

CORPORATE SOCIAL RESPONSIBILITY



THE EXTRACTIVE INDUSTRIES

Produced for The World Bank Group: Oil, Gas & Mining Policy Unit

A. L. Parlow©,2007

OIL, GAS AND MINING SECTORS

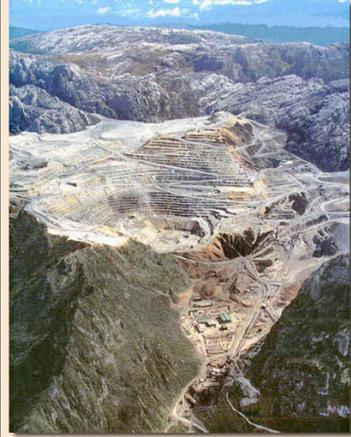


Photo from Global Policy Forum



CSR & 'Social License to Operate'

CORPORATE SOCIAL RESPONSIBILITY

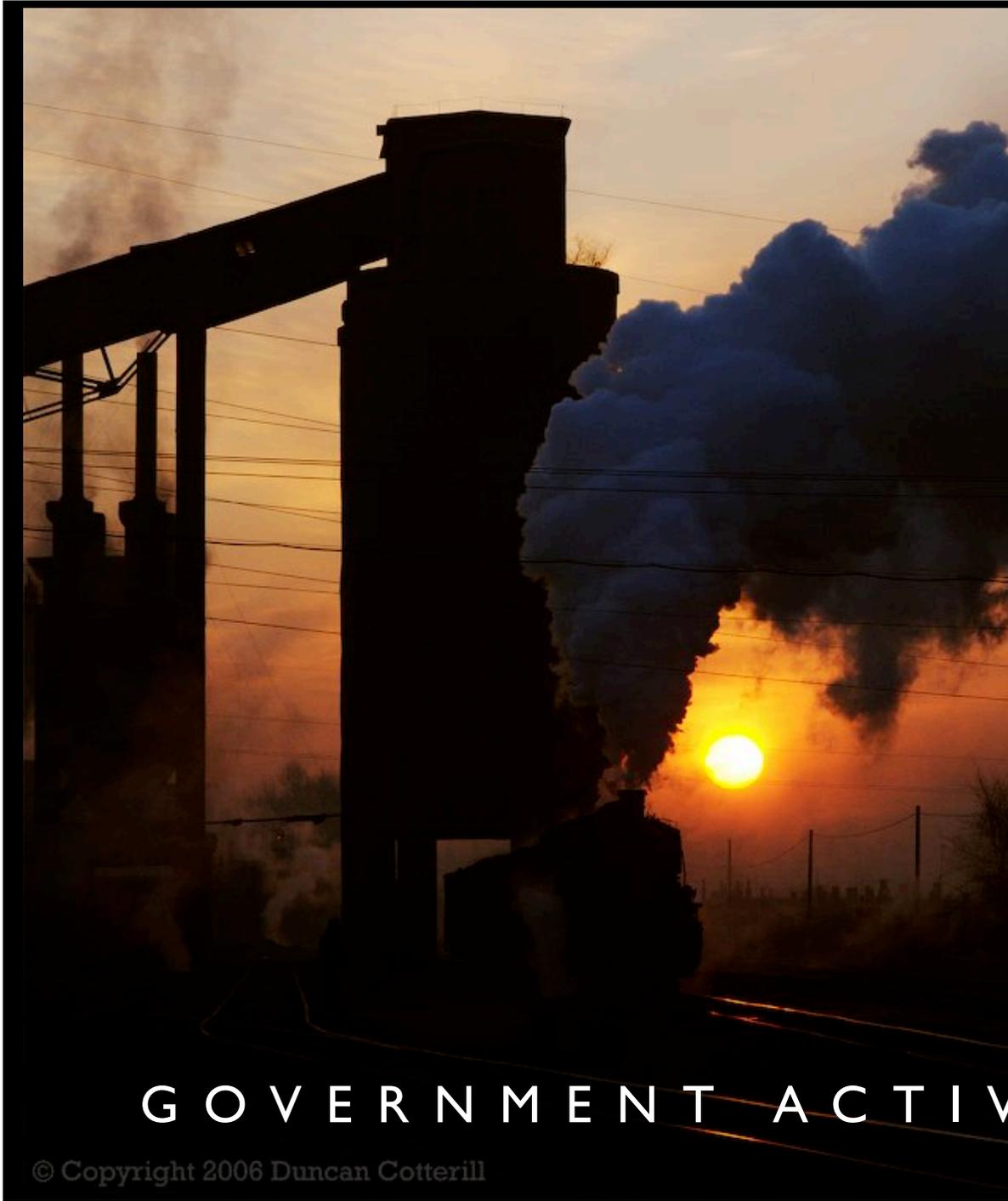


- Poverty amidst plenty
- Enlightened self-interest

INTEGRATING BUSINESS AND SOCIETY



Mobilize private sector finance



- Business partnerships
- Regulatory capacity
- PRSPs

GOVERNMENT ACTIVITY

C O R P O R A T E P R A C T I C E



- Core business decisions
- ‘Triple Bottom Line’
- Multi-stakeholder initiatives
- Social conflict & political risk management



CASE EXAMPLES

- *AVON*
 - AWARENESS AMONGST MANAGERS OF ISSUES INVOLVED IN WOMEN'S HEALTH CARE
 - INCENTIVES TO SUPPLIERS WITH SHARED VALUES
 - INDEPENDENT OUTSIDE SOCIAL AUDITS TO MAINTAIN TRANSPARENCY AND CREDIBILITY
- *NOVARTIS*
 - PRODUCED A CODE OF CONDUCT OUTLINING COMMITMENT FROM MANAGEMENT
 - DETAILED ANALYSIS OF POTENTIAL VULNERABILITIES
 - RESEARCH AGENDA THAT RESPONDS TO PRESSING SOCIAL PROBLEMS
- *ROYAL DUTCH SHELL*
 - MAJOR SOCIO-ECONOMIC DEVELOPMENT INITIATIVES IN NIGER DELTA
 - SUPPORT FOR EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE
 - FINDING COMMON GROUND WITH THOSE WHO LIVE IN POVERTY AMONGST PLENTY

CIVIL SOCIETY & NGOs



INTERNATIONAL LAW, COVENANTS & TREATIES

Announcing The Global Compact
January 31, 1999

- CSR Points of Reference
- Voluntary Principles
- Mandatory Standards
- Corporate Codes of Conduct



THE BASIC FRAMEWORK OF CSR IS INTERNATIONAL LAW

KEY COVENANTS, TREATIES, CONVENTIONS INCLUDE

- Universal Declaration of Human Rights
- Covenant on Social, Economic and Cultural Rights
- ILO Conventions and Recommendations
- OECD Guidelines
- UN Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises
- Voluntary Principles on Security and Human Rights
- UN Declaration on the Rights of Indigenous Peoples
- African Charter on Human & Peoples' Rights
- Convention on the Rights of the Child
- Convention on the Elimination of Discrimination Against Women

THE GLOBAL COMPACT: Voluntary Codes of Conduct

- Labour, health and safety
- Environment
- Human Rights

CORPORATE CODES OF CONDUCT

- Broad CSR Categories ['Social license to operate']
- Environmental & Social Impacts

KEY ISSUE: Without national regulatory laws & capacity to enforce, CSR is left to political rather than legal battleground. Diminishes national capacity to regulate transnational corporate activity

KEY QUESTIONS

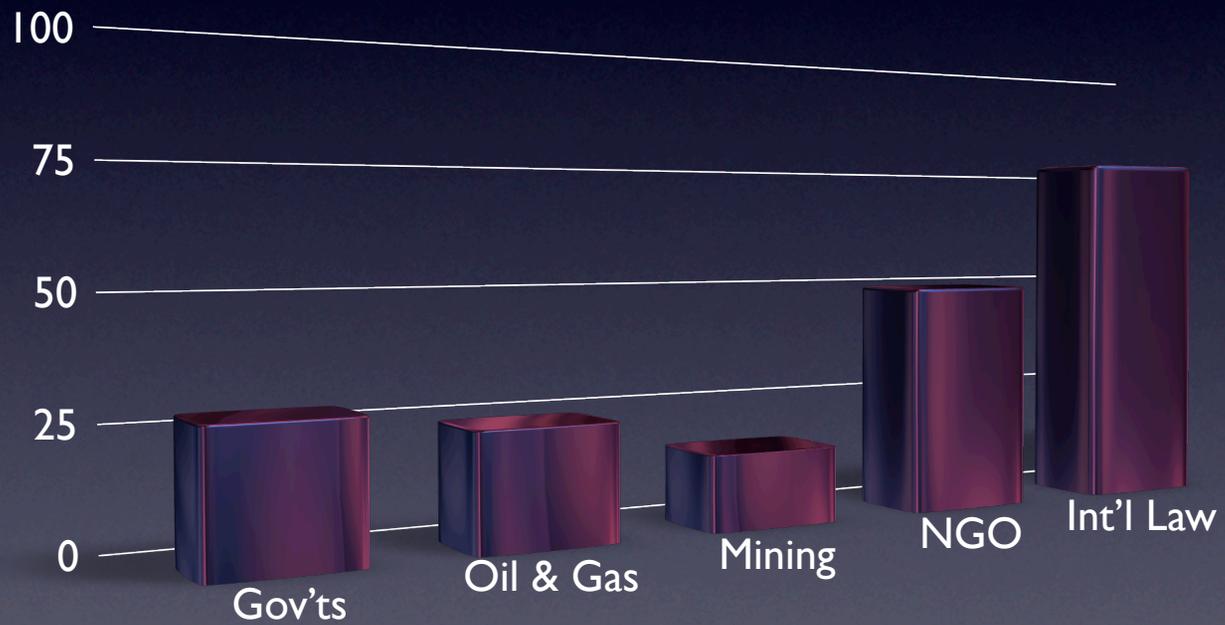
- How to align government approaches to poverty reduction with CSR?
- How to more ably develop national women and child-centered CSR poverty reduction standards & strategies?

WOMEN AND CHILDREN



- Greatest Injuries
- Least-financed
- Community Anchors
- Policy Inputs

MAINSTREAMING WOMEN & CHILDREN



BEST PRACTICES

Corporate Social Responsibility



- Community Empowerment
- Funding local social programs
- Sustained macro approaches, e.g., governance and revenue management

BEST PRACTICES

- AUDITS & SOCIAL IMPACT MAPPING OF WOMEN AND CHILDREN IN MINING REGIONS TO DETERMINE SUSTAINABILITY
- EDUCATE MANAGEMENT OF CEDAW AND CRC PRINCIPLES FOR CSR PARAMETERS
- LOCAL COMMUNITIES PARTICIPATE IN BASELINE SOCIAL DUE DILIGENCE
- PRIVATE–PUBLIC SECTOR PARTNERSHIPS FOCUSED ON LOCAL WOMEN AND CHILDREN'S ISSUES
- ACCURATE AND DETAILED INFORMATION PROVIDED TO WOMEN AND CHILDREN REGARDING IMPACTS
- FREE, PRIOR AND INFORMED CONSENT: OPEN AND TRANSPARENT CONSULTATIONS AT COMMUNITY LEVELS, INCLUDING INDIGENOUS PEOPLES
- CODES OF CONDUCT & MANAGEMENT STRATEGIES BEFORE, DURING AND AFTER MINING OPERATIONS
- ENHANCE GOVERNMENT CAPACITY TO REGULATE, LEGISLATE AND PRODUCE PRSP's FOCUS ON WOMEN AND CHILDREN
- TRANSPARENCY IN REVENUES AND PAYMENTS TO NATIONAL GOVERNMENT
- LOCAL FINANCIAL COMPENSATION
- EMPLOYMENT, MICRO–CREDIT AND SMEs
- DISPUTE AND GRIEVANCE MECHANISMS
- USE OF ENVIRONMENTALLY SOUND TECHNOLOGY AND MINIMISE DISTURBANCE TO ECOLOGY. INCLUDE 'NO-GO' AREAS
- ENSURE THAT LOCAL COMMUNITIES ARE FREE FROM THREATS OF VIOLENCE

CONCLUSIONS & RECOMMENDATIONS

- The World Bank Group
An Honest Broker
- Community-based consultations
- Gender Guidelines – TTLs
- Case Studies
- Country-specific road maps



THE WORLD BANK GROUP

AN HONEST BROKER

- WBG
- A KEY CATALYST TO MAINSTREAM WOMEN AND CHILDREN IN POVERTY REDUCTION IN OGM REGIONS
 - PSRP'S TO ASSIST GOVERNMENTS IN DEVELOPING LEGISLATIVE, MANAGERIAL AND OPERATIONAL CAPACITY THAT FOCUS ON WOMEN AND CHILDREN
 - BUILD UPON EIR INITIATIVES WITH COMPANIES
 - REQUIRE INTEGRATED ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENTS
 - MONITOR IMPLEMENTATION. DECLINE TO FINANCE PROJECTS THAT LACK EFFECTIVE SOCIAL AND ENVIRONMENTAL POLICIES, WITH WOMEN AND CHILDREN MORE PROMINENT
 - PROMOTE TRANSPARENCY IN REVENUE FLOWS AND CAPACITY TO MANAGE REVENUES
 - BUILD ON NEW COUNTRY-SPECIFIC PROJECTS SUCH AS THE CHAD-CAMEROON PIPELINE
 - IMPROVE CONSENT PROCESSES AND GRIEVANCE MECHANISMS

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