CSR360 GLOBAL PARTNER NETWORK

Business in the Community INTERNATIONAL

"CSR: A Global Overview"

2010



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About this Guide

This Guide has been created in association between BITC International and CSR360 GPN.

Purpose of the guide

"CSR: A Global Overview" aims to provide an overview of the status, priorities and trends related to corporate social responsibility (CSR) in different countries around the Globe. The main objective of the report is to provide a brief, yet useful and informative overview of the context for CSR in each of the included countries. BITC International expects this to be a useful tool for all members of BITC and partner organisations of the CSR360 Global Partner Network.

Sources

The main sources used to gather the information for the report have been:

- Country questionnaires sent to the partners of the CSR360 GPN
- Internet

Research conducted by Business in the Community's 'Opportunity Now' team in collaboration with the 'Race for Opportunity' team regarding Diversity and Equal opportunities.

Content

In "CSR: A Global Overview", information about 37 countries across the Globe has been gathered. The information on each country is divided in nine sections:

- Country overview
- Corporate Social Responsibility Understanding
- Community
- Environment and Climate Change
- Marketplace
- Workplace: Diversity and Equal Opportunities
- Human Rights
- Key players
- Sources of Information

Due to the lower grade of presence of CSR in some countries, the amount of information may vary from country to country.

Definitions

The terms used in the report are based on the following definitions:

CSR360 GPN: Business in the Community (BITC) convenes the CSR360 Global Partner Network (GPN), a network of independent organisations from around the world that work in the field of CSR at the interface of Business and Society in order to mobilise business for good. This network currently comprises over 110 not for profit CSR organisations from 60 different countries around the world. The network offers an infrastructure of local expertise and support through which companies and partners can implement successful campaigns and programmes. The main focus is to promote CSR. The rationale for convening this network is to be able to support companies wherever they operate by working in partnership with local organisations that like BITC are not for profit CSR organisations. For more information on the composition of the network, go to http://www.csr360gpn.org/

Community: Community relates to a group of people or geographical locations. Corporate community engagement focuses on how companies manage their activities in the communities they operate in create a positive impact for both the community and their business.

Environment: The Environment is the world's ecosystems and natural resources that can be directly and indirectly affected by a company's operations, products and services

Adaptation: Response to actual or expected climate stimuli or their effects, which moderates harm or exploits beneficial opportunities

Mitigation: entails all human interventions that reduce the sources of greenhouse gases.

Marketplace: Marketplace responsibility is the integration of responsible business practices into commercial operations (looking at customer and supplier relationships, product and service impact and innovation and business ethics).

Workplace: Workplace is the environment into which individuals are recruited and developed, both professionally and personally, with full entitlement to employment rights

Acknowledgments

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BITC International would like to thank everyone for the effort and support provided throughout the process.

ARGENTINA 

Country overview

Argentina's macroeconomic performance in recent years has been largely strong. Consecutive years of rapid and pro-poor economic growth enabled poverty and unemployment to be cut to levels experienced prior to the country's 2001-2002 economic crisis. However, the economy started to decelerate in late 2008 due to domestic and international factors. The administration of President Cristina Fernández de Kirchner seeks to maintain economic growth and stability.

In recent years, Argentina's growth has been strong and underpinned by twin surpluses (fiscal and external). In 2007, the economy grew by 8.7 percent, the fifth straight year of 8-9 percent growth since the financial crisis of 2001-2002. The recovery was supported by a strong domestic demand, including a dynamic expansion in investment spending since 2003, improved fiscal performance and favourable terms of trade (high commodity prices), particularly since 2006. The economy also benefited from a significant reduction in public debt following the 2005 sovereign debt restructuring. Twin surpluses (fiscal and external) allowed the country to accumulate foreign reserves and reduce the debt burden. The Government's economic framework, aimed at supporting the growth momentum, rested on three main pillars: maintenance of a competitive exchange rate; fiscal prudence; and active income policies. This strategy was very successful. Poverty more than halved from 58 percent in 2003 to 23.4 percent in 2007, and unemployment fell from 21.5 percent in 2003 to 8.3 percent in 2007.

Since 2008, growth was adversely affected by domestic and external factors. The four-month farm conflict that erupted in March 2008 took a toll on the economy, although growth kept its momentum until the second half of 2008 when the global economic crisis began to affect Argentina more strongly.

Corporate Social Responsibility understanding

CSR is a relatively new concept in Argentina. The economic crisis of late 2001 highlighted the social problems that affect even relatively prosperous segments of the population. The active role played by NGOs became particularly noticeable, which increased dramatically over the past few years. This, in turn, has prompted companies to show more social commitment.

Even though the NGOs became more noticeable, are always the same those that can access the media: UNICEF, Un techo para mi paìs or Red Solidaria. The web 2.0 has helped those with less opportunities to reach a wider audience.

Community

The main community based issues are poverty and unemployment.

A great example of a company addressing these issues is Volkswagen SA: According to the head of the company, Volkswagen is training approx. 300 apprentices in cooperation with local vocational schools in Cordoba. In addition, the company is currently establishing an endowed chair of automotive technology at the Universidad de Buenos Aires. The Volkswagen Foundation is financing a program to support outstanding scientists, in cooperation with the Max Planck Society. In a related initiative, Volkswagen is involved in planning an exhibition on innovation and science (among other things, an invitation has been issued to bring the Max Planck Science Tunnel to Buenos Aires in 2010).

Environment and Climate Change

The top issues regarding the environment and sustainability are water pollution, air quality and success in passing and implementing legislation. Argentina is in considerable need of information and technology to promote environmental protection and the efficient use of energy, as well as to facilitate the commercial use of the country's abundant resources (wind and solar energy, hydropower). The perception of the climate change problem is not defined yet, both adaptation and mitigation policies are important and being developed.

Germany's federally owned Deutsche Gesellschaft für technische Zusammenarbeit (GTZ), along with the German-Argentine Chamber of Industry and Commerce and InWent, established the MERCOSUR centre of excellence for CSR, which began its work in June of 2006. Since that time it has devised solutions for small, national and transnational companies in the area of social and ecological responsibility, aimed at enhancing their competitive position and sustainability.

Legal framework around environment and climate change:

- Protocolo de Kyoto de la Convención Marco de Naciones Unidas sobre Cambio Climático (2001)
- Convención Marco de Naciones Unidas sobre Cambio Climático (1993)
- DECRETO NACIONAL:
- Fondo Argentino del Carbono (2005)
- Convención Marco de las Naciones Unidas sobre el Cambio Climático. Desígnase a la Secretaría de Ambiente y Desarrollo Sustentable Autoridad de Aplicación de la Ley Nº24.295 (2002)
- Memorando de Entendimiento con el Banco Mundial (2000)
- Creación de la Oficina Argentina de Implementación Conjunta (1998)
- Comisión Nacional para el Cambio Global del Sistema Climático Terrestre (1991)
- DISPOSICION NACIONAL:
- Programa Nacional de Energías y Combustibles Alternativos (2001)
- RESOLUCION:
- Programa nacional de escenarios climaticos (2005)
- Oficina Argentina de implementacion conjunta como oficina argentina del mecanismo para un desarrollo limpio (2005)

- Normas de Procedimiento para la Evaluación Nacional de Proyectos Presentados ante La Oficina Argentina del Mecanismo para un Desarrollo Limpio (2004)
- Creación de la Comisión de Enlace con Organizaciones de la Sociedad Civil (2004)
- Aprobación del Mecanismo de Consulta Previa (2004)
- Creación de la Unidad de Cambio Climático (2003)
- Registro de Instituciones Evaluadoras en el ámbito de la Oficina Argentina del Mecanismo para un Desarrollo Limpio (2002)
- Programa Nacional sobre Impactos en Cambio Climático (2001)
- Programa Nacional de Biocombustibles (2001)
- Reglamento de funcionamiento del Comité Ejecutivo de la Oficina de Argentina de Implementación Conjunta (OAIC) (1999)

Marketplace

Due to the economic recovery and social-policy measures that were put in place after the crisis of 2001/2002, the official unemployment rate has dropped to approximately 8.5 percent. Still, one-quarter of those who are capable of working are underemployed. Both in the country's interior and in the greater Buenos Aires area, people's basic needs are only inadequately met, and 30 percent of the population remains below the poverty line. Microcredits have proved to be particularly successful at bringing about sustainable improvement and studies have shown to have a positive effect on the status of women in society, quality of life and education.

Argentina's consumers are currently more concerned with getting good value for their money than with a company's social engagement or environmentally friendly production. Nevertheless, strategic CSR initiatives enhance a brand's image, strengthen its credibility and lead to greater confidence in the company. They can be an indispensable tool for cultivating political connections (to a range of people and institutions, from local mayors to agencies of the national government). They represent investments in the country's development and thus also new market opportunities.

The German-Argentine Chamber of Industry and Commerce, the German Embassy and political foundations are good sources of information on institutions and local conditions.

The search engine Guia Solidaria [1]provides a useful overview of the most important NGOs, organized by the focus of their work.

Idealistas.org is the most used in Argentina... it has NGO information as well as events, volunteer and jobs opportunities.

It is widely agreed that Argentina has a well-developed legal and institutional framework for dealing with corruption; however, key laws and institutions reportedly face major implementation and enforcement shortcomings, leaving them largely ineffective.

1 http://www.guiasolidaria.org.ar

President Kirchner has initiated several measures to deal with allegations of politicisation and corruption within the judiciary, such as reforming the process of nominations of Supreme Court judges. Observers see this as a positive step towards increased transparency and neutrality within the judiciary.

Risks of corruption:

- The protection of free competition and property rights is impeded by corruption within the judiciary and political pressure on judges.
- Corruption and politicisation within the judiciary and public administration make regulating property acquisition and enforcing property rights difficult in Argentina.
- Tender procedures in the provinces have been identified as vulnerable to bribery and nepotism.
- Companies report that they experience corruption in tax collection, where they face frequent interaction with tax officials.
- Customs administration has been rife with corruption; While some observers suggest that this situation is changing, others still consider the customs officials at border crossings to be coimeros, i.e. officials who receive bribes.

Workplace: Diversity and Equal opportunities

Discrimination is forbidden on the grounds of sex, race, nationality, religion, political opinion, trade union activity or age. The 1994 Constitution established a number of workers' rights, including dignified and equitable working conditions; equal pay for equal work; free and democratic labour union organisation. Some of the above rights have been actually implemented by laws or regulations. During maternity leave the female worker is entitled to cash benefits paid out of Social Security funds. A woman worker is entitled, for one year, to two daily breaks, of thirty minutes each, to breastfeed her child.

Argentina – and Latin America in general – is not known for a tolerance of sexual diversity and there is no specific legislation. However, Congress is currently debating a same-sex marriage bill which, if approved, would be the first same-sex marriage bill in Latin America. On 19 August 2008, the Government of Argentina confirmed that it was allowing cohabitating same-sex couples (who had lived together for a period of more than five years) the right to collect the pensions of their deceased partners. This signalled the first time that unregistered cohabitation and rights for same-sex partners were recognised nationwide.

Human Rights

The main human right violations are indigenous rights, ill treatment in prisons, the police action which is too violent in some cases and domestic violence.

Key players

An extensive list of foreign institutions and NGOs that are involved in Argentina's social sector can be found on the website of the Argentine Foreign Ministry's General Direction of International Cooperation[1]. More than 105,000 socially oriented organizations are active in Argentina, and many of them are potential facilitators for CSR activities.

105000 is an estimated number, and like in the rest of Latin America, is very difficult to know the real one. Besides it includes religious organizations, universities, political parties and sport clubs like River and Boca, because all of them are included in the same category "Asociaciòn Civil".

Sources of information

'Argentina: A Dependency Mentality', A. Muro

1 http://www.mrecic.gov.ar

AUSTRALIA



Country Overview

The Australian Constitution of 1901 established a federal system of government. Under this system, powers are distributed between a federal government (the Commonwealth) and the six States (three Territories - the Australian Capital Territory, the Northern Territory, and Norfolk Island have more limited powers). The Parliament is at the heart of the Commonwealth government. The Parliament consists of The Queen (represented by the Governor-General) and two Houses, the Senate and the House of Representatives. Australia is thus a constitutional monarchy, a federation and a parliamentary democracy.

Kevin Rudd was elected Prime Minister on 24 November 2007. Members of the House of Representatives (Lower House) serve three-year terms. Senators serve fixed six-year terms (From 1 July). It is usual to hold a full House of Representatives and a half-Senate election simultaneously every three years.

Almost two decades of continuous economic growth, a low unemployment rate and a strong banking system, which is the result of a series of structural and policy reforms, have all left Australia better placed in the face of a global economic downturn than many other developed nations.

Although analysts warn that the worst is far from over and we may yet see one or two quarters of negative growth, it appears that Australia has so far avoided a technical recession. This is partly due to the Government's early intervention in pumping billions of dollars into the economy through cash handouts and the announcement of major infrastructure expenditure, and partly to favourable terms of trade and a limited exposure to toxic overseas assets.

The country however is currently facing a significantly changed economic environment, and although Australia's economy will out-perform those of other advanced nations this year, recovery will be slow and fragile. There is debate over the need for further stimulus, but most commentators agree that now is no time to curb spending. Interest rates are at a low 3 per cent and are expected to begin an upward climb within months. Overall, risks to growth have diminished, but the downward drag from low business investment, employment and household incomes will preclude a quick recovery.

The economy continues to benefit from demand for resource and minerals, and it is generally accepted that China's continued growth - albeit slower than previously thought - holds the key to Australia's recovery on the other end of the current crisis.

Corporate Social Responsibility understanding

CSR is commonly described by its promoters as aligning a company's activities with the social, economic and environmental expectations of its "stakeholders." It has become a multi-billion dollar public relations specialty in the business world.

Community

The main community based issues are employment, environment and indigenous groups.

We can find examples of companies working with these community issues. Among others BHP Billiton has a range of programmes[1]. Please see footnote 1 for information on their programmes.

Environment and Climate Change

The top issues regarding the environment and sustainability are climate change, conservation and invasive species.

The Carbon Pollution Reduction Scheme (CPRS) is an emissions trading scheme, which will use a cap and trade mechanism. The cap - an upper limit on the country's carbon pollution that will be reduced in future years - achieves the environmental outcome. The ability to trade ensures that pollution reduction opportunities throughout the economy are harnessed, which reduces the economic cost of meeting our ambitious carbon pollution reduction targets. The CPRS introduces a price on carbon pollution and ensures that all businesses take this into account when making their business decisions. Also, businesses have reporting obligations[2].

The Australian Government is helping Australian businesses take action to reduce their emissions. For example, through the Clean Business Australia program, the Government is helping to increase the energy efficiency of Australia's buildings and the manufacturing process of our industries, while also helping businesses commercialise products and services that address climate change.

To help businesses pay for energy efficiency improvements that will save time and money, the Government is establishing the Australian Carbon Trust. The trust will bring together public and private funding, innovative business approaches and technical knowledge to help business and community groups invest in energy efficiency and reduce emissions.

The Australian Government has also created the Climate Change Action Fund to provide assistance to businesses, community sector organisations, workers, regions and communities,

1http://www.bhpbilliton.com/bb/sustainableDevelopment/socialResponsibility/communityProgramsAndFoundations/waCommunityPrograms/goldfieldsesperance.jsp
2 http://www.climatechange.gov.au/government/initiatives/national-greenhouse-energy-reporting.aspx

to help them as Australia moves to a low-carbon economy. The fund will help businesses and community organisations identify and adopt energy efficiency opportunities, to reduce both energy bills and their emissions.

The Government also recognises the importance of training Australians so they are ready to join the new clean industries and take up the new green-collar jobs of the future. Skills for the Carbon Challenge will help develop and trial training resources and qualifications that teach green skills and sustainability principles across a number of industries. A full list of the legal requirements for companies operating in Australia has been published[1]. There is a network called Climate Action Network Australia[2] comprised of over 65 different groups.

Marketplace

There is special consumer protection of vulnerable consumers: people with low or no income, people having poor reading, writing and numerical sills, having a serious chronic illness, suffering from the effects of drunkenness or prescription or other drugs, homelessness, being young or old and being indigenous or having a non English speaking background.

Companies are taking steps to support vulnerable consumers. See for instance recommendations from the Telecommunication Industry Ombudsman normally followed by companies[3].

The main issue around supply chain is the application of efficient management practices with multiple stakeholders, including both large- and small-scale industries.

Workplace: Diversity and Equal opportunities

Australia has anti-discrimination laws for age, disability, race and gender. However, diversity is a new word in Australia; the focus is more on making everyone ' Australian' rather than celebrating diversity. Australia's population is comprised of people from different ethnic and racial backgrounds, some of whom are indigenous to Australia. Language plays a major role in expressing group relations and group conflicts. Current trends in demographics and workforce participation forecast that there will be a labour shortage of 1.4 million workers by the end of the decade (Australian National Training Authority) and organisations are beginning to realise that one option for addressing the skills shortage problem is to develop the potential of women. By 2016, the number of women in the Australian labour force will have increased by 867,600 to 4.9 million, a growth rate almost double that of men (Australian Bureau of Statistics).

Human Rights

1 http://www.climatechange.gov.au/what-you-can-do/business/obligations.aspx
2 http://www.cana.net.au/general-info/climate-change-impacts-australia
3 http://www.tio.com.au/publications/TIO_talk_issues/40/TIOTalks40.pdf

The main violations of human rights are some cases of arbitrary detentions and the violation of the right to have a speedy trial.

Key players

- *Key civil society groups*

http://www.ausaid.gov.au/ngos/accredited.cfm

- *Government agencies active on CSR*

AusAid, Department of Climate Change and Energy Efficiency

- *Business led agencies active on CSR*

Do Something!, Melbourne Cares, St James Ethics Centre

Sources of information

http://www.climatechange.gov.au/

http://www.cana.net.au/general-info/climate-change-impacts-australia

http://hrd.apec.org/index.php/Corporate_Social_Responsibility_in_the_Global_Supply_Chain

http://www.dca.org.au/

http://www.nswccl.org.au/issues/hr_violations.php



BOLIVIA

Country overview

Bolivia is a diverse country located between the Andes Mountains and the Amazon, in which various ethnic groups coexist. It is also one of the poorest and most unequal countries of Latin America, where the rural and indigenous population is particularly vulnerable, in part because of their past exclusion from political and economic power. In this context, in 2006, Evo Morales became the first elected indigenous president in the history of the country, with a campaign based on the increased participation of the poor and the redistribution the country's natural wealth.

Despite the global crisis, Bolivia maintained a solid macroeconomic situation. Economic growth fell from 6.1 percent in 2008 to 3.4 percent in 2009, but was the highest in the region. During this period, Bolivia was affected by lower prices in its main export products, and the fall of the demand on natural gas from Brazil, linked to the crisis and the increase on its own hydroelectric potential. The impact of these events was mitigated by the gradual recovery of commodity prices, growth in mining export volumes - as San Cristóbal reached its maximum capacity, and the moderate impact of the crisis on remittances.

In the context of prudent macroeconomic management, the gradual recovery of the international context and raw material prices are reinforcing the Bolivian situation. To enhance the effects of this new context, the government is trying to promote productive projects, whose implementation will require a greater efficiency in public administration and state enterprises, and wider participation of the private sector[1].

Corporate Social Responsibility understanding

CSR is a new way of doing business in Bolivia. Through it the company manages its operations in a sustainable manner in the economic social and environmental fields, recognising the different audiences' interests. It takes into account necessities of shareholders, employees, community, suppliers and clients being respectful with the environment and the future generations' development.

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/BOLIVIAEXTN/0,,menuPK:322289~pagePK:141132~piPK:141107~theSitePK:322279,00.html

The concept of CSR is the answer to a strategic path that tries to generate more value for companies, by generating long term beneficial relationships. CSR implies a radical change in the behaviour of companies, since it is not just about how much the company earns but about how it earns it.

Community

The main community based issues are poverty, diseases such as malaria, tuberculosis, dengue fever and malnutrition.

There are good practices of companies as for instance: Obra Social "La Caixa"[1].

Environment

The main issues regarding environment and sustainability are degradation, water pollution and air pollution. Bolivia protects its environment, uses its natural resources in a sustainable manner and focuses both on adaptation and mitigation.

Generally speaking, companies lack the ability to comply with environmental legislation. The operative level of companies in their carbon emission control and solid residues generation are insufficient. The inadequate and negative relationship existing between industry and environment is the result of the lack of knowledge of the current legislation, the complexity of administrative procedures and the technical and economic incapability to comply with that legislation.

The Environmental Law protects the environment and natural resources from human beings, promoting sustainable development.

Marketplace

Bolivia is only country in Latin America that does not have a consumer protection law

Companies are not protecting consumers either, especially the financing and banking sector. However, there are associations working for the protection of customers.

Child labour is a big problem in Bolivia.

Workplace: Diversity and Equal opportunities

1 http://www.fundacio.lacaixa.es/cooperacioninternacional/bolivia_es.html

One year after the inauguration of a new Bolivian constitution (2009), President Evo Morales has made significant progress in the fight for gender equality. Half of Bolivia's Cabinet is now female, reflecting the indigenous Quechua principle of "Chacha Warmi" - two sexes, working together to attain equilibrium in the cosmos. Moreover, women now occupy 28% of congressional seats and 47% in the senate.

Until 1952, women were not allowed to vote in Bolivia. Indeed, they weren't allowed to inherit or hold title to land until recently.

The Associated Press reports a land redistribution program created during Morales' first presidential term granted 10,300 property titles to women between 2006 and 2008 - roughly one in three titles.

Furthermore, this progressive government's new constitution also prohibits and punishes all form of discrimination founded on the basis of sex, skin colour, gender, age, sexual orientation and gender identity, origin (promises more power for the poor, Indian majority), culture, nationality, citizenship, language, religious beliefs, ideology, political or philosophical affiliation.

Human Rights

The most important human right violations occurring are racism, discrimination, indigenous rights, equal access to justice, and war on drugs.

Key players

- *Key civil society groups*

http://www.jica-bo.org/publicaciones/200709121902390.directorio_ongs_2007.pdf

- *Government agencies active on CSR*

Departamento de Cooperacion Internacional

- *Business lead initiatives on CR issues*

Coborse, Forum Empresa

Sources of information

http://www.derechos.org/nizkor/bolivia/informes.html

http://www.lidema.org.bo/legislacion/ley1333.pdf

http://www.empresa.org/sitio-2009/index.php?option=com_content&view=article&id=114&Itemid=328



BRAZIL

Country overview

An industrial power and economic giant, with the ninth world GDP measured by purchasing power parity (PPP, 2007), Brazil is the largest country in area and population in Latin America and the Caribbean. Although it has had a history of economic boom and bust and its development has been hampered by high inflation and foreign debt, reforms in the 1990s and ongoing sound macroeconomic and social policies have resulted in an extended period of stability, growth and social gains.

In 2002, Luiz Inácio Lula da Silva of the Workers Party was elected president promising sound fiscal management and social reforms intended to lift millions of Brazilians from poverty, create jobs and income, and decrease Brazil's vulnerability to external crisis. In his first term he oversaw a highly successful two pronged strategy that linked economic stabilization, growth incentives and social inclusion, which led to a landslide re-election in 2006.The country, is also gaining a much higher profile in the international community, assuming a leadership role in areas such as climate change, trade, bio-fuels, AIDS, biodiversity and social technology.

The Growth Acceleration Plan launched in 2007 to increase investment in infrastructure and provide tax incentives to encourage faster and more robust economic growth is credited as one of the major factors behind the country's 5.1% growth in 2008 and its quick recovery from the crisis. Brazil experiences extreme regional differences, especially regarding health, infant mortality and nutrition indicators. Indicators in the richer South and Southeast are normally much better than in the poorer North and North-eastern regions.

Although steadily decreasing, poverty and inequality remain at relatively high levels for a middle income country, and there is still a large gap in access to pre-school and secondary education. After having reached universal coverage in primary education, Brazil is now struggling to improve the quality and outcome of the system, especially at the basic and secondary levels. The country also faces important development challenges in areas that include the combination of the benefits of agricultural growth, environmental protection and the sustainable development the Amazon and other biomes[1].

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/BRAZILEXTN/0,,menuPK:322351~pagePK:141132~piPK:141107~theSitePK:322341,00.html

Population 201,103,330[1]

Government

Following the elections in 2002, the Worker's Party (PT) became the largest party in Congress. It formed a coalition with some 10 other parties, giving it loose control of an overall majority in both chambers. However, in the 2006 elections the PT fell short of a majority in both the Chamber of Deputies and the Senate. The PT is a broad left party with close links to the trade union movement. The main opposition parties are the centre-left Social Democratic Party (PSDB), and the centre-right Democrats Party (DEM), formerly known as the Liberal Front Party (PFL).

Brazil is a Federal Republic consisting of 26 States and the Federal District. States have considerable autonomy, being responsible for such issues as security and education. The President is both Head of State and Leader of the Government. Elections for President and Congress take place every 4 years.

Head of State: President Luiz Inacio Lula da Silva (since 1 January 2003) (Both chief of state and head of government).

Membership of international groupings/organisations: United Nations, Organisation of American States, Mercosul, World Trade Organisation, G77, ALADI (Latin American Integration Association), Rio Group, ECLAC (UN Economic Commission for Latin America & the Caribbean), Union of South American Nations[2].

Political environment

Brazilian politics since the end of the military regime in 1985 have been characterised by a multiplicity of political parties. Many do not have a strong ideological foundation or detailed policy platforms, and are built around shifting small groups of high-profile politicians. In recent years, 4 main parties have come to dominate the political landscape: the PSDB (Brazilian Social –Democratic Party); the PT (Worker's Party); the PMDB (Brazilian Democratic Movement Party); and the DEM (Democrats).

The PSDB's candidate, Fernando Henrique Cardoso, won the presidential elections in 1994, and was re-elected in 1998. The centre-left PSDB (Brazilian Social-Democratic Party) remains important across the country and governs both the state and city of Sao Paulo – the most populous and wealthy state and city in the country. Their Presidential candidate, Geraldo

1 https://www.cia.gov/library/publications/the-world-factbook/geos/br.html
2 http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/south-america/brazil/

Alckmin (a former Governor of Sao Paulo), was the main rival to incumbent President Lula in the 2006 elections.

President Lula, one of the founders and the most charismatic leader of the PT, won the 2002 Presidential elections convincingly with 61% of the vote. This was Lula's fourth attempt at the Presidency. His election represented a vote for change – particularly in taking forward Brazil's social agenda. Lula put pro-poor policies at the top of his agenda, whist also continuing his predecessor's commitment to IMF targets and fiscal discipline.

The 2006 Presidential elections were taken to a second round. However, Lula beat Geraldo Alckmin convincingly with over 60% of the vote. The 'Zero Hunger' campaign (with the aim of providing basic food supplies to millions of families) was Lula's flagship social policy at the start of his first term in office. Later, Lula decided to unify all major social programmes under one flag – Bolsa Família (Family Grant) – with the objective of reaching a wider population and avoiding waste of resources in this area. After his first ministerial reshuffle in early 2003, the new Ministry for Social Development was created to oversee all social programmes.

Serious corruption accusations involving Lula's closest associates and allies began to emerge in 2005, leading to a series of Congressional investigations. Despite attempts to minimise and contain the crisis, the scandal saw the resignation of several leading figures in the PT, and investigation continues in Congress. It dominated press coverage in the build up to October 2006's Presidential, Congressional and State Governor elections. The most visible consequence of this was the fact that the Presidential elections were taken to a second round. The next Presidential elections will be held in October 2010."[1]

Key industries

Textiles, shoes, chemicals, cement, lumber, iron ore, tin, steel, aircraft, motor vehicles and parts, other machinery and equipment.

Gap between rich-poor

Relevant statistics and indicators include:

Population below poverty line: 26% (2008)[2]

Household income or consumption by percentage share: lowest 10% (1.1%) and highest 10% (43%)[3].

1 http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/south-america/brazil/?profile=politics
2 https://www.cia.gov/library/publications/the-world-factbook/geos/br.html
3 https://www.cia.gov/library/publications/the-world-factbook/geos/br.html

Gini Coefficient 55 (1992-1997, 2009 UNHD Report)[1]

Poverty (PPP US$2 per day) has fallen markedly, from 22 percent of the population in 2003 to 9 percent in 2008. Income for Brazil's poor has grown 22 percent since 2002. As a result, inequality in Brazil fell markedly between 2001 and 2007, and is at a 30-year low. Key drivers of this have been low inflation, consistent economic growth, well-focused social programs, and a policy of real increases for the minimum wage[2].

Key cities

City	State	Population
São Paulo	São Paulo	11.037.593
Rio de Janeiro	Rio de Janeiro	6.186.710
Salvador	Bahia	2.998.056
Brasília	Distrito Federal	2.557.000
Fortaleza	Ceará	2.505.552
Belo Horizonte	Minas Gerais	2.452.617
Curitiba	Paraná	1.851.215
Manaus	Amazonas	1.738.641
Recife	Pernambuco	1.561.659
Belém	Pará	1.437.600
Porto Alegre	Rio Grande do Sul	1.436.123
Guarulhos	São Paulo	1.299.283
Goiânia	Goiás	1.281.975
Campinas	São Paulo	1.064.669
São Luís	Maranhão	997.098

Corporate Social Responsibility understanding

As of 1998 CSR was definitely inserted in the public and corporate agendas as one of the most important reputation and image risk management factors. There was a clear change in corporate behaviour, as companies are no longer so defensive regarding social and environmental issues and have become proactive and social players of change. The other social players (the media, academia, labour unions, NGOs, social movements and public agencies) also incorporated CSR in their relationship strategies with businesses.

1 Notes: The Gini index lies between 0 and 100. A value of 0 represents absolute equality and 100 absolute inequality.
2http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/BRAZILEXTN/0,,menuPK:322351~pagePK:141132~piPK:141107~theSitePK:322341,00.html

In late 2006, with the disclosure of the debate surrounding sustainability, CSR gained space in the corporate agenda. The trend of forming a new market for low environmental impact products and services became increasingly evident to businesses. Companies have started associating sustainability to their environmental impacts and CSR to their social impacts.

Community

The main community based issues are value chain[1], poverty[2], inequality and transparency[3] (anti corruption).

Environment

The top issues regarding the environment and sustainability are climate change, water and deforestation.

In 2007 a law regarding Climate Change was created at the Environment Ministry of Climate Change Secretariat. In addition, the National Plan for Climate Change and the Amazon Fund was launched. Both were presented at the Bali conference.

In 2008, the Brazilian Congress received a Draft Law for the National Policies for Climate Change, the establishment of Amazon Fund and the launch of the first version of the National Plan for Climate Change that after intensive consultation process presented the first national goal to reduce deforestation (72% until 2017). In 2009, Brazil decided to become an example to other developing countries to be presented at COP15. The goals to reduce CO2 Emissions between 36,1 to 38,9% by 2020 were defined. In 2009, an Open Letter for Brazilian Companies regarding Climate Change was published[4]. Other relevant initiatives include 'Sustainable Connexions'[5], and the work being undertaken to see if companies are measuring their footprint[6]. Economic reasons are a major barrier for companies to comply with environmental legislation.

Current Environmental issues

Deforestation in the Amazon Basin destroys habitat and endangers a multitude of plant and animal species indigenous to the area; there is a lucrative illegal wildlife trade; air and water

1 http://www.ethos.org.br/DesktopDefault.aspx?TabID=4208&Alias=ethos&Lang=pt-BR
2http://www1.ethos.org.br/EthosWeb/pt/1490/o_instituto_ethos/o_que_fazemos/parcerias/itens/gt_rse_e_combate_a_pobreza.aspx
3 http://www.empresalimpa.org.br
4http://www1.ethos.org.br/EthosWeb/pt/2829/servicos_do_portal/noticias/itens/e_hora_de_tomar_atitudes_.aspx
5 http://www.reporterbrasil.org.br/documentos/conexoes_sustentaveis.pdf
6http://www1.ethos.org.br/EthosWeb/pt/2829/servicos_do_portal/noticias/itens/e_hora_de_tomar_atitudes_.aspx

pollution in Rio de Janeiro, Sao Paulo, and several other large cities; land degradation and water pollution caused by improper mining activities; wetland degradation; severe oil spills.

International Environmental agreements

Party to: Antarctic-Environmental Protocol, Antarctic-Marine Living Resources, Antarctic Seals, Antarctic Treaty, Biodiversity, Climate Change, Climate Change-Kyoto Protocol, Desertification, Endangered Species, Environmental Modification, Hazardous Wastes, Law of the Sea, Marine Dumping, Ozone Layer Protection, Ship Pollution, Tropical Timber 83, Tropical Timber 94, Wetlands, Whaling signed, but not ratified: none of the selected agreements[1]

Environment and Climate Change

Brazil is the 4th largest global emitter of greenhouse gases, 75% of which results from land-use change, in particular deforestation. 18% of the Brazilian Amazon has been deforested since 1970 (an area three times the size of the UK) at an average rate of around one Wales every year. Since 2005, the Brazilian government has announced steady falls in the rate of deforestation—by 25% in 2006 and an additional 20% in 2007 (although there was a slight rise in 2008). Over the same period Brazil has increased the number of protected and indigenous reserves (which now account for around 35% of the Brazilian Amazon), and established a national forestry service. It's National Plan on Climate Change, published in December 2008, sets out a number of domestic targets for the country including zero illegal deforestation by 2017.

The country is one of the most bio diverse in the world. Its six major biomes—Amazon rainforest, wetlands (including the world's largest inland wetland, the Pantanal), semi-arid areas (caatinga), savannah (cerrado), Atlantic forest and marine and coastal areas—are home to between 20 and 30% of world's biodiversity—1,300 species of fish (12 to 15 times the number found in Europe), more than 1,000 species of birds, more than 400 mammals, and 30,000 plants (10% of the world's total). The Amazon represents over half of the world's remaining rainforest (8.5 million square kilometres) and contains one fifth of the world's freshwater. Brazil has 3.5 million square km of coastal and marine waters. Biodiversity is of economic importance—it provides ecosystem services: clean water, fertile soil and regional rainfall, as well as regulating the climate. It is also a potential source of pharmaceutical products and cultural and spiritual significance to Brazil's people who include over 200 indigenous groups.

Brazil hosted the UN Conference on Environment and Development in 1992 (UNCED, the Rio Earth Summit) and played a key role in the World Summit on Sustainable Development in South Africa (referred to as Rio plus 10 by Brazilians), especially in the area of renewable energy. Brazil is a world leader in the production of bio-fuels, bio-ethanol in particular. 46% of its energy is produced from renewable sources.

1 https://www.cia.gov/library/publications/the-world-factbook/geos/br.html

Despite this, incidences of environmental degradation remain high. The environment is a complex political issue in Brazil. This is partly due to Brazil's growing commercial significance, but also to conflicting pressures resulting from poverty, social inequality and developmental needs. Brazil also suffers from corruption, red tape and a shortage of resources for policy implementation.

Brazil plays a crucial and active role in international negotiations on climate change, and was behind the original concept of a Clean Development Mechanism (CDM). It is also active in building partnerships on bio-fuels."[1]

Marketplace

There is protection for different types of consumers. See Akatu[2] for responsible consumption, including responsible consumption at school[3], and for children[4]. Other publications have been produced on responsible consumption for children[5] and adults[6].Supply chain issues are an important issue in Brazil. Companies are applying guidelines and policies in Brazil to avoid bribery and corruption[7].

Workplace: Diversity and Equal opportunities

The 1988 Constitution of Brazil upholds the principle of equality between men and women, particularly within the family, and prohibits all forms of discrimination. The country is a federal state and many legal provisions are defined by state legislations. Women are increasingly present in the production sector and the job market in general, but professional segmentation on the basis of gender and wage inequality persists. Unemployment among Brazilian women is rising, and the situation of black women and women in rural areas is even more precarious (Social Institutions and Gender Index (SIGI), 2009). Brazil has a reputation as a "racial democracy" with ethnicity figures of 53.7% white, Mulatto (mixed white and black) 38.5%, Black 6.2% and others, including Japanese and Arab at 0.9%.

Human Rights

1 http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/south-america/brazil/
2 http://www.akatu.org.br/consumo_consciente/dicas
3 http://www.akatu.org.br/interatividades/forum/consumo-consciente-pode-ser-materia-do-curriculo-escolar/
4 http://www.akatu.org.br/central/noticias/2002/02/90/
5 http://www.avozdocidadao.com.br/images/cartilha_idec_essa_turma.pdf
6 http://www.mundodomarketing.com.br/8,6198,empresas-buscam-potencial-de-consumo-do-idoso.htm
7 http://www.empresalimpa.org.br/

The main human right violations are the violence from the police, torture, poor prison conditions and forced labour[1].

Key players

Key civil society groups GIFE, WWF, ISA, PNBE, WBCSD.

Government agencies active on CSR: CGU, MMA, Secretaria de Derechos Humanos

Sources of information

http://www.doingbusiness.org/Documents/CountryProfiles/BRA.pdf

1 http://www.uniethos.org.br/_Uniethos/Documents/criterios_essenciais_web.pdf

CANADA



Country Overview

Canada is divided into 308 electoral districts (or ridings). Voters in each district elect one Member of Parliament (MP) to send to the House of Commons. There are two chambers in the Canadian Parliament (Bicameral) which consists of the House of Commons (308 seats) and the Senate (normally limited to 105 senators). The House of Commons is elected by direct popular vote to serve five-year terms. The Senate members are appointed to serve until reaching 75 years of age by the governor general and selected on the advice of the Prime Minister.

The federal elections were held on 14 October 2008. Stephen Harper was re-elected Prime Minister. The previous election was held on 23 January 2006. The Conservative party have again only won with sufficient votes to form a minority government and dependent on others' support in Parliament. The Conservatives now hold 143 (up from 124) seats in the House of Commons, the Liberals 76 (down from 103), the Bloc Quebecois (representing constituencies in Quebec Province only) 50, and the New Democratic Party (NDP) 37 with two independents seats. The Conservatives received 37 percent of the votes cast whilst the Liberals received 26 per cent.

The Canadian economy is the eighth largest in the world according to the IMF. As of 2007, its nominal GDP was $1.274 trillion, with growth of 2.7%. It is part of the G8 and other 'rich clubs' such as the OECD.

Unlike most developed economies, Canada has moved from agriculture straight to services, which now account for nearly 67.9% of GDP. This industry is very diverse and includes the retail sector, financial services, real estate, education, health, high-tech, entertainment and tourism. All these sectors are developing at a rapid rate with retail and health leading growth. The service industry employs 75% of the 17.9 million working Canadians.

Another important factor in the country's development was the free trade agreement with the US that was signed in 1989, as well as the NAFTA treaty of 1994. These agreements linked several other key countries such as Mexico, Israel, Chile and Costa Rica to Canada and its economy. In January 2008, the country has also agreed to a Canadian-European free trade association that has further developed its robust economy.

Canada is the second-largest country in the world by land mass (after Russia), and is blessed with natural resources. Oil and lumber - and pulp & paper - are two vital industries and exports. According to the USGS, Canada has the second-largest oil reserves in the world[12].

Corporate Social Responsibility understanding

CSR is a concept with a growing currency within Canada and around the globe, frequently overlapping with similar approaches such as corporate sustainability, corporate sustainable development, corporate responsibility, and corporate citizenship. While CSR does not have a universal definition, many see it as the private sector's way of integrating the economic, social, and environmental imperatives of their activities. As such, CSR closely resembles the business pursuit of sustainable development and the triple bottom line. In addition to integration into corporate structures and processes, CSR also frequently involves creating innovative and proactive solutions to societal and environmental challenges, as well as collaborating with both internal and external stakeholders to improve CSR performance.

Community

The main community based issues are poverty, climate change and youth at risk.

We can find examples of companies working with these community issues. Among others see what Sheppard East BIA is doing in trying to keep impact of community to a minimum[3].

Environment

The top issues regarding the environment and sustainability are air pollution, conservation and climate change.

Canada is said to be the leading country regarding environment legislation.

Although there hasn't been a lot of reporting of it, but Canada's House of Commons has become the first national legislative body to address climate change by passing a bill that calls for an 80% reduction in greenhouse gas emissions over 1990 levels by 2050 – the most commonly accepted level of target reduction among world leaders.

There was a very interesting survey run in February 2010[1]. The main findings of the survey are the following:

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1 http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/north-central-america/canada/?profile=all
2 http://www.economywatch.com/world_economy/canada/
3 More information at http://www.toronto-bia.com/index.php?option=com_content&task=view&id=125&Itemid=1

85 percent of respondents defined corporate environmental leadership in 2010 as not only reporting and verifying your carbon emissions inventory but also reducing your emissions. Well over half anticipate reducing their emissions in the next two to five years, with less than 20 percent of these indicating that their reduction goals are contingent on mandatory regulation.

The survey highlights:

•78 percent of the organizations indicated that they are subject to regulation under the U.S. Environmental Protection Agency's Mandatory Reporting Rule or Environment Canada's GHG Emissions Reporting program, but 82 percent said that their future carbon management or reduction plans are not contingent upon regulation.

•Almost half of survey participants indicated they had already established a carbon reduction goal, and 65 percent indicated that their short-term goals include a carbon emissions reduction plan.

There is a network working with climate change in Canada: Climate Action Network Canada.

Marketplace

The main topics around consumers are having informed consumers and fair trade. Companies are taking positive steps: signing and putting into practice voluntary codes, guidelines and fulfilling standards.

Workplace: Diversity and Equal opportunities

In Canada, federally regulated employers must meet the requirements of the Employment Equity Act. The Employment Equity Act refers to Canadian policies that requires or encourages preferential treatment in employment practices for certain designated groups: women, people with disabilities, Aboriginal peoples, and visible minorities. Employment equity goes beyond mere non-discrimination in requiring these specific groups be targeted for proactive treatment.

Human Rights

Most human rights complaints come from the workplace. As organizations strive to create better communities through their missions, it is important that they also work at creating inclusive workplaces that are respectful and welcoming of diversity. Legislation outlines legal requirements of employers; however, the greater goal is not just about legal compliance but nurturing a cultural of acceptance in our workplaces.

Key players

1 More information at http://dsp-psd.pwgsc.gc.ca/Collection/En56-183-2002E.pdf

- *Key civil society groups*

http://www.iar.ubc.ca/programs/pastprograms/apecresearchandinformationnetworkapecrin/ngoscanada.aspx

- *Government agencies active on CSR*

Environment Canada, Industry Canada, Social Affairs Canada.

- *Business led agencies active on CSR*

Canadian foundation for the Americas http://www.focal.ca/projects/privatesector/corporatesocial/links_s.asp

Canadian Business for Social Responsibility

Sources of information

http://hrcouncil.ca/hr-toolkit/diversity-legislation.cfm

http://www.ic.gc.ca/eic/site/csr-rse.nsf/eng/home

http://www.ec.gc.ca/education/default.asp?lang=En&n=751F0E1B-1

http://eponline.com/articles/2010/03/05/companies-say-they-will-report-reduce-emissions-without-regulation.aspx

CHILE



Country overview

Chile stretches some 4,630 km (2,880 miles) from Peru in the north to Cape Horn in the southern tip of South America. At its widest point, it is only 430 kilometres (265 mi) from the Pacific Ocean to its border with Argentina on the other side of the snow capped Andes. It is a country of enormous topographical diversity. The northern Atacama Desert contains great mineral wealth, primarily copper and nitrates. The Central Valley, including the capital city of Santiago, is the home of Chile's agriculture as well as most of 15 million people. Going south, Chile has forests, mountains, lakes, fjords and canals. About 85% of the country's population lives in urban areas, with 40% living in Santiago and its surroundings.

The current president is Sebastian Piñeira. Chile has been the fastest growing economy in Latin America over the last 15 years, with an average annual per capita growth rate of 4.1 percent over the 15 years following the return of democracy in 1990. However, affluent people have become richer and inequality has grown. Chile has consolidated macroeconomic stability in part through the adoption of a floating exchange rate regime and full-fledged inflation-targeting. Most important has been a carefully calibrated fiscal policy, which has balanced an expanding program of investments in social programs with an unquestioned commitment to countercyclical and disciplined fiscal policy. The country's financial system is large and well-diversified relative to its regional comparators, and the system is viewed as resilient to shocks, with a sound regulatory and supervisory framework[1].

Corporate Social Responsibility understanding

CSR is every year more important and better understood by the companies, the society, and inside the Government

Community

The main community based issues are poverty, education and crime (drugs).

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/CHILEEXTN/0,,menuPK:325283~pagePK:141132~piPK:141107~theSitePK:325273,00.html

There are many different activities, but education-support programs to schools are important to companies (mentoring, technology, infrastructure, etc)

Environment

The top issues regarding the environment and sustainability are pollution, the loss of natural capital. Also the overall environmental regulations constitute a problem as well as greenhouse gasses and energy.

Chile is taking steps to have defined regulations that can guide the country to a compromise to reduce the emissions, especially after Copenhagen and also because Chile is part of the OECD since a few months.

Due to the small proportion of total emissions that the country has (0,2% of the global emissions) and even the big amount of tons/per capita (5 tons CO2/per capita) , the general perception is that not much can be done, but companies (especially multinationals and big ones) and government recently started to take this matter more seriously. The measures can be understood as being more adaptation focused.

Unfortunately a very low percentage of companies report their emissions: less than 10%.

The major barriers for companies to take positive steps are the Energy matrix (i.e. turning from Hydro to Coal), the fact that these steps are costly and customers who do not want to pay more for the products and services and the fact that there is more focus on short term than on long term business strategy.

Marketplace

Some companies operating in the gambling and alcohol industries are taking steps to support vulnerable customers.

The supply chain topic is very new. However, there are some companies that have started working with their supply chain in CSR issues, such as Fair Trade, Climate Change, Recycling, Ethics and Governance.

Companies prevent the payment of bribery mainly through developing their Ethics Code. Overall, transparency and accountability are becoming more important issues.

There are some companies, especially multinational and big nationals, which are working to help their supply chain on issues like: improve labor standards, efficiency programs, waste and recycling.

Workplace: Diversity and Equal opportunities

The Constitution of Chile was reformed in 1999 to include specific provisions upholding equality between men and women and to prohibit gender-based discrimination. In general, however, the country remains marked by persistent sexual inequality. Chile is one of the only states in the world to have elected a female president, Michèle Bachelet, and parity is respected within the government.

Women suffer discrimination on the job market and in politics, the media and the family. The lack of employment opportunities in rural regions drives many women to migrate to urban areas, which now have a gender imbalance weighted toward women (2009 Social Institutions and Gender Index (SIGI). Race is a minor issue in Chile in comparison to class due to the high proportion of mestizos, an indigenous race descended from marriage between the Spanish colonisers and the indigenous people. Class continues to be a major source of tension.

Human Rights

The main human rights issues in Chile include concern over torture and ill treatment, as well as the treatment of the indigenous Mapuche community over land ownership issues.

Related to Indigenous Peoples, the ILO Convention N° 169, ratified by the Chilean Government, is becoming an important instrument for companies.

Key players

- *Government agencies active on CSR*

CONAMA (environment)

COMISION NACIONAL DE ENERGIA (Energy)

Superintendencia de Seguridad Social, SUSESO

Instituto Nacional de Normalización, INN (ISO 26000)

- *Business led agencies active on CSR*

ACCION RSE

Vincular

Fundación Prohumana

SustentaRSE

Americhan Chamber of Commerce, AmCham (Sustainability Committee)

- *Business lead initiatives on CR issues*

Energy, Education, Community, Climate Change, Develop talent inside the companies

GreenBuilding

Sources of information

www.accionrse.cl

www.sustentarse.cl

CHINA 

Country Overview

China is a one-party state with the Chinese Communist Party (CCP) controlling the government. The nine-person Politburo Standing Committee is the top decision making body in China. President Hu came to power in 2002 and will step down in 2012 following his second and final term. The succession plan is already being developed as the CCP plans power transfers well in advance to avoid any destabilizing surprises.

The global economic downturn has had a significant impact on China and is now the main focus of the government. Tens of thousands of export-oriented companies have gone bankrupt since late-2008, leaving millions of workers without work. During this time of rising unemployment there has been a marked increase in incidents of unrest, such as protests and riots, in regions most affected by the economic slowdown, primarily the export-focused manufacturing hubs of coastal China. These incidents are generally focused on a specific employer or local government official perceived to be corrupt and have generally been resolved without too much delay or difficulty.

China has grown rapidly since 1978, when it began to reform. Over the past 27 years, it has shifted from a centrally-planned to a market economy, maintained GDP growth of about 9% per annum, and lifted 400 million people out of poverty. With a population of 1.3 billion, China recently became the world's fourth largest economy and third largest trading nation. Even so, China remains a developing country, with GDP per capita about $1,740 and more than 135 million people living on less than $1 a day. It also faces daunting challenges in maintaining rapid growth; managing the resource demands and environmental consequences of growth; and addressing the resulting inequalities in income and opportunity, which could otherwise undermine the consensus needed to undertake growth-oriented policy reforms[12].

Population: 1,330,141,295[3]

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1 http://www.edc.ca/english/docs/GChina_e.pdf
2http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/CHINAEXTN/0,,menuPK:318963~pagePK:141132~piPK:141105~theSitePK:318950,00.html

3 https://www.cia.gov/library/publications/the-world-factbook/geos/ch.html

Government

There are 4 major hierarchies in China: the Chinese Communist Party (CCP), the National People's Congress (China's legislature), the government and the military. The supreme decision-making body in China is the CCP Politburo and its 9-member Standing Committee, which acts as a kind of 'inner cabinet', and is headed by the General Secretary of the Chinese Communist Party. The National People's Congress (NPC) is China's legislative body. It has a 5-year membership and meets once a year in a plenary session. However, in practice it is the CCP who takes all key decisions.

Head of State and General Secretary of the CCP: President Hu Jintao

Chairman of the Standing Committee of the NPC: Wu Bangguo

Premier of the State Council: Wen Jiabao

Membership of international groups/organisations: United Nations (including permanent membership of the UN Security Council), ASEAN Regional Forum (ARF); Asia-Pacific Economic Cooperation Forum (APEC); Asian Development Bank (ADB); Shanghai Cooperation Organisation and World Trade Organisation (WTO).[1]

Key industries

Mining and ore processing, iron, steel, aluminium, and other metals, coal; machine building; armaments; textiles and apparel; petroleum; cement; chemicals; fertilizers; consumer products, including footwear, toys, and electronics; food processing; transportation equipment, including automobiles, rail cars and locomotives, ships, and aircraft; telecommunications equipment, commercial space launch vehicles, satellites

Gap between rich-poor

Population below poverty line: 2.8% (2007)

Household income or consumption by percentage share: lowest 10% (3.5%) highest 10% (15%) (nb: urban regions only, 2008)[2].

Gini Coefficient 41.5 (1992 – 2007, UNHD Report 2009)[1]

1 http://www.fco.gov.uk/content/en/country-profile/asia-oceana/fco_cp_china

2 https://www.cia.gov/library/publications/the-world-factbook/geos/ch.html

income differences between urban and rural dwellers - the average urban resident of Beijing earns around RMB 2000 a month (around £130), but 135 million people in China still live below the international poverty line of US$ 1 a day, and up to 500 million on US$ 2 a day[2]

Key Cities (by population) [3]

City	Urban Core Population	Level	Province-level Division
Shanghai	9,495,701	Municipality	Shanghai
Beijing	7,296,962	Municipality	Beijing
Hong Kong	6,780,000	SAR	Hong Kong
Tianjin	5,066,129	Municipality	Tianjin
Wuhan	4,488,892	Sub-provincial city	Hubei
Guangzhou	4,154,808	Sub-provincial city	Guangdong
Shenyang	3,981,023	Sub-provincial city	Liaoning
Chongqing	3,934,239	Municipality	Chongqing
Nanjing	2,822,117	Sub-provincial city	Jiangsu
Harbin	2,672,069	Sub-provincial city	Heilongjiang
Xi'an	2,588,987	Sub-provincial city	Shaanxi
Chengdu	2,341,203	Sub-provincial city	Sichuan
Changchun	2,223,170	Sub-provincial city	Jilin
Dalian	2,118,087	Sub-provincial city	Liaoning
Hangzhou	1,932,612	Sub-provincial city	Zhejiang

Corporate Social Responsibility understanding

The recognition of CSR is an outcome of social civilization and economic development. In the initial stage of capital accumulation, multinational companies strived for development by sacrificing the environment resources and labour welfare of developing countries. However, as the ideas of "human-oriented" and "sustainable development" are widely recognized, the civil society, with consumers as the mainstay, has paid increasing attention to the production process of the commodities they have purchased, and began to boycott the products from "sweatshops". As a result, related issues are gradually brought into the scope of government supervision and legislation control. To redeem reputation and enhance investor confidence, multinational companies took the lead in establishing their own codes of conduct.

Community

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1 The Gini index lies between 0 and 100. A value of 0 represents absolute equality and 100 absolute inequality.
2 http://www.fco.gov.uk/content/en/country-profile/asia-oceana/fco_cp_china?profile=politics&pg=7
3 http://en.wikipedia.org/wiki/List_of_cities_in_the_People%27s_Republic_of_China

The main community based issues are poverty and malnutrition.

Environment

The top issues regarding the environment and sustainability are pollution, carbon emissions, water resources and desertification.

The Ministry of the Environment or the State Environmental Protection Agency is the nation's environmental protection department. Directly under the State Council, it is empowered and required by law to implement environmental policies and enforce environmental laws and regulations. Complementing its regulatory role, it funds and organizes research and development. In addition, it also serves as China's nuclear safety agency.[1]

The Ministry of Environmental Protection regulates water quality, ambient air quality, solid waste, soil, noise, and radioactivity. In the area of R&D activities, SEPA has funded a series of "Key Laboratories" in different parts of the country, including: Laboratory for Urban Air Particles Pollution Prevention and Control for Environmental Protection, Laboratory on Environment and Health, Laboratory on Industrial Ecology, Laboratory on Wetland Ecology and Vegetation Recovery, and Laboratory on Bio safety.

In addition, SEPA also administers engineering and technical research centers related to environmental protection, including: Center for Non-ferrous Metal Industrial Pollution Control, Center for Clean Coal and Ecological Recovery of Mines, Center for Industrial Waste Water Pollution Control, Center for Industrial Flue Gas Control, Center for Hazardous Waste Treatment, and Center for Solid Waste Treatment and Disposal of Mines.

A list of Environment legislation is available[2].There is a network working on Climate Change: Asia-Pacific Network on Climate Change[3].

Current Environmental issues:

Air pollution (greenhouse gases, sulphur dioxide particulates,) from reliance on coal produces acid rain; water shortages, particularly in the north; water pollution from untreated wastes; deforestation; estimated loss of one-fifth of agricultural land since 1949 to soil erosion and economic development; desertification; trade in endangered species.

1 http://en.wikipedia.org/wiki/State_Environmental_Protection_Administration
2 http://www.lehmanlaw.com/resource-centre/laws-and-regulations/environment.html
3 http://www.ap-net.org/

International Environmental agreements:

Antarctic-Environmental Protocol, Antarctic Treaty, Biodiversity, Climate Change, Climate Change-Kyoto Protocol, Desertification, Endangered Species, Environmental Modification, Hazardous Wastes, Law of the Sea, Marine Dumping, Ozone Layer Protection, Ship Pollution, Tropical Timber 83, Tropical Timber 94, Wetlands, Whaling signed, but not ratified: none of the selected agreements[1]

"China is experiencing an increase in environmental complaints: In 2005, there were 51,000 disputes over environmental pollution, according to SEPA minister Zhou Shengxian. From 2001 to 2005, Chinese environmental authorities received more than 2.53 million letters and 430,000 visits by 597,000 petitioners seeking environmental redress."[2]

Marketplace

There is consumer protection legislation[3].

China's child labour issue is a huge problem, and there is clear evidence that child labour is increasing in China. Although there is no official figure on the number of children working in China, it is estimated that of the 10 million children out of school, over 5 million are working in factories. There are some who even consider this a conservative estimate. It was reported in Sichuan, China's most populated province that 85% of children who drop out of school are working elsewhere. Even in some less populated rural provinces, over 20% of the work force is made up of children. Also, in the last few years, the rate of children being kidnapped has increased rapidly. It is believed that the kidnapped children are sold off to factories to work. For example, in 1994, about 48 Chinese brick-shop-workers kidnapped over 100 children. It is known that forty of those children were forced to work 10 hours a day, but with no wage whatsoever. China's child labour cannot be overlooked.

Throughout China, workers are denied many international basic rights to freedom of expression and association and this is an important violation of their rights. Independent trade unions are not allowed in China - there is only one state run union – The All China Federation of Trade Unions.

Each year there are increasing protests and demonstrations throughout China as workers complain about forced layoffs, missing wages and other benefits, official corruption and mismanagement. Denied the right to form independent trade unions and deprived of any real voice in industry, Chinese workers have no option but to take to the streets in an effort to highlight their plight. Many ordinary workers are detained after protests and interrogated. The

1 https://www.cia.gov/library/publications/the-world-factbook/geos/ch.html
2 http://en.wikipedia.org/wiki/State_Environmental_Protection_Administration
3 http://www.lehmanlaw.com/resource-centre/laws-and-regulations/consumer-protection.html

families of those vocal in protests are harassed and subject to constant police surveillance. Worker activists and ordinary workers taking part in demonstrations are detained and often sentenced to long terms of imprisonment for their involvement in protests.

Although the Chinese Government has ratified the International Covenant on Economic, Social and Cultural Rights (ICESCR), it placed a reservation on its obligations towards Article 8 of the Covenant, which guarantees trade union rights, in particular Article 8.1a on the right to freedom of association.

Workplace: Diversity and Equal opportunities

The situation of women in China has improved significantly over the past century, particularly since the government established a gender equality policy in 1949. Education and labour force participation of women have since increased, while harmful practices (such as foot-binding of young girls) have been abolished and patriarchal norms have weakened (Social Institutions and Gender Index (SIGI), 2009).

In March 2007 the Standing Committee of the 10th National People's Congress (NPC) published a full draft of the countries' first law to eliminate workplace discrimination. It says that no employee should be discriminated against on the basis of nationality, race, gender, religion, age or disability. The New York Times has reported that the proportion of people aged 60 and older is growing faster in China than in any other major city. By 2050 circa a third of the population will be retirees.

Human Rights

The main violations of human rights are freedom of association, freedom of speech, freedom of religion, discrimination and the case of Tibet.

Companies have standards and reporting methods. The book 'Towards Global Citizenship' provides companies with an extensive background on the unique CSR context in China[1].

Key players

- *Key civil society groups*

http://www.csrchina.net/static.php?id=77

- *Business led agencies active on CSR*

1 http://www.humanrightsbusiness.org/files/1783788151/file/hrb_handbook_dihr_uk.pdf

Fuping Development Institute

CSR Asia

Human Rights and Business

Sources of information

http://www.ap-net.org/

http://www.lehmanlaw.com/resource-centre/laws-and-regulations/consumer-protection.html

http://www.lehmanlaw.com/resource-centre/laws-and-regulations/environment.html

http://www.clb.org.hk/en/node/9087

http://www.humanrightsbusiness.org/?f=home/news_story_1

http://www.csrchina.net/

http://www.sustainability.com/researchandadvocacy/reports_article.asp?id=1259

http://www.zhb.gov.cn/ China's Ministry of the Environment

COLOMBIA



Country Overview

Violence has been a feature of Colombian life for the past half century. A decades-long conflict involving illegal armed groups plus the continuous battle against the drug cartels have ravaged this country of significant natural resources and diverse cultures. Inequality and lack of opportunities have provided fertile ground for the left-wing guerrillas who in turn gave rise to right-wing paramilitary groups. Both groups have delved into the lucrative drug business and kidnapping to fund their movements. The U.S. has contributed considerably to Plan Colombia, a counternarcotics program aimed at interdicting and eradicating drugs at the source as well as expanding the capacity of Colombian military, police, and judicial institutions.

In 2002, Alvaro Uribe came to office on a platform to restore security as a means toward prosperity and peace. Under his presidency, the murder rate and the incidence of kidnapping have fallen. Uribe's high approval rating saw him re-elected in 2006 and he has continued with a hard-line policy in his dealings with guerrillas and paramilitaries. The government started a complex demobilization process with right-wing groups and scored major military successes against the rebels.

The Colombian president was Washington's chief ally in the region during the Bush administration, and he has made the signing of a Free Trade Agreement with the U.S. one of his main priorities. But his relations with leaders in neighbouring countries, especially Venezuela's Hugo Chavez and Ecuador's Rafael Correa, have been tense. Nevertheless, he still enjoys broad domestic support and there is a current national debate to decide if he would be eligible for a third presidential term.

The economic impact of the civil conflict is significant: if Colombia had been in peace for the last 20 years, the per capita income of the average Colombian would be 50% higher today, and it is estimated that 2.5 million children would live above the poverty line.

While other Latin American and Caribbean nations are fighting against inequality, poverty or violence, Colombia has to face all three at the same time. Despite advances in the subject, poverty remains one of the country's main challenges, alongside inequality, which is one of the highest in Latin America.

The Uribe administration has maintained prudent fiscal policies and has pursued tough economic reforms including tax, pension, and budget reforms that have shown results.

The unemployment rate has significantly dropped during his tenure and the average annual economic growth rate of over 5% from 2002 to 2007 can be attributed to an increase in domestic security, resulting in greater foreign investment, prudent monetary policy, and export growth[1].

Corporate Social Responsibility understanding

CSR (commonly referred to here as "Responsabilidad Social Empresarial" - RSE) plays an important role in Columbia even though the topic is still relatively new and perhaps not as far advanced as it is elsewhere. Due to the structure of Columbian society, it is not always clear that CSR refers to corporate engagement beyond statutory minimum requirements (e.g. the duty to pay taxes and comply with statutory social standards).

Community

The main community based issues are social inequality and poverty, drug trafficking and violence and corruption.

We can find examples of companies working with these community issues. Among others: Siemens Andina S.A. which founded its own initiative to support various CSR projects, a number of which work to combat poverty. Compañia Electrica de Sochagota (Evonik, formerly Steag; support of social and community centers).

Environment

Environmental concerns within Colombia include deforestation, the illicit growing of drugs within national parks and pollution and erosion issues throughout the country.

Climate change is being addressed by the Colombian government via an array of policies, including building climate change in to the National Development Plan; an 'uncertainty reduction project' which attempts to develop scenarios for regional climate change impact; environmental education within schools; remove VAT on projects focused on reducing GHG and work with international bodies to reduce climate change.

Workplace: Diversity and Equal opportunities

Colombia is marked by some of the highest income inequality is in Latin America, and experiences widespread poverty. However, although it is important to be mindful of the limits of

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/COLOMBIAEXTN/0,,contentMDK:22254365~pagePK:1497618~piPK:217854~theSitePK:324946,00.html

law, given the lack of social and economic mobility in Colombia, the country is home to a progressive constitutional system, the product of a relatively recent constitution (2008) and a rights-focussed constitutional court. This places Colombia in a unique position with regards to the legal treatment of discrimination.

There are a number of disadvantaged groups in Colombia, who are subject of disadvantageous social conditions. At a particular disadvantage are Afro-Colombians, who account for as much as a quarter of the Colombian population, and indigenous Colombians. Both groups are geographically isolated, have low levels of representation in Congress and lack access to services, such as education and health care.

The rights of lesbian, gay, bisexual and transgender persons continue to be threatened in Colombia and lesbian, gay, bisexual and transgender persons are regularly the victims of murder, assaults and threats by the public at large and by the police and security forces.

In addition, women suffer a particular disadvantage, given the everyday machismo culture in Colombia. A serious problem is violence against women, which is prevalent in the country.

Human Rights

The main human right issues in Colombia are the ongoing armed conflict, drug dealing, poverty and internal displacement.

Some companies have addressed the human rights issues on a voluntary basis, guided by the inclusion of these topics at a global level. Others have been pressed by reputation, or legal or financial costs of not taking into account the expectations of the new transnational society.

Some human rights NGOs have pointed out and shamed some multinationals on a continuous basis for the human rights violations. Other companies have received the protests from consumers for labour and social conditions of their employees.

Nowadays it is clear that more is expected from the private sector. Different groups of interest are more aware of the companies' behaviour and that public lobby is more viable due to the facility to Access information. The mass media plays a basic role in the diffusion of actions and behaviour of companies. That is why it is important to make an analysis about their responsibilities and the role they can have in the promotion of a good behaviour. The role that companies play in sustainable development, social responsibility and human rights has changed and has become stronger, also due to market forces. This is translated into the adoption of CSR practices and human rights respect.

For instance, if national companies want to export their products, invest abroad or even access loans of the international banking services, minimum standards are more and more required in human rights.

Key players

- *Key civil society groups*

http://www.colombiaincluyente.org/contenido/contenido.aspx?catID=416&conID=661

- *Government agencies active on CSR*

Accion Social del Gobierno Colombiano, Ministerio de Ambiente

- *Business led agencies active on CSR*

Colombia Incluyente

Centro Colombiano de Responsabilidad Empresarial

Sources of information

http://www.ccre.org.co/

http://www.colombiaincluyente.org/contenido/categoria.aspx?catID=172

COSTA RICA



Country overview

Costa Rica has been one of the most stable democracies in Latin America – with relatively strong public institutions and peaceful transitions of power since 1949. Poverty and inequality are on average much lower in Costa Rica compared to the other Latin and Central American countries, and social indicators are generally much stronger than for comparable countries in the region and world-wide. Nobel laureate and former president Oscar Arias returned to power in 2006 after closely-fought elections, promising to stabilize the economy and clamp down on the corruption which had hounded the previous two governments.

The Government's development agenda also includes reducing poverty and inequality further through a renewed emphasis on improving enrolment and the quality of secondary education, better targeting of social assistance programs, and improved social services. In 1993, Costa Rica proclaimed its permanent neutrality. It has no standing army, and its record on human rights and advocacy of peaceful settlement of disputes have garnered it international respect. The country has also been a world leader on environmental issues, ensuring that economic growth is not achieved at the expense of its rich natural endowments, and successfully exploiting linkages between environmental protection and poverty reduction.

Costa Rica is a development success story in many respects. An upper middle-income country with about 4.5 million people and a GDP per capita of $5,800 (2007), Costa Rica has been able to press the poverty rate down to a record low of 16.7% in 2007 thanks to the increase in real incomes and social transfers. However, inequality is rising as growth has largely benefited skilled labor, and secondary education lags, especially among Costa Rica's poor. Costa Rica has experienced steady economic expansion over the past 25 or so years, primarily due to the implementation since the late 1980s of a strategy of outward-oriented, export-led growth, openness to foreign investment and gradual trade liberalization.

The economy grew at an annual average rate of 5% throughout the 1990's and has generally outpaced the average growth rate for the region in the current millennium. GDP growth reached a peak of 8.8% in 2006 and maintained a healthy pace in 2007. Beyond continued macroeconomic stability, Costa Rica's medium-term challenges are associated with the efforts needed to continue to improve competitiveness and the business climate. Costa Rica recently approved all the legislation and regulations of the complementary agenda to implement its

commitments under the Central America Free Trade Agreement, CAFTA. As of January 1, 2009, this regional free-trade agreement is in effect[1].

Corporate Social Responsibility understanding

CSR is a new corporate strategy that implies the commitment of companies through the systemic application of resources to respect and promote people's rights, the society growth and the environment. This commitment is translated into concrete actions that look for the benefit of all involved actors (shareholders, employers, suppliers and Community) to achieve a better functioning and sustainability.

Community

The main community based issues are poverty and violence.We can find examples of companies working with these community issues. Among others: Panasonic[2] and Proctor & Gamble[3].

Environment

The top issues regarding the environment and sustainability are deforestation, climate change and droughts.

Legal framework around environment and climate change:

- Ley de Parques Nacionales. N0 6084, de 1977.
- Ley de Creación del Ministerio de Recursos Naturales, Energía y Minas (MIRENEM). N0 7152, de 1990 (aunque inició funciones en 1986 por decreto).
- Ley de Promoción del Desarrollo Científico y Tecnológico. N0 7169, de 1990.
- Ley de Conservación de la Vida Silvestre. N0 7317, de 1992.
- Reformas al artículo 50 de la Constitución Política de la República: derecho a un ambiente sano y ecológicamente equilibrado (Ley N0 7412, de 1994); y al artículo 46: los consumidores y usuarios tienen derecho a la protección de su salud, ambiente... (Ley N0 7607, de 1996).

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/COSTARICAEXTN/0,,menuPK:295422~pagePK:141132~piPK:141107~theSitePK:295413,00.html
2 http://www.panasonic.co.cr/about/csr/
3 http://www.pg.co.cr/cercadelacomunidad.php

- Decreto N0 22909-MIRENEM, de 1994. Creación del SINAC.

- Ley Orgánica del Ambiente. N0 7554, de 1995. Se cambió el nombre del MIRENEM por el de Ministerio del Ambiente y Energía (MINAE); se creó la Secretaría Técnica Nacional Ambiental (SETENA), la Contraloría Ambiental y el Tribunal Ambiental; se le da impulso a la agricultura orgánica, entre otros esfuerzos.

- Ley Forestal. N0 7575, de 1996 (la primera fue de 1969, N0 4465). Se estableció el pago de servicios ambientales y se creó el Fondo Nacional de Finaciamiento Forestal (FONAFIFO), encargado de manejar los fondos para este pago.

- Ley de Biodiversidad. N0 7788. De 1998. Regula el acceso a los recursos genéticos y fortalece al SINAC, entre otros.

INTERNATIONAL LEVEL:

- Convenio Internacional sobre Humedales (Ramsar). 1971. Ratificado en 1991.

- Convenio sobre el Comercio de Especies Amenazadas de Flora y Fauna (CITES). 1973. Ratificado en 1975.

- Convenio para combatir la desertificación y la sequía. 1994. Ratificado en 1998.

- Convenio sobre la Diversidad Biológica. Es el convenio internacional más importante para la gestión integrada de la biodiversidad. Firmado en 1992. Ratificado en 1994.

- Convenio sobre Cambio Climático. Firmado en 1992. Ratificado en 1994.

REGIONAL LEVEL:

- Convenio para la protección de la flora, la fauna y las bellezas naturales de los países de América. Firmado en 1940 y ratificado en 1966.

- Convenio constitutivo de la Comisión Centroamericana de Ambiente y Desarrollo (CCAD). 1991.

- Convenio regional para el manejo y conservación de ecosistemas naturales forestales y del desarrollo de plantaciones forestales, conocido como Convenio Centroamericano de Bosques. 1993. Ratificado en 1994.

- Convenio para la protección de la biodiversidad y de las áreas silvestres prioritarias en América Central. N0 7433, de 1992. Ratificado en 1994.

- Alianza para el Desarrollo Sostenible en Centroamérica (ALIDES). 1999

Marketplace

The main issues regarding marketplace are accessibility for disabled and ageing people and the protection of vulnerable consumers such as indigenous people.

Procter & Gamble[1]: provide best quality products and take care of consumers.

There is a law to encourage equal opportunities for people with disabilities. Thus the Government is taking positive steps to ensure accessibility as are companies within Costa Rica.

Workplace: Diversity and Equal opportunities

The Constitution of Costa Rica provides the same rights, freedoms and opportunities for all individuals and prohibits any form of discrimination.

Costa Rica has a literacy rate of 97%, representing one of the highest in Latin America and now its first female president has been elected, taking power in May 2009.

Human Rights

The main human rights violations in Costa Rica are violence against women, child labour and drug trafficking.

Key players

- *Key civil society groups*

http://ong.tupatrocinio.com/costa-rica-p13.html

Sources of information

http://www.monografias.com/trabajos24/responsabilidad-social-corporativa/responsabilidad-social-corporativa.shtml

http://www.encc.go.cr/

http://www.consumidoresdecostarica.org/investigacion.html

http://www.amnesty.org/en/region/costa-rica

http://www.costarica.net/features/business.htm

1 http://www.pg.co.cr/cercadelacomunidad.php

ECUADOR



Country overview

Ecuador is a lower middle-income country coming under the Latin America and the Caribbean region, according to the classification made by the World Bank on the basis of income and region.

Congress often has serious problems in passing legislation and the fragile political system precludes even a strong leader from implementing constructive policies. Policy uncertainty is further exacerbated by frequent ministerial resignations and protractedly unstable administrations. In Ecuador's recent history, few presidents have been able to complete their full term. Rafael Correa, a leftist with no party representation in Congress, won a run-off against Álvaro Noboa of the PRIAN party in November 2006 presidential elections. President Correa took office in January 2007.

In April 2007, a referendum was held approving the creation of a National Constituent Assembly (ANC) to rewrite the country's 1998 constitution. Given that Congress has been suspended since November 2007, and the day to day running of government is now with the pro-government dominated National Constiuent Assembly, President Correa effectively secured full control over the country's legislative agenda.

The new draft constitution was unveiled in late July 2008 and was ratified by a nationwide referendum on September 28, 2008. Under the new constitution, the executive's powers will be strengthened and President Correa now has the option to seek re-election. On April 26, 2009 Correa was re-elected with about 51% of the vote; his AP party won 59 of 124 seats in Congress.

Ecuador is substantially dependent on its petroleum resources, which have accounted for more than half of the country's export earnings and one-fourth of public sector revenues in recent years. In 1999/2000, Ecuador suffered a severe economic crisis, with GDP contracting by more than 6%. Poverty increased significantly, the banking system collapsed, and Ecuador defaulted on its external debt later that year. In March 2000, Congress approved a series of structural reforms that also provided for the adoption of the US dollar as legal tender. Dollarization stabilized the economy, and positive growth returned in the years that followed, helped by high oil prices, remittances, and increased non-traditional exports. From 2002-06 the economy grew 5.5%, the highest five-year average in 25 years. The poverty rate declined but remained high at 38% in 2006. In 2006 the government imposed a windfall revenue tax on foreign oil companies, leading to the suspension of free trade negotiations with the US. These measures led to a drop

in petroleum production in 2007. President Rafael Correa raised the spectre of debt default and followed through on those threats in December 2008 by defaulting on some commercial bond obligations. He also decreed a higher windfall revenue tax on private oil companies, and then renegotiated their contracts to overcome the debilitating effect of the tax. This generated economic uncertainty; private investment has dropped and economic growth has slowed[1].

Corporate Social Responsibility understanding

CSR is conceived as a new way of doing business. Some business men see it as a fashion but others see it as a pure way of doing business. The Government is implementing actions to motivate companies to put into practice good practices of CSR, but unfortunately more than 50% of the companies still do not add this concept to their business.

Community

The main community based issues are education, health and access to services.

Some companies support the community development with specific projects such as the micro credit programme with black women empowerment in the province of Chota.

Environment

The top issues regarding the environment and sustainability are the communities located close to forecourts, animals in danger of extinction and the low control of carbon emissions.

There is carbon emission control for cars in some cities. If the cars do not pass the control then they cannot be registered. Some towns have a very good control over factories and environmental damages. In small cities there is not that control

There are some groups that try to protect the environment but it is not a very common practice. In the late years some important steps have been undertaken but the path is still very long.

There is a lack of culture regarding the protection of the environment. People do not pay more for a product just because the company cares about the environment and society in general does not take environmental issues as something important.

There are some organisations as Actua Verde in Municipio de Quito acting in this regard.

1 http://www.edc.ca/english/docs/gecuador_e.pdf

Marketplace

Companies work more and more with consumer focused areas such as transparency, packaging, information about the use of products, etc. Additionally, businesses are supposed to think about vulnerable consumers along the distribution chain and marketing policies.

Big companies take into account vulnerable consumers and support them in different ways: support programmes, products that help them, etc. In Ecuador the issue of people with disabilities is very important, they are taken into account more and more.

Most companies have ethic codes and formal anticorruption policies.

Some companies also sign documents where they state that they do not employ children and that all their employees are in a legal situation.

Slowly companies have started to develop programmes with their suppliers. It is very difficult as in Ecuador there are lots of small businesses and artisan businesses. Companies that lead CSR tend to "force" their suppliers to get to know the theme and to start incorporating some good CSR practices in their businesses.

Workplace: Diversity and Equal opportunities

The Constitution of Ecuador prohibits any form of sexual discrimination without exception and provides for equal opportunity for men and women.

The economic independence of women depends largely on their relationship to means of production and their access to property. In reality, few women own land and households headed by women generally have a lower income than those headed by men (2009 Social Institutions and Gender Index (SIGI).

Racism is prevalent in Ecuador, with employers advertising for applicants with 'a good appearance' a euphemism for White or European characteristics.

Human Rights

The main human rights violations are low wages and labour rights.
There is not a whole declaration covering all human rights in Ecuador. However, most companies keep a good relationship with their employees.

Key players

- *Key civil society groups*

Fundación S2M, Fundación Care, Ceres

- *Government agencies active on CSR*

Ninguno específico

- *Business led agencies active on CSR*

Hexagon Consultores, Gobierno de la PRovincia de Pichincha.

- *Business lead initiatives on CR issues*

Reconocimiento a las buenas prácticas de RSC organizado por El Gobierno de la Provincia de Pichincha, Hexagon Consultores, Fundación S2M.

Sources of information

The first and second award for good CSR practices was organised in 2008 and 2009 by the Pichincha province Government.

EGYPT 

Country overview

Since the appointment of a new Government in July 2004, Egypt has embarked on a reform path. The reforms, which were generally in line with several longstanding recommendations of the Bretton Woods Institutions, have been sustained until now and the Government has established a solid track record as one of the champions of economic reforms in the Middle East and the North Africa region (MNA).

Household surveys indicate that the reforms have had a positive effect on reducing poverty. Social indicators have improved dramatically over the last decade (e.g. between 1995 and 2005, infant mortality and malnutrition among children under 5 decreased by half, and life expectancy increased from 64 to 71 years). The economic growth of the last years has improved outcomes and living standards of the vast majority of the population, although in an uneven manner. Yet, about 18 percent of the population still live below the poverty line (up to 40 percent in rural Upper Egypt), and about 20 percent of the population have moved in or out of poverty over the last few years, heightening a sense of social vulnerability and insecurity.

The global economic crisis is having multiple impacts on the Egyptian economy: while the shock to the financial sector has been limited (in large part thanks to recent reforms), the real economy has been affected, especially through the decline of Suez Canal revenues, tourism receipts, FDIs, stock market activities, and construction sector. The banking system remains liquid with a loan-to-deposit ratio of 53 percent. Bank credit is still growing robustly (16.5 percent in January-09), but driven by lending to the government (27.3 percent). The stock market continues to decline (-66.3 percent in February-09)[1].

Corporate Social Responsibility understanding

So far Egypt has attached relatively little importance to CSR, but this is changing, particularly because of the growing international prominence of CSR; indeed, it is now becoming fashionable in Egypt. Yet not every Egyptian company is showing the necessary consistency and seriousness of purpose in its social responsibilities.

Community

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/MENAEXT/EGYPTEXTN/0,,menuPK:287166~pagePK:141132~piPK:141107~theSitePK:256307,00.html

Poverty is a major challenge, particularly in rural areas, where very few major Egyptian or German companies are located. Food shortages are increasingly a problem in the cities as well – a result of rising prices for basic foods, Egypt's dramatic population growth and alternative uses for farmland.

Companies are working to positively impact the community. See for instance the case of Marriott Hotel[1], Cairo, which is proving food for the poor in Cairo, an initiative launched at the personal instigation of the company's German general manager.

Environment

The main issues regarding environment and sustainability are aridity, uneven population distribution and pollution.

There are some good practices from companies. See for instance:

BAVARIA EGYPT – WASTE SEPARATION

The engineer Dr. Nader Riad founded Bavaria Egypt S.A.E. in 1972. Today the company is one of the leading manufacturers of fire extinguishers in the Middle East and the market leader in Egypt. It is represented by Bavaria International GmbH in the European region. Since the beginning of 1999, Bavaria Brandschutz Industrie GmbH & Co. KG, headquartered in Waldmünchen, has been a member of the group.

Bavaria Egypt consistently adheres to German environmental standards with respect to production and working conditions. This has implications not only for occupational health and safety, but also for the separation of general and production waste. Other initiatives include providing every employee with a potted plant to care for in the company's roof garden, a program intended to enhance employee awareness of nature and the environment.

RAHN & PARTNER, ORASOM, AGEG

As part of a PPP project, an ecologically and economically sustainable system of hotel management is being developed and implemented in Egypt (El Gouna Hotel School). This includes devising a resource- and energy-efficient hotel management system, coupled with the establishment of a country-wide training program. Environmental weaknesses are analyzed using model hotels (in El Gouna); based on the findings, practical recommendations for environmentally sound business management are developed, in accordance with Egypt's specific situation, then implemented in a variety of hotels. Training programs, a handbook and close ties to Egypt's environmental authority and the Ministry of Tourism make it possible to disseminate these recommendations throughout the country

1 http://www.csr-weltweit.de/en/laenderprofile/profil/aegypten/index.nc.html

Workplace: Diversity and Equal opportunities

The law is partly based on Islamic Sharia and does provide for equality between the sexes, but still discriminates against women in some aspects. One example of these influences is that Egyptian women have fewer employment and economic opportunities than men, partly because of high female illiteracy rates but also because society generally discourages women from pursuing careers (2009 Social Institutions and Gender Index (SIGI).

Racism is evident against any African, usually directed at Sudanese immigrants, however individual Egyptians say that racism is not an issue, as indigenous Egyptians come in all colours and consider themselves African.

Human Rights

Human rights issues include emergency policy regulations, which prohibit peaceful protests, and to detain people without trial for extended periods of time.

Key players

- *Key civil society groups*

Near East Foundation, NGO service centre, Nahdet Al Mahrousa Association

- *Government agencies active on CSR*

Environmental Protection Fund, Egyptian Institute of Directors, National Council for Childhood and Motherhood

- *Business led agencies active on CSR*

UN Global Compact, Ashoka, American-Egyptian Chamber of Commerce, the Egyptian CSR Alliance, The British Egyptian Business Association, Egyptian Junior Business Association

Sources of information

‘Profiling and Navigating CSR public policies in Egypt' The CSR Navigator, GTZ

EL SALVADOR



Country overview

El Salvador is a lower middle income country with a distinguished record of first generation structural reforms (trade liberalization, re-privatization of the financial sector and other state enterprises, comprehensive tax reform and improvements in the competitiveness environment for private investment). Coming out of a costly decade-long civil war in the 1980s, its strong record of economic reforms since the early 1990s has resulted in major benefits in terms of improved social conditions, diversification of its export sector, and access to international financial markets at investment grade levels. However, important development challenges still exist as a result of the slowdown in economic growth and social progress over the last few years, in addition to the persistent presence of high levels of crime and violence.

Facilitated by a dollarized monetary regime, macroeconomic stability has resulted in low inflation, reduced business uncertainty, and low interest rates. With a strong commitment to an outward oriented development strategy, El Salvador has subscribed free trade agreements with the Dominican Republic (1998), Mexico (2000) Chile (2001), and Panama (2002). El Salvador was also the first country to ratify the Central America Free Trade Agreement (DR-CAFTA) with the United States and the first to begin implementation on March 1, 2006.

During the last two years, the economy is showing signs of recovery with growth reaching 4.2 percent in 2006 and 4.7 in 2007, the highest growth rate since 1999. Indicators reveal a pickup in broad economic activity since the end of 2005, driven by a strong performance of the agricultural and construction sectors, as well as private sector services. In addition, the constant growth of remittances is providing an added boost to consumption (remittances were 18 percent of GDP in 2007). The pickup in economic activity has occurred despite the sharp spike in oil prices, while tax revenues improved near expectations and public sector deficit tends to decline. For 2007 public sector deficit was reduced to 2% of GDP compared with the average of 4.2% registered during the period 2001-2003[1].

Corporate Social Responsibility understanding

CSR is a strategic imperative that allows business to incorporate policies and practices to benefit stakeholders, community, environment and all its supply chain through the alignment of

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/ELSALVADOREXTN/0,,menuPK:295253~pagePK:141132~piPK:141107~theSitePK:295244,00.html

its core business with ethics and transparency principles, changing it into a competitive agent that helps towards economic and social development.

Community

The main community based issues are poverty (58% of the population live under poverty), violence (especially with youth gangs called the “Maras”) and illiteracy.

Environment

The top issues regarding the environment and sustainability are climate change (e.g. floods and others), deforestation and air pollution.

Legal framework around environment and climate change:

- Ley de medio ambiente (1998)
- Reglamento General de la Ley del Medio Ambiente
- Ley Forestal (2002)
- Alianza Centroamericana para el Desarrollo Sostenible (ALIDES) (1994)
- Convenio Internacional sobre la Diversidad Biológica (1992)
- Convención Marco de las Naciones Unidas sobre el Cambio Climático.
- Protocolo de Kyoto

Marketplace

The issues around customers are focused on food issues. There are lots of problems with obesity, diabetes, etc. Child labour is a very big problem in El Salvador.

Workplace: Diversity and Equal opportunities

The Constitution of El Salvador neither defines nor explicitly prohibits discrimination. The legislation provides for equality in the exercise of civil and political rights, but does not mention economic, social or cultural rights.

But the situation seems to be improving. A review of the legislation is underway, with the aim of removing discriminatory clauses. In 1996, the government established an Institute for the Development of Women, which has a mandate to ensure the implementation of action plans to improve women’s level of protection (2009 Social Institutions and Gender Index (SIGI).

Human Rights

The main human rights violations in El Salvador are the disappearance of children, women´s rights, violence and the impunity after the civil war.

Key players

- *Key civil society groups*

FIPRO

FEDISAL

FEPADE

Fundacion Calpia

Fundacion CESSA

Fundacion Dueñas Herrera

Fundacion Maria Escalon de Nuñez

Fundacion Rafael Meza Ayau

FUSADES

- *Government agencies active on CSR*

Ministerio de Cultura, Juventud y Deportes- Ministerio de Igualdad

Ministerio de medio ambiente y recursos naturales

- *Business led agencies active on CSR*

Glasswing International

Fundemas

Sources of information

http://www.centralamericaleadership.net/glasswing_international

http://www.rel-uita.org/companias/nestle/nestle-kellogs_enganian.htm

http://siteresources.worldbank.org/INTPSD/Resources/El-Salvador/BMurrray.pdf

http://www.fundemas.org/

http://www.marn.gob.sv/



GUATEMALA

Country overview

Guatemala is a multi-cultural middle-income country that faces some particularly difficult development challenges. Poverty is high and profound and the country has remarkably unequal distributions of income, resources and opportunities. At the same time, Guatemala has made significant progress in several areas. In just over a decade since the country signed the 1996 Peace Accords ending a 36-year civil war, democratic civilian rule has been consolidated and public institutions strengthened. Important reforms have been undertaken in the areas of governance and transparency, improving education and health, as well as expanding access to foreign markets under regional trade agreements, including Central America Free Trade Agreement (DRCAFTA). President Alvaro Colom, who took office in 2008 after a narrow victory, has pledged to address the problems facing the indigenous population and to create a government of unity. He also promised to deal with the country's high crime and murder rates by tackling corruption in the security forces and judiciary, taking on the drug barons, and working to lift people out of poverty.

Guatemala's social indicators often fall below those of countries with lower per-capita incomes. The average school attendance of the adult population is 5.4 years and just 1.9 years for the indigenous population. Life expectancy and infant and maternal mortality rates are also weak, and malnutrition rates among children are particularly worrisome. DRCAFTA with the United States is a critically important trade deal for Guatemala. A key issue for Guatemala remains the relatively low level of tax revenues. This constrains public investment in social services and basic infrastructure, both of which are critical to poverty reduction and sustained growth. The government has taken important steps to improve transparency of public institutions at both the national and municipal levels. The efforts to reduce crime and violence, fight corruption, improve the regulatory environment and modernize the judicial system need to continue in order to build public confidence and improve the business climate[1].

Corporate Social Responsibility understanding

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/GUATEMALAEXTN/0,,contentMDK:22254443~pagePK:1497618~piPK:217854~theSitePK:328117,00.html

CSR is a group of strategic decisions and business actions linked to ethic values that are consequent with legal requirements, respectful with people, community, and environment. It implies the continuous application of business practices, generates productivity, loyalty to the client and access to markets, starting from the legal regime compliance (of the company and of the country), achieving great internal conditions and concreting it into the added value to the sustainable development of the country.

Community

The main community based issues are poverty (56% of the population live under poverty and 16% live in extreme poverty), illiteracy (it is the 3rd country in the world) and violence.

Environment

The main environmental problems in Guatemala can be summarised as follows:

Deforestation:

The major problem, that changes from province to province, is that the extraction is bigger tan the natural and artificial reposition. This happens mainly to the very high level of usage of Wood for firewood and to a lower level, due to fires.

Colonization is another factor that impacts on the loss of forests.

Ground erosion:

Ground erosion, aggravated by the deforestation and the lack of appropriate techniques of ground conservation, is especially severe in highly populated areas as the Altiplano.

There are approximate estimations that state that in some areas of the country; annually 1,416.74 tons of land is lost per square kilometre, which would equal 778 pyramids as the Tikal temple.

Pollution for the use of chemical products:

The use of herbicides, pesticides and others has resulted in the raise of agricultural production. However, the continued use of these products represents one of the main environmental problems of the country. Apart from destroying the insects they are aiming to kill, these products have also destroyed other types of beneficial insects as bees in the South coast. Also, the use of these pesticides has affected the quality of different eating products.

Air, water, ground and food pollution

The problems related to environmental pollution are various. The quick growing of cities produces a very strong pressure on several of the natural resources of the country.

The current pollution problems must be addresses as they are a threat for public health and a potential loss of incomes from tourism.

Regarding the food, especially meat and milk are polluted by pesticides. There are controls for exportations but not for internal consumer and thus, those products that are rejected abroad are consumed internally. Even though DDT is not allowed anymore in Guatemala, it still appears in meat analysis.

Noise pollution is another big issue due to the noise created by planes as the airport is along Guatemala City.

Marketplace

The main issues around consumer protection are information and sustainability of prices.

CEMUSDA: Centro Municipal de Servicios para el Desarrollo Agroindustrial- Centre for the Agriculture and Industry Development. This centre was created in 1999 in Sumpango Sacatepequez, Guatemala. The population there is mainly indigenous and 80% dedicated to agriculture. This institution was born as an alternative to the economic crisis that farmers were living, with the main objective of purifying and commercializing pure water as at that time there were also serious problems with dirty water and cholera.

Guatemala's weak and corrupt law enforcement institutions have proven incapable of containing the powerful organized crime groups that, among other things, are believed responsible for continuing attacks on human rights defenders.

Workplace: Diversity and Equal opportunities

The 1985 Constitution of Guatemala does not include specific provisions about gender equality, but Article 4 upholds the principle of equality for all individuals. In 2002, the Penal Code was amended by decree to criminalise discrimination. In many cases, gender equality is contingent on the government's willingness to apply the recommendations set forth in the national development policy for Guatemalan women. Gender-related legislation is applied in too few cases and strong patriarchal traditions persist in the judicial administration. Nearly one-third of households are headed by women, who earn a lower average wage than their male counterparts.

Historically racist attitudes are prevalent in Guatemala as there are social and economic differences between aborigines and people of European or mixed indigenous origins, known as Ladinos. Ladinos earn up to twice the monthly income of the Maya Indians that make up 50% of the population.

Human Rights

The main violations of human rights are violence, discrimination and violation of indigenous rights. Indigenous groups constitute 42% of the population. They earn salaries 36% lower that others and 62% of indigenous children are excluded from primary education.

Key players

- *Key civil society groups*

http://ong.tupatrocinio.com/guatemala-p11.html

- *Government agencies active on CSR*

Secretaria de Bienestar Social.

Secretaria Presidencial de la Mujer

- *Business led agencies active on CSR*

CentraRSE, http://www.centrarse.org/

Sources of information

http://www.incae.com/ES/clacds/nuestras-investigaciones/pdf/cen1504.pdf

http://www.revistaamiga.com/Medio_ambiente_2004/20046115567.htm

http://library.jid.org/en/mono36/rottmann.pdf

http://www.guatemala.gob.gt/

HONDURAS



Country overview

Honduras is a lower middle-income country with a huge wealth gap and a past of military rule and corruption. Natural disasters have piled their effects on top of malnutrition, poor housing and infant diseases. In 1998, Hurricane Mitch devastated the country, leaving 5,000 dead, most of the crops destroyed with damage estimated in the billions that set back development by decades. Drug trafficking and crime are fuelled by poverty and rising unemployment. Recently youth gangs, known as “maras” have plagued Honduran society becoming a major security issue.

In 2005, Manuel Zelaya won the presidential elections by the smallest margin ever in Honduran electoral history. Zelaya's campaign theme was "citizen power," proposing to double the number of police officers and to jail murderers and rapists for life. He also vowed to increase transparency and combat drug trafficking, while maintaining macroeconomic stability. The Zelaya administration has made poverty reduction its top priority, endorsing the Poverty Reduction Strategy Paper.

The country has a diversified economy, based on international trading of agricultural commodities and manufactures, which makes it the most open economy in Central America. The US recession is having a substantial negative impact on the Honduran economy. Remittances, exports from maquilas (assembly factories) and FDI - the key links between the two economies - are contracting. Real GDP growth is projected to fall to around 2% in 2009. Dire poverty was aggravated by Hurricane Mitch in 1998. After this massive loss of life and assets, Honduras embarked on a very ambitious Poverty Reduction Strategy (PRS) in consultation with civil society and donors, agreeing to a set of actions aimed at reducing the incidence of extreme poverty by half by 2015.

The Country Assistance Strategy (CAS) (pdf) supported the PRS by contributing to the restoration of macro-economic stability, improvement of the business climate, better performance of the financial sector, and a sound framework for public sector financial management. Growth in Honduras is largely attributable to the continued growth in remittances and strong export performance, particularly by the maquila sector and by the CAFTA effect on private investment[1].

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/HONDURASEXTN/0,,menuPK:295080~pagePK:141132~piPK:141107~theSitePK:295071,00.html

Corporate Social Responsibility understanding

CSR is perceived as a new concept, sometimes it is confused with philanthropy.

Community

The main community based issues are employment, personal security and education.

Some companies help to improve the infrastructure of public schools, and hospitals, and further practice corporate volunteering.

Environment

The top issues regarding the environment and sustainability are deforestation, water, soil, air contamination, sewage treatment and waste management.

Marketplace

The consumer protection focuses on providing quality customer services or products. There is a very limited number of companies working in this area.

The issues around supply chain are ethical issues, responsible marketing and clean production. A few companies are helping to implement Clean Production Programs and are ISO 14000 certified.

There are more companies implementing the Code of Ethics to prevent corruption, i.e. payment of bribes and facilitation payments.

Workplace: Diversity and Equal opportunities

The Constitution of Honduras prohibits all forms of discrimination and federal legislation makes clear reference to equality for men and women. However, patriarchal beliefs continue to influence the ideology of public institutions and political parties, and represent the main obstacle to improving conditions for women in the country. Interpersonal relations between men and women in Honduras are largely influenced by tradition and sexism is firmly rooted; in general, society considers women to be inferior to men.

There has been a rise in homophobic crimes recently following a breakdown in the law after the coup that disposed President Manuel Zelaya. Honduras is notorious for being a patriarchal, macho and homophobic society.

Human Rights

The main violations of human rights are femicede (violence and criminality against women), Children's rights and labour rights. However, it has become standard practice for most of the big companies to adopt CSR principles.

Key players

- *Key civil society groups*

- Red Cross
- Fire fighters
- Chambers of Commerce
- Catholic and Christian Churches
- Professional associations (doctors, teachers, lawyers)
- Unions
- Political parties
- Private sector organizations

- *Government agencies active on CSR*

There are not any government agencies active on CSR.

- *Business led agencies active on CSR*

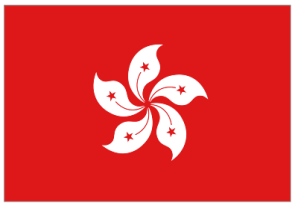
FUNDAHRSE (Honduras Foundation for Corporate Social Responsibility)

- *Business lead initiatives on CR issues*

Education, Health, Nutrition.

Sources of information

www.fundahrse.org
www.derechos.org/nizkor/honduras/informes.html



HONG KONG

Country overview

Ceded to Britain in 1842, following the initial Opium Wars, Hong Kong experienced British Colonial rule for 150 years until China resumed sovereignty on July 1st 1997. Following the 'one country, two systems' policy in place since the British handover of Hong Kong in 1997, it has become a semi-autonomous, special administrative region of China, headed by Chief Executive Donald Tsang Yam-kuen since 2005.

Hong Kong's constitution allows the development of democratic processes; however, Beijing continues to hold veto power over changes to the political system. Population densities at 6,339 people per square kilometre make Hong Kong one of the most densely populated regions in the world with a per capita GDP of US$30,840. Education in Hong Kong is required by law for children aged between 6 and 15, though more than 90% of children continue until completion of upper secondary education or equivalent vocational education. Despite China having responsibility for defence and foreign relations, Hong Kong is a separate customs and economic entity from China, meaning it can enter into agreements with organisations such as the World Trade Organisation.

Economy

With one of the world's most open and dynamic economies, Hong Kong has developed into a major centre for banking and business, as well as a key site for exports due to the deep water port. Following the global financial crisis, Hong Kong's real economic growth fell, contracting sharply during much of 2009, although a rebound is expected in 2010. Despite the impact of the recession, Hong Kong with many factors ensuring its economic strength through a number of factors, such as virtually no public debt, strong foreign exchange reserves, and an anti-corruption regime, which is seen as being able to respond to changing economic environments. There is a permanent aim to promote Hong Kong's attractiveness as a region for commerce and trade, and as a gateway to China to ensure continued economic prosperity. Currently Hong Kong is in discussions for the development of a free trade agreement with China, 'the Closer Economic Partnership Agreement' (CEPA), which will apply zero tariff to particular goods, and use of the Chinese Yuan in Hong Kong amongst other policies[1].

1 http://www.state.gov/r/pa/ei/bgn/2747.htm#econ

Corporate Social Responsibility understanding

In a 2006 survey[1] carried out on 500 mid- to senior-level managers in companies based in Hong Kong, 88% of respondents felt that a CSR strategy was very important in being part of the overall success of their firm. The key issues which respondents felt would make up a successful CSR strategy include transparency and accountability, taking account of workplace and community issues, as well as ensuring strong development and opportunities for their workforce.

Community

The main community based issues are living wage, minimum wage, poverty, unemployment, HIV, drug use, prostitution, human trafficking.

Companies get involved in community issues primarily through fundraising and corporate giving programmes. While employee volunteering is increasing in popularity in Hong Kong, the corporate sector, as well as individuals in Hong Kong, is more accustomed to providing financial support to local charities.

Environment

The issues regarding environment and sustainability are air pollution[2], the absence of nature conservation policy though the Civic Exchange will prepare a framework in 2010, and the pillaging of life reef fish, sharks and other seafood by Hong Kong[3].

Political leadership in Hong Kong has recognised the potential impact climate change will have on the region, as reflected in their undertaking to encourage GHG reductions via a diverse range of measures across a range of issues such as transport or energy use. The development of the Climate Change Business Forum[4], a membership supported organisation, reflects the growing recognition that climate change is a business issue.

Marketplace

The Consumer Council of Hong Kong actively works to protect consumer rights, tackling a range of issues as well as providing advice[5].

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1 http://www.csrinhongkong.com/hkchallenge.htm
2 www.civic-exchange.org www.hongkongcan.org www.cleartheair.org.hk
3 (WWF Coral Triangle website)
4 http://www.climatechangebusinessforum.com/en-us/index
5 http://www.consumer.org.hk/website/ws_en/

Workplace: Diversity and equal opportunities

Diversity means an environment where people from all walks of life may leverage on their differences and contribute regardless their ethnicity, gender, colour, age, race, family status religion, disability, national origin, sexual orientation.

There are currently four equal opportunities ordinances in Hong Kong, which include:

1. Sex Discrimination Ordinance
2. Family Status Discrimination Ordinance
3. Disability Discrimination Ordinance
4. Race Discrimination Ordinance (coming into forced recently in July 2009)

These legislations are enforced by the Equal Opportunities Commission (EOC), which is an independent statutory body responsible for promoting equal opportunities in Hong Kong. When situations and issues giving rise to discrimination concerns or receive any complaints under the legislation, EOC will be responsible for conducting an investigation and will conciliate between parties in dispute.

Diversity/Equal opportunity for many companies in Hong Kong is seen as a compliance issue, as employers are liable for the actions of their employees, in the course of employment. However, more and more companies, especially multinational corporations, have a more proactive take on diversity and treat it as an effective strategy to attract and retain the best talent. Similar to other countries, encouraging women's participation in the workforce remain the top diversity focus in Hong Kong, followed by developing local leadership, managing a multi-generational workforce and employment of people with disabilities. Looking ahead, tapping into the pool of Lesbian, Gay, Bisexual and Transgendered (LGBT) individuals is another emerging topic for companies recently.

Human Rights

Under the 'One Country, Two Systems' policy Hong Kong's human rights are contained with the wording of Basic Law, the constitution of the region. In general, Hong Kong's citizens are seen to enjoy high levels of civil liberty. However, issues surround policing and heavy-handedness by the police force, a lack of protection for labour rights, and a lack of privacy, as covert surveillance is carried out within the region.

Key players

- *Key civil society groups*

ASrIA	Business CSR Asia	Hong Kong Council of Social Services
Business Council		
Civic Exchange		Women's Foundation

- *Government agencies active on CSR*

Labour Department
Social Welfare Department

- *Business lead initiatives on CR issues*

Diversity and Inclusion in Asia Network (http://www.communitybusiness.org/DIAN/index.htm)
ENGAGE Journey of Opportunity Programme (http://www.communitybusiness.org/CCI2009/Overview.htm)
Employee Volunteer Week (http://www.communitybusiness.org/EVWeek2009/index.htm)
The State of Work-Life Balance in Hong Kong Survey (http://www.communitybusiness.org/library/publications.htm#09wlb)
Work-Life Balance Day (http://www.communitybusiness.org/WLB/2009/index.htm)

Sources of information

Community Business (www.communitybusiness.org)

Publications:
CSR Strategy: http://www.communitybusiness.org/focus_areas/CSR.htm
Corporate Community Investment: Social Responsibility understanding http://www.communitybusiness.org/focus_areas/CCI.htm
Work-Life Balance: http://www.communitybusiness.org/focus_areas/WLB.htm
Diversity and Inclusion: http://www.communitybusiness.org/focus_areas/D&I.htm
http://www.csrinhongkong.com/hkchallenge.htm

INDIA 

Country overview

The Indian National Congress (Congress) and its allies in the United Progressive Alliance (UPA) have ruled since 2004 and recently were re-elected to a second five-year term in May 2009. The UPA coalition's victory wasn't overly surprising; however, the margin of its victory was astonishing. The UPA secured 261 of the 543 seats available in the lower house of parliament. The opposition coalition led by the Bharatiya Janata Party (BJP) finished a distant second with 158 seats. The current president of India is Pratibha Devisingh.

India will have to dramatically improve the impact of every rupee spent. Most public programs suffer from varying degrees of ineffectiveness and poor targeting. Improving them will require systemic reform of the public sector service providers, effective systems of accountability to citizens, decentralization of responsibilities, and expansion in the role of non-state service providers.

Education: India has made huge progress in getting more children, especially girls, into primary school.

Skills: Equally important is the building of skills among India's rapidly rising work force, whose ranks are joined by some 8-9 million new entrants each year. Presently, nearly 44 percent of India's labour force is illiterate, only 17 percent has secondary schooling, and enrolment in higher education is a mere 11 percent. Moreover, the quality of most graduates is poor and employers offer very little upgrading of skills; only 16 percent of Indian manufacturers offer in-service training compared to over 90 percent in China.

Health: The health sector presents a mixed picture. Despite some gains - in infant mortality, institutional births, family planning, and the understanding of AIDS - a large unfinished agenda remains. Maternal mortality rates and child malnutrition levels remain persistently high - 45 percent of India's children remain underweight and 70 percent are anaemic. India also needs to get better prepared to deal with the rapidly emerging challenge of non-communicable diseases[1].

[1]http://ddpext.worldbank.org/ext/ddpreports/ViewSharedReport?&CF=1&REPORT_ID=9147&REQUEST_TYPE=VIEWADVANCED&HF=N&WSP=N
http://www.worldbank.org.in/WBSITE/EXTERNAL/COUNTRIES/SOUTHASIAEXT/INDIAEXTN/0,,contentMDK:20195738~pagePK:141137~piPK:141127~theSitePK:295584,00.html

Population 1,173,108,018 (July 2010 est.)[1]

Government

Government: United Progressive Alliance, a Congress-led coalition.
Head of State: President Pratibha Patil
Prime Minister: Prime Minister Manmohan Singh
Membership of international groupings/organisations: Commonwealth; United Nations and the United Nations Human Rights Council; World Trade Organisation; G20, South Asian Association for Regional Co-operation (SAARC); ASEAN (dialogue partner); G4, IBSA.[2]

Political environment

The Indian Constitution provides a system of parliamentary and cabinet government both at the centre and in the states. The Indian Parliament consists of the President, currently President Smt Pratibha Devisingh Patil, (elected for a five-year term as the constitutional head of the executive) and two Houses: The Lower House - Lok Sabha ('House of the People') - directly elected on the basis of universal adult suffrage; and the Upper House - Rajya Sabha ('Council of States') - indirectly elected by the members of state legislative assemblies.

The Bharatiya Janata Party (BJP) and the Congress Party are the two main forces in the current Indian political scene. Whilst neither can command a clear Parliamentary majority, following their good performance in the May 2009 general election, the Congress is now in a dominant position and heads the ruling coalition at the Centre, called the **United Progressive Alliance (UPA)**. The **BJP** leads the Opposition alliance known as the **National Democratic Alliance (NDA)**.[3]

Key industries

Textiles, chemicals, food processing, steel, transportation equipment, cement, mining, petroleum, machinery, software and pharmaceuticals.[4]

Gap between rich-poor

% population < $1 day: 24.3% (World Bank)
% population < $2 day: 75.6% (World Bank)

1 https://www.cia.gov/library/publications/the-world-factbook/geos/in.html
2 http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/asia-oceania/india
3 http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/asia-oceania/india
4 https://www.cia.gov/library/publications/the-world-factbook/geos/in.html

Gini Coefficient 36.8 (1992-2007, UNHD Report 2009) [1]

Key cities

City	Population (2010 estimate)	State/UT
Mumbai (Bombay)	13,830,884	Maharashtra
Delhi	12,565,901	Delhi
Bangalore	5,438,065	Karnataka
Kolkata (Calcutta)	5,138,208	West Bengal
Chennai (Madras)	4,616,639	Tamil Nadu
Hyderabad	4,068,611	Andhra Pradesh
Ahmedabad	3,959,432	Gujarat
Pune	3,446,330	Maharashtra
Surat	3,344,135	Gujarat
Kanpur	3,221,435	Uttar Pradesh
Jaipur	3,210,570	Rajasthan
Lucknow	2,750,447	Uttar Pradesh
Nagpur	2,447,063	Maharashtra
Patna	1,875,572	Bihar
Indore	1,854,930	Madhya Pradesh

Corporate Social Responsibility understanding

Corporate Responsibility is perceived as more of a community engagement initiative in India. CR has a long history in India as societal Indians are 'inclusive people' who believe that individual progress is closely linked to the progress of its society. Charity and philanthropy are migrating towards a CSR strategy that is being embedded into the business strategy of the Corporation. CSR had always been part of Indian business tradition as clearly established by the Tatas & the early work by its founder Mr. Jamsetji N.Tata though it had not been articulated in terms of CSR as understood or defined today. The tradition of CSR had existed as 'trusteeship' during the freedom struggle by Mahatma Gandhi.

Philanthropy still heavily drives CSR, but reputation, employee morale building, competitiveness is increasingly being found to be the driving forces behind CSR practice. There is beginning to be a shift in corporate governance focus from shareholders to stakeholders. Corporations are beginning to realise the importance of CSR as a management tool. Corporate India is showing greater sensitivity to CSR, yet much needs to be done for it to be taken as a strategic approach in managing a company.

1 The Gini index lies between 0 and 100. A value of 0 represents absolute equality and 100 absolute inequality

Community

The main community based issues are education (spread of education amongst the poorest section), eradication of poverty and health and livelihoods (healthcare across all sections of society, relief and rehabilitation of displaced communities)

Businesses believe in improving the quality of life of the disadvantaged communities impacted in their sphere of influence. They generally engage with local NGOs working in the field of: Health, education, livelihoods and environment.

Through NGO Business partnerships, corporations would generally involve in activities such as :

- Supporting education. Creating a School/Learning Centre
- Generating employment from the Community
- Supporting health and sanitation facilities in the Community
- Empowering women

Some of the case studies are:

Glaxo SmithKline Consumer Healthcare Ltd supports the project: 'Sustaining Health Care and Livelihoods' in the Tribal Community of Sittingi Valley and Kalrayan Hills in Dharmapuri district of Tamil Nadu, the infant mortality rate has come down to 20 per 1000 live births, which is comparable to the best indices in India. This was the achievement of health workers who plan and implement the community health programme in the valley.

Kanoria Chemicals & Industries works in Eastern UP on watersheds, education & livelihoods with local communities improving the water table & giving rise to more opportunities for farming, reduce out migration. They also have a zero waste policy, Recycle industrial wastes eg Flyash housing, conserve trees, promote organic farming, they adopt villages & work in partnership with local communities.

MSPL which works with Windpower and in mining also works with local schools, villages, workers & commune.

Environment

1. The top issues regarding the environment and sustainability are: Prevention of polluting the environment, Increasing atmospheric greenhouse gas concentration and its effects on temperatures, climate, ecosystem, human settlement, emergencies, etc

2. Having a strategy for climate control and global warming

3. Impact from inappropriate waste management on human health and on ecosystems (soil and water contamination, air quality, land use and landscape)

4. Falling water tables, access to clean & safe water sources, equitable norms on use of water by industry & recycling

India follows Kyoto Protocol 1997: Within the purview of the international climate change framework: UN Framework Convention on Climate Change 1992 ratified by India on 1st November 1993. It ratified the Kyoto Protocol on 26 August 2002. The recent legal frameworks are National Environmental Policy 2006 and National Action Plan on Climate Change 2008 – have set the stage for focused domestic response to climate change

The other Regulatory Framework provides a legal template which includes:

a) India's Environment Protection Act-1986

b) Air prevention and Control of Pollution Act 1981

c) India's Energy Conservation Act 1988

d) Pollution Control Norms 2004

There is a concerted effort by the Government to monitor and limit GHG emissions

There are recommendations for sector guidelines for enhancing energy and reduce GHG emissions

The measures taken are more Mitigation Focused: Corporations are now aware of the threat to sustainability if urgent steps are not accelerated to tackle pollution and climate change. It is becoming a top-end strategy which encompasses both, adaptation as well as mitigation.

About 38% of business report on their carbon footprints (Source: Carbon Disclosure Report 2009) Companies & other institutions are beginning to measure & report on their carbon footprint. As more and more Corporations prepare and submit Sustainability Reports and COP to the Global Compact, reporting on the Carbon footprint will become a part of the Sustainability Report.

Green House Gas Emissions

• Cost of clean, green technologies, costs of transition, technical expertise, alternative methodology, etc.

• Every economy wants to develop and sometimes development and rapid industrialisation could face challenges of polluting the environment and the impact on Climate Control. Transparency of Reporting, calibrated regulations, and implementation of controls would help in tackling such sustainability issues.

Trade and Business Associations such as: Confederation of Indian Industry, Associated Chambers of Commerce & Industry and the Federation of Indian Chambers of Commerce and Industry and local and regional associations, are all networks who are playing a major influencing role to tackle the issues. Companies such as Delhi Metro, ITC, Infosys, Selco, Suzlon, etc. are also taking initiatives to support the cause.

Current issues

deforestation; soil erosion; overgrazing; desertification; air pollution from industrial effluents and vehicle emissions; water pollution from raw sewage and runoff of agricultural pesticides; tap water is not potable throughout the country; huge and growing population is overstraining natural resources

International agreements

Party to: Antarctic-Environmental Protocol, Antarctic-Marine Living Resources, Antarctic Treaty, Biodiversity, Climate Change, Climate Change-Kyoto Protocol, Desertification, Endangered Species, Environmental Modification, Hazardous Wastes, Law of the Sea, Ozone Layer Protection, Ship Pollution, Tropical Timber 83, Tropical Timber 94, Wetlands, Whaling. signed, but not ratified: none of the selected agreements[1]

Ministry of Environment and Forests – extensive information online regarding the legislation surrounding numerous issues such as air pollution, water pollution and environment pollution[2].

Marketplace

Ethical Production

• Right to Information – information is generally given on the product components not on the processes.

• Safety of Products. Educating the customer on the use of the product pre- and post-purchase, clear labelling, transparency, customer services, etc

• Converting desire into the ability to buy (addressing the relatively poorer customers) and creating products that deliver great value.

- Use of recyclable materials (packaging/plastic etc) Yes, by and large market forces ensure that this happens. E.g. information on responsible drinking, Health warning on Cigarettes;

[1] https://www.cia.gov/library/publications/the-world-factbook/geos/in.html
2 http://moef.nic.in/modules/rules-and-regulations/water-pollution/

Hire Purchase and instalment schemes who cannot afford a onetime payment. Such initiatives are at very initial stages and a very few but significant ones such as stores are becoming more and more disability access friendly, Software for the deaf & Accessibility in infrastructure & community Development, focus on the girl child, etc.

- Contract Labour & Child Labour: The main challenge appears to be that the Corporation's Values, Principles and Policies must be adhered to the same extent by vendors/partners and other integral parts of the supply chain as the parent Corporation itself. Companies struggling with how to integrate social compliance with contractors and sub contractors.

Fair Trade Issues.

Increased competition among suppliers causes downward pressure on wages and work regulations.

• Free trade zones offer incentives that can include lower labour standards.

• Excessive overtime

• Women workers denied equal benefits and opportunities.

Through Social Compliance Audits; the results of which are shared with the management of the firm and a Management Action Plan for improvement is made in discussion with the management. The improvement is reviewed after every 6 months through compliance audits and action on improvement.

All vendors are treated as an extension of the family of the Corporation and therefore it becomes mandatory for all members of the Supply Chain to follow strictly the Company's norms and directives on such issues.

There is an increased awareness of the importance of supply chain standard and management system as a key to sustainable compliance like SA8000.

Companies see merit in a proactive approach to shift from mere auditing to build the internal capacity of their suppliers, train them to incorporate measures of social & environmental responsibility. Companies are coming up with clearly laid out policies and communication procedures on how to do it.

Companies use frameworks to analyse and prepare overall risk assessment for their suppliers.

Also in use is self assessment of tiered rating systems with indicators like management system, internal compliance team, control of sub contractors, worker discrimination, complaint management & resolution, training & capacity building etc.

Most of the companies have their own internal Code of Conduct and Ethics to prevent bribery and corruption and a set of Ethics Officers, Counsellors and Ombudsmen, who have the responsibility of implementation, reporting violations and recommending action Some of the Public Sector companies such as ONGC, etc work with Transparency International & about 30 plus such units have signed up. In the private Sector again a few Companies are showing the way eg Alacrity, EICHER, etc.

Workplace: Diversity and Equal opportunities

Since Independence, the government of India has promulgated many laws to protect women's rights. In general, application of these laws is weak. An international study by Rhoodie goes so far as to state that India "is a good example of a country with an abyssal gap between policy and practice." India's legal framework has less influence on women's rights than do the nation's religions. Some 80 per cent of the population lives according to Hinduism and its customs and laws; the Muslim population follows the Islamic Sharia law. It is important to bear in mind the number of women subjected to the following discriminations: India is home to some 500 million women. There is no legislation on age (with the exception of child labour).

Human Rights

People are deprived of their economic, social and cultural rights. Displacement of people from their ancestral farmlands without a robust relief and rehabilitation measure to make way for mineral explorations and manufacturing plants etc. Violation of workers Human Rights in factories, community rights over common property & resources, inequitable compensation, violence by both state & Maoists. As Companies are increasingly signing up for the UN Global Compact, Human Rights abuses (child labour etc) will move towards elimination.

Businesses are an integral part of Society. Our Society respects Human Rights and Corporations have it embedded in their set of Business Principles.

Businesses are still largely unaware of the potentially damaging human rights impacts of their activities or those of their business partners, suppliers, 10 franchisees or loan recipients or of the risk that third parties might misuse their products and services. Business needs to set its own house in order first.

In today's world, stakeholders demand an increasingly high standard of behaviour from business. Generous philanthropic programmes and benefit packages for employees are no longer enough to demonstrate corporate responsibility. To be credible they need to be backed up by responsible business practices and rights protection for the most vulnerable company stakeholders.

The companies state that they adhere to all the rights enumerated in UDHR and do not call human rights violations. But generally they are of the opinion that human rights is just civil and political rights which they do not violate while they do not realize the social cultural and economic rights that needs to be respected in all their business operations.

Key players

- *Key civil society groups*
- Partners in Change
- Business & Community Foundation
- CII ITC Centre for Sustainable Development
- Credibility Alliance
- Urban Rights group for the Homeless
- National Alliance of Peoples Movements
- Group on Judicial Accountability
- Disability Rights networks
- ActionAid
- Concern India
- CRY
- Helpage India etc
- *Government agencies active on CSR*

Indian Institute of Corporate Affairs, Ministry of Corporate Affairs India Planning Commission Almost all Ministries have a CSR window Department which aims at implementing that Ministry's Policy in an "inclusive' way.

- *Business led agencies active on CSR*

CII, FICCI, ASSOCHAM, NASSCOM, FIMI, FISME

- *Business lead initiatives on CR issues*

- National CSR Guidelines wherein businesses are also on the committee.
- Women's Empowerment, Enabling the Disabled, HIV/AIDs education,
- Education, Health, Poverty Eradication, and Children focussed schemes, to
- name a few.
- Emergency Management & Research Institute,EMRI by GVK
- Nanhi Kali (Girl Child) & Midday meal programs.
- ESOP: Employee Social Options: Mahindra & Mahindra Ltd

Sources of information

www.picindia.org

• www.globalcompactindia.org

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• Human Rights and Business : A primer for business in India

• CV Baxi & Ajit Prasad, Corporate Social Responsibility: Concepts and

Cases, The Indian Experience 2005

• Human Rights and Business: A Primer for Business in India, by Partners

in Change, BLIHR, Global Compact Society, India

• Dr Pushpa Sundar, Beyond Business: From Merchant Charity to

Corporate Citizenship, 1999 – a historic study of Indian business involvement with the community.

• BCF CSR PRIMER

• PM's 10 point social charter for India, http://www.pmindia.nic.in/speech

• www.cii.in (CII Code of Conduct for Affirmative)

• www.ciisocialcouncil.org

• www.csmworld.org

• www.csr-asia.com

• www.karmayog.org

• www.ilo.org

• www.iso.org

• www.teachcsr.com

• www.bcfindia.org

• www.mca.gov.in

IRAN 

Country overview

Under Khomeini's successor as Supreme Leader, Mohammad Ali Khamenei, a brief window of reform appeared with the election of Mohammad Khatami as President of the Islamic Republic in 1997. A reformist, President Khatami rolled back many cultural and political restrictions and took steps to end Iran's isolation from the international community. However, disillusionment with the incremental and halting nature of reforms, combined with resistance by hard-line clerics, ousted the reformers and led to the election of President Mahmoud Ahmadinejad in 2005 that has been re-elected in 2009.

Today, Iran's government is led by religious conservatives who favour principles of Sharia law and Shia Islamic fundamentalism. Opposition and dissent are strictly controlled; power is consolidated in opaque institutions.

Iran has the second largest population, after Egypt, in the Middle East and North Africa region. Most of its 73 million people are young, with increasing hopes and expectations of a better future. Larger numbers of increasingly well-educated women seek opportunities to participate at all levels of Iran's labour market and civil society; however their labour market participation rate remains low, while the unemployment rate among women is high. The country's health and education indicators are among the best in the region.

Health: Health outcomes in Iran have improved greatly over the past twenty years and now generally exceed regional averages. Key to this success has been the Government of Iran's strong commitment to and effective delivery of primary health care. Iran's "Master Health Plan", adopted in the 1980s for the period of 1983-2000 accorded priority to basic curative and preventive services as opposed to sophisticated hospital-based tertiary care, and focused strictly on the population groups at highest risk, particularly in deprived areas.

Social Protection: Iran has a large social protection system with some 28 social insurance, social assistance, and disaster relief programs benefiting large segments of the population. These programs include training and job-search assistance, health and unemployment insurance, disability, old-age and survivorship pensions, and in-kind transfers including subsidies (e.g., housing, food, energy), rehabilitation and other social services[1].

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/MENAEXT/IRANEXTN/0,,contentMDK:20146413~menuPK:312964~pagePK:141137~piPK:141127~theSitePK:312943,00.html

Corporate Social Responsibility understanding

Philanthropic and charitable donations are the main focus of Iran based firms – with the lack of multinational firms they don't have the more mature concepts of CSR which come from Europe/USA.

CSR exists in traditional forms such as employers providing loans to employees, charitable funds for the poor, construction of community buildings, and increasingly efforts to protect the environment. Activities by the government to draft reports on CSR, as well as increased marketplace competition amongst firms is driving the new concept of CSR forward – particularly if they wish to work with international partners.

CSR is gaining importance across the economy in the following order:

1) Private companies

2) State and semi-government companies

Community

The main community based issues are job availability (especially in rural Iran), access to services in rural areas and disadvantaged groups from ethnic, religious or language backgrounds who are excluded from housing, education and employment.

Before the Islamic Revolution there were 14 country wide charity bodies, as well as smaller religious based networks. Following the Revolution the country has seen massive rise to more than 3,000 charities based in both urban and rural areas. Companies provide their donations to these organisations based on calculations of turnover and profit – they choose depending on the success of their organisation at that time however they don't do this for publicity. Donors see it as an act between them and their God.

Environment

The top issues regarding the environment and sustainability are air pollution, overexploitation of natural resources and droughts.

Environment issues are a major factor – UNEP ranked Iran 117th place out of 133 countries.

Emissions are a major issue in Iran, with large numbers of cars being older than 20 years and having no catalytic converter fitted. Furthermore, vehicles use low-quality, leaded fuel sources.

Iran has had a Department of the Environment since 1971 but have held back from establishing a policy of sustainable development for fear of impacting on short term economic goals.

According to the UN Association of Iran, the government of Iran have a long term commitment to deal with climate change. Iran is trying to tackle its climate change impact via their work with the UN Development Programme. Via two trust funds, the Global Environment Facility and the Montreal Protocol on Substances that Deplete the Ozone Layer.

The Engineers Society Bureau in Tehran watched Al Gore's documentary on climate change and as a result they proposed to detail solutions. The aim is to ensure that environmental, social and health evaluations were made before any large construction projects took place.

Marketplace

The Iranian government has strong control over what is imported. Over the last few years they have improved the access for goods; however some consumer goods are limited access.

According to a study carried out into Trade and Transportation within Iran for the World Bank 'supply chain' is not a concept which businesses in Iran recognise. Most companies in Iran continue to follow very dated age old practices which don't modernise.

There are concerns surrounding the health and safety of employees whilst in their work environment. Concepts and policies are in place but need to be ensured that they are acting on them. 25% of Iranian's three to five million children who live under the poverty line are working. Whilst 15 years old is the minimum age for children to be employed legally, domestic help can be undertaken by children of any age.

In terms of transportation of goods, this has a major environmental impact as most lorries are an average age of 21 years old and are high emission emitters. Furthermore, movement along the road network in Iran can be difficult as no funds are used to pay for the upkeep.

Corruption is endemic within Iran, often involving any contracts given by the government. Companies may have to pay as much as ten to 30% of the value of the contract too as 'success fees'. An Iranian Intelligence Minister has established an Anti-Economic Corruption Department which looks into government officials who are corrupt. They have worked to heavily publicise this department and its efforts. However, some question whether the judiciary itself is not corrupt thereby devaluing the work of the department.

Workplace: Diversity and Equal opportunities

Iran is a theocratic republic; as such, the situation of women is very much affected by Islam and Sharia law. The Constitution supports equal rights to a large degree, but its enforcement is generally poor and discriminatory provisions still remain.

Women's rights activists in Iran continue to face obstacles in their attempts to improve the conditions for women. Some members of the "Campaign for Equality" (a network aiming to end legal discrimination against women in Iran) have even been arrested following demonstrations demanding equal rights (2009 Social Institutions and Gender Index (SIGI).

Iran has extreme discrimination against religious minorities, namely, Zoroastrian, Jewish, and Christian Iranians. While they are free to perform their religion 'within the limits of the law', they are often treated like second class citizens.

Human Rights

It is believed that daily violations of human rights occur within the country. These violations occur across a range of issues, such as the judiciary handing out death sentences without full evidence, beatings and torture of captives, honour killings of women and general open gender segregation. The government has openly employed and given positions to individuals who are known human rights abusers.

Furthermore Tehran holds control over all media and publications, removing access to free speech. This is alongside the fact that unions and associations are actively banned within the country.

Key players

- *Key civil society groups*

Media, Unions, NGOs, Universities and Research groups, UNDP, UN IRAN, UNICEF, UNIDO,

- *Government agencies active on CSR*

Ministry of Industries, Ministry of Commerce, Environment Organisation, Standard Organisation, Ministry of Labour, Welfare Organisation, Stock Exchange Organisation, Sustainable Development Committee, Strategic Research Centre

- *Business led agencies active on CSR*

Regional Organisation of Islamic Chamber of Commerce

CSR Iran

Sources of information

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http://www.wfuna.org/atf/cf/%7B84F00800-D85E-4952-9E61-D991E657A458%7D/Iran.pdf

www.climate-change.ir)

http://www.docstoc.com/docs/26127414/Iran-The-Fight-Against-Climate-Change/

http://www.iranfocus.com/en/human-rights/

www.fas.org/sgp/crs/mideast/RL34021.pdf

www.worldbank.org/INTTLF/Resources/**Iran**_pre-TTFA_04.pdf

http://csriran.com/wp-content/uploads/2009/03/csr_iran-english-presentation.pdf

ISRAEL



Country overview

Israel is located in the Middle East, bordering the Mediterranean Sea for a length of 273 kilometres (168 miles). In the south and southwest, it borders the Gulf of Aqaba and the Sinai Peninsula, occupied in the war of June 1967 and returned to Egypt in April 1982. To the east, it shares a 238-kilo-meter (147-mile) borderline with the Hashemite Kingdom of Jordan and 307 kilometres (189 miles) with the Palestinian Autonomous Area on the western shore of the Jordan river. In the north, Israel shares 79 kilometres (49 miles) of borders with Lebanon, and with Syria for 76 kilometres (47 miles) on the disputed Golan Heights.

The "Gaza Strip," a small piece of territory running some 40 kilometres (25 miles) along the Mediterranean coast, has been under limited jurisdiction of the Palestinian National Authority (PNA) since 1994, together with the Palestinian Autonomous Area in the West Bank. The territories which were occupied after the war of June 1967 are not recognized as forming part of the State of Israel, although it seems unlikely that Israel will reverse its annexation of East Jerusalem. Control over the Old City, which is the Jews' principle holy site, the Wailing Wall, and the Muslims' holy mount, the Haram al-Sharif with the al-Aqsa mosque, is heavily disputed.

Israel has a technologically advanced market economy with substantial, though diminishing government participation. It depends on imports of crude oil, grains, raw materials, and military equipment. Despite limited natural resources, Israel has intensively developed its agricultural and industrial sectors over the past 20 years. Israel imports substantial quantities of grain but is largely self-sufficient in other agricultural products. Cut diamonds, high-technology equipment, and agricultural products (fruits and vegetables) are the leading exports. Israel usually posts sizable trade deficits, which are covered by large transfer payments from abroad and by foreign loans. Roughly half of the government's external debt is owed to the US, its major source of economic and military aid. Israel's GDP, after contracting slightly in 2001 and 2002 due to the Palestinian conflict and troubles in the high-technology sector, has grown by about 5% per year since 2003. The economy grew an estimated 3.9% in 2008, slowed by the global financial crisis. The government's prudent fiscal policy and structural reforms over the past few years have helped to induce strong foreign investment, tax revenues, and private consumption, setting the economy on a solid growth path[1].

Corporate Social Responsibility understanding

1 http://www.indexmundi.com/israel/economy_overview.html

Concepts of CSR are developing in Israel, with the banking and communications sectors being at the forefront of CSR reporting. However, the general view in terms of transparency and CSR reporting is that many firms in Israel fail to see the need to develop and provide such information. In fact, a study undertaken in 2008 ranked Israel's reporting and transparency around that of Bahrain and Bangladesh[1].

Community

The main community based issues are:

1. Youth
2. education[2]- college for all
3. health and welfare issues[3]

The majority of businesses have a designated person who is in charge of their community investment activities. Mostly the community manager designs a partnership with a charity that is relevant to the company's CSR investment issues.

Environment

The main issues regarding environment and sustainability are:

1. Waste[4]- above 80% of waste in Israel is intended for landfills.

In the year 2007, each person in Israel generated an average of 1.58 kilograms per day - some 577 kilos per year. This translated into some 6.9 million tons of solid waste (domestic, commercial and industrial). Due to population growth (over 2% annually) and rising standards of living, municipal waste has been increasing in the order of 5% annually, although this rate of growth has been halved since 2000, and rates vary in different parts of the country.

To address the solid waste problem in a country characterized by scant land resources, the Ministry of Environmental Protection has formulated a policy founded on integrated waste management. It calls for reduction of waste at source, reuse, recycling (including composting), energy recovery, and land filling. The goal: to reduce the total quantity of waste that the country generates, in general, and the quantity reaching landfills, in particular, and to increase waste recovery and recycling. The target: to reach a 50% recovery and recycling rate within the next ten years.

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1 http://www.jpost.com/Israel/Article.aspx?id=174203
2 http://www.college4all.org/default.aspx?SetLng=en
3 http://www.latet.org.il/english/
4http://www.sviva.gov.il/bin/en.jsp?enPage=e_BlankPage&enDisplay=view&enDispWhat=Zone&enDispWho=waste&enZone=waste&

2. Water resources[1]

Preservation of Israel's water resources is one of the major challenges confronting the country today. Israel entered the 21st century with one of its greatest water overdrafts ever. Today this cumulative deficit stands at some 1.5 billion cubic meters, an amount equal to the annual consumption of the country, in comparison to the average annual replenishment rate of major aquifers. Moreover, water scarcity is exacerbated by the deteriorating quality of water resources due to demographic, industrial and agricultural pressures

3. Air quality[2]

Israel has approved the Kyoto protocol but is not obliged to reduce co2 emissions.

There are voluntary actions: there exists a voluntary reporting mechanism with regard to reporting co2 emissions.

In Israel it seems that the main focus is on mitigation procedures and actions required to reduce co2 emissions. Adaptation is dealt more on the research front.

About 5% of major businesses report their carbon footprint.

Marketplace

Different consumer goods companies and retailers are taking some action on vulnerable consumer protection.

1. Dove – real beauty, Uniliver Israel

2. Comme il Faut – empowering women[3]

3. Hapoalim Bank – A campaign for solar energy funding[4]

4. Visa Cal – a credit card company campaign for responsible consumption

Workplace: Diversity and Equal opportunities

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[1]http://www.sviva.gov.il/bin/en.jsp?enPage=e_BlankPage&enDisplay=view&enDispWhat=Zone&enDispWho=water_top&enZone=water_top&

2 http://www.adamteva.org.il/?CategoryID=392&ArticleID=358

3 www.comme-il-faut.com/agenda

4http://www.bankhapoalim.com/wps/portal/!ut/p/_.cmd/cs/ce/7_0_A/s./7_0_DB/_s.7_0_A/7_0_DB

Israel has anti-discrimination law which covers, age, race, gender, disability, faith and sexual orientation. Israel was the first country in Asia where homosexuals were protected by anti-discrimination laws. Israel has a large immigrant population who come from all over the world, especially from Ethiopia and Russia. Some organisations have recruitment targets to attract immigrant workers into their company. Female representation in politics, in Israel, is perceived to be changing society for the better and that political action by women was showing tangible benefits. This included such areas as social services, gender equality, the control of violence against women and children, employment, support services, and the environment.

Human Rights

There is a long tradition of Workers' union activity in Israel since its establishment.

Key players

- *Key civil society groups*

sheatufim- The Israel center for civil society,
Shatil – leading social change- www.shatil.org.il/english,
Matan – investing in the community -http://www.matanisrael.org.il/SITE/EN/HOMEPAGE.ASP
Zionism 2000 for social responsibility- www.zionut2000.org.il/site/front/showcategory.aspx?ItemId=350
New Israel fund - http://www.nif.org/

Adam Teva V'din – Israel union for environmental defence- www.adamteva.org.il/?CategoryID=388

- *Government agencies active on CSR*

Ministry of Indusrty Trade and labor - http://www.moital.gov.il/NR/exeres/B0B48981-357D-446F-AFAC-91A358E93C87.htm
Israel Ministry of Environmental protection,
Prime Minister's office - http://www.pmo.gov.il/PMOEng
Minister A. Braverman – Responsible for minorities in Israel
Ministry of social affairs and social services - http://www.molsa.gov.il/MisradHarevacha
Israel's Ministry of Foreign Affairs – Global compact - http://www.mfa.gov.il/MFA/MFA+events/Conferences/Israeli%20business%20enters%20the%20UN%20Global%20Compact%2010-Jul-2008

- *Business led agencies active on CSR*

Manufacturers association if Israel - http://www.industry.org.il/Eng/
Union Of Israeli Banks – The equator principles

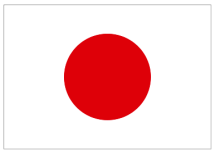
- *Business led initiatives on CSR issues*

Packaging Law
Choices – a food sector initiative led by Unilever Israel

Digital Gap – Led by Microsoft Israel

Sources of information

http://www.maala.org.il/eng/home/about/03/default.asp?ContentID=1012

JAPAN 

Country overview

Japan, an island nation in east Asia, is an archipelago (large group of islands) located east of the Korean peninsula. It has an area of 377,835 square kilometres (145,882 square miles),. Japan is bordered by the Pacific Ocean on the north and east, by the Philippine Sea and the East China Sea to the south, and by the Sea of Japan / East Sea on the west. It has a coastline of 29,751 kilometres (18,487 miles). Japan's major cities, including Tokyo, its capital, and Yokohama, its major port, are located in the south-eastern part of the country, on the main island of Honshu. Kyoto, Nagoya, and Osaka are in the southern part of Honshu. Sapporo is located on the northern island of Hokkaido. The other two main islands in the Japanese archipelago are Kyushu and Shikoku, to the southwest.

In the years following World War II, government-industry cooperation, a strong work ethic, mastery of high technology, and a comparatively small defence allocation (one percent of GDP) helped Japan advance with extraordinary speed to the rank of second most technologically powerful economy in the world after the US. Today, measured on a purchasing power parity (PPP) basis, Japan is the third-largest economy in the world after the US and China. Two notable characteristic of the post-war economy were the close interlocking structures of manufacturers, suppliers, and distributors, known as keiretsu, and the guarantee of lifetime employment for a substantial portion of the urban labour force. Both features are now eroding under the dual pressures of global competition and domestic demographic change. Japan's industrial sector is heavily dependent on imported raw materials and fuels. A tiny agricultural sector is highly subsidized and protected, with crop yields among the highest in the world. Usually self sufficient in rice, Japan imports about 60% of its food on a caloric basis. Japan maintains one of the world's largest fishing fleets and accounts for nearly 15% of the global catch. For three decades, overall real economic growth had been spectacular - a ten percent average in the 1960s, a 5% average in the 1970s, and a 4% average in the 1980s. Growth slowed markedly in the 1990s, averaging just 1.7%, largely because of the after effects of inefficient investment and an asset price bubble in the late 1980s that required a protracted period of time for firms to reduce excess debt, capital, and labour.

In October 2007 Japan's longest post-war period of economic expansion ended after 69 months and Japan entered into recession in 2008, with 2009 marking a return to near 0% interest rates. The ten year privatization of Japan Post, which has functioned not only as the national postal delivery system but also, through its banking and insurance facilities as Japan's largest financial institution, was completed in October 2007, marking a major milestone in the process of structural reform. The Japanese financial sector was not heavily exposed to sub-prime mortgages or their derivative instruments and weathered the initial effect of the global credit crunch, but a sharp downturn in business investment and global demand for Japan's exports in

late 2008 pushed Japan further into a recession. Japan's huge government debt, which totals 170% of GDP, and the aging of the population are two major long-run problems. Debate continues on the role of and effects of reform in restructuring the economy.

Corporate Social Responsibility understanding

Almost all the listed companies in Japan address CSR strategies and initiatives by, for example, producing their annual CSR report, implementing CSR programs, etc. CSR is now an issue for SMEs.

Community

The main community based issues are ageing society, work life balance and unemployment.

Businesses now try to partner with community organizations to engage in community activities to address local issues.

Environment

The top issues regarding the environment and sustainability are CO2 reduction, recycling and reusing.

The PM Hatoyama has proposed a focus on a 25% reduction against 1990 level which is under review from the Diet.

Among large listed companies (TSE 1st Listing), more than 80% report their carbon footprints or similar figures in their report. Business-led networks tackling climate change are already present such as Keidanren and the Chambers of Commerce. This undertaking makes Japanese firms globally competitive against rivals in China and US both of which do not comply Kyoto Protocol yet.

Workplace: Diversity and Equal opportunities

A changing culture in Japan means that companies have to look at initiatives to retain staff. Many of the larger employers are beginning to move away from the traditional working culture of long hours and a formal workplace and are offering childcare facilities and flexible hours. This change in workplace culture is being driven by the need to retain staff it self an issue driven by the fact that almost ten percent of the workforce are due to retire in the next five years. Cultural influences have a significant effect on diversity issues in Japan and many employees have their jobs for life and uniformity/ conformity is commonplace - difference is not encouraged. Disability diversity agendas are forced through by quotas, and are fairly ineffective.

Human Rights

Karoshi (heavy work with no rest result in death of employees) is a significant problem which remains unaddressed by Japanese businesses despite the need or a proactive solution.

Key players

- *Key civil society groups*

WWF Japan

- *Government agencies active on CSR*

Ministry of Environment, Ministry of Economy, Trade and Industry

- *Business led agencies active on CSR*

Keidanren, Keizai Doyukai

- *Business led initiatives on CSR issues*

Work life balance issue, Carbon Reduction initiatives

Sources of information

http://www.wwf.or.jp/eng/

http://www.env.go.jp/en/

http://www.csr-asia.com/index.php?cat=41

MEXICO 

Country overview

Mexico's is the second largest economy in Latin America and the United States' largest regional economic partner. But, in spite of its size, Mexico's economy faces enormous challenges to spread prosperity among the majority of its population and many of its citizens risk the dangerous trek to cross illegally into the United States along their 2000-mile common border to find a better future. In addition, violence has taken a high toll on Mexico, mainly from wars between rival drug cartels. More than 6,000 people were killed in 2008 in drug related violence. It has also one of the highest rates of kidnapping in the world. President Felipe Calderon has made public security a priority for his administration, launching aggressive operations against organized crime and drug traffickers and deploying the army in several states.

Calderon - who came to power after a closely fought race in 2006 - has passed legislation to reform the federal judicial system as well as fiscal, electoral, energy, and pension sectors. In 2008, he controversially introduced a limited energy reform proposal, designed to strengthen the state oil company, Pemex. After a long public debate, a compromise measure was passed. The president has pledged to reduce poverty and create jobs, in an effort to stem outward migration. He is also committed to pursue major infrastructure projects.

Mexico is heavily dependent on oil exports, trade with the United States and on money sent home by the millions of migrant workers in the US. According to last official estimates, around 42.6% percent of the population is poor and 13.8% is considered to live in extreme poverty. Lower international oil prices and the financial crisis in the US has hit hard with declining remittances from migrant workers and reduced positive forecasts. After record-high revenues from oil exports in 2008, the dramatic drop in prices in 2009 has significantly affected the country's public finances as oil accounts for more than a third of total public sector revenues. The flow of workers' remittances has continued its downward trend. Over the first two months of 2009 they fell by 7.4% compared to same period of the previous year. Remittances amounted to $25.1 billion in 2008, 3.6% below the level observed a year earlier.[1]

Population: 112,468,855 (July 2010 est.)

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/MEXICOEXTN/0,,contentMDK:22252113~pagePK:1497618~piPK:217854~theSitePK:338397,00.html

Government

Major Political Parties: Partido Acción Nacional (PAN); Partido de la Revolución Democrática (PRD); Partido Revolucionario Institucional (PRI).
Government: Mexico has a Federal republic system of government covering the 31 states and the Federal District of Mexico with powers separated into three branches: independent executive (President), legislative (Congress) and judicial (Supreme Court of Justice, federal and local systems). The President is elected for a 6-year term and may not hold office a second time. Congress is bi-cameral and consists of a Senate (128 seats) and a Chamber of Deputies (500 seats). The judges making up the Supreme Court are appointed by the President, with the consent of the Senate.
Head of State: President Felipe Calderón Hinojosa
Prime Minister/Premier: Not applicable
Foreign Minister: Patricia Espinosa Castellano[1]

Political environment

On July 5th (2009), Mexico held elections to renew 500 Congressional seats in the lower Chamber, the governorships of six states, the mayorships of 620 municipalities, and a total of 469 local Congressional seats in 12 states. The former long-time ruling Institutional Revolutionary Party (PRI) showed a dramatic comeback in all congressional, state, and local elections. In Congress, the president's National Action Party (PAN) suffered a significant setback, losing its position as the party with the most seats in the Lower Chamber. The left-wing Party of the Democratic Revolution (PRD) came a distant third place.

In Congress, the PRI won 36.8% of the vote to 27.9% taken by President Calderón's National Action Party (PAN). The PRD came in a distant third place with 12.2%. The PRI captured 237 seats in the Lower Chamber (including the additional seats won by the principle of proportional representation), followed by the National Action Party (PAN) with 143 seats and the PRD only obtained 72 seats. Within the smaller parties, the Partido Verde (PVEM) obtained the most votes with 6.7%, followed by the Partido del Trabajo (PT) and the Nueva Alianza party (PANAL) with 3.6% and 3.4% respectvely. Convergencia Democratica, another party associated with the PRD, performed poorly (2.4%), but it was able to preserve its registration. However the Partido Social Democratica (PSD) lost its registration with only 1.03% of the national vote. Under the new electoral legislation, a party needs to capture at least 2.0% of national votes to guarantee its place in the political system. Calderón's predecessor as President, Vicente Fox, was the first non-PRI President for 71 years. He governed from 2000-2006, heading up a PAN administration.

President Calderón has clearly set out three main priorities for his administration:

1 http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/north-central-america/mexico?profile=today

- creating jobs (with one million new jobs needed each year to meet demand)
- reducing poverty (with around 47% of Mexicans currently living in poverty)
- improving public security (including reforming the judicial system and reclaiming public spaces from the drugs cartels.)

Legislation passed since President Calderón came to power includes: the Pension System Reform (the ISSSTE Law) approved in March 2007: the 2008 Tax Reform Bill, approved in September 2007, and the Electoral Bill Reform approved in September 2007 and enacted in November of that year; and the 2008 Federal Expenditure Budget and the Law of Income, approved by the Congress in November 2007. The justice reform package was formally approved in February 2008 and in April 2008 the energy reform package was presented to Congress and aaproved in October of that year.The approved energy reform is a package of amendments to seven laws, many of which focus on changes to the machinery of government. The management of Mexico's national petroleum company, Pemex, will be enhanced by the creation of a National Hydrocarbons Commission, a Committee of Acquisitions, and a Committee of Long-term Strategic Investments. The reform grants Pemex greater autonomy over its finances and governance."[1]

Key industries

food and beverages, tobacco, chemicals, iron and steel, petroleum, mining, textiles, clothing, motor vehicles, consumer durables, tourism[2]

Gap between rich-poor

Population below poverty line 18.2% using food-based definition of poverty; asset based poverty amounted to more than 47% (2008)[3]

Gini Coefficient 48.1 (1992-2007, UNHD Report 2009)[4]

Key cities

Municipality	Federative Entity	Population
Mexico City	Federal District	8,894,193
Ecatepec de Morelos	State of Mexico	1,734,701
Tijuana	Baja California	1,590,420

1 http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/north-central-america/mexico?profile=politics
2 https://www.cia.gov/library/publications/the-world-factbook/geos/mx.html
3 https://www.cia.gov/library/publications/the-world-factbook/geos/mx.html
4 The Gini index lies between 0 and 100. A value of 0 represents absolute equality and 100 absolute inequality.

Puebla	Puebla	1,590,256
Guadalajara	Jalisco	1,564,514
Ciudad Juárez	Chihuahua	1,407,849
León	Guanajuato	1,397,446
Zapopan	Jalisco	1,260,381
Monterrey	Nuevo León	1,138,711
Nezahualcóyotl	State of Mexico	1,086,720
Mexicali	Baja California	926,042
Mérida	Yucatán	825,328
Culiacán	Sinaloa	815,688
Toluca	State of Mexico	815,068
Chihuahua	Chihuahua	812,490

Corporate Social Responsibility understanding

CSR is still in the early stages of development within Mexico, with the need to move beyond the embedded idea that CSR refers to corporate philanthropy rather than a direct engagement with Mexican society. Limiting this development is the clear separation between the private sector and wider civil society, with most Mexicans having a hostile view of the corporate community. However, the European concept of CSR is slowly being integrated into the corporate strategy of some firms within Mexico, normally in the form of a simple set of guidelines to ensure a limited CSR policy was followed[1].

Community

The main community based issues are poverty, unemployment and violence.

There is interaction with the community through some CSR initiatives such as:

'Programa Semilla de Danone'. Danone's group culture is based on the conviction that the success of business and social welfare are an indivisible link. That is why it is important to keep social and economic objectives together as a principle called Doble Proyecto, which is the engine in each of the Group's operations worldwide. This program intention is to integrate vulnerable social groups to the company's business model. The programme is focused to give a better life quality to marginal population by providing them with work and a stable, honest income with all law benefits.

Environment

1 'CSR in Mexico', F. Weyzig (2007)

The top issues regarding environment and sustainability are lack of water, deforestation (few recycling programmes and companies dedicated to this issue) and high levels of CO2 emissions (from cars and industries)[1].

Mexican society and the national government are developing tools that will help to mitigate the irreparable effects of climate changes. Therefore, if these environmental international programmes are accomplished according to their lineaments, they will be able to stop the terrible side effects of environmental devastation.

On a national scale more than half of Mexican citizens are very concerned about climate change, nevertheless the scale depends on their geographic situation. People living in Central Mexico show less concern on the issue, on the other hand, people living in southeastern Mexico are more concerned about it, especially if we consider the fact of the frequent hurricanes and their side effects, such as deforestation. Surprisingly, media reports suggest that most of the population believes that the climate remains the same.

The population with a higher cultural and educational level, along with the central Mexico population that lives in the biggest urban centers are more concerned with the matter. All this suggests that education, culture and media information are crucial for the perception of this global phenomena. Experience shows that information is not known widely enough compared to the dimension of the environmental problems we are facing not only in Mexico, but around the world.

In future years it will be very important to go deeper inside this matter to find out why there's such a difference of opinion between the central and southeastern population and other points related, such as how committed people are to take action on this matter; if they are ready to socially and individually change their life style. What is the Mexican society perception not only on the climate change issue, but the disappearance of Mexican ecosystems? What do we expect from government? (El Universal, 9 de enero de 2010)

The USA and Mexico are in fact working together on a range of projects to tackle the issue of climate change and develop suitable responses. Obvious climatic problems in Mexico include the fact that the country has suffered increasingly strong hurricanes, severe floods and droughts in recent years. This is likely to continue. Rising temperatures and changes in rain patterns will worsen water shortages, leading to declining agricultural yields and to severe water pressures in the big cities. Rising of sea levels and storm surge will also threaten the lives of millions of Mexicans that live in it's nearly 10,000 kilometers of coasts.

In the particular case of Mexico, policies that favor low-carbon options and penalize fossil fuels

[1] www.ganar-ganar.com.mx, www.expok.com.mx

could be an especially attractive opportunity. Declining oil production will reduce the contributions made by PEMEX to the budget over the next two decades, putting pressure on social spending and infrastructure development. Shifting policies today to favor clean energy investment offers an opportunity to reduce the high budget dependency on oil revenues and increase the competitiveness of clean energy alternatives.

Current Environmental issues

Scarcity of hazardous waste disposal facilities; rural to urban migration; natural fresh water resources scarce and polluted in north, inaccessible and poor quality in center and extreme southeast; raw sewage and industrial effluents polluting rivers in urban areas; deforestation; widespread erosion; desertification; deteriorating agricultural lands; serious air and water pollution in the national capital and urban centers along US-Mexico border; land subsidence in Valley of Mexico caused by groundwater depletion. *note:* the government considers the lack of clean water and deforestation national security issues.

International Environmental agreements

Party to: Biodiversity, Climate Change, Climate Change-Kyoto Protocol, Desertification, Endangered Species, Hazardous Wastes, Law of the Sea, Marine Dumping, Marine Life Conservation, Ozone Layer Protection, Ship Pollution, Wetlands, Whaling - signed, but not ratified: none of the selected agreements[1]

As part of NAFTA – Mexico must maintain environmental standards. A commission assess the viability and practises which are occurring to ensure that there is change being made[2]. Agency responsible for environmental policy.[3]

Marketplace

- Corruption
- Gender
- Discrimination

In April 2009 the Partnering Against Corruption Initiative meeting took place in Mexico City, and was attended by organizations and businesses representatives.

1 https://www.cia.gov/library/publications/the-world-factbook/geos/mx.html
2 http://www.cec.org/Page.asp?PageID=1226&SiteNodeID=310&BL_ExpandID=154

3 http://www.semarnat.gob.mx/English/Pages/home.aspx

Today, PACI brings together some 150 companies to fight bribery and corruption, including industry leaders from multiple sectors and global locations (mentioning the ones with presence in Mexico):

- Energy (Pemex - Petroleos Mexicanos)
- Engineering & Construction (Marhnos)
- Food & Beverage (The Coca-Cola Company)
- Healthcare (Merck and Co.)
- Information Technology (Microsoft Corporation)
- Professional Services (Accenture, Deloitte, Ernst & Young, KPMG International, PricewaterhouseCoopers).
- Telecommunications (Alcatel-Lucent)

Workplace: Diversity and Equal opportunities

Mexico is an ethnically diverse country. It has Spanish and Dutch influences, as well as its own indigenous people. Because of its diverse culture, legislation regarding gender and ethnicity is taking place at a slow pace. Violence against women seems to be prevalent and in 2007 a law was passed obligating federal and local authorities to prevent, punish and eradicate violence, however only a handful of states have formally adopted this legislation. There is a significant pay gap between the genders. The percentage of the female workforce doubled from 17% to 40% in 2005 and more women are entering politics and higher education.

Human Rights

Human rights violations within Mexico include torture, police repression, sexual murder mainly of women and the assassination of news reporters.

Key players

- *Key civil society groups:*

Caux Round Table, Confederación USEM, Compite, Impulsa, Andanac

- *Government agencies active on CSR:*

Ministry of economy, Sedesol (Ministry of social development), Semarnat (Secretaría del Medio Ambiente y Recursos Naturales), Profeco, Ministry of environment

- *Business led agencies active on CSR*:

  - AliaRSE (Alianza por la Responsabilidad Social Empresarial)
  - Amcham

- Canacintra (Cámara Nacional de la Industria de Transformación)
- Fundemex (Fundación del Empresariado en México)
- Cemefi
- Consejo Coordinador Empresarial (CCE)
- IMEF (Instituto Mexicano de Ejecutivos de Finanzas)
- Concamin (Confederación de cámaras industriales)
- Coparmex (Confederación patronal de la República Mexicana)
- CMIC (Cámara mexicana de la industria de la construcción)
- Canaco (Cámara Nacional de Comercio)

- *Business led initiatives on CSR issues:*

Instituto Nacional de las Mujeres: Empresa Incluyente de Inmujeres (equidad de género) www.inmujeres.gob.mx
Great Place to Work www.gptw.org.mx
Premio de Ética y Valores en la Industria

Sources of information

- www.expok.com.mx
- www.ganar-ganar.com.mx
- www.subcorp.com (Suplementos corporativos)
- www.cemefi.org/esr
- 'CSR in Mexico' by Francis Weyzig (2007, online pdf)

NEW ZEALAND 

Country overview

The last general election was held in November 2008. A government was formed by the centre-right, National Party (59 seats), with the right wing economic liberal Act Party (five seats) and the centrist United Future Party (one seat) in agreement to lend support on their portfolio issues and on confidence and supply votes and for their Party Leaders to hold Ministerial positions outside Cabinet. The Maori Party (five seats) has an agreement to co-operate with the government on areas on mutual interest and not to oppose it on confidence and supply.

The Governor General, The Hon Judge Anand Satyanand, is the representative of the Sovereign in New Zealand. The Governor General serves a term of five years. He took office in August 2006

New Zealand has a mixed economy which operates on free market principles. It has sizeable manufacturing and service sectors complementing a highly efficient agricultural sector. Exports of goods and services account for around one third of real expenditure GDP.

From the mid-1990s, the current account deficit increased from the 2.7% to 4.1% range which had prevailed between 1990 and 1994, to 6.4% in 2000. The increase in the deficit was primarily caused by the international income deficit increasing, reflecting New Zealand's increased net international liability position. A depreciation of the exchange rate from 2000 saw the annual current account narrow to 2.8% of GDP in September 2001. A subsequent appreciation of the exchange rate saw the current account deficit reach 9.3% of GDP in the year to June 2006.

The economic recovery experienced in late 2006 continued into 2007 with quarterly growth of 1.2% and 0.8% in the March and June quarters respectively. Slowing domestic activity saw growth drop to 0.5% in the September quarter, taking annual average growth to 2.7% for the year to September 2007. Quarterly growth is forecast to be around 3% in the year to March 2008. However, growth is then expected to slow in the year to March 2009 as domestic demand slows in response to higher interest rates before recovering to around trend levels as there is a lagged response from exports to an expected depreciation of the exchange rate.

A large proportion of the risks and uncertainties concerning the outlook for the New Zealand economy relates to the global economic outlook, especially around global financial markets and international commodity prices. The path taken by the exchange rate is an additional risk to the outlook.

Corporate Social Responsibility understanding

Business: increasing awareness, understanding and implementation of a wide range of CSR activity beyond just environmental and philanthropic initiatives.

Community: increasing understanding, but for the most part CSR is still seen as a fundraising exercise rather than an opportunity to work with business on community and economic development.

Government: the current political climate, for the most part, is not receptive. However, various ministers and elected members are supportive as are pockets within the bureaucracy.

Community

The main community based issues are unemployment, personal and community safety (including domestic violence and drug abuse) and sustainable economic development.

Business community engagement is extremely varied. Most (90+%) New Zealand businesses are small or medium enterprises with a very local focus. Accordingly, most engagement with the community is generally ad hoc and could be considered an extension of the business owner's personal philanthropy. For instance, paying for their son's rugby team jerseys.

Amongst larger businesses, engagement varies from standard sponsorship and donation activity to complex, multi-facetted engagement. A good example of complex engagement is the Northern Gateway Alliance, a construction consortium created to build a motorway extension north of Auckland. The Alliance and motorway extension won awards for environmental practices, community and stakeholder engagement and for design[1].

Environment

The top issues regarding the environment and sustainability are:

1. Government policy and regulatory control – a relaxing of environmental protection regulations and activity e.g. government proposing to permit mining on national parks and the introduction of policies that will effect major polluters having carbon emissions and environmental degradation activity subsidised by other businesses and the general public without penalty

2. Non-sustainable farming practices

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1 http://www.boffamiskell.co.nz/projects/motorway.php.

3. Depletion of fish stocks upsetting marine ecosystems and equilibrium[1]

New Zealand Business Council on Sustainable Development and the Sustainable Business Network are business-led networks tackling climate change. 40-60% of firms in New Zealand report their carbon footprint. Issues limiting further engagement by businesses are cost and the commitment to really change.

Perceptions vary. The current government policy direction appears to contravene the global emphasis on climate change mitigation in favour of economic gain and productivity. Opinion is divided as to the cause and ultimate effect of climate change. However, a couple of recent pieces of research have highlighted that although people consider environmental protection and climate change as important, their primary concern is personal and community safety.

Marketplace

Customers are influenced by a business' or product's environmental and social footprint. Many retail customers view purchasing cause-related products as part of their personal philanthropy, and increasingly expect business to be actively contributing to the community and having environmentally sustainable practices.

Sustainable supply chains are a little understood concept for most New Zealand businesses. For those, mainly larger businesses that do conduct audits, many supply chain issues are inward focused and managed through procurement policy and process.

Corruption and bribery is rare in New Zealand. However, most employers have policies in place to prevent and manage unethical behaviour.

Workplace: Diversity and Equal opportunities

Diversity relates to gender, age, ethnicity, sexuality, disability, religion and marital status

Various pieces of legislation exist to cover all of the above. Most employers create and support/enforce their own polices within the legislative framework. Legal enforcement is dealt with through New Zealand employment courts and other legal processes and frameworks.

New Zealand Society is generally very egalitarian. However, organisations such as the Equal Employment Opportunities Trust have an active membership and work closely with members to improve and support employment practices.

1 www.climatechange.govt.nz

Human Rights

According to the New Zealand Human Rights Commission's 2004 report (currently under review for 2010) the major issues for New Zealand in terms of human rights include barriers to disabled people, abuse of individuals in detention and care, and economic and social issues faced by Maori and other minority groups.

Key players

- *Key civil society groups*

NOTE: New Zealand has over 97,000 community organisations, one of the highest per capita in the world. Accordingly, the following list is indicative only

Association of Non-Government Organisations Aotearoa (ANGOA), New Zealand Federation of Voluntary Welfare Organisations, New Zealand Council of Social Services and New Zealand Council of Christian Social Services

- *Government agencies active on CSR*

Office for the Community and Voluntary Sector and the Inland Revenue Dept – with particular reference to tax and charitable giving, including payroll giving

- *Business led agencies active on CSR*

New Zealand Business Council for Sustainable Development and Sustainable Business Network

Sources of information

http://www.acpmedia.co.nz/Corporate/CorporateSocialResponsibility/tabid/515/Default.aspx

http://www.ocvs.govt.nz/

http://www.nzbcsd.org.nz/

NIGERIA



Country overview

With a population of 148 million people, Nigeria is the largest country in Africa and accounts for 47 percent of West Africa's population. It is also the biggest oil exporter in Africa, with the largest natural gas reserves in the continent. With these large reserves of human and natural resources, Nigeria is poised to build a prosperous economy, reduce poverty significantly, and provide the health, education and infrastructure services to its population needs.

Over the last five years, Nigeria has been carrying an ambitious reform agenda. The most far reaching of those was to base the budget on a conservative reference price for oil, with excess saved in a special account. The economy responded with strong growth between 2003 and 2007 – averaging 7.6 percent. The government used part of its oil savings to conclude the debt relief agreement with the Paris Club. The country then obtained its first sovereign rating at BB. The Federal Government reallocated all of the US$750 million fiscal space created, through the completion of the debt deal with Paris Club creditors, towards expenditures related to reaching the Millennium Development Goals (MDGs) and towards reducing poverty with the Virtual Poverty Fund.

Nigeria's population is made up of about 200 ethnic groups, 500 indigenous languages, and two major religions—Islam and Christianity. The largest ethnic groups are the Hausa-Fulani in the North, the Igbo in the Southeast, and the Yoruba in the Southwest. The fragmentation of Nigeria's geographical, ethnic and cultural identity lines is effectively balanced by the country's federal structure and the strong emphasis of the federal government on representing six geopolitical zones and different ethnic and cultural identities. Though the Nigeria's socio-political environment is fairly stable, there are pockets of instability in various parts of the country.

In April 2007, Nigeria held its third consecutive national elections, further consolidating the transition from military to democratic rule that began in 1999. The third democratically elected Government is committed to reform in line with the "7-Point Agenda", focusing on the development of human capital; critical infrastructure; food security; land tenure changes and home ownership; national security; wealth creation; and the Niger Delta.

The new National Assembly, state Assembly and Presidential elections are tentatively scheduled for January 2011.

Internationally, Nigeria continues to be a leading player in the African Union, the New Partnership for Africa's Development (NEPAD), and in the Economic Community of West African States.[1]

Corporate Social Responsibility understanding

So far, corporate social responsibility does not play an important role in Nigeria, and has not been the subject of a wider public discussion. There are expectations that companies will offer certain benefits to their employees and the communities where their facilities are located, but they are often non-specific or focus only on a specific enterprise. In addition to being motivated by concrete needs, expectations reflect traditional views of a company's or an entrepreneur's responsibilities toward employees and the community.

Community

The main community based issues are poverty, public health (no money for medicines) and illiteracy.

We can find examples of companies working with these community issues. For instance, as a rule, German employers cover their employees' expenses for medical care and medications. Julius Berger Nigeria also offers its employees and their families' access to the company's clinic in Abuja.

Environment

The top issues regarding the environment and sustainability are the sea level rise, fiercer weather (more frequent storms, floods, hurricanes, droughts) and water scarcity.

The perceptions of the problem constituted by climate change are more adaptation focused. It is clear that an organized, systematic approach at the national level in Nigeria is needed to address our climate change problem. The core challenge for Nigeria is to develop the framework and the capacity at the state and local level to assess and respond to vulnerability and resilience of sectors to predicted climate change impacts. This will involve the development, assessment and implementation of adaptation options. The "Building Nigeria's Response to Climate Change" (BNRCC) project is designed to assist in this process.

Marketplace

For many years, Nigeria has had a reputation for being among the most corrupt countries in the world, and the problem has received increasing national and international attention in recent

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/NIGERIAEXTN/0,,menuPK:368906~pagePK:141132~piPK:141107~theSitePK:368896,00.html

years. Although measures have been taken against both public and private corruption, several business surveys indicate that petty corruption is still widespread and constitutes a major obstacle for companies operating in Nigeria.

Workplace: Diversity and Equal opportunities

The 1999 Constitution of Nigeria prohibits discrimination on grounds of ethnic group, place of origin, sex, religion or political opinion. Two states in Nigeria, Anambra and Imo, have passed a Gender and Equal Opportunities Law. The law provides for affirmative action measures to redress the historic imbalances in appointive and elective positions in Nigeria. It also prohibits discrimination in education, employment etc. However, the constitutional guaranteed freedoms are sometimes ignored. For example, the Nigerian Federal government has introduced a legislation that, if passed, would introduce criminal penalties for relationships and marriage ceremonies between persons of the same sex. Additionally, some racial tensions have recently arisen with global oil firms being accused of systematic displacement of Nigerian officials with expatriates.

Over 50% of the Nigerian population practise Islam. According to Henry Bienen at Princeton University, there have been struggles carried out, in Nigeria, in religious terms over constitutional mechanisms for adjudicating conflict. Religion also has been an element in the conflict between ethnic-language groups. It has been necessary for northern leaders to stress Islam in order to maintain northern unity. However, Islam itself has worked to intensify fissures opened up by social and economic change in Nigeria. Islam in Nigeria continues to be contentious in both domestic and foreign policy.

Human Rights

The main violations of human rights in Nigeria are violence, HIV/AIDS and arbitrary killings by security forces.

While there are occasional calls for companies from Western countries to provide aid to Nigeria as a kind of reparations for the colonial era, this is really more of a rhetorical device than a matter of practical relevance. More significant are increasing demands for these companies, as "globalization winners," to leave some of their profits in Nigeria.
In connection with the crisis in the Niger Delta (protests against the environmental pollution caused by oil production), there are high expectations that corporate social engagement will help counteract the negative effects (especially environmental damage) of oil production on the people of the delta region. Companies are indeed becoming involved in the delta communities. Western companies are generally presumed by the Nigerian public to be wealthy.

A well known example of a lawsuit against a Western firm is that of Shell in Nigeria, which was a big case and portrayed a bad image for business.

Key players

- *Key civil society groups*

Centre for Responsive Politics, Civil Liberties Organization, Constitutional Rights Project (CRP), Country Women's Association of Nigeria, League of Democratic Women (LEADS)

- *Business led agencies active on CSR*

Foundation for Environmental Development and Education in Nigeria (FEDEN), as part of LEAD International

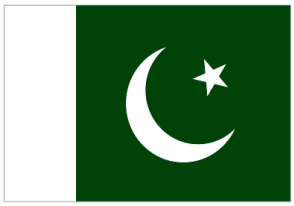
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http://www.nigeriaclimatechange.org/

http://www.kas.de/proj/home/pub/33/2/dokument_id-11468/index.html



PAKISTAN

Country overview

In 2007/08, the sharp rise in international oil and food (specifically wheat) prices, combined with internal political turmoil, led to rapidly expanding macroeconomic imbalances in Pakistan. To avoid a balance of payments crisis and default on foreign debt payments, the Government developed a home-grown stabilization program, which was supported by the IMF through a 23-month Stand-By Arrangement (SBA) in November 2008. IMF has released four tranches amounting to $ 6.54 billion with the fifth tranche due in April. The program includes a medium-term macroeconomic framework, which envisages fiscal and monetary tightening to bring down inflation and reduce the external current account deficit to sustainable levels. The development emphasis remains on poverty reduction and social protection, particularly on enhancing social safety nets for the most vulnerable sections of society. Infrastructure is also vital, particularly in water management, transport, education and energy.

Continuing challenges facing Pakistan include the combined effects of food and fuel crisis, the global financial crisis and continuing volatile security situation, insufficiently targeted social safety net, an infrastructure deficit – particularly in energy, transport, and irrigation, and poor delivery of social services. While Pakistan's human development indicators have generally improved over the past few years, it lags behind most other countries in the region.

Stringent implementation of the economic program will be critical to success, and timely responses of fiscal and monetary authorities to emerging risks will be essential to ensure it remains on track[1].

Corporate Social Responsibility understanding

CSR is very much in the initial stages of development within Pakistan. Argument that CSR remains a buzzword in Pakistan's national firms, who either ignore or it place into practise a mislabelled project. Those who are part of a wider multinational mix are more aware of the terminology and the application, whilst national firms and those smaller companies do nothing to

1http://www.worldbank.org.pk/WBSITE/EXTERNAL/COUNTRIES/SOUTHASIAEXT/PAKISTANEXTN/0,,menuPK:293077~pagePK:141132~piPK:141109~theSitePK:293052,00.html

risk cost base increases. With several NGOs developing in the country who are pushing CSR, a growing awareness has taken place which has speeded up the process of CSR implementation.

Community

The main community based issues are high illiteracy, poverty and political tensions.

Mobilink, a leading mobile phone operator, have developed a distance literacy programme in partnership with UNESCO. Through these programme female learners in deprived areas received daily post-learning material in the form of SMS to enhance and retain their literacy skills.

Telenor and other firms have worked towards training staff for immediate action following emergency event. A large number helped with the issues surrounding the earthquake which occurred.

Environment

The main issues regarding environment and sustainability are water scarcity, deforestation and pollution.

In 2005 Pakistan joined the Kyoto Protocol to tackle climate change, as part of the establishment of climate change policy in the country which is under the responsibility of the National Task Force on Climate Change. However, it is unclear if there is a significant push occurring of the climate change issue or whether the country will be forced to respond when it gets to being almost too late.

It seems that businesses have been slow to take up the climate change issue, though firms such as the Pakistan Tobacco Company recognise environmental issues as important, reflected by their active afforestation programme.

To highlight the issue of climate change LEAD Pakistan put together a programme of events for CEOs and major corporations within Pakistan – the first of its kind.

Marketplace

Due to insufficient consumer protection there was artificial shortage of essential commodities, arbitrary price hikes, poor quality products and services, sale of hazardous products and misleading advertisements[1].

1 http://www.crcp.org.pk/introduction.htm

The Pakistan Tobacco Company has been running youth smoking prevention scheme since 1998, tackling a clearly vulnerable group for their products. Initiatives include: voluntary withdrawal from electronic media, prohibiting the use of celebrities in marketing material and embedding a robust marketing code; the International Marketing Standards (IMS) support government in raising the smoking age from 16 to 18.

For many in Pakistan getting access to credit and finance is not possible due to their economic situation. The rise of microfinance, led by organisations and companies such as the State Bank of Pakistan, provides a route towards saving and finance which enables further growth.

One of the many supply chain issues being faced by firms within Pakistan is employee based, both in terms of ensuring that staff receive a fair wage but also that child labour is avoided, for example Nike suffered a scandal after it was revealed their footballs were being stitched by children.

A survey into the issue of corruption within Pakistan has shown that many companies were willing and respectful of the need to enhance their image, and take responsibility for corporate governance by moving away from bribery and corruption. However, this pathway was led by MNCs operating within Pakistan or foreign owned businesses, with many domestic or national companies failing to push themselves away from the embedded issues of corruption.Corporate governance within Pakistan controlled by the SECP (Securities and Exchange Commission of Pakistan) which introduced a Code for Corporate Governance in 2002.

Workplace: Diversity and Equal opportunities

Despite being exceedingly diverse as a society, the concept of diversity is not well known or understood within Pakistan. Equal rights and equal treatment of all persons is in the Constitution but not in practise.

Pakistan also fails to offer equal opportunities – much of the country is illiterate and any education is normally supplied to men. It is therefore difficult to get women into work and most don't enter the labour force with only 15.4% of women engaged in economic employment. Women, who do enter the workforce find that they are not able to fully achieve the same positions as men, find themselves suffering obvious gender inequality. This experience is shared by other groups such as people with disabilities. Firms are developing greater understanding, for example Gender Sensitive Management award presented by Workers Employers Bilateral Council of Pakistan.

Human Rights

The Constitution of Pakistan has the freedom of speech, religion and press built in to its wording however, following the Maplecroft Human Rights Risk Analysis Atlas, Pakistan is ranked 4th under 'extreme' human rights issues. Pakistan features heavily in this section, ranking bottom out of 196 for disappearances and kidnapping and rating extreme risk for torture (10/196), extra-judicial or unlawful killings (8/196), internal displacement and refugees (12/196) and violations by security forces (14/196). Trends indicate that Pakistan will further deteriorate in 2010.

Despite it being illegal, child labour is a significant issue in Pakistan and is a major breach of human rights. 3.3 million out of 40 million children work.

Key players

- *Key civil society groups*

www.lead.org.pk, http://www.pihro.org/, Human Rights Commission of Pakistan

- *Government agencies active on CSR*

National Task Force on Climate Change; Securities and Exchange Commission of Pakistan

- *Business led initiatives on CSR issues*

http://www.wbcsd.org/plugins/GENERICDB/details.asp?DBID=4&id=NTc0 (BCSD Pakistan – formally launched in November 2006 with high-level government and business support. So no working exclusively for either but together)

Sources of information

World Bank (2009) Bringing Finance to Pakistan's poor: A Study on Access to Finance for the Undeserved and Small Enterprises.

http://www.dawn.com/wps/wcm/connect/dawn-content-library/dawn/news/business/13+businesses+seek+govt+help+on+csr-za-14

http://www.csrpakistan.pk/csr_in_pakistan.html- organisation which promotes CSR in Pakistan, however seems to be linked with private publishing/information firm so not necessarily a major promoter.

Evaluation of the state of Corporate Social Responsibility in Pakistan and Strategy for implementation (A Waheed, 2005) – excellent document which has detailed discussion of CSR in Pakistan.

PANAMA



Country overview

Panama's strategic location between two oceans and the engineering marvel of its canal defines this Central American country's place in the world. The transit of thousands of ships through this waterway is the country's main engine for economic growth. President Martin Torrijos, elected in 2004, promised to modernize the Canal to allow it to handle more traffic and larger vessels. The measure was approved in a referendum and work started late 2007. The expansion project of the Panama Canal boosted the economy, but it has done little to correct the persistent poverty and inequality which affects over one third of the population. Torrijos also pledged to fight corruption - an endemic problem of previous administrations - but, despite passing a number of laws, few cases have been prosecuted.

In May 2009, conservative businessman and supermarket magnate Ricardo Martinelli was elected in a landslide victory. Martinelli, who assumed the presidency on 1st July, has promised to promote free trade, encourage foreign investment and forge ahead with the expansion plan for the Panama Canal. During his campaign, Martinelli also committed to transforming Panama into a "safer, modern and supportive" nation devoted to improving the living conditions of its population through efficient and accountable governance. Among the challenges the president will need to address are social inequality, declining revenue from traffic through the Canal, and the country's reputation as a major transit point for US bound drugs and illegal immigrants, as well as a haven for money-laundering.

In recent years Panama's economy has experienced an economic boom, with growth in real gross domestic product (GDP) averaging over 9.5% from 2006-2008. The Panamanian economy has been among the fastest growing and best managed in Latin America. Like most countries in the region, Panama is feeling the impact of the global financial crisis, which threatens to push back the social advances made in the past few years. However, Latin America and the Caribbean are well positioned to quickly recover from the crisis, especially given an unlikely debacle of the US financial system. The expansion project the Panama Canal, combined with the conclusion of a free trade agreement with the United States, is expected to boost and extend economic expansion for some time. This presents an historic opportunity to make progress in reducing persistent poverty and inequality.

Despite Panama's status as an upper-middle income nation – as measured by per capita GDP – it remains a country of stark contrasts. Perpetuated by dramatic educational disparities, over one-third of Panama's population was living in poverty in 2003 and 16% in extreme poverty. To

broaden the base of potential beneficiaries, Panama needs to further increase private sector competitiveness and improve access to education and health. In addition, greater focus on developing skills and stimulating innovation will be needed[1].

Corporate Social Responsibility understanding

Corporate Social Responsibility is well perceived in Panama, and there is a growing interest from companies. As a country where philanthropy has been natural to citizens as well as to companies, the transition from philanthropy to CSR is still in process. Activities or projects for the community are common in businesses and best practices are often not called "CSR". Nevertheless, some companies have already developed complete CSR programs and consider sustainable development as part of their strategy.

SumaRSE as the leading organization in CSR and sustainable development in Panama, and is currently working to raise major awareness among all involved sectors and stakeholders.

Community

The main community based issues are safety, education and poverty.

It is very common for companies to get engaged in community activities such as providing school supplies, adequate community facilities, and sending help in catastrophes. Most companies either by do it by direct sponsorship or supporting NGO´s programs or activities; not so common but also existing is doing it through a corporate volunteer program.

Environment

The top issues regarding environment and sustainability are recycling, clean production and the lack of knowledge of the existing Environmental Laws.

There is a National Policy for Climate Change in Panama (Executive Decree No. 35 of February 26, 2007), based on the principles of the United Nations Framework Convention on Climate Change, the Kyoto Protocol, and the Environmental General Law of the Republic of Panama.

According to the National Policy for Climate Change in Panama, the approach to the problem of climate change and solution thereof is both focused in adaptation and mitigation.

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[1]http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/PANAMAEXTN/0,,contentMDK:21045664~menuPK:343569~pagePK:1497618~piPK:217854~theSitePK:343561,00.html

The lack of awareness of how real climate change consequences are and the need of investment in new technology to reduce the emissions produced by industries are the main barriers for companies to get involved.

Marketplace

The main issues around consumer protection are how products/services are marketed (offer vs. Actual product) and after-service.

Some companies are taking steps to protect vulnerable customers, mainly multinationals, however it is not that common.

The main supply chain issues which arise in Panama, are formal contracting, Child labour, health and security of labour, clean production.

Companies are starting to be aware of the importance of involving their supply chains in the CSR, as suppliers are one of the main stakeholders and riskholders. There are various programs that relate to supply chain; Sumarse have a project called “Value Chain”, where big companies work with and support the implementation of best practices in their value chain.

There are several companies that have taken steps to prevent corruption, and consider it within their Ethic´s Code and code of conduct as a non-accepted action.

Workplace: Diversity and Equal opportunities

Outside of Panama City, the population has had very little exposure to other cultures and therefore these are viewed with great suspicion. The culture is very male dominated and women tend to carry out the domestic activities such as cooking, cleaning and washing.

A diverse ethnic culture is not an issue that is appreciated. Most foreigners are judged in general terms, and pigeon holed to display certain behaviours. Women may experience verbal or even physical harassment and may not be taken seriously in their work.

Human Rights

Human rights violations include corruption, manipulation of the judicial system, political pressure on the media, discrimination against women, trafficking of people, and discrimination of indigenous communities.

Key players

- *Government agencies active on CSR:*

Ministry of Commerce, Mides, First Lady´s Office; Centro Nacional de Produccion Más Limpia

- *Business led agencies active on CSR:*

Chamber of Commerce, Apede, SIP (Sindicato de Industriales)

Sources of information

www.sumarse.org.pa

PERU



Country overview

On 4 June 2006, former president Alan García was re-elected after garnering approximately 53% of votes in a presidential run-off against radical leftist candidate Ollanta Humala. García was first president from 1985-1990, at a time of social and economic turmoil within Peru. Two years into his current term, the landscape is markedly different with the government pursuing prudent macroeconomic policy and investor-friendly market policies.

García's Aprista Party for Peru (APRA) holds only a minority position in the 120-seat Congress. This requires that the president build political alliances within the legislature to ensure policy progress. In an attempt to do so, President García has sought to have diversified cabinets comprised of moderate and pro-market individuals. Despite Peru's ten year economic boom, Peru still lacks basic infrastructure in most parts of its territory and it continues to experience high poverty rates.

As a consequence of strong economic policy and a favourable external environment, Peru's economy has ranked among the best performers in Latin America. GDP growth jumped from 7.7 percent in 2006 to a remarkable 8.9 and 9.8 percent in 2007 and 2008. The impact of such strong growth on employment and incomes has expanded beyond Lima and resulted in significant reductions in poverty rates. The national poverty rate fell 12.4 percent points between 2004 and 2008, from 48.6 to 36.2 percent. Over the same period, extreme poverty dropped 4.5 percent points, from 17.1 percent to 12.6 percent. Despite such significant progress, poverty rates are still high for a country with income levels like Peru's.

Between 2006 and 2008, Peru's fiscal indicators remained robust. The non-financial government bottom line recorded a surplus between 2.1 and 3.1% of GDP over that period, comparing favourably with 2.5% GDP government deficit recorded at the beginning of such decade. Such improved governments accounts are accomplished by the raise of revenues resulting from a boom in mining exports and overall strong growth, as well as from prudent expenditure management. Public debt has fallen quickly from 46% of GDP in 2001 to approximately 24 percent of GDP in 2008. Simultaneously with improved internal indicators, the strong fiscal position explained that in 2008, Peru was awarded investment grade by several international rating agencies. Now, Peru faces the global financial melt-down armed with strong macro-economic indicators and sound economic and social policy management. The country enjoys enviably high foreign currency reserves (over 20 months' worth of imports), a healthy

financial industry, a manageable foreign currency account and a strong portfolio of foreign investment commitment[1].

Corporate Social Responsibility understanding

In Peru the term corporate social responsibilityis used to define the responsibility of business regarding their social and environmental responsibility and we define as Social Responsibility, as the responsibility that each member of the society (individual, NGO, academy, community, etc) has with their stakeholders.

Most people in Peru consider that business is the sole responsible for social and environmental issues and hence, most of the work done in Peru has been made by the business society.

It is important to mentioned that 95% of the enterprises in Peru are medium and small ones and that 70% of these companies are informal, that is, they don´t pay taxes and basically do not comply with labour legislation. Therefore, basically the big and formal enterprises are the ones that are working seriously in terms of CSR activities.

However, CSR today is not in the Agenda of most Peruvian entrepreneurs.

In Peru 2021 we define CSR as a strategically management tool that allows enterprises to become agents for Peru sustainable benefit.

Community

To some extent, there is Corporate Social Involvement.

Businesses in Peru identify and evaluate community needs and concerns (Base Lines), as well as the potential impacts that activities and extractive operation have on them. Main assessments include employment opportunities, housing improvement, contributing to local infrastructure and services, among other population basic needs.

Environment

The top issues regarding the environment and sustainability are climate change, mining environmental liabilities and industrial waste disposal.

The poorest areas in Peru coincide with the areas which are most affected by climate-induced disaster. This is where adaption actions are needed immediately.

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/PERUEXTN/0,,menuPK:343633~pagePK:141132~piPK:141107~theSitePK:343623,00.html

Peru bases its climate change framework in its national constitution. We have an Environmental law (Ley General del Ambiente 28611). The uncertainty of the effect of climate change on Peru is one of the biggest challenges inherent in climate change. The social, economic, political and environmental conditions of Peru make us a country highly vulnerable to climate change. These vulnerabilities highlight the need to incorporate strategic action in the economic development policies of the country in order to achieve effective actions against climate change.

Marketplace

There is one multinational company (Food Industry) making efforts to satisfy base of pyramid needs.

Additionally, most mining companies work very closely with their native communities in order to provide them with basic needs. These activities are held in quechua, the native language on the highlands of Peru.

The basic issue around supply chain is to understand where companies' responsibility end. Most companies believe and act as if their responsibility ended with the sale of the product, not considering all the supply chain activity.

Workplace: Diversity and Equal opportunities

The Constitution of Peru upholds the principle of equality between men and women. The government passed a law in 2000 that criminalised discrimination, and introduced penalties requiring offenders to provide 30 to 70 days of community service. Despite such advances, long-standing social prejudice and discrimination against women has resulted in women experiencing higher levels of poverty and unemployment than men. In addition, Peruvian tradition prevents women from holding senior positions in both the public and private sectors (2009 Social Institutions and Gender Index (SIGI). Regarding salaries, sex and ethnicity, Peru is amongst the most discriminatory in the region, according to the Inter-American Development Bank (IDB).

Human Rights

Human rights issues in Peru include violations relating to labour laws and child labour, corruption, violence, and treatment of prisoners.

Key players

- *Key civil society groups*

Asociación Civil Labor

Grupo Gea, Emprendimientos Ambientales

Sociedad Peruana de Derecho Ambiental

Asociación Peruana de Consumidores y Usuarios. ASPEC

Ciudadanos al Día CAD

- *Government agencies active on CSR*

Ministerio del Ambiente MINAM

Programa Nacional de Apoyo Directo a los más Pobres.

Presidencia del Consejo de Ministros, programa Crecer

- *Business led agencies active on CSR*

Peru 2021; Una Nueva Vision

SASE

Sources of information

http://www.labor.org.pe

http://www.grupogea.org.pe

http://www.spda.org.pe

http://www.aspec.org.pe

http://www.ciudadanosaldia.org

http://www.minan.gob.pe

http://www.peru2021.org

PHILIPPINES 

Country overview

President Gloria Macapagal Arroyo assumed power initially in 2001 and retained the Presidency in the 2004 elections. Arroyo currently suffers from extremely low levels of support primarily due to corruption charges and allegations of vote rigging. There is lack of uniformity in support for Arroyo within the military and there have been several coup attempts against her over the past few years, but the most recent one in July 2008 was not a serious threat. In September 2009, she was criticized for being poorly prepared when floods from Tropical Storm Ketsana displacing more than 400,000.

Arroyo's Lakas-Kampi-CMD ruling party has proposed a constitutional charter change (cha-cha) which would remove the single-term presidential limit and create a parliamentary system, effectively allowing Arroyo to become Prime Minister. Although cha-cha is unlikely to pass ahead of the May 2010 elections, it has brought a high degree of political uncertainty and has had knockoff effects on the investment environment. Politics in the Philippines is heating up ahead of the May 2010 general elections. Filipinos are displeased with the ruling Lakas-Kampi-CMD and the party's nominee for President, current Defence Secretary Gilberto Teodoro Jr. lacks popular appeal. If he wins the Presidency he would likely attempt to pass cha-cha in a bid to allow Arroyo to return to power as Prime Minister. Observers believe current Vice President Noli de Castro will become the running mate of Manuel Villar Jr and his Nacionalista Party forming a popular duo. With the death of famed democratic icon and former President Corazon Aquino in August 2009, it is believed her son, Liberal Party candidate Benigno 'Noynoy' Aquino III is in prime position to capture the Presidency. At this point it is difficult to predict the outcome of the elections, but they will be competitive.

The Government's strategy to accompany the Economic Resiliency Plan with enhanced revenue efforts strikes the right balance. Despite large cash fiscal deficits in the first quarter of 2009, the public sector contribution to GDP growth was modest, because much of the cash outlays went to pay for work done last year. The impact of the Plan is expected to increase during the rest of 2009 as projects and measures to enhance social protection come on stream. However, the weakening of tax revenues limits the room for policy adjustments later in 2009 and risks undermining the stimulus. High deficits combined with uncertainty related to the 2010 general elections could put upward pressure on yields and crowd out private demand, thereby partially offsetting the fiscal stimulus. Therefore, speedy approval of the policy and

administrative measures that the government has proposed to contain the overall fiscal deficit would be highly desirable[1].

Corporate Social Responsibility understanding

CSR is vibrant in the Philippines. There is an active community of companies practicing and promoting CSR, owing to, among many other facilitating factors, the Philippine businesses' early involvement in CSR. PBSP, for example, is commonly known as the first consortium of companies involved in CSR in Asia.

A 2009 survey among businesses revealed that companies perceive CSR to have:

- Helped maintain good relations with the community (28%)
- Helped maintain good relations with other stakeholders (19%), and
- Helped improve customer/client satisfaction (9%)

The greatest challenge is integrating CSR into the core businesses (13%, 2009 survey). Many companies are already doing so; many are involved in CSR for community relations; others do philanthropic work. *(PBSP also has a book with profiles of company CSR practice, which we will gladly share with BITC).*

Other important challenges are evaluating the social impact of CSR (13%) and measuring the economic return of CSR programs (12%).

Community

The main community based issues are poverty reduction (and interwoven issues in education, health, access to water and other basic services), sustainable development (environment management and preparing for climate change impacts at the community level affecting farmers and fishermen, which comprise majority of the poor and those living in rural, agricultural communities) and peace and development (particularly in Muslim communities).

However, when the above items are disaggregated, more specific issues come out as the most pressing issues affecting communities in the Philippines. These issues came out as the least likely millennium development goals to be achieved: Universal access to basic education, degradation of forest and access to water and access to maternal and child health care (children are the most vulnerable to the effects of poverty as evidenced by a recent Philippine Poverty Incidence survey).

1http://www.worldbank.org.ph/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/PHILIPPINESEXTN/0,,contentMDK:20203978~menuPK:332990~pagePK:141137~piPK:141127~theSitePK:332982~isCURL:Y,00.htm

Through PBSP, its member-companies (which have now grown to 255) are able to contribute to poverty reduction and social development by pooling their funds so that with these (more) resources, greater impact could be achieved. How is this done?

Medium and long-term (sustained) interventions that aim to move the poor out of poverty are directly implemented in more than ten poorest provinces across the country.

In these priority areas, integrated interventions (including capacity-building to empower community-based groups, access to basic services, livelihood opportunities, and environmental management – hence, adopting the sustainable development framework) are supported by companies. Companies do not only fund these initiatives through annual donations. Companies are encouraged to implement their other CSR activities within these communities. Their employees are encouraged to participate in volunteering activities in these impact sites.

The approaches employed are supportive of the national agenda (Medium Term Development Plan) and aligned with/supportive of the UN Millennium Development Goals.

These are examples of how PBSP becomes a vehicle for company's to practice CSR effectively and in an organized way, and ensure that impacts are attained, monitored and measured.

Specifically, there are three common modes of companies engaging with communities:

1- Corporate Giving or donations (e.g. PBSP's programs are supported through pooling of resources by member companies. These are projects on education, sustainable livelihood projects for the communities, housing, health)

2- Community relations - adopting host and affected communities of the business operations to secure the license to operate or develop good relations/image (e.g. mining, manufacturing, energy companies)

3-Partnering with communities to become part of the value/supply chain – making communities suppliers of inputs, business partners in the distribution and marketing of their products, etc. (e.g. SCOPE projects – Bote Central, Dole, Cycle House, Figaro, etc.)

Environment

The top issues regarding the environment and sustainability are:

- Impact of climate change/extreme weather conditions on farmers and fishermen (e.g., El Nino phenomenon has a direct impact on agricultural sector output and GDP)

- Exposure to disaster risks as Philippines is one of the most disaster-prone countries in the world and poor environmental management, encompassing issues such as forest degradation and poor solid waste management.

- Unsustainable consumption and destructive practices owing to a myriad of factors such as poverty and lack of awareness of sustainable technologies; poor law enforcement, illegal activities, and such; all of which destroy the country's natural resources and endanger biodiversity.

President Gloria Macapagal-Arroyo signed into law the Philippine Climate Change Act of 2009. It seeks to mainstream climate change into government policy, by creating the National Framework Strategy and Program on Climate Change and the Climate Change Commission. This body coordinates, monitors, and evaluates government programs on climate change.

Multinational companies are able to measure and report their carbon footprint as part of their Global practice. Since 99% of businesses in the country belong to the micro, small and medium, we can assume that less than one percent are able to measure and report their carbon footprint.

Philippine companies would need guidance and technical support/know-how on how to address issues of climate change related to their business operations.

PBSP mobilizes its 255 member companies to take part in programs addressing climate change, such as the Zero Basura Olympics (Zero Trash) and Greening the Supply Chain.

Marketplace

The current issues include:

• Providing affordable products that also improve the quality of life of customers/are not harmful to consumers.

• Production of sustainable products (e.g., "Green products/green companies" are beginning to be recognized by an emerging market that wants sustainable lifestyle)

• There are initiatives by large companies, as well as start-ups.

• Some companies have workplace policies that promote social inclusion of the marginalized.

• Popularizing business-community partnership (community as supplier/business partner).

• Creating space in the commercial market for products of small producers.

• Greening the supply chain.

• Strengthening capacities of SMEs through mentoring.

There are initiatives by individual companies to protect consumers that constitute part of their business ethics.

Companies are also highly encouraged to adopt the UN Global Compact, which enlists bribery and corruption prevention as one of its core principles. Member companies like Mabuhay Vinyl and Roxas Holdings have mechanisms to counter bribery and corruption, and these are measured and monitored by submitting a Communication on Progress Report on a regular basis. PBSP has been tapped by the United Nations to revitalize the UN Global Compact in the Philippines.

Furthermore, an anti-corruption initiative was launched by the business sector in 2004. The business sector expressed its willingness to contribute to an anti-corruption fund to wipeout, or at least minimize corruption in the government through the Philippine Integrity Fund. A group of business leaders convened and conceptualized the Philippine Business for Accountability and Transparency (PBAT), which eventually led to the creation of BISYON 2020, a.k.a. Business for Integrity and Stability of our Nation 2020. It aims to fight poverty through reducing and eliminating corruption by 2020. Government cannot embark on pro-poor projects because its funds are diverted into the pockets of corrupt officials.

Workplace: Diversity and Equal opportunities

In 1987, the government of the Philippines introduced a Constitution that affirms equality for all citizens, regardless of gender, race or creed, and to regulate the relations between workers and employers. Still, significant gender imbalances remain and customary laws that discriminate against women prevail, particularly in rural areas where men and women have different employment opportunities. In the cities, government agencies are slowly recognising women's rights and granting them legal authority to exercise those rights, especially in concluding contracts, and owning land or property (2009 Social Institutions and Gender Index (SIGI). There is also evidence to show that discrimination is apparent in the employment of Muslims. The Philippines is a predominately Christian country, with Islam being the second largest faith group. There is a differential distribution between Muslims and Christians with respect to education, occupation and industry.

Human Rights

The main violations of human rights are violence and specifically violence against women and children including sexual abuse, trafficking in women and children and physical abuse. Another big issue is the employment of children in commercial and agricultural production. Although sometimes it is a cultural tradition especially in rural areas or because of poverty, children are forced to help generate income for the family.

The main perceived roles of business are to provide employment opportunities and work conditions that promote the dignity of man/woman. They are encouraged to adhere to applicable laws and regulations and observance of the processes of securing permits to operate especially in critical areas such as mining sites, protected areas, etc.

Key players

- *Key civil society groups*

Caucus for Development NGOs consisting of 3,000 NGOs and peoples' organizations.

- *Government agencies active on CSR*

Department of Education encourages companies to support the improvement of school system in the country by creating programs as venue for companies to get involve such as the Adopt-a-School program, Brigada Eskwela (School Brigade).

- *Business led agencies active on CSR*

Philippine Business for Social Progress

Management Association of the Philippines

Almost all business groups in the Philippines have CSR committees such as the Philippine Chamber of Commerce and Industry, Employers Confederation of the Philippines, American Chamber of Commerce, etc.

- *Business led initiatives on CSR issues*

Available in 2009 PBSP annual report

Sources of information

http://www.pbsp.org.ph/

http://www.deped.gov.ph/

RUSSIAN FEDERATION



Country overview

Russia is a middle income country with a population of approximately 141 million people and a gross national income per capita of $9,760 in 2008 (GNI, Atlas method).

Political power in Russia is highly centralized in the President and the Presidential Administration within the Kremlin which exert their influence over all aspects of domestic and foreign policy. Following the election of former President Vladimir Putin in early 2000, political stability gradually increased in Russia and the development of policy became more predictable. President Dmitry Medvedev, Mr. Putin's protégé was elected with 70% of the popular vote in the March 2008 Presidential Election. Mr. Medvedev's election and his close partnership with Mr. Putin ensures policy stability and predictability for the long-term.

Mr. Medvedev benefited tremendously from being Mr. Putin's anointed successor and from being endorsed by the pro-Kremlin governing party, United Russia, as its candidate. The 2008 election cannot be considered fair by accepted democratic standards: opposition candidates were banned from standing and the broadcast and much of the print media, which are effectively under the Kremlin's control, favoured Mr. Medvedev's candidacy. Despite the lack of fairness, the few western observers present for the elections conceded that Mr. Medvedev's victory was assured given the genuine and overwhelming popularity of his predecessor; both the President and PM consistently enjoy between 60 and 70% approval ratings in polling. Speeches by President Medvedev indicate that he has chosen to focus on legal, constitutional and governance reform, as well fighting corruption, as his key priority areas. Although ostensibly responsible for domestic policy as PM, Mr. Putin continues to play a leading role in foreign policy as evidenced by his involvement in Ukrainian-Russian bilateral relations and Russia's strained relations with Georgia.

After a decade of high growth averaging 7% during 1999-2007 and solid growth in 2008 of 5.6%, the Russian economy is now experiencing a recession in the wake of the global financial crisis. Real economy and social impact on Russia was larger than anticipated. Russia's real GDP is likely to contract about 7.9 percent in 2009. Unemployment could rise to 13 and poverty to 17.4 percent by year end. At the same time Russian middle class measured by household consumption is likely to shrink—by about ten percent—from 55.6 to 51.2 percent (a decline of 6.2 million people). But the large stimulus package, gradual recovery of oil prices and lower inflation could bode well for the second half of the year, and the Russian economy could return to modest growth in 2010. However, given the weak global demand, external environment for

Russia will continue to be difficult over the next 18 months. More detail on recent economic developments and anti-crisis policy response may be found in Russian Economic Reports[1].

Corporate Social Responsibility understanding

CSR as a concept is in its infancy within Russia. Companies do engage in some work focusing on social issues, especially on children, drawing on expectancies and a culture of social responsibility from the Soviet period. Much of this work does not relate to wider international concepts of CSR, with companies not linking it to their corporate strategies. Overall, the impression is that companies depict their CSR activities publicly in order to attract media attention without actually being able to prove their involvement.

In 2008, a social charter for Russian business was passed, formulated by the Russian Association of Industrialists and Companies (RSPP). It describes voluntary self-commitments whose adherence participating companies can evidence by signing the charter.

The largest Russian firms, even state owned, have begun to recognise the need for CSR, going beyond the legal minimums, in order to appeal to Western firms who provide capital and other markets. Plus positive CSR work by Russian companies has been found to reduce financial borrowing costs and risk associations. This development towards CSR programmes is reflected in a 2008 survey, in which 97% of respondents with firms with a billion or more in turnover had some form of CSR policy in place.

Community

The main community based issues are housing problems (the government needs to build more homes), healthcare (society cannot afford to pay for medicines, hospitals are in a bad condition, etc) and drug abuse (use of cocaine is fuelling organised crime).

LUKOIL, a Russian oil producer, has attempted to build social projects into their CSR strategy, going beyond the minimum standards established by law, with the intention of investment being made in the communities where LUKOIL works. The company devotes part of its budget to 'financial assistance and charitable activities'. Money from this fund has gone towards a variety of projects and links at numerous scales, including the redevelopment of a hospital and the provision of useful equipment, as well as elderly care homes.

Environment

The top issues regarding environment and sustainability are environmental degradation, acid rain and greenhouse gases.

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/ECAEXT/RUSSIANFEDERATIONEXTN/0,,menuPK:305605~pagePK:141159~piPK:141110~theSitePK:305600,00.html

In 2004, Vladimir Putin signed the Kyoto Protocol, however little activity has been made in terms of achieving the emission levels as the collapse of many companies in the post-Soviet period means that Russia is well below maximum emissions targets imposed by the Protocol. However, despite the lack of action around Kyoto, Putin's government developed a climate-action plan in April 2009. This has eventually developed into a checklist of key climate actions, as well as a positioning statement. It recognises anthropogenic issues of climate change and global warming, and that efforts must be made to tackle this.

In general there is a lack of concern regarding the environment and the impact companies can have through their activities. In fact, the State Committee for Environmental Protection was close to being absorbed by the Natural Resources Ministry – this focuses solely on exploiting resources for business. Any modification in changes and attitudes, even following the 2009 climate-action policy document is not very fast paced. Putin has recognised that Russia may have to be more energy efficient but is not pushing forward.

Despite this seeming inactivity, one in four CEOs have an environmental policy[1]. Furthermore, the Russian Union of Industrialists and Entrepreneurs (RSPP), the leading business lobby in Russia, is working alongside the UK's CBI to improve awareness and understanding on the key areas of energy efficiency and climate change.

Marketplace

Russian citizens in general earn relatively low wages, meaning that for many they have poor purchasing power when it comes to goods and services. There is also little trust in the Russian banking system, so most consumers will spend before saving, deeming up to 80% of their income disposable.

In order to protect consumers Russia has a Federal Service for the Supervision of Consumers Protection and Welfare. Vulnerable customers groups within the country include the young, labour and war veterans.

Supply chain issues are not viewed with any real significance in terms of potential CSR activities, reflected that in a survey of chief executives only 12% of Russian firms felt that supply chain policies would be policy important in the next three years (2008-2010).

Corruption is a significant issue within Russia, and despite President Medvedev recently putting in place anti-corruption laws which requires government and company officials to be far more transparent when accepting gifts, and the establishment of an Anti-Corruption Department, little progress has been made. According to the Transparency International country survey, corruption is 'high' in Russia.

Workplace: Diversity and Equal opportunities

1 'From Russia with Love' Report, 2008

Russia has a low level of employee rights. Racism is prevalent in Russia, appearing in the form of negative attitudes and actions towards people who are not considered ethnically Russian. Gender does not seem to be an issue. This may be because historically Russia has always had a strong female workforce. The Soviet system had some positive consequences for women, including access to education on an equal footing with men, salaried employment and the rejection of patriarchal traditions in some regions (2009 Social Institutions and Gender Index (SIGI). Russia has high maternity return to work rates. There are challenges to building a pipeline of talent in terms of trying to accelerate people into business positions.

Human Rights

Wide ranging human rights issues within Russia, including:

- North Caucasus region being volatile and enforced disappearances
- Hate Crimes - Racist attacks frequent and widespread racism as well anti-immigrant ideas strengthened during the financial crisis.
- Law to Combat Extremism and legislation being spun to stifle journalism
- Attacks on human rights defenders – need to protect and encourage people
- Judiciary – not often independent, issues with political manipulations, case backlogs, trial delays

Key players

- *Key civil society groups*

CSR –Russia Centre

- *Government agencies active on CSR*

UNDP, Ministry of Natural Resources, Anti-Monopoly Authority, Anti Corruption Authority,

- *Business led agencies active on CSR*

Russian Chamber of Commerce, Club of Corporate Philanthropists

Sources of information

Interesting information relating to anti-corruption initiatives provided by the International Business Leaders Forum. (http://www.en.iblfrussia.org/programmes/current/detail.php?ID=310)

Copy of the Appendix five which appears to include details of the Social Charter of Russian Business
http://europeandcis.undp.org/uploads/public/file/Global%20Compact%20and%20Social%20Charter_RSPP_Russia(1).pdf

http://www.riocenter.ru/en/_news/analytics/1175

http://www.spros.ru/

http://www.enewsbuilder.net/globalcompact/e_article000775164.cfm

http://www.undp.ru/ (UNDP in Russia – provides info on their global compact activities)

http://psdblog.worldbank.org/psdblog/2008/06/russian-csr---n.html

www.csr-weltweit.de/uploads/tx.../csr_russi_memorandum.pdf

http://www.csr-weltweit.de/en/laenderprofile/profil/russische-foederation/index.nc.html

From Russia with Love: A national chapter on the global CSR agenda – Economic Intelligence Unit, 2008

SENEGAL



Country overview

Senegal is located on the west coast of Africa and is part of the West African Economic and Monetary Union (WAEMU). With a population estimated at about 11 million, its economy is dominated by a few strategic sectors, including groundnuts, chemical industry, tourism, fisheries, and services. Since independence in 1960, the country has been highly visible in the international arena and has maintained a relatively stable political and social environment.

The Senegalese political system continues to show a degree of democratic maturity with the March 22 2009 local elections that were widely viewed as fair and transparent, and saw the victory of opposition parties in several key urban centres, including Dakar.

A presidential election is scheduled for 2012 after the five-year term of President Abdoulaye Wade ends.

However, since the 1980s, the country has faced conflict in the South (Casamance) aimed at independence from Senegal. The government signed a peace agreement with the MFDC (*Mouvement des forces démocratiques de Casamance*) in December 2004. Implementation of this agreement has not been totally effective, however, and sporadic attacks continue due to the fragmentation of the MFDC. Since the death of the priest Augustin Diamacoune Senghor, the MFDC's charismatic leader, in 2007, the rebels have been torn between different factions and cannot agree on a successor.

From the mid-1990s until 2005, Senegal had one of the best economic performances in sub-Saharan Africa. Though there were brief episodes of low growth, real gross domestic product (GDP) grew on average by about five % annually, marking the first sustained increase in average per capita growth since independence in 1960. The regional monetary arrangement provided a framework of monetary and price stability. Graduation from the Heavily Indebted Poor Countries (HIPC) Initiative in 2004; involvement in the Multilateral Debt Relief Initiative (MDRI) , and prudent concessional external borrowing allowed a sharp reduction in the stock of debt.

Senegal remains a poor country, with a gross national income (GNI) per capita of US$840 in 2006. Notwithstanding a decline in the incidence of poverty from 68 % in 1994 (61.4 % of households) to 51 % in 2005, poverty remains high, particularly in rural areas[1].

Corporate Social Responsibility understanding

It is not a very spread concept so far in the country.

Community

The main community based issues are juvenile crime and drug addiction and unemployment.

Environment

The top issues regarding the environment and sustainability are desertification, deforestation and air pollution.

There is a form of legal framework in place[2].

Marketplace

There are two big consumer protection associations. The consumer protection focuses on cost of products and services, education and information and long lasting consumption. Also the environment protection is important.

Child labour and child slavery are very big issues in Senegal.

Workplace: Diversity and Equal opportunities

The Senegalese authorities have formulated a policy of national integration, prevention and prohibition of all forms of discrimination. The Constitution of Senegal states that "men and women shall be equal in law" and prohibits discrimination based on race, religion, sex, class, or language. It also prohibits political parties created for ethnic, linguistic or religious reasons.

The majority of women in Senegal have few educational and employment opportunities. Only 23 percent of females over 15 years of age are literate, while the rate for males over age 15 is 43 percent. Discrimination against women continues, especially in rural areas where 70 percent of the population lives.

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/SENEGALEXTN/0,,menuPK:296312~pagePK:141132~piPK:141107~theSitePK:296303,00.html
2 http://www.environnement.gouv.sn/article.php3?id_article=86

The Government frequently does not enforce the anti-discrimination laws it has. In addition, Senegal is one of the 38 countries on the continent that criminalize homosexual acts.

Human Rights

Human rights include poor prison conditions, beating and torture of individuals by police, trafficking, domestic violence, issues surrounding AIDS and the right to food.

Key players

- *Key civil society groups*

Environment and Development Action in the Third World

- *Government agencies active on CSR*

Ministry of environment

Sources of information

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SINGAPORE



Country overview

Singapore achieved full independence in 1965, with acute problems of unemployment, housing shortage and low living standards. The early years of nation-building were characterised by competition between political parties over the right to define the philosophical and ideological foundations of the newborn nation. The social sector that had till then been largely based on the delivery of social services, came to be infused with a sense of social advocacy (Mohamed et al., 2008, p.18).

The foundations and origins of the national compact for social responsibility that till this day dominates social relations in Singapore can be found in the early years of industrialization since the 1960s. From the outset, the Singapore government has been conscious of the need to achieve sustainable growth and development. It has consistently put into place legislation and policies that sought to create a conducive environment for businesses, to attract foreign investment and ultimately to create quality jobs to raise people's living standards and the quality of life. It established tripartism as a consultative decision-making framework in which government, labour and business collectively address the challenges of industrialisation. Coupled with the overarching aim of attracting foreign investment, tripartism in Singapore has resulted in a dramatic reduction in the number and frequency of labour disputes. "Industrial peace with justice" ensured that industrial disputes were settled amicably, without the need for labour to resort to industrial action.

The overriding goals of the new spirit of tripartism created a virtuous cycle of economic growth and social betterment. Singapore thus established with a nationally-driven shared responsibility of government, business, labour, and the community for sustainable economic, social and environmental practices including good corporate governance.

Beyond industrial relations, the National Trades Union Congress (NTUC) the national trade union centre moved towards establishing various cooperatives, such as NTUC FairPrice and NTUC Income with the aim of promoting the welfare of its members and their families (Chandran, 2005, pp.230-232). NTUC today has 12 social enterprises and four related organisations that are owned by more than 500,000 workers, with the core mission of creating better life in the community. These social enterprises have social objectives that needed commercial success to achieve. The NTUC social enterprises have impact in the sectors they operate and thus influenced their businesses to broaden profit seeking objectives to include

socially responsible approaches. NTUC has also initiatives that aim to increase the employability of workers, through training and skills upgrading programmes.

In May 2004, with support from national and tripartite leaders in Singapore, a CSR forum was organised to launch the National Tripartite Initiative (NTI) on CSR. The NTI was represented at the International Organisation for Standardisation (ISO) conference on CSR in Stockholm in June 2004. Subsequently, the initiative chaired the national ISO Mirror Committee as Singapore's official country contact point, with the aim of providing consultative input to the ISO26000 Working Group.

Singapore continues to overcome adverse external shocks, despite its very high degree of openness. Its future prosperity will depend on its ability to plug into the globalized world economy despite an ageing population and manufacturing industry. In this context it has pushed to diversify its economy, beyond lower-end electronics. Singapore remains committed to becoming a global financial centre1.

Corporate Social Responsibility understanding

The general sense is that CSR entails businesses paying back to society. According to the survey jointly conducted by the Ministry of Trades and Industry and the Singapore Compact, only about half of respondents (In total, 507 Singapore-based enterprises were surveyed) could point to specific pillars of CSR such as sustainable development (24%), fair employment (17%), volunteerism (11%) and corporate philanthropy (9%).

Community

The main community based issues are widening income gap and the decline in fertility and ageing population.

There are some companies positively impacting the community. Among others, Credit Suisse-Central Singapore CDC Nurture Program. The societal issue addressed by the programme is the education needs of children from lower-income family with the hope to help these families to break out of the poverty cycle. The aims and objectives of the programme are the following: Nurture Programme is a reading and developmental programme to meet the literacy need of children (Pre to Primary school) from lower income families. Specifically, it aims to:

a. Promote the love of reading and cultivate good reading habits

b. Help further build the children's self-esteem and confidence

c. Create opportunities for creative learning

1 http://www.edc.ca/english/docs/gsingapore_e.pdf

d. Improve English communicational skills

e. Help enhance the quality of life of the children and their families

In the last two years, Credit Suisse have sponsored this programme over $110,000 a year.

Credit Suisse staff have volunteered:

- As mentors or facilitators at the weekly sessions at various Nurture Centres

- With the planning and organising of mass events for Nurture Centres such as camps

- At ad-hoc events such as outings and field trips.

The programme has increased the learning opportunities for the children. The funding allowed for an increase of and better quality field trips which improve the experience of the children. Children attended performances at the Arts House and visited tourist attractions such as the Singapore Flyer, which they previously were not able to do due to budget constraints. Credit Suisse volunteers also provided the children with more experience to interact with professionals and served as role models that they could look up to.

Environment

The top issues regarding the environment and sustainability are water scarcity, public health (tropical climate-related disease) and clean technology & renewable energy for economic growth.

In February 2008, Singapore released its national strategy for addressing climate change. The National Climate Change Strategy (NCCS) sets out how Singapore will address the various aspects of climate change, by better understanding vulnerabilities to climate change, identifying and assessing adaptation measures required for climate change, and mitigating greenhouse gas emissions.

To drive the future energy efficiency efforts in the various sectors of the economy, the National Environment Agency (NEA) chairs the Energy Efficiency Singapore Programme Office (E2PO). The E2PO has developed a national plan to promote energy efficiency, also known as Energy Efficient Singapore (E2 Singapore).

E2 Singapore comprises actions in the following areas:

-Promoting the adoption of energy efficient technology and measures by addressing the market barriers to energy efficiency;

-Raising awareness to reach out to the public and businesses so as to stimulate energy efficient behaviour and practices;

-Building capability to drive and sustain energy efficiency efforts and to develop the local knowledge base and expertise in energy management;

-Promoting research & development to enhance Singapore's capability in energy efficient technologies.

In Singapore, the GHG emissions are mostly a result of the combustion of fossil fuels for energy. Singapore's small size also limits the possibility of increasing forest cover domestically. In addition, by 2006, 78% of the electricity they use was already generated by natural gas using highly efficient combined cycled technology. This is amongst the highest in the world. As such, the scope to move further to gas is limited. The country's key strategy to mitigate GHG emissions is thus to increase the energy efficiency of our various sectors. There are a number of incentives available including Grant for Energy Efficient Technologies (GREET), SCEM Training Grant, Clean Development Mechanism Documentation Grant, EASe Scheme, Incentive for Energy Efficient Equipment and Technology and Design for Efficiency Scheme (DfE).

There is a lack of incentives and guidance for businesses. Better and easier access to existing schemes, incentives, funds and legislation will also help businesses tackle the climate change in both adaptation and mitigation.

Marketplace

Product safety and fair pricing are the main focus in this area.

A number of companies have shown good examples of best practice. The National Trades Union Congress (NTUC) has established various cooperatives since the early 1970s, to promote the wellbeing of its members and their families. NTUC today has 12 social enterprises and four related organisations that are owned by more than 500,000 workers, with the core mission of creating better life for the community. The NTUC social enterprises have impacted the sectors they operate in and thus influenced businesses to broaden profit seeking objectives to include social responsibility. Co-operatives have social objectives to meet and their success is measured against meeting these social objectives. Yet they have to attain commercial success to realise their social objectives.

Corporate governance is highly important and emphasised in Singapore. The legal system has zero tolerance towards breaching of transparency and accountability in corporate governance. The Corrupt Practices Investigation Bureau (CPIB) investigates all complaints of corruption and has successfully prosecuted those in private businesses and the civil service for corrupt practices.

While self-assessment based questionnaires are in place to measure and assess the environmental externalities that exist in private sectors, there is almost no system of looking at labour-related issues. Private sectors often seek governmental guidance, incentives and legislations in such areas. Related government agencies promote areas like health & safety, wages and others through websites and posters. (See http://internet-stg.wshc.gov.sg/gallery_posters.html)

Workplace: Diversity and Equal opportunities

In October 2009, Manpower Minister Gan Kim Yong encouraged companies to implement CSR strategies that focus on the significant challenges the society will face in the future. Examples included putting in place age friendly policies amidst an ageing population and making sure vulnerable workers do not miss out on the benefits of economic growth.

2009 also saw the first gender benchmarking report on Asia, looking at Japan, India, China and Singapore, conducted by Community Business. Singapore came out best with an average of 44% women in the workforce in the participating companies and 17% at senior level.

Singapore does have long working hours, however, the Employer Alliance on Work-Life in Singapore, spearheads the adoption of work-life practices in companies. Their mission is to bring awareness and adoption among corporations to create an enabling work environment to enhance work-life balancing.

Human Rights

Economic growth has consistently been one of the foremost priorities of the Singaporean government. Prime Minister Lee Hsien Loong, during an interview with UCLA professor Tom Plate, stated that “the whole business environment has to be favourable so that people come here and say this is where I want to live, this is where I want my business to be and I can do the business of business, which is to make money and the place can prosper.” (Plate, 2007) Economic growth has been supported by foreign workers and the treatment and status of these workers are on the radar of government and unions.

Key players

- *Key civil society groups*

Singapore Compact for CSR, Singapore Environment Council, World Wild Fund, National Volunteer and Philanthropy Centre, Consumer Association of Singapore

- *Government agencies active on CSR*

National Environment Agency; Ministry of Community Development, Youth and Sports, Ministry of Manpower

- *Business led initiatives on CSR issues*

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SOUTH AFRICA



Country overview

South Africa's 1994 transition from apartheid to constitutional democracy has been one of the most astonishing political achievements of our time. Since 1994, the African National Congress (ANC) has won landslide victories in each democratic election held. Elections are well managed and fair, and the press unrestrained. Opposition parties, among them the recently formed Congress of the People, enjoy full political freedom.

In April 2009, the country held its fourth general elections since the end of apartheid. The ANC won the elections for the fourth consecutive time and obtained a 65.9% majority, and H.E. Jacob Zuma was sworn in as President of South Africa in May 2009. A new cabinet was announced reflective of the ANC-led Tripartite Alliance. This Alliance includes the ANC, the Congress of South African Trade Unions and the South African Communist Party. The cabinet was expanded from 28 to 34 ministries to strengthen service delivery and better meet development outcomes.

South Africa is a country with extreme differences in incomes and wealth. Robust economic growth in the post-apartheid period has enabled a dramatic decline in income poverty. At the same time, inequality increased across race, gender and location. For example, inequality between racial groups as measured by the Gini coefficient rose from 64 to 69 in the period 1995-2005. Despite a six percentage point drop over the last six years, the country's unemployment rate of 23.6% remains very high and poor people have limited access to economic opportunities and basic services.

Government initiatives to meet these challenges have had encouraging results. The pro-poor reorientation of spending has contributed to improved social development indicators in a range of areas, particularly relating to access to services and education, and progress has also been made toward meeting some of the other Millennium Development Goals (MDGs). However, HIV/AIDS-prevalence MDGs are at risk unless progress is significantly accelerated. For example, 17 percent of South Africans between the ages of 15 and 49 were living with HIV in 2009[1].

Population 49,109,107

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/SOUTHAFRICAEXTN/0,,menuPK:368086~pagePK:141132~piPK:141107~theSitePK:368057,00.html

Government

Major political parties: African National Congress (ANC), Democratic Alliance (DA), The Congress of the People (COPE), Inkatha Freedom Party (IFP), United Democratic Movement (UDM), Independent Democrats (ID), South African Communist Party (SACP)
Government: ANC Alliance - ANC/SACP/Congress of South African Trade Unions (COSATU)
Head of State: President Mr Jacob Zuma
Foreign Minister: Maite Nkoana-Mashabane
Membership of international groupings/organisations: United Nations (UN), African Union (AU), Commonwealth, Non Aligned Movement (NAM), Southern African Development Community (SADC).[1]

Political environment

The ANC won South Africa's first non-racial general elections in April 1994. Mandela became President and a Government of National Unity was formed; Commonwealth membership was restored and the remaining international sanctions against South Africa lifted. South Africa took up her seat in the UN after a 20-year absence. Parliament approved a new South African Constitution on 8 May 1996. Mandela handed over leadership of the ANC to Thabo Mbeki in December 1997, who succeeded him as State President following the general elections of 1999. In 2007 Jacob Zuma took over from Mbeki as leader of the ANC.

On 22 April 2009, South Africa held its fourth General Election since the end of apartheid. ANC President Jacob Zuma was elected President for a five-year term. The ANC won 65.9% of the national vote (down from 69.7% in 2004). The opposition Democratic Alliance, (DA) won the Province of the Western Cape from the ANC and increased its national share to 16.7%. New party Coalition of the People (COPE - formed from former ANC members) achieved 7.4%, emerging as the official opposition in five of South Africa's Provinces. COPE is the third largest party (in terms of representation) in South Africa. The combined share of the smaller parties halved from 2004 to 4.72%[2].

Key industries

South Africa's key industries include, mining (world's largest producer of platinum, gold, chromium), automobile assembly, metalworking, machinery, textiles, iron and steel, chemicals, fertilizer, foodstuffs, commercial ship repair[3]

Gap between rich-poor

1 http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/sub-saharan-africa/south-africa?profile=today
2 http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/sub-saharan-africa/south-africa?profile=today

3 https://www.cia.gov/library/publications/the-world-factbook/geos/sf.html

Population below poverty line 50% (2000 est.)

Household income or consumption by percentage share lowest 10% (1.3) highest 10% (44.7%) (2000)

Gini Coefficient 57.8 (1992-2007, UNHD Report 2009)[1]

Key cities

Code	Rank	City	Population	Province	Annual Growth Rate
JHB	1	Johannesburg	3,888,180	Gauteng	2.47%
CPT	2	Cape Town	3,653,000	Western Cape	1.43%
ETH	3	Durban	3,192,000	Kwazulu-Natal	1.36%
EKU	4	Germiston	2,724,229	Gauteng	1.36%
TSH	5	Pretoria	2,450,000	Gauteng	1.41%
NMA	6	Port Elizabeth	1,572,000	Eastern Cape	0.41%
JHB	7	Vereeniging	1,074,000	Gauteng	0.41%
EC125	8	East London	958,000	Eastern Cape	0.32%
FS172	9	Bloemfontein	752,906	Free State	0.21%
GT421	10	Vanderbijlpark	650,867	Gauteng	0.13%

Corporate Social Responsibility understanding

Following the King Report on Corporate Governance for South Africa (King II) in 2002, South African businesses have more actively pursued a CSR focus, moving towards measurement of their 'triple-bottom-line' (economy, society and environment). Socially responsible investment is a concept within its infancy, and is slowly being integrated into corporate policies, especially in an attempt to compete against global players[2].

1 The Gini index lies between 0 and 100. A value of 0 represents absolute equality and 100 absolute inequality.
2 'CSR in South Africa: Fact or Fiction', Liesl Van Den Ende (2004)

The social involvement of companies has been in part driven by the experiences of apartheid, with many corporations investing in the black communities which the government refused to help support during that time. In 2003, the 'Black Economic Empowerment Act' was put into force, built into which is a CSR strategy, formalising the need for South African companies to engage[1].

Community

The main community based issues are poverty, HIV/AIDS and inequality.

Companies get involved in community issues. For example, the BMW Group has a very interesting programme focused on AIDS/HIV. AIDS is already the most frequent cause of death in South Africa. HIV/AIDS hinders social development the most where – as in South Africa – wealth and social security are urgently needed. Due to this worrisome situation, the BMW Group sees itself called as a "corporate citizen" to assume social responsibility and make a contribution to combating this problem. In South Africa, the BMW Group offers its employees, their families, and communities extensive support in the fight against HIV/AIDS through information, prevention, and medical care.

Environment

The top issues regarding the environment and sustainability are dearth of water as less than 10% is usable as surface water, one of the lowest rates worldwide, air pollution and water pollution.

The national strategies for environmental policy are formulated the Ministries of the Environment and Tourism. This also includes the National Framework for Sustainable Development, whose draft was placed on the Internet for public discussion by the Ministry of the Environment[2].

The measures to address climate change in South Africa are more adaptation focused[3].

The expenditures on the part of companies in 2002 accounted for only 4% of their total expenditures for CSR activities.

For entrepreneurial involvement in the area "environment," the topic "handling of waste" is dominant, followed by measures to protect wild animals and measures to prevent environmental pollution. Smaller companies are seldom active in this area.

Current Environmental issues

1 http://www.csr-weltweit.de/en/laenderprofile/profil/suedafrika/index.nc.html
2 (http://www.environment.gov.za/nssd_2005/nssd_11082005_new.htm)
3 Interesting article: http://ipsnews.net/news.asp?idnews=49323

A lack of important arterial rivers or lakes requires extensive water conservation and control measures; growth in water usage outpacing supply; pollution of rivers from agricultural runoff and urban discharge; air pollution resulting in acid rain; soil erosion and desertification.

Marketplace

The Consumer Protection Bill is a milestone in South African law, as it aims to provide a legal framework for consumer protection. The bill is an attempt to codify the common law with specific regard to the rights of consumers and the obligations of those providers of goods and services.

The Child Labour Programme of Action is a national plan on elimination of child labour in South Africa. It was provisionally adopted by a large group of key stakeholders in September 2003. These stakeholders include key government departments, including those responsible for labour, education, provincial and local government, water service, justice, policing, prosecution, social development, and education. The lead department is the Department of Labour.

Companies have to comply with the Employment Act and Basic Guide to Child Labour.

South Africa is part of the United Nations Convention against Corruption so companies should comply with it. South Africa is not part of the OECD Anti-Bribery Convention.

Workplace: Diversity and Equal opportunities

Women's representation in the National Assembly of South Africa has increased to 45%. This figure puts South Africa third in the International Women in Parliament Rankings, sitting just behind Rwanda and Sweden. However this figure is not representative of the workplace. A report by the Employment Equity Committee shows that 87% of top management positions are still held by men and 80% of all senior management jobs are men. The end of apartheid leaves a legacy of systematic racial ordering and discrimination and South Africa remains deeply divided along racial lines both in cultural and social terms, as well as being deeply unequal in terms of the distribution of income and population. South Africa is a unique case in sub-Saharan Africa: it is the only country in which a significant proportion of the population (22 per cent) is not of African origin. Half of this non-African community is Caucasian; the other half is Indian or of mixed descent.

Human Rights

The main violations of human rights are xenophobic violence, discrimination and child labour. Companies have also begun to talk about the need to act against poverty. In 2006, a "Bottom of the Pyramid Learning Lab" was established at the University Stellenbosch Business School (USB) together with the National Business Initiative (NBI). It serves as a forum in which companies can talk about the possibilities for opening up the "markets of the poor." The main idea here is to supply disadvantaged citizens with necessary goods and in this manner to open up access to new and underserved markets. Source: Foreign Office (among others); UNDP

Key players

- *Key civil society groups*

http://www.citizen.co.za/index/article.aspx?pDesc=64841,1,22

- *Government agencies active on CSR*

National Department of Environmental affairs, National department of Labour, National Department of Women, Children & People with disabilities.

- *Business led agencies active on CSR*

CAF Southern Africa

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SOUTH KOREA



Country overview

South Korea is west of Japan and includes Cheju Island, located about 60 mi (97 km) south of the peninsula. Area: 38,486 sq mi (99,678 sq km). Population (2008 est.): 50,187,000. Capital: Seoul. The population is almost entirely ethnically Korean. Language: Korean (official). Religions: Christianity (Protestant, other Christians, Roman Catholic), traditional beliefs, Buddhism, new religions, Confucianism. Currency: won. Most of South Korea's land area consists of mountains and uplands; its highest peak is Mount Halla (6,398 ft [1,950 m]) on Cheju Island. The densely populated lowlands are heavily cultivated for wet rice. The Naktong, Kŭm, and Han are the principal rivers. The economy is based largely on services, manufacturing (including petrochemicals, electronic goods, and steel), and high-technology industries.

South Korea is a republic with one legislative house; its head of state and government is the president, assisted by the prime minister. The Republic of Korea was established in 1948 in the portion of the Korean peninsula south of latitude 38° N, which had been occupied by the U.S. after World War II. In 1950 North Korean troops invaded South Korea, precipitating the Korean War. UN forces intervened on the side of South Korea, while Chinese troops backed North Korea; the war ended with an armistice in 1953. The devastated country was rebuilt with U.S. aid, and South Korea prospered in the post-war era, transforming itself from an agrarian economy to one that was industrial and highly export-oriented. It experienced an economic downturn beginning in the mid-1990s that affected many countries in the area. Efforts at reconciliation between North and South Korea, including the first-ever summit between their leaders (2000) and reunions of families from both countries, were accompanied by periods of continuing tension.

The Korean economy continues to expand. Real GDP growth, which had slowed to four percent year on year in the first quarter of 2007, recovered to five percent in the second quarter (the same pace as in 2006 as a whole). Growth was mainly led by improving domestic demand, as well as continued strength in exports. Exports have maintained a double-digit real growth thanks to solid demand from the Euro zone and China, in the face of strong won appreciation against the dollar. Facility investment and consumption rose respectively by 11.9 percent and 4.2 percent in the second quarter, backed by strong exports and solid equity prices. Construction investment returned to positive growth, up 3.5 percent at the first half of 2007. Robust exports and a steady rise in domestic demand are expected to sustain the momentum of growth in the latter part of 2007 and in 2008, resulting in GDP growth of 4.8 percent in 2007 and 5.1 percent in 2008[1].

1 http://www.edc.ca/english/docs/gsouthkorea_e.pdf

Corporate Social Responsibility understanding

The corporate social responsibility of companies is playing an increasing role in Korea. Associations, the media, and NGOs have taken up this topic more and more in recent years, while politics remains largely content to observe. In particular since the Asian crisis of 1997, Korean companies are making more efforts towards achieving ethical and transparent management and with respect to social concerns. People are already preparing for this because the International Organization for Standardization (ISO) will pass a guideline about this in 2010.

According to a survey by the industrial association Federation of Korean Industries (FKI) in 2006, 75% of the 120 largest companies in Korea are engaged in CSR projects, and 87% name such involvement as a necessary company activity. Nearly half of the large companies surveyed have set up their own CSR department. These include numerous large conglomerates such as KT, Samsung, SK Energy, Hyunda-Kia Motor Group, and Hynix. According to the same survey, large Korean companies spend approximately 2% of their profits on CSR activities; they are thus well below the standard values for the USA and Japan.

Community

The main community based issues are ageing population, poverty (despite the rapid growth of the last decades, poverty is still a strong feature of rural areas). Structural concerns are the rigidity of South Korea's labour regulations, the need for more constructive relations between management and workers, the country's underdeveloped financial markets, and a general lack of regulatory transparency.

There are some cases of support of senior homes and establishment of educational foundations. For example, the law office Woo Yun Kang Jeong & Han encourages the study of law with donations to universities, which in turn use these funds for stipends.

On important Korean holidays, the support of the poor is a “must.” For example, during the harvest festival, CEOs and employees regularly distribute traditional foods. At Chinese New Year, the free distribution of heating fuel is the focus.

Environment

The top issues regarding the environment and sustainability are air pollution, carbon emissions and the fact that Korea does not have its own energy resources. This makes the country dependent to a large extent on energy imports.

The measures regarding environment are more mitigation focused although not much is done compared to the created damage due to economic development of the last decades.

Marketplace

On 13th March 2008, the Board of Directors of the FKI passed a formal resolution to increase the social involvement of companies. Thus the member companies obligate themselves to take on "economic responsibility" (increasing of production and investments to create jobs), "legal responsibility" (adherence to laws), "moral responsibility" (championing of justice), and "social responsibility" (active involvement on behalf of the socially weak).

Actions for this include, among others, the establishment of a CSR committee that should check whether the companies are shouldering their responsibility, the improvement of the relationship between employers and employees to increase productivity and competitive abilities, as well as the encouragement of a culture of donation and voluntary aid activities. NGOs, consumer organizations, etc. have also recently shown great interest in companies' social involvement. Thus, for example, the umbrella organization of the environmental NGOs, the Korean Federation of Environment Movement (KFEM), has introduced a program called SMILE (Sustainable Management and Investment Guideline) with which it assesses companies' CSR actions. The Centre for Corporate Social Responsibility advises companies on the publication of so-called global reporting initiative reports.

Korean policy makers are increasingly worried about diversion of corporate investment to China and other lower wage countries, and by Korea's falling foreign direct investment (FDI).

In spite of the KICAC's debut, corruption in South Korea wasn't pointedly affected, raising feelings of doubt and skepticism about the necessity of an anti-corruption agency. Roh Moo Hyun's presidency, however, prioritized the fight against corruption, which led not only to the evolution of the KICAC but other corruption-resisting bodies as well. This positive move towards anti-corruption led to the creation of the Minister-Level Meeting on Corruption (MLMC) in 2004, the Defense Acquisition Program Administration (DAPA), along with the issuance of such programs such as the Act on the Election of Public Officials and the Prevention of Election Malpractices and the Korean Pact on Anti-Corruption and Transparency (K-PACT).

The KICAC was integrated into the Anti-Corruption and Civil Rights Commission (ACRC) in February 2008 to provide a consolidated service for the public. The ACRC is currently located in the Seodaemoon district of Seoul, South Korea.

Workplace: Diversity and Equal opportunities

In January of this year (2010) the Korean Women's Development Institute forecast that the ratio of foreigners to the entire population will read 2.8% and 5% by 2050. There is a parliamentary think tank set up to revisit the concept of diversity, defining diversity, its principles and to have a general law banning discrimination based on race.

In March 2007 the Ministry of Labour released a draft revision of the law preventing discrimination on the basis and this came into force in January 2010. The Korean Justice Ministry in 2007 passed new legislation aimed at reducing discrimination to underprivileged and

minority groups: gender, age, physical condition, nationality, national origin, skin colour, disease record, physical appearance, marital status, religion, ideology and sexual orientation are covered under this bill.

Human Rights

National Security Law criminalizes speech in support of Communism or North Korea though it is unevenly enforced and prosecutions decline every year, there are still over 100 such cases brought annually. Women and minorities continue to face legal and societal discrimination.
As a country of origin, women were trafficked primarily for sexual exploitation to and from the United States, sometimes through Canada, as well as to other Western countries and Japan.

Key players

- *Key civil society groups*

http://www.odakorea.go.kr/eng/links/korNgos.php

- *Government agencies active on CSR*

Ministry of environment, Ministry of Gender Equality, Ministry of Education, Ministry of Labour

- *Business led agencies active on CSR*

CSR Korea

Sources of information

http://www.scribd.com/doc/7797965/The-Environmental-Problems-and-Movements-in-South-Korea

http://www.state.gov/r/pa/ei/bgn/2800.htm

http://www.csr-weltweit.de/en/laenderprofile/profil/republik-korea/index.nc.html

TAIWAN



Country overview

Taiwan politics are closely tied to the People's Republic of China (PRC). In 1949, the Nationalist Government of Chiang Kai-shek fled to Taiwan after losing a civil war to the communists. The Kuomintang (KMT) ruled Taiwan as a one party state until 1987 but since that time democracy has taken root. The PRC sees Taiwan as a renegade province and wishes to reunite it with the mainland. The PRC has threatened to attack Taiwan if it declares its independence or indefinitely delays reunification negotiations. Taiwan, however, is seeking to guard its de facto independence while growing an economy which is becoming increasingly linked to that of the PRC.

Following a decade of Democratic Progressive Party (DPP) rule, the KMT was returned to power through victories in the legislative and presidential elections in early 2008 with Ma Ying-jeou being elected president. Ma and the KMT party ran on a platform consisting of further economic growth and easing tensions with mainland China.

The return of the KMT to power was well received in Beijing as the PRC leadership had accused Former President Chen and the DPP (which is traditionally a pro-independence party) of intending to move Taiwan away from reunification with China. The KMT's resounding victory underscore the electorate's prioritizing economic growth over political independence.

In spite of numerous restrictions on cross-strait financial transactions, travel and communications, Taiwanese companies have invested over USD 150 billion in mainland China. In general, business would like to see a rapid easing of the restrictions. Some others worry about Taiwan's increasing economic independence of the PRC.

Corporate Social Responsibility understanding

CSR was widely perceived in the last three years in Taiwan.

Community

The main community based issues are unemployment, the education of children from poor families and the lack of sustainable income generation in rural areas.

Environment

The top environmental issues are GHG emissions and vulnerability of extreme climate change, water shortage, soil and groundwater contamination and e-waste and chemical illegal usage

The GHG Reduction Act is in the pipeline for being the regulation, to be approved by Congress. Reduction target set by President Ma:

Short Term: reduce to 2008 level by 2016-2020

Mid Term: reduce to 2000 level by 2025

Long Term: reduce to 50% of 2000 level by 2050

The focus of the problem is on mitigation but adaptation is just at the beginning stage.

According to EPA, more than 70% of business carbon footprint has been reported. But it is mainly from industry. GHG inventory by the commerce sector is still weak.

Major barriers for business when facing climate change in Taiwan are subsidy for electricity, oil and water price. Thus, the driving force is not enough in term of energy price.

WBCSD and ICC are business led organisations taking action on climate change in Taiwan.

Marketplace

The main corporate responsibility issues around customers in Taiwan are personal information security about customers, product and service quality, and transparency.

Companies are taking steps to support vulnerable customers, for example: fast food chain store provide accommodation to sick children's families which come from rural and poor area so that they can take care their kids who are in the medical treatment in Taipei. Some companies also provide educational programs for foreign brides to enable them to educate their kids.

The corporate responsibility issues around supply chain are ESH and carbon footprint.

Taiwan's companies rely on certification system very much, such as ISO 14001, OSAHS 18000 and ISO 14064 for GHG. In the last three years, IT industry leverage EICC's tool for assessment and audit.

Workplace: Diversity and equal opportunities

An investigation into workplace diversity in Taiwan, conducted by 'Emerald' shows that the proportion of women in managerial, professional and administrative jobs is increasing and aids a positive performance by a company. The quantity of women in operational jobs is by contrast decreasing and this gives an inconsistent organisational performance. Therefore the status of women is good in Government agencies and industries. Ethnicity issues are still on-going. The Japanese culture is strong because of Japanese occupation.

Human Rights

The main human rights problems are over hours, the non existence of union for IT sector and the irrational management for imported labour.

Key *players*

- *Key civil society groups*

CSR Taiwan

- *List Government agencies active on CSR*

Taiwan Stock Exchange

Ministry of Economic Affairs

- *Business led agencies active on CSR*

BCSD-Taiwan

- *List business lead initiatives on CR issues*

Taiwan Corporate Sustainability Forum

Sources of information

CSR in Taiwan – portal website (http://csr.moea.gov.tw/en/main.asp)

THAILAND



Country Overview

A middle-income country in Southeast Asia, Thailand has made important progress in social and economic development, even though it has suffered several years of financial and economic crisis in the late 1990s and has been impacted by political uncertainty over the past year. In fact, the long term trend has been strong. In the decade that ended in 1995, the Thai economy was one of the world's fastest-growing at an average rate of 8-9% a year.

After recovering from the "Asian Crisis" of 1997-1998, the Thai economy took off again. From 2002-2006, Thailand's growth averaged at 5.6%.

Over the last three decades, the Thai Government has been very successful in reducing poverty and extending coverage of social services. By 2006, the number of poor people in Thailand has dropped to 6.1 million from 18.4 million in 1990.

Higher income and greater access to health care have also led to healthier mothers and fewer deaths of children under 5. More than 97% of the population, both in the urban and rural areas, now have access to clean water and sanitation. In addition, Thailand is recognized internationally for its progressive and effective response against HIV/AIDS, which has helped the government cut down HIV infections dramatically since the mid-1990s.

Bangkok, the Thai capital, has become the centre of development and consequently the most prosperous part of the country. Economic activities in Bangkok and the metropolitan area account for almost 60% of the national gross domestic product, though it has under 20% of the nation's population. Bangkok's basic infrastructure is impressive compared with neighbouring countries. The city is competing closely with Singapore to become a regional hub for air travel within Southeast Asia.

Recently, however, Thailand's economic growth has been slowing down because of weak private consumption and investment demand, following the September 2006 coup and subsequent political uncertainty.

The Thai economy is expected to grow 4.3% in 2007 compared to 5% a year earlier. GDP growth in 2006 and 2007 was driven mostly by relatively strong exports, which were maintained despite continuing appreciation of the baht against the dollar. This suggested that the

fundamentals of the Thai productive economy remained strong, even though political and policy uncertainties have weakened private consumption and investment[1].

Corporate Social Responsibility understanding

CSR in Thailand is well received and many corporations, both Thai and International are eager to become involved in meaningful projects. It is also well perceived in the last three years by Taiwan press and local communities.

Community

The main community based issues are lack of sustainable income generation in rural areas, poor and under-resourced education and inadequate oversight and management of infrastructure projects in rural areas.

Through one of Population & Community Development Association´s (PDA) projects, the Village Development Partnership, businesses contribute the initial capital ($30,000-$90,000USD based on village size) to start a locally owned and operated bank to give out small loans so rural Thais can start small businesses. This addresses many of the poverty issues in the rural areas.

Environment

The most important issues regarding environment and sustainability are deforestation (note: logging has been banned in natural forests in Thailand since 1989, but the consequences of the deforestation that took place in the 20th century remain a problem) and smuggling/Illegal trading of endangered animals.

The existence of unclear Environmental laws results in industrial zones not being able to fulfil sound environmental policy.

Following an IPCC conference in 2007, the Bangkok Metropolitan Authority issued the Action Plan on Global Warming Mitigation 2007 – 2012, which comprises of five initiatives: 1) Expand the Mass Transit Rail System within Bangkok Metropolitan Area; 2) Promote the Use of Renewable Energy; 3) Improve Building Electricity Consumption Efficiency; 4) Improve Solid Waste Management and Wastewater Treatment Efficiency; and 5) Expand Park Area. The goal is to reduce CO2 emissions by 15% in Bangkok by 2012.

Climate Change would be very problematic to Thailand's agricultural sector, since it is one of the world's top exporters of rice, and a crucial component to the Thai economy. The initiatives mentioned above have had some success in Bangkok, but Thailand is still a rapidly developing

1http://www.edc.ca/english/docs/gtaiwan_e.pdfhttp://www.worldbank.or.th/WBSITE/EXTERNAL/COUNTRIES/EASTASIAPACIFICEXT/THAILANDEXTN/0,,contentMDK:20205569~menuPK:333304~pagePK:1497618~piPK:217854~theSitePK:333296,00.html

country and will continue to increase its greenhouse gas emissions. Environmental awareness has improved in the last decade though.

Environmental laws are not very clear. Recently, there has been a lot of controversy surrounding the Map Ta Phut port east of Bangkok, which is a large industrial district. Some companies have had their projects halted due to environmental concerns, but the laws tend to be unclear in the first place. This is a serious issue amongst the business community and could stagnate economic growth. Clear policies and regulations would be beneficial to all parties.

Some of the big oil companies that operate in Thailand have incorporated environmental programs as part of their CSR strategies. As an example, Chevron worked with the Thailand Environmental Institute (TEI) to replant Mangrove forests following the 2004 tsunami devastation.

Marketplace

The large power plant companies in Thailand have had some issues constructing new plants. They now want to build two nuclear plants and there is some vocal opposition from some of the rural Thai citizens. Construction of dams along the Mekong River which borders Laos, have also encountered strong opposition from local fishing communities.

They have worked with PDA to provide sustainable development to rural communities in the areas where plant construction is taking place.

This has to do with the major Buddhist prevalence in the Thai culture of making merit by helping those less fortunate. The Royal family of Thailand has also done a lot to promote philanthropy for Thailand's rural poor, and the Royal family is held in very high esteem in Thailand. Wealthy Thais have followed this example, and we've seen strong CSR from the business community to help the poorer, more under-developed communities.

The construction industry and factories are often staffed by migrant workers from Northeastern Thailand who send money back to their village. These rural villages are poorer and suffer from poverty much more than the rest of the country and are dependent on remittances from the urban areas and rice farming (which is harvested only once a year in November). Commonly, children are separated from their parents as they travel to Bangkok to find work while the children stay with the grandparents in rural areas.

Wages in Thailand have improved over the years and are consistent with economic growth. Companies with strong CSR programs will address the poverty issues in the Northeast which is where much of the labor force is from. Some companies are relocating factories to the Northeast now that public infrastructure has improved in the area, so rural Thais have another option other than migrating to the urban centers around Bangkok.

There have been accusations of corruption and bribery in Thailand. The international companies that work in Thailand are less susceptible to this since they are already strongly regulated.

Workplace: Diversity and Equal opportunities

According to the 2009 Social Institutions and Gender Index (SIGI):

Women make up just over 40 percent of the Thai labour force and employers are required to provide them the same wages and benefits as men. Despite the fact that more than half of the country's university graduates are female, women are still concentrated in low-paying jobs. Stereotypical attitudes relegate women to distinct jobs and duties, such as nursing, teaching, or housework, and limit perceptions of their physical and psychological abilities. Police and military academies, for example, do not accept female students.

Thailand has a number of laws which discriminated against people with disabilities, in the area of employment. Campaigners are working towards and lobbying for these laws to be amended, but currently discrimination is still evident.

Human Rights

Human rights violations in Thailand include human trafficking (including men and children), there is a current ban on meetings and speech is restricted. The National Human Rights Commission in Thailand was shut down following the military coup in 2006.

Sources of information

A recent article on CSR in Thailand:

http://online.wsj.com/article/SB10001424052748704878904575031330905332468.html?mod=googlenews_wsj

Please visit the website for PDA's primary CSR programme:

http://villagedevelopmentpartnership.org

UAE 

Country overview

The UAE's system of government is enshrined in the 1971 constitution. It consists of the Federal Supreme Council (consisting of the rulers of the seven Emirates), a President and Vice President (elected by the Supreme Council for a five year term), a Council of Ministers and a 40-strong Federal National Council (drawn from representatives of all seven Emirates). From the summer of 2006, half of the Federal National Council has been elected.

The UAE has one of the highest GNP's per head in the world. While still heavily dependent on revenues from hydrocarbons, the UAE is relatively well insulated from periods of low oil prices due to successful moves towards economic diversification, large foreign exchange reserves and overseas investments. The global economic crisis is being felt in the UAE with a number of projects being either shelved or cancelled. There have been redundancies across all sectors, and particularly in construction. The lack of funds and credit, while mild compared to Europe and the US is beginning to have an effect.

The UAE has a relatively good human rights record. The UAE participated in the Universal Periodic Review (a process involving a review of the Human Rights record of each of the 192 UN member states every four years) in December 2008. Sharia law is not applied comprehensively and death sentences and amputations are rarely carried out. The practice of a wide range of religions is permitted. Women are not discriminated against in law but play a limited role in political and commercial decision-making. The UAE continues to monitor its labour laws in relation to migrant workers and domestic staff. One area where the UAE had been criticised was the use of children as camel jockeys. UAE legislation outlaws the use of children and the UAE authorities have worked closely with UNICEF on this issue[1].

Corporate Social Responsibility understanding

The field of business ethics and CSR has grown worldwide into an interdisciplinary area of study and is reshaping the way businesses act. While the field has been a subject of extensive study worldwide, as discussed earlier, it has received little attention in the Middle East. We are undertaking to assess the degree to which the business community in the United Arab Emirates is aware of CSR issues. A number of activities reflect a growing regional interest in CSR. To promote it, the Dubai Ethics Resource Centre recently launched a series of training seminars, specifically tailored to the needs of executives in the UAE and Gulf markets. Among other

1 http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/middle-east-north-africa/united-arab-emirates/?profile=all

things, the training sessions have been designed to develop the CSR knowledge required by business professionals to manage a variety of related programs, strategies, and infrastructures (Kapur, 2006). Most CSR activity in the UAE is performed by multinational corporations found in Dubai, e.g., Intel, DHL, Shell, etc., and not by local businesses.[1]

Community

The main community based issues are indentured servants and gender inequality due to Sharia Law.

Environment

The major environmental issues in the UAE are similar to the ones faced by other fast developing countries. The transition between a traditional economy based on subsistence fisheries, oasis agriculture and livestock to a modern, highly urbanised country in less than 30 years is affecting the environment.

Habitat for wildlife has been lost due to urbanisation and industrial development. Over fishing and overgrazing are affecting the environment.

The fast urbanisation is bringing problems as waste management and pollution concerns are rising, especially in the proximity of new industrial complexes and to the oil trade.

Ground water is being extracted at a very high pace to satisfy the demand of the green belt plantations and new farming.

The UAE human pressure on the global ecosystem (ecological footprint) is very high (Living Planet 2000 Report) and is largely attributed to the UAE carbon dioxide emissions and life style.

Many species declined in numbers in recent years due to over-exploitation (hunting and trapping). Many restoration projects are being thought of and some of them are already in place. The main problem is the lack of space and suitable habitat for the various species of concern.

Outdoor activities are now starting to affect the environment, especially in the fragile ecosystems such as the wadis in the Hajjar Mountains where an increasing number of people are using the wadis for recreation. The UAE coastline is also affected by the development of large resorts and industrial complexes and several coastal areas of regional importance are being threatened.

The lack of a co-ordinated institutional and legal environmental framework is indirectly affecting the environment.

1 http://goliath.ecnext.com/coms2/gi_0199-7332730/Corporate-social-responsibility-an-exploratory.html

On a federal level, in 1993, the UAE created the Federal Environmental Authority (FEA) which has since prepared a draft of environmental protection legislation for a comprehensive federal law that is supposed to bring new cohesiveness to the current fragmented system of environmental protection. In addition to provisions regarding the general protection of the environment, the proposed law contains specific chapters on water, soil and air pollution, noise pollution, the protection and preservation of wildlife, protected areas, environmental disasters and the handling of hazardous materials and waste. It also calls for eliminating pollution from sources outside the UAE and for full compliance with the UAE treaty obligations. Companies will be required to comply with its provisions within two years from the date of publication. The executive regulations are to be published six month after enactment of the draft law. Entities formed after the enactment will have to comply with its provisions in order to obtain a license; the licensing authorities will require environmental impact studies from applicants. Furthermore, environmental protection will generally have to be considered in all government decisions.

General enforcement of the law will be undertaken by the Ministry of Justice. Violators of the proposed provisions will have to compensate individual victims of environmental damage. It is not clear, however, whether the law allows a private cause of action for the victims or whether the Ministry will administer such claims. On the other hand, the law does state expressly that environment protection societies may institute civil litigation against an offender.

The UAE recently joined the United Nations Framework Convention on Climate Control and is a party to various international treaties regarding environmental protection, including the 1969 Brussels Convention Relating to Intervention on the High Seas in Case of Oil Pollution Casualties and its 1973 Protocol; as well as the same convention relating to Civil Liability for Oil Pollution Damage; the 1971 Convention on the Establishment of an International Fund for Compensation in Oil Pollution Damage; the 1972 London Convention on the Prevention of Marine Pollution by Dumping from Ships and Aircraft (as amended); the Convention on International Trade in Endangered Species of Wild Fauna and Flora; Annex 16 on Environmental Protection of the 1944 Chicago Convention on International Civil Aviation, the Kuwait Regional Convention for Cooperation on the Protection of the Marine Environment from Pollution; the 1985 Vienna Convention for Protection of the Ozone Layer with its 1987 Montreal Protocol on Substances that Deplete the Ozone Layer; the 1986 IAEA Conventions on Early Notification of a Nuclear Accident and on Assistance in the Case of a Nuclear Accident or Radiological Emergency.

There is a network focused on Climate Change, the EEG CSR Network.

Marketplace

Some companies conducted trials of new products and services for safety and security purposes before launching them in the market. This pattern remains the same with no statistically significant variations across industry sectors.

Since the manufacturing sector ranked high on performing safety and security tests of new products and services, best practices within this sector could be identified and disseminated.

The regulatory and market environments could perhaps explain the high degree of safety and security tests in manufacturing. It would also be worth looking into post-market surveillance of products and services.

Very interesting report from Dubai Chamber of Commerce regarding Green Supply Chain[1].

Workplace: Diversity and Equal opportunities

The United Arab Emirates (UAE) constitution guarantees equal rights for both men and women and the government is committed to encouraging women to take a full role in society. However despite this, the inclusion of women in the workplace is stalling. All legislation in the UAE is based on Islamic Sharia law. Several laws and national policies continue to restrict women to their traditional roles as wives and mothers rather than supporting their equality with men across all aspects of society (2009 Social Institutions and Gender Index (SIGI). UAE nationals only make up 20% of the population with the remainder consisting of foreign nationals. No one passed the age of retirement is able to stay in the UAE unless in employment. It is legal for UAE companies to use positive discrimination in advertising i.e. advertising jobs specifically for certain religions, nationalities or gender. It is common practice to have different pay scales for men, women and different nationalities.

Human Rights

The main human rights violations are freedom of speech and press, freedom of religion, migrant and labour rights and discrimination against homosexuals.

The UAE authorities on the federal and local level have instituted a number of mechanisms and policies to improve the protection of human rights. For example, in 2004 the Dubai police opened designated departments in all emirate police stations that are mandated to protect the human rights of both victims and perpetrators of crime.

The "UAE National Human Rights Report", prepared by a committee comprising representatives from various ministries and government institutions, with the participation of representatives from civil society and non-governmental organizations (NGOs), and presented to the UN Human Rights Council on 4 December 2008 outlines efforts in the field of human rights observance and listed challenges facing the country

Key players

- *Key civil society groups*

http://www.indexuae.com/Top/Society_and_Culture/Non-Governmental_Organisations

1 http://web2.dubaichamber.ae/pdf/reports/GREEN%20SUPPLY%20CHAIN%20IN%20DUBAI.pdf

- *Business led agencies active on CSR*

Dubai Chamber of Commerce

Sources of information

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http://www.eeg-uae.org/csr/what-is-csr.htm

http://www.dubaichamber.ae/



URUGUAY

Country overview

Two traditional parties, the Colorados (reds) and the Blancos (whites) controlled the political landscape since the 19th century until the emergence of the Frente Amplio, a coalition of various left-of-centre factions that became the largest political force in 1999. In 2004, Tabare Vazquez won elections to become Uruguay's first leader representing the Frente Amplio. He promised to pursue a moderate political course, with the emphasis on alleviating poverty. Uruguay is a member of the regional trade bloc Mercosur, whose largest partners are Brazil and Argentina.

Uruguay is known for its high literacy rate, large urban middle class, advanced education and social security systems, and relatively even income distribution. The country benefits from a growing tourist industry and export of livestock, but dependence on dependence of foreign markets, especially Brazil and Argentina, have left it vulnerable to the ups and downs of the world economy, the worst of it coming in 2002. Uruguay had to seek international loans, poverty went on the rise and many young Uruguayans migrated to Spain and the U.S.

Through prudent macroeconomic management, aided by favourable conditions abroad, Uruguay has enjoyed high growth rates since 2004. With an annual growth rate of 6.7% during the 2004-2008 periods, Uruguay's economic performance in the last few years has exceeded expectations, allowing it to consolidate the structural improvements obtained after the 2002 crisis.

With the goal of improving the business climate, in the last years the Uruguayan government has undertaken a series of structural reforms that include laws on competition and bankruptcy and a fiscal and health system reform. It has also extended the social protection network through the Social Emergency National Assistance Plan (PANES, in Spanish) and other reforms aimed at stimulating social participation, increasing the level of inclusion and granting equal opportunities to all citizens[1].

Corporate Social Responsibility understanding

Even though there are different definitions as to what CSR is, all agree that it is a way of managing a company by taking into account its economic interests and relating them to social and environmental impacts.

1http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/URUGUAYEXTN/0,,contentMDK:22256166~pagePK:1497618~piPK:217854~theSitePK:331609,00.html

CSR is seen by the main leader companies as something else apart from a group of punctual practices, occasional initiatives or marketing related strategies. It is conceived as a wide set of policies, practices and programmes integrated in the core business of the company that support the decision making processes and are explicitly recognized by the administration.

The process of CSR expansion as a normal issue has been the result of the pressure coming from consumers, suppliers, community, shareholders, NGOs and other social actors. It started to take place in developed countries and more recently has expanded everywhere, specially to Latin America.

Community

The main community based issues are unemployment, poverty and unequal welfare.

An example of such a Programme is: “Un techo para mi pais” (A ceiling for my country)[1].

Environment

The top issues regarding the environment and sustainability are cellulose factories, conservation and solid residues in urban areas.

Legal framework around environment and climate change:

- Sistema Nacional de Respuesta al Cambio Climático y Variabilidad
- Convencion Marco sobre Cambio Climatico
- Protocolo de Kyoto

Marketplace

The protection to consumers is put into practice mainly through issues regarding price and information[2].

Companies take steps in their supply chain, specifically regarding environmental issues[3].

They also take positive steps in Responsible Marketing[4].

Workplace: Diversity and Equal opportunities

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[1] See http://www.deres.org.uy/practicas_pdf/Young%20&%20Rubicam%20-%20Un_techo_para_mi_pais.pdf

2 http://www.consumidor.gub.uy/informacion/index.php?SectionCode=MENU&IndexId=1

3 See: http://www.deres.org.uy/practicas_pdf/Coca-Cola_y_sus_Programas_Medio_Ambiente.pdf

4 See: http://www.deres.org.uy/practicas_pdf/Diageo_Intelligent_Consumption.pdf

According to the 2009 Social Institutions and Gender Index (SIGI): Article eight of the Constitution of Uruguay upholds the equality of all citizens. Uruguay has ratified the Convention on the Elimination of All Forms of Discrimination against Women and, in 2007, passed a law on equal rights and opportunities for men and women. The country's law against racism, xenophobia and discrimination provides a precise definition of discrimination that is in line with international conventions.

The Government of Uruguay cites statistics from the National Statistics Institute indicating that "four times as many men as women fall into the employer category, and two and a half times as many women as men are unpaid family workers . . . only one out of four managers is a woman . . . over half of all unemployed persons in the country are women . . . women's average hourly wage is 75 percent that of men."

Human Rights

One of the main violations of human rights in Uruguay is the existence of the impunity law that protects military and police.

Key players

- *Key civil society groups*

http://www.todo.com.uy/guia2.php3?nidrubro=139050&nidpadre=142000

- *Government agencies active on CSR*

Ministerio de Desarrollo Social

- *Business led agencies active on CSR*

DERES

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http://www.henciclopedia.org.uy/autores/Filgueira/CrisisUruguay.htm

http://www.uruguayambiental.com/

http://white.oit.org.pe/ipec/boletin/documentos/trabainfantil.pdf

USA



Country overview

The US has a constitution-based federal republic, with two main political parties: the Republican Party and the Democratic Party. The chief executive of the United States is the president, who, together with the vice president, is elected to a four year term. A president may be elected to only two terms. The United States Congress comprises two chambers: the Senate with 100 seats, and the House of Representatives with 435 seats.

The US has the largest and most technologically powerful economy in the world. In this market-oriented economy, private individuals and business firms make most of the decisions, and the federal and state governments buy needed goods and services predominantly in the private marketplace. Despite relative prosperity, the gap between rich and poor is a major challenge.

More than 30 million Americans live below the official poverty line, with a disproportionate percentage of these being African-Americans and Hispanics.

On October 17, 2006, the overall population of the United States reached the milestone of 300 million (consult the US Census Bureau website for the most up-to-date information). In May 2007, the minority population topped 100 million for the first time. The following ethnic groups make up the population: White (81%), African Americans (13%), Asians (5%), American Indians (1.5%), Native Hawaiian and Pacific Islanders (0.3%). 'Hispanic' is not classified as a separate race group because the US Census Bureau considers Hispanic to mean a person of Latin American descent (including persons of Cuban, Mexican or Puerto Rican origin) living in the US who may be of any race or ethnic group (white, black, Asian, etc.) The Hispanic/non-Hispanic make-up of the total U.S. population is, however, 85% Non-Hispanic, 15% Hispanic (US Census Bureau, 2007)[1].

Corporate Social Responsibility understanding

CSR is a well defined concept within the USA, with firms developing CSR strategies in response to a growing rise of issues such as sustainable investments as well as companies using CSR

[1]http://www.prospects.ac.uk/cms/ShowPage/Home_page/Explore_working_and_studying_abroad/Country_specific_information/USA/country_overview/p!ecabFe

policy in their marketing output. CSR is used to develop brand awareness and give legitimacy to a firm.

Community

The main community based issues are cost of living, universal healthcare and the inequity of the educational system.

An example of a USA firm with community programmes is Phillip Morris who run a series of projects whereby employees can realise the benefits for their local area. Under their parent company, Altria, they have a Community Fund – employees direct where the funds go and highlight key areas which require support[1].

Environment

The top issues regarding the environment and sustainability are climate change, greenhouse emissions and energy use.

The USA are dealing with climate change in a variety of ways, In terms of legalisation surrounding climate change, the USA has a law called the 'Global Change Research Act' which forces scientific study into the changing effects of CO2. The Environment Protection Agency is responsible for reducing emissions across the USA, via policies such as emission standards which provide grading for the levels vehicles can emit over time.

Following the Copenhagen discussions in December 2009, President Obama has promoted the development of the Copenhagen Accord which means that countries internationally agree to combat climate change.

Despite increasing activity towards tackling the issue of climate change through policies at all levels, American citizens are yet to really engage with the issue. According to recent Gallup Survey Guardian article (3rd May 2010) the American population has reached a low in environmental concerns compared to 20 years ago – requires events of major significance to jolt their environmental concerns.

Carbon footprint issues have been studied by the US Environment Protection Agency which has looked at the carbon footprint issues found on a range of products. Other organisations include the US Postal Service which looked at parcels and envelopes. A number of American companies are part of the Carbon Disclosure Project, a project based in the UK to increase transparency and reductions in carbon output of companies globally.

Marketplace

[1] http://www.pmusa.com/en/cms/Responsibility/Investing_in_Our_Communities/default.aspx

The potential problems which affect consumers in the USA include issues surrounding fair advertising, scams to defraud consumers and financial protection. The Federal Trade Commission has the responsibility for ensuring protection for USA consumers.

Companies within the USA are attempting to support and take into account potential vulnerable consumer groups. For example, Be WISE is the programme run by Beam, global spirits and wine firm to tackle issues of underage drinking. They are funding the programme to stop high school and young college level students from drinking alcohol illegally.

HP is a good example of a firm who are committed to improve through their 'Global Citizenship' concept for their supply chain. Focus on five pillars[1]:

- ethics and compliance
- Human Rights and Labour practices
- Environmental sustainability
- Privacy
- Social Investment

American Apparel is also another good example of an American company working through a responsible supply chain. It pays employees at least 12 dollars an hour in its downtown Los Angeles manufacturing site. Working from the US has brought the company benefits such as allowing cost savings when market testing as well as greater quality control.

Corporate governance in terms of dealing with corruption is strong, and major policies are in place to stop all bribery and facilitation payments. The US Department of Justice have a sophisticated and well developed anti-fraud concept and department.

Workplace: Diversity and Equal opportunities

The main thrust of equal opportunities in the USA, is compliance rather than diversity, based on affirmative action. The main cultural sensitivity is disability, which is the only diversity strand not to be covered by federal law. There is conflict between sexual orientation and religious belief diversity strands. Changing demographics in the country mean that they must attract, retain and promote a diverse range of people to be successful. In 2010, 33% of the population will be non white and by 2040 half will be made up of groups at present considered ' minorities'.

Human Rights

According to Amnesty International, the main issues in the USA are the use of taser guns when dealing with suspects, forcing citizens who have chosen to opt out of war to be recruited, and the displacement and lack of facilities for the Katrina survivors.

[1] http://h41111.www4.hp.com/globalcitizenship/uk/en/index.html

American companies recognise that they must actively promote and develop policies which uphold human rights. For example, Exxon Mobil is working alongside Amnesty International USA to promote human rights issues in workplace and environment.

Key players

- *Key civil society groups*

American Civil Liberties Union, Amnesty International, Human Rights Watch

- *Government agencies active on CSR*

Environment Protection Agency, United States Department of Justice

- *Business led agencies active on CSR*

Business for Social Responsibility - BSR

- *Business led initiatives on CSR issues*

Business for Innovative Climate and Energy Policy, Clean Energy Leadership, Business Environment Leadership Council

Sources of information

http://www.epa.gov/climatechange/policy/index.html - outlines clearly the climate change policies in place in the US.

CSR wire maybe a useful source of information – provides news and summaries of numerous firms.

http://www.csrwire.com/

Making Cents International – pushes the inclusion and promotion of younger population, as well as granting ever increasing access to financial services.

http://www.makingcents.com/contactUs/index.php

Useful website outlining major players in ethical investment – a way of ensuring that shareholders influence the promotion of ethical firms and make companies more willing to push for their green credentials.

http://investingforthesoul.com/Links/ethical-investing-organizations.htm

VIETNAM



Country overview

The Communist Party of Vietnam (CPV) rules at the national, provincial and local levels. Elected People's Councils at the village level and the National Assembly are forums in which there is a degree of popular representation. All institutions of government, including the judiciary, take their cues from the CPV. Nong Duc Manh was re-appointed Secretary General of the CPV at its Party Congress in 2006. Legislative elections held in 2007 resulted in few surprises considering the control that the CPV maintains over the process. Upon formation, the National Assembly subsequently reappointed Dung and Triet as PM and President respectively.

Having embarked upon a process of reform in 1986, Vietnam has come to follow a path that resembles China's development model. Specifically, the CPV has concentrated on fostering economic development as its main source of continued legitimacy. The CPV's leadership has fully embraced an aggressive reform agenda as evidenced by the support given to further economic reforms at the 2006 Party Congress.

Vietnam is one of the best performing economies over the last decade. Real GDP has on average grown by 7.3 percent per year during 1995-2005 and per capita income by 6.2 percent per year. The economy has proven resilient to shocks and negative impacts from SARS, avian influenza, poor weather, high commodity prices, inflation and anti-dumping suits.

Vietnam has become increasingly integrated with the world economy and has become a member of the WTO. Economic transition accompanied by an institutional overhaul: there has been significant progress in financial management with the implementation of a new State Budget Law in 2004. The entire 2005 Budget was disclosed to the public for the first time. The National Assembly is responsible now for the approval of budget, including allocations to lower levels of government. Decentralisation is another important trait of the ongoing institutional transition.

There has been a remarkable success in reducing poverty. New household data indicates that the general poverty rate fell from 58.1% in 1993 to 16% in 2006. The standard metrics tracking inequality suggest that the high growth and rapid poverty reduction were accompanied by only very modest increases in inequality.

Vietnam has outperformed many other countries in terms of progress towards achieving the Millennium Development Goals. five of ten main MDGs set for 2015 have already been attained

and another three could be reached ahead of time. However, Vietnam might only partially achieve the target on reversing the loss of environmental resources and could miss the target of halving the share of the population without drinking water and sanitation[1].

Corporate Social Responsibility understanding

CSR remains new and relatively undeveloped in Vietnam.

The primary focus up until now has been on workplace standards and safety. Environmental concerns and pollution are of growing importance. Global warming is also gaining in awareness as Vietnam has been ranked one of the most vulnerable countries to sea level rise.

Local NGOs and civil society are undeveloped and new to Vietnam and their capacity to engage with corporate society is generally minimal. The Government remains dominant in many areas where social organizations might operate elsewhere.

Community

The main community based issues are poverty living wage, minimum wage, unemployment, education and HIV, drug use and human trafficking.

Local businesses rarely engage in community activities for any period of time, but will donate money or goods to disaster relief i.e. storms floods etc.

Multinationals are more interested to engage in community activities but often have trouble to identify local partner organizations to work with.

Environment

The main issues regarding environment and sustainability are the environmental regulations, wastewater, misuse of underground water and the rise of the sea level and flooding due to global warming.

Marketplace

According to the 2009 Social Institutions and Gender Index (SIGI): The position of Vietnamese women has improved since the 1950s. In 2006, the National Assembly passed the country's first Law on Gender Equality. According to the US Department of State, this law aims to address a range of issues (such as wage gaps) and eliminate discrimination based on gender.

Vietnam has 54 official ethnic groups, some of which still nurture patriarchal traditions, public life being viewed as a predominantly male domain.

[1] http://siteresources.worldbank.org/INTVIETNAM/Resources/VietnamCountryOverview.pdf

In 2003 the International Labour Organisation reported that discrimination and stigmatisation of people living with HIV/AIDS is widespread in Vietnam. Forms of work place discrimination include job dismissal of infected workers, and mandatory screening for HIV of job applicants in a number of enterprises. Since then, a number of initiatives have been put in place to educate employers about HIV/AIDS with the objective of reducing HIV/AIDS related employment discrimination in Vietnam.

Human Rights

In a 2004 US human rights report, Vietnam was classed as 'poor', with restrictions surrounding freedoms of speech, press, assembly and associations. Issues surround the judiciary system, including solitary confinement and the interrogation of prisoners.

Sources of information

http://www.csr-weltweit.de/en/laenderprofile/profil/vietnam/index.nc.html

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