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Making business work for development

Rethinking corporate social responsibility

Business is everywhere. Some is crucial to development, while some is implicated in poverty, human rights abuses and environmental destruction. In recent years there has been an upturn in corporations taking responsibility for development challenges. Research shows this is a mixed blessing whilst development practitioners and policy makers could engage more critically to ensure real benefits for development.

Given the power of corporations today it is time to look afresh at the role of business in society. Not only has the number of 'transnational corporations' (TNCs) risen ten-fold since 1970 but their turnovers dwarf that of many national economies. Their ability to escape state regulation or even dictate that regulation, has given rise to growing concerns about TNC accountability. Their involvement with the basic building blocks of development, however, such as food, shelter, medicines and infrastructure, raises questions about how TNCs might contribute to achieving the Millennium Development Goals.

Corporate social responsibility (CSR) is often used to describe this broader view of business-society relations. CSR refers to company policies and activities that affect society and which are not mandated by law, but nevertheless may arise from existing laws, or favour new ones. They are not necessarily voluntary, as they may be mandatory through other channels and nor are they necessarily voluntarist, as they may, however rarely, call for state intervention.

Most codes are developed by industrialised nations: how appropriate are they to local conditions and concerns in developing countries?

Mainstream CSR relates to issues such as occupational health and safety, labour, human rights, anti-corruption, environmental management systems, or company support for community development projects. The CSR tool box includes codes of conduct, reputation management, social and environmental reporting, stakeholder dialogues, and public-private partnerships.

Since its revival in the 1990s, the concept of CSR has grown. The 2002 World Summit on Sustainable Development in Johannesburg marked CSR's arrival on the international policy agenda. CSR successes include the 24 million hectares of forest certified under the voluntary Forest Stewardship Council (FSC). Yet, given that 84 percent of FSC-endorsed forests are in industrialised countries, where large companies find it easier to meet certification requirements, the initiative has done little to tackle tropical deforestation. And of the 65,000 TNCs worldwide, only around 4,000 produce reports on their social or environmental performance. It is the companies with high-profile brands, or those which supply to companies with high-profile brands that are affected by public concern. CSR does not cover, and nor can it, every important issue, every company or every region: enforcement is in the hands of markets and public pressure.

Research on HIV/AIDS shows that companies are responsible for the impact of the disease, if for example, they provide unhelpful working conditions, or discriminate against employees infected with the virus, or if they hold patents on important drugs. **Jessica Owens** writes that work by the International Labour Organization (ILO) has found HIV/AIDS is having a negative impact on business, with some companies beginning to respond proactively. However, individual workplace programmes are not enough to address the spread of HIV/AIDS; nor can they manage the financial risk facing companies. The key issue is how companies influence the frameworks within which governments, communities and families can act to protect themselves.

As CSR standards become more widespread, their legitimacy has been questioned. Most codes and systems to monitor compliance are developed by industrialised nations: how appropriate are they to local conditions and concerns in developing countries? Given that standards are a mechanism for managing value chains and for influencing the social impact of an economic activity, might they become a new form of protectionism?

In addressing this issue, the accountability of codes and monitoring to workers and communities is key. Research by **Marina Prieto-Carrón** in Central America illustrates that gender issues are often ignored by voluntary codes concerning workplace practices and that participatory methods of implementation and compliance monitoring are necessary. Clearly such approaches need to be coordinated and promoted.

Making CSR more inclusive and relevant to workers and local communities is vital for individual factories and plantations and for countries and regions. Studies on CSR in developing countries are rare; if they do exist, they often adopt western concepts of what CSR is and what it isn't. CSR has to be ▶

indigenous rather than imported, argues **Ritu Kumar** in her article on South Asia.

CSR is also criticised for deflecting organisations from the real issues: given that NGOs, companies and governments are increasing their concentration on CSR, some suggest that better obligatory regulation of corporate practice, nationally and internationally, regarding social, environmental and human rights issues is not needed. NGOs have thus started to move towards a 'corporate accountability' agenda, focusing on how to strengthen people's power in relation to corporations. Research by **Peter Utting** at the UN Research Institute for Social Development shows how governments need to collaborate internationally to develop better mechanisms for holding corporations accountable to citizens.

This debate is mostly about how to make business less harmful. There is another dimension, however: how can business contribute to development? **Michael Warner** and **Rory Sullivan** note how the World Bank has promoted partnerships with companies on specific development-related projects, getting mining companies, for example, to promote regional development.

More recently, companies have started to do business with people living on less than two dollars a day, explains **Bruce Jenks** from the UN Development Programme. Does this mean big business may be the key to overcoming poverty? Case studies of small scale construction in Mexico, salt iodization in India, and microfinance worldwide offer evidence that the private sector can play a useful role.

However, problems with this approach arise on closer inspection of who is served, with what, and by whom.

Firstly, much of the profitable business with lower-income markets involves products such as cell phones rather than the provision of basic nutrition, sanitation, education and shelter.

Secondly, what type of development is being promoted by strategies such as marketing consumer products to poor people? Claims about empowering people simply by enabling them to consume certain products can not be taken at face value.

Donors need to resist adopting a simplistic view that simply working with TNCs will benefit poor people

Thirdly, the environmental impacts of changing consumption patterns need examining rather than assuming that such problems can be solved through technical and financial advancement.

Finally, if more foreign companies serve poor people might this displace local businesses and increase the drain of resources from local economies?

How large firms might use their financial, technical and management resources to help local entrepreneurs improve and scale up their businesses and avoid exploitative local middlemen, needs exploring. However, exploitative North-South supply chains, tax avoidance, and anti-competitive practices are fairly typical of TNCs which undermine their economic contribution to development. Donors need to resist adopting the view that simply working with TNCs will benefit poor people.

Such economic issues have been largely overlooked by the mainstream CSR agenda. The revenue implications, for employees and for governments, of non-payment of taxes, transfer pricing, or intra-corporate financial flows, for example, amount to billions of dollars of lost earnings. Corporate taxation should be central to the debate, argues **Manuel Riesco**, in his article on mining in Chile. Unless CSR begins to deal with responsible financial practice, it will continue to be seen as a diversionary tactic with limited benefits for development. So what can be done?

- Development practitioners must now engage CSR on their own terms and map out an agenda that addresses corporate responsibility for 'bad' development on one hand and corporate opportunities for sustainable development on the other.
- CSR must distance itself from neo-liberal economic assumptions of development and how to attain it. Governments are crucial for ensuring civil and political rights that allow public pressure to influence firms and provide education and infrastructure for them to do business with poor people.
- If CSR holds promise for development it must address how companies can support, rather than undermine, governments in performing these roles ■

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In Our Power: The Civilization of Globalization Greenleaf-publishing, by Jem Bendell (forthcoming September 2005)

Home-grown CSR needed

Focus on South Asia

Corporate Social Responsibility is not new in south Asia. Leading industrial houses have pioneered progressive workplace and community practices for over a century. Yet, the severity of poverty demands new levels of engagement. A practical agenda building on existing humanitarian traditions and engaging in the key issues is needed.

With the retreat of the state from economic activity, businesses need to adopt wider social responsibilities. Given that most people in south Asia live below the poverty line and have little or no access to basic public services, the potential for firms to contribute positively needs exploring.

Expectations of business are growing. A recent opinion poll found that Indians feel that the business sector must play a wider role in society. It also revealed that people are not yet judging companies by their positive contributions to society.

The Energy and Resources Institute (TERI) in London categorises CSR issues in South Asia as: 'first generation', involving conflicts between companies and communities over natural resources; 'second generation', brought on by industrialisation, symbolised by the 1984 Bhopal disaster; and 'third generation' relating to unequal and unsustainable consumption patterns. The motivation behind these issues has come from within south Asia but also from donors, corporations and non-government organisations outside the region. It is now crucial that the CSR agenda in south Asia is rooted in the specific priorities and circumstances of the region and that it should:

It is crucial that the CSR agenda in south Asia is rooted in the specific priorities and circumstances of the region

- build upon traditions of corporate philanthropy (welfare) and involve a wider range of companies in funding social goods such as healthcare facilities and schools
- encourage the tradition of philanthropy to evolve so that businesses contribute to wider development goals
- prioritise the critical state of natural resources
- promote disclosure of corporate social and environmental practices and performance.

Businesses worldwide have been slow to report on their impact; sustainability reporting is in its infancy in India and almost non-existent elsewhere in the region. People's ability to apply their growing expectations of business in making decisions will not happen until reporting on impact becomes regular practice ■

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See also
Altered Images: the 2003 state of corporate responsibility in Sri Lanka TERI-Europe and New Academy of Business by Ritu Kumar *et al*, 2004

International and South Asian case studies of corporate responsibility by Ritu Kumar et al, TERI-Europe and New Academy of Business (forthcoming 2005)

Unleashing entrepreneurship

Making business work for the poor

There has been a big change in the United Nations's engagement with the private sector influenced by its stewardship of the Millennium Development Goals. It was the urgent need to enhance the contribution of the private sector in achieving the MDGs that prompted Secretary General Kofi Annan to appoint a commission to examine how the role of the private sector in this major global effort could be maximized.

The Commission on the Private Sector and Development was convened to answer two questions:

- How can the potential of the private sector and entrepreneurship be unleashed in developing countries?
- How can the existing private sector be engaged in meeting that challenge?

The Commission emphasised that the foundations for a sustainable private sector lay in a supportive global and domestic macro economic environment, adequate physical and social infrastructures and the existence of the rule of law. Such a foundation would be complemented by three additional factors: entrepreneurship – indispensable if the domestic private sector is to flourish; access to finance, knowledge and skills; and the existence of a level playing field for firms competing in the domestic market.

In this report the Commission on the Private Sector and Development offers recommendations on how governments, public development institutions, the private sector and civil society can modify their actions and approaches to significantly enhance the ability of the private sector to advance the development process

Social impact is greatest where commercial interests, the pursuit of profit, and development interests overlap. New business models are good examples of what is already happening in developing countries (Casas Bahia in Brazil, for example, has developed a unique business model providing efficient retail services aimed at poorer customers) but they also show the need for greater and broader action. New business models are:

- low cost – companies adapt and modify technology solutions to deliver services at a fraction of the developed country cost
- reflect a combination of international research and development and local knowledge thus ensuring relevancy and appropriateness
- market-based, justifying actual investment, delivering reasonable returns, and offering the potential for replication and scaling up, the keys to long-term sustainability
- stimulate local economic development, the driver of employment generation and equitable growth.

What is needed is an approach involving partnerships with poor people to innovate and achieve sustainable scenarios where poor people are actively engaged and the provision of products and services to them is profitable. The potential market of over four billion people living on less that $2 per day presents clear opportunities for the private sector as long as firms, governments, civil society organizations, development agencies, and poor people work together with a shared agenda.

The world's poor are also consumers living in high-cost economies. In Mumbai, slum-dwellers pay ten times more for medicine than middle class people living in a different part of the city. The quality of goods that many poor people purchase is substandard. An informal private sector often fills the gap with goods of varying quality and costing far more. Informal economies sustain most poor families in many countries, yet the advantages of economies of scale and scope are missing. In many slums, there are no health services, no public education and no infrastructure. Anywhere from 15 percent (Senegal) to 90 percent (Zimbabwe) of primary education is provided in private schools. Some 63 percent of health care expenditure in the poorest countries is private.

An innovative private sector can find ways to deliver low cost goods and services to demanding consumers across all income ranges. Innovation might arise from focusing on the poorest people which would create cost advantages from economies of scale; a firm could develop strong distribution links with consumers in villages and be in a better position to understand their needs; and firms could keep costs low through outsourcing for greater flexibility.

The private sector can alleviate poverty by contributing to economic growth and empowering poor people by providing them with services and consumer products thereby increasing choice and reducing prices. The first creates employment and income growth whilst the second improves the quality of life for poor people.

The more interaction there is between the four billion people earning less than US$1,500 a year and the private sector the more opportunities there will be for direct involvement in the market economy ■

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See also

Unleashing Entrepreneurship: Making Business Work for the Poor, Commission on the Private Sector and Development, March 2004
www.undp.org/cpsd/report/index.html
The Fortune at the Bottom of the Pyramid: Eradicating Poverty through Profits, Wharton School Publishing, by C.K. Prahalad, 2004

Why AIDS is a workplace issue

HIV/AIDS is a clear threat to people's lives in developing countries; some companies, in providing risky working conditions and reducing support for or discriminating against people with HIV/AIDS, are responsible for putting people at even greater risk.

Companies with large workforces, particularly in Africa, face rising costs and falling productivity because of HIV/AIDS. The disease threatens the growth of the private sector in many countries and its impact on business could be even greater. Companies need to devise policies and programmes that address prevention and mitigation of HIV/AIDS and their effects in the workplace, including antiretroviral therapy. The workplace is a good place to reach people at risk of contracting the virus and those already infected. Research by the International Labour Organisation shows that although many companies are taking action, there's still a lot to be done.

Individual workplace programmes alone cannot address the spread of HIV/AIDS. Nor can they manage the financial risk companies face. Take collective action: companies need to work together and with other groups in the public and voluntary sectors; they need to think about how they influence the areas where governments, communities and families can act to protect themselves. Institutional investors, who will not gain in the long run from companies merely managing risk rather than addressing its sources, may provide a new ally in the fight against HIV/AIDS. Ultimately, government capacity in health and education needs strengthening and CSR initiatives have to support this.

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See also

HIV/AIDS and work: global estimates, impact and response, International Labour Organization, Geneva, 2004
www.ilo.org/public/english/protection/trav/aids/
Waking Up to Risk: Corporate Responses to HIV/AIDS in the Workplace, Programme Paper 12, UNRISD, Geneva, by Jem Bendell, 2003

Pay your taxes!

Mining in Chile

One drawback of the increasing integration of companies into transnational corporations is that they may pay less tax in countries where they operate. Non-payment of taxes, transfer pricing, and intra-corporate financial flows are costing developing countries billions of dollars a year in lost revenues.

In the case of natural resource based industries – the most profitable industries in developing countries because of the associated ground rent – non-payment of royalties aggravates the problem significantly (see box right).

Research by the UN Research Institute for Social Development (UNRISD) shows that economic policies in Chile have been fiscally permissive with regard to the mining industry in particular. As a result overproduction was encouraged and world copper prices remained low, damaging employment in the mining sector internationally and locally and harming government revenues. Some mining companies in Chile claim to act responsibly: how do they deal with this issue and do they relate it to their Corporate Social Responsibility (CSR) stance?

Copper production in Chile has more than tripled since 1990 and now represents almost 40 percent of world copper exports. Yet since 1990 private mining companies, with only one relevant exception, did not pay taxes between 1993 and 2002. The value of copper exports over this period totalled over 34 billion US dollars; the net income of private companies amounted to roughly half that sum.

Disputada, a copper mine owned by Exxon until 2002, ostensibly operated at a loss for 23 years and thus under Chilean law was exempt from paying taxes. Yet the mine accumulated 575 million dollars in tax credits. In 2002 Exxon Mobile (Exxon merged with Mobil in 1999) then sold Disputada for 1.3 billion US dollars. Exxon had been exporting the mine's profits (disguised mostly as interest payments) to Exxon Financials, in Bermuda.

BHP Billiton's subsidiary Minera Escondida, on the other hand, is the only private mining company in Chile that pays significant taxes. However, a comparative study of the financial results of Minera Escondida and CODELCO – a large state-owned mining company in Chile – found that by selling its copper as concentrate (rather than refining it in Chile) mainly to a consortium of refiners related to BHP Billiton, Minera Escondida had fewer earnings than its state equivalent per ton of copper produced: the loss of tax revenue to Chile is estimated at between 125 and 212 million dollars a year between 1998 and 2002.

Non-payment of taxes, transfer pricing, and intra-corporate financial flows are costing developing countries billions of dollars a year in lost revenues

BHP Billiton may be a leader in CSR, voluntarily donating one percent of pre-tax income to projects in Chile and adopting high social and environmental standards of operation. Yet, questions arise regarding how high up the issue of contributing to government revenue is on its agenda. Moreover, in response to questions asked about taxation, the company points to its voluntary CSR activities as an indication of the company's contribution to society.

Public policy recommendations from the UNRISD research include:

- introducing royalty charges for all exported natural resources
- auctioning mining districts and other ground rent capturing schemes
- enhancing state capacity to regulate resource exploitation and transfer pricing.

CSR initiatives need to ensure that corporations pay the required taxes wherever they are operating – taxes that help support the social fabric from which firms generate their profits: political and technical efforts to reduce that contribution are not responsible business practice ■

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See also

Pay Your Taxes! Corporate Social Responsibility and the Mining Industry in Chile by Manuel Riesco, in 'The Pay Your Taxes Debate: Perspectives on Corporate Taxation and Social Responsibility in the Chilean Mining Industry', Programme on Technology, Business and Society Paper No. 15, UNRISD, Geneva, 2005 (forthcoming)

Avoiding taxes explained

Companies can avoid paying regular income tax in various ways, one of which consists of transferring goods and services to their subsidiary companies in other countries at different prices to the going market rate; higher prices are paid for commodities bought and lower prices for those sold. **Transfer pricing** entails exporting profits disguised as interest payments for debt with subsidiaries (less tax is usually paid on interest payments than on profits).

Ground rent is the value acquired by a scarce resource when its shortage leads to a higher price being paid for the commodity derived from it. Ground rent is usually paid to the owner of the resource for use of the land and forms a significant part of the final price of the commodity, hence the importance of knowing where this income goes. If the mineral resources are owned by the mining company, then the ground rent will enhance profits. But if the resources are owned by a third party, such as the state, ground rent should be paid in the form of royalties or something similar. Ground rents are seen as production costs rather than taxes, yet not charging ground rent would equate to a large subsidy, resulting in severe market distortions.

Manuel Riesco, UNRISD

Women workers' voices ignored in Central America

Questionable labour practices in factories and plantations supplying foreign firms are often in the corporate social responsibility (CSR) limelight. Although women play a key role in the export industry workforce in developing countries, CSR initiatives are not equal for women and men. Unless women workers are involved in developing, implementing and monitoring codes of conduct, improvements in the working lives of employees will not happen.

In collaboration with local researchers and organisations, research by the University of Bristol asks how women workers have experienced voluntary codes of conduct in the textile sector and on banana plantations in Central America. The research carried out a gendered analysis of the wording of the codes, their implementation and monitoring, and most importantly explored women's own ideas for improvement. Key findings include:

- Women workers' voices and their organisations are excluded even if they are intended to benefit from corporate codes of conduct.
- Women can, nonetheless, suggest how codes could work. Their ideas include improving monitoring practices by local organisations and increasing the awareness and commitment of local management and of all workers to gender issues.
- Codes of conduct need to go beyond broad prohibitions on types of discrimination and include more specific gender issues such as childcare, maternity rights, and promotion of women.
- A few companies are addressing these concerns and have shown that improvement is possible – but they are a minority.
- Firms can learn from the experience of fair trade initiatives which have experienced similar problems. ECOTA, for example, a fair trade forum in Bangladesh, has focused on issues such as maternity leave, gender equity, women and leadership and the need for a written gender policy and crèche facilities, see www.ecotaftf.org.

Current practice does not yet understand the challenges facing the private sector in achieving CSR for men and women. Policy implications include:

- Gendered and genuinely participatory methods are needed in developing, implementing and monitoring CSR standards that are equally responsive to men and women workers.
- Transnational corporations must adhere to the voluntary commitments to CSR expressed in their codes of conduct.
- Governments and international organisations can provide support to local organisations and highlight good practice ■

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See also

Is There Anyone Listening? Women Workers in Factories in Central America and Corporate Codes of Conduct Development Volume 47/3 by Marina Prieto, 2004

Supply Chain Codes of Conduct and Fair Trade Initiatives: Winning New Markets While Promoting Gender Equality by M. Prieto, C. Seeley and D. F. Murphy in 'Trade and Gender: Opportunities and Challenges for Developing Countries', edited by A. Tran-Nguyen and A. B. Zampetti, United Nations, New York and Geneva, 2004

Keeping tabs on TNCs

New approaches to regulating business

How governments, civil society and businesses promote corporate social responsibility (CSR) and regulate the behaviour of transnational corporations (TNCs) has changed in recent years. Certain types of government regulation and corporate self-regulation are giving way to co-regulation and corporate accountability. The pros and cons of these approaches are the focus of recent work by the UN Research Institute for Social Development.

Co-regulation involves different individuals, groups and organisations working together to set standards and facilitate their implementation. NGOs often take the lead in such initiatives, which include:

- certification schemes for environmental management standards (ISO 14001), the Fair Labour Association and (SA8000) labour standards, and the Forest Stewardship Council (sustainable forest management)
- Global Framework Agreements between international trade union organisations and TNCs to apply standards throughout their global structure
- monitoring schemes linked to anti-sweatshop initiatives such as the Clean Clothes Campaign, the Global Alliance for Workers and Communities and the Worker Rights Consortium
- schemes emphasising dialogue and learning about good practice, including, the UN Global Compact, the Global Reporting Initiative, the Ethical Trading Initiative, and AA1000 (accountability).

While the scope and impact of such initiatives vary, they have addressed limitations of corporate self-regulation, including issues of labour rights rather than focusing simply on working conditions; of supply chain management, as opposed to remaining at the level of TNC affiliates; and of independent monitoring, as opposed to relying on internal monitoring or none at all. There are questions, however, regarding legitimacy and impact (see editorial).

There has also been a proliferation of international agreements, proposals and campaigns regarding corporate accountability – the idea that firms must be held to account and be penalised if they don't comply. Recent initiatives include:

- developing stronger OECD Guidelines on Multinational Enterprises (Organisation of Economic Cooperation and Development)
- a proposal for a European Union Code of Conduct for TNCs
- drafting UN Norms on the Responsibilities of TNCs and other Business Enterprises with regard to Human Rights
- proposals for a multilateral corporate accountability convention or organization.
- civil society campaigns such as Publish What You Pay, International Right to Know, and the Tax Justice Network
- new international laws to control the use and marketing of tobacco, pesticides and chemicals.

The emerging corporate accountability agenda is promising: voluntary and legal approaches can be combined; it pays greater attention to complaints procedures allowing stakeholders to detect, publicise, prosecute or deal with specific breaches of agreed standards; it addresses structural dimensions of underdevelopment relating to TNC activities, including corporate power and political influence, transfer pricing and tax avoidance. See 'Pay your taxes' article.

The key to success, however, is for governments and business communities to work with civil society groups to create the political environment and broad-based coalitions necessary to move the corporate accountability agenda forward ■

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See also

UNRISD Conference News: Corporate Social Responsibility and Development: Towards a New Agenda? UNRISD, Geneva, 2004

Regulating Business via Multi-stakeholder Initiatives: A Preliminary Assessment by Peter Utting in 'Voluntary Approaches to Corporate Responsibility: Readings and Resource Guide', NGLS / UNRISD, Geneva 2002

Barricades and Boardrooms: A Contemporary History of the Corporate Accountability Movement by Jem Bendell, Programme on Technology, Business and Society Paper No. 13, UNRISD, Geneva, June 2004

Putting partnerships to work

The 2002 World Summit for Sustainable Development in Johannesburg stressed the need for strong partnerships between companies, civil society and government to achieve international development goals. Since then many have been set up focussing on local healthcare or water and sanitation for example. To date, however, less attention has been given the question of how partnerships can contribute to regional development.

This is important to oil, gas and mining companies which find their 'social licences' to operate undermined as the benefits of extraction often fail to reach the regional level. This is because:

- Regulatory frameworks often fail to distribute wealth to communities across a region effectively.
- Environmental and social safeguards tend to focus on minimising local negative impacts, rather than adding development value.
- Compensation, employment opportunities and voluntary social programmes are frequently aimed at communities most affected by operations (those losing assets or involuntarily resettled) rather than at the regional level.

Three elements are needed to ensure that natural resource projects are beneficial at a regional level and to allow companies to mitigate against the loss of reputation and cost-liabilities often associated with site closure (such as mass unemployment):

- A vision and plan for sustainable regional development, within which the potential economic and poverty reduction effects of the project can be assessed.
- Evidence of equitable and visible gains for companies, communities and governments. This will require transparency, legitimacy and efficiency in the use of resource rents by regional government, the provision of incentives and capacity development for local government and civil society organisations across the region to ensure that revenues 'reach' the communities.
- Community development opportunities that are accessible across the region and sustainable in the long term.

A partnership forum of leaders and organisations from across the region is one way for extractive industry companies to begin to deliver on this vision. The forum should include national regulators, regional and local government authorities, project operators from the extractive industries, other relevant corporations, employee unions, trade associations, national NGOs, and regional church and community leaders.

Such a forum could provide a platform for negotiating strategic partnerships to optimise co-ordination and access to resources across the corporate, civil society and international donor sectors. It could convene project-based partnerships and provide a level-playing field for negotiating voluntary codes of conduct among regionally competing firms. It could also provide a safe space for resolving grievances (such as companies poaching staff from the local civil service or the maintenance of public roads used by project vehicles).

To succeed in supporting long-term regional development, the forum would need to:

- make sure there is enough political will within the programmes it promotes to ensure the release of resource rents by government
- have support from administrative and mediation services
- understand that the primary contribution of project operators in social programmes should relate to short-term inputs (such as setting standards or project management) so that local society and the company are not caught in a 'dependency trap'
- include members from across the region to give it legitimacy
- consider using existing forums in the region ■

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See also
Putting Partnerships to Work: Strategic Alliances for Development between Government, the Private Sector and Civil Society edited by Michael Warner and Rory Sullivan, Greenleaf Publishing, Sheffield, 2004

Useful web links

World Business Council for Sustainable Development
www.wbcsd.org
Eldis CSR Resource Guide
www.eldis.org/csr
Business and Human Rights Resource Centre
www.business-humanrights.org
The University of Nottingham's Business School
www.nottingham.edu.my/business/csrasia
CSR in Asia
www.csr-asia.com and **www.singleplanet.blogs.com/csrchina**
CSR newswire service
www.csrwire.com
UN Global Compact
www.unglobalcompact.org/
OECD Principles of Corporate Governance
www.oecd.org/dataoecd/32/18/31557724.pdf
Ethical Trading Initiative
www.ethicaltrade.org
Social Accountability International
www.cepaa.org/index.htm
UN Research Institute for Social Development
www.corporate-ccountability.org/docs/unrisd_guideCSR.pdf
Friends of the Earth
www.foe.co.uk/campaigns/corporates
Global Witness
www.globalwitness.org
Amnesty International
web.amnesty.org/pages/ec-index-eng
International-Alert
www.international-alert.org/policy/business.htm
Maquila Solidarity Network
www.maquilasolidarity.org
Christian Aid
www.christian-aid.org.uk/indepth/0401csr/index.htm

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