead to pollution, energy inefficiency, high yields of waste, and workplace hazards such as toxic chemical exposure, physical and ergonomic risks and even psychological stress," she said. It was no use "crying over spilled milk," she suggested, and "instead of attempting to clean up pollution, we should address it at its source, in other words it would be more sensible to prevent it from the very start of the production process."

Sustainable production could be best addressed in a participatory approach. Workers and communities contribute knowledge, experience and creativity to solving complex problems that affect their lives. "Getting the world onto a sustainable consumption trajectory will take decades," Ms. Gomes admitted, but that was no reason for delaying action – quite the contrary. There is a growing desire among individual and corporate consumers to choose environmentally superior goods and services. "If sustainable consumption is to be achieved, it will become increasingly necessary in such situations to put sustainability first. This will not necessarily require economic sacrifices: indeed, welfare and employment may be increased."

"The OECD, government and the business sector have recognized that environmental improvements have to be made to patterns of consumption and

production in ways that raise the quality of life and enhance efficiency and competitiveness," said Ms. Charmaine Gomes. The UN Commission on Sustainable Development had pointed to the need to target policy measures at changing the behaviour of individual households, business, governments, and international organizations.

Ms. Gomes suggested various means of addressing the critical themes including assessing trends in industry production patterns and identifying policies and strategies for cleaner production, and providing better access to information on cleaner production technologies for developing countries and countries with economies in transition.



Overabundant, diverse initiatives intimidate firms into doing nothing

One of the most encouraging signals to emerge from the COPOLCO workshop was the acknowledgement of the "buy-in" by industry; their participation in the issue is even more crucial than for the ISO 9000 and ISO 14000 industries. Businesses are perturbed by the number and varying quality of CSR initiatives now in the marketplace, and are often intimidated into doing nothing. The multi-stakeholder forum or any other initiatives envisaged need strong industry representation to succeed, and the project had to be prepared carefully.

The acceptance of such a standard by industry and the importance of avoiding misleading claims in advertising (of being in conformity with CSR standards when such is not the case), the need to educate consumers about CSR, and the need to find mechanisms to address cases of misuse of claims (e.g. agreements of certifying bodies) would be crucial for any standard or guidelines



developed. More work needs to be done to study the needs of the wide numbers of stakeholders, as well as to examine in detail the national experiences in Spain, Israel, Japan and others.

Any management system standard or other type of ISO document envisaged would need to give due consideration to the widely differing possibilities and requirements of developing countries. It would take into account their fears of having another set of management system standards set up (after ISO 9000 and ISO 14000) which could represent a further layer of requirements imposed on them to implement. At the same time, it could help assuage the fears of industry that such a standard would affect their bottom line, and represent yet further expense for little added value.

"This is the beginning of the beginning," said Caroline Warne, Chair of COPOLCO, "and it was most encouraging at this workshop to see industry, business, consumers and the standards community seeking to reach consensus on this important issue, and to look for a cohesive, constructive way forward. We have made a very good start for finding common ground, and hope we have come one step closer to considering corporate social responsibility standards a reality."

Appearing on Trinidad television, Mrs. Warne emphasized that though international standards are for voluntary application, history has proved them powerful levers to improve situations. "Their force," she said, "is their usefulness, and because of this, they become gradually accepted benchmarks of behaviour." □