



**CSR, the real one:
how to make money in a sustainable way**



Marinus W. Sikkel

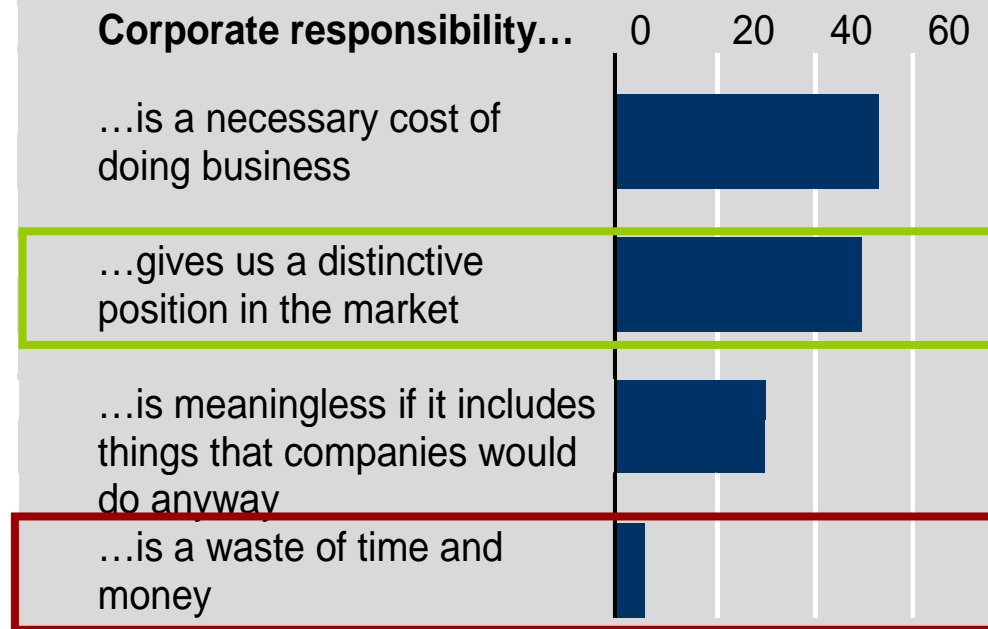
Chief, Private Sector and Development Section, Trade and Investment Division, ESCAP

Real CSR

is **not** a waste of time and money”
it's a way of making money!

Pros and cons

Which of the following do you agree with?, %



Source: Economist Intelligence Unit

Plethora of Codes of Conduct



UN Global Compact



"Let us choose to unite the powers of markets with the authority of universal ideas. Let us choose to reconcile the creative forces of private entrepreneurship with the needs of the disadvantaged and the requirements of future generations."

SECRETARY-GENERAL KOFI ANNAN PROPOSES GLOBAL COMPACT ON HUMAN RIGHTS, LABOUR, ENVIRONMENT, IN ADDRESS TO WORLD ECONOMIC FORUM IN DAVOS (1999/02/01)

UN Global Compact



**Main UN Vehicle
for CSR**



**Cooperation
with UN
Agencies**



**Well Over 800
Companies in
Asia**

The Global Compact is not about how you spend your money

Giving away money

Planting a few trees

PR photo opportunities

Being a “caring” company



The Global Compact is about how you make your money



Business contributes...

...but not always the right thing



The 10 Principles



Human Rights

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence; and;

Principle 2

make sure that they are not complicit in human rights abuses.



Labour

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4

the elimination of all forms of forced and compulsory labour;

Principle 5

the effective abolition of child labour; and

Principle 6

the elimination of discrimination in respect of employment and occupation.



Environment

Principle 7

Businesses should support a precautionary approach to environmental challenges;

Principle 8

undertake initiatives to promote greater environmental responsibility; and

Principle 9

encourage the development and diffusion of environmentally friendly technologies.



Anti-Corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

Benefits for GC Members



Increased competitiveness



Improved operational efficiency

Improved risk management

Ensuring accountability

License to operate



The GC participants

The Coca-Cola Company

 **TATA**

KCE

IAA
APPRAISAL
FOUNDATION

 **SUNFOOD**
SunFood International Co., Ltd.

P&G

Microsoft


NISSAN

TNT

PRANDA GROUP


intel

 **中国石油化工股份有限公司**
CHINA PETROLEUM & CHEMICAL CORPORATION



Unilever

TOSHIBA
Leading Innovation >>>


NIKE

Human Rights

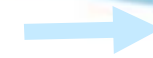
Kelani Valley Plantation, Sri Lanka

**Business
Driver**

Consumer's
New Needs



CSR Actions



Results



Edge in
ethical branding

Home for Every Plantation Worker Programm

- Living Environment
- Health & Nutrition
- Community Development
- Youth Empowerment

Labour Viyellatex, Bangladesh

Business Driver

Degraded
Human capital

CSR Actions



Results

Highly productive
workforce

Strong labour standards

- Clear contracts
- 20% higher minimum pay scale
- Regular training programme

Environment

Asian Overland Services, Malaysia

Business Driver

Responsible Tourism



CSR Actions



Results

Cost savings

Environmental Conservation

- Reducing water consumption
- Recycling renovation waste
- Organic food production

Anti-corruption China Development Bank, China

Business Driver

Operations
risk
handling



CSR Actions



Results

Better management
of stakeholder
expectations

Corruption Prevention System



- 4 inspection lines
- Over 10 anti-corruption mechanisms



I4D Project

www.unescap.org/tid