

An ICCA Publication

THE A TO Z OF CORPORATE SOCIAL RESPONSIBILITY

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by reducing the total projected emissions reductions that will be achieved.

The Kyoto Protocol's targets only apply until 2012, the end of the first commitment period. International negotiations of targets for the second commitment period have commenced, but many countries remain reluctant to commit to further targets, particularly without clear commitment and leadership from the USA.

Stirling Habbitts

LABELLING

→ Ethical consumption, Green marketing

Labelling is the practice of marking products and services with a distinctive label to show consumers that they conform to recognised environmental, ethical and social standards.

Labels offer information on the characteristics or impact of particular production methods, products or services and are increasingly used to help consumers make informed choices. There are a number of different types of labels. Life cycle labels are based on a → life cycle assessment (also referred to as → cradle-to-grave) of a product's environmental impact. They entail an examination of a product's life, comprising its raw material use, production, distribution, use, and disposal. This kind of labelling compares similar products within a product category and authorises producers to label the most environmentally preferable in terms of the products' whole life cycle. Well-known examples are government-sponsored programmes such as the German Blue Angel, the Nordic Swan, and the European Union Flower.

Single issue labels describe one or several specific traits in a product's life cycle, but do not provide an overall assessment of the product's whole life cycle. Examples include labels on aerosol cans reading 'CFC-free' or 'ozone-friendly', labels on tuna cans reading 'dolphin safe', labels on electrical appliances signalling energy efficiency, and various recycling symbols. Other labels signal that an

independent → certification body assures that a product originates from a natural resource managed in compliance with standards set by non-governmental organisations like the → Forest Stewardship Council or the → Marine Stewardship Council.

Some → fair trade and → ethical consumption labels, such as the 'Fairtrade' mark by the FLO, guarantee consumers that farmers receive a minimum price for their products, for example coffee and cocoa beans. Other labels signal that → food products are produced in conformance with organic or sustainable agriculture standards or that they do not contain genetically modified (GM) material. A new area still under development is carbon labelling on retail products, signifying how carbon-intensive production and transportation has been. Labelling is also increasingly used to show consumers that certain services, like sustainable tourism schemes, meet recognised standards.

The award of a label usually requires third-party → auditing to provide independent → assurance that the manufacture of products conforms to the recognised standards. According to ISO, life cycle labels awarded on the basis of independent → auditing are 'Type I' labels. Third-party → auditing has been shown to generate benefits to the producer, including enhanced environmental and social awareness in the organisation and improved internal monitoring and capacity to continually enhance performance.

During the last few years there has been a significant growth in labels based on environmental claims about products or services made by their manufacturers, distributors, or providers. These self-declaratory labels are 'Type II' labels according to ISO definitions. A third type of label, called 'Type III' but not yet recognised by ISO, quantifies the environmental impact of a product according to preset categories. Unlike 'Type I' labelling schemes, this scheme does not approve or reject products, leaving it up to the consumer to make informed choices based on the information provided on the product.

While most environmental, ethical, and social labels are voluntary, meaning that producers are not required by law to use

them, some labels are mandatory. Sometimes referred to as ‘negative labels’, these labels identify dangers to human, animal or plant life or health associated with a product’s use or disposal. Other mandatory labelling requirements pertaining to the manufacture of products (‘process and production methods’) could be in breach of → World Trade Organisation (WTO) rules. However, the WTO generally accepts voluntary and non-discriminatory labelling, as witnessed in several dispute panel rulings in recent years.

Labelling consumer items and → food products is meant to increase consumers’ choices and to motivate producers to adopt environmentally friendly, socially responsible and ethical business practices by rewarding them with a lucrative brand. Being a market-based instrument, labelling relies mainly on the moral persuasion of consumers and strategic market changes by producers and professional purchasers along the supply chain, but it also allows producers to make ethically motivated choices.

Critics claim that eco-labelling is a way to ‘→ greenwash’ questionable practices or to justify certain product requirements and trade restrictions. Developing countries increasingly see eco-labelling as a barrier to trade and have voiced their concerns in the WTO Committee on Trade and Environment. Some labelling schemes, on the other hand, such as those for → fair trade and → ethical consumption, are beneficial to producers in → developing countries. Other schemes have taken steps to facilitate participation from → developing countries. However, challenges for most labelling schemes are to increase participation from developing country producers and to enhance consumer awareness.

Lars H. Gulbrandsen

LABOUR ISSUES

→ Diversity, ILO Declaration on Fundamental Principles and Rights at Work, ILO-OSH 2001 Guidelines on Occupational Safety and Health Management Systems, ILO Tripartite

THE A TO Z OF CORPORATE SOCIAL RESPONSIBILITY

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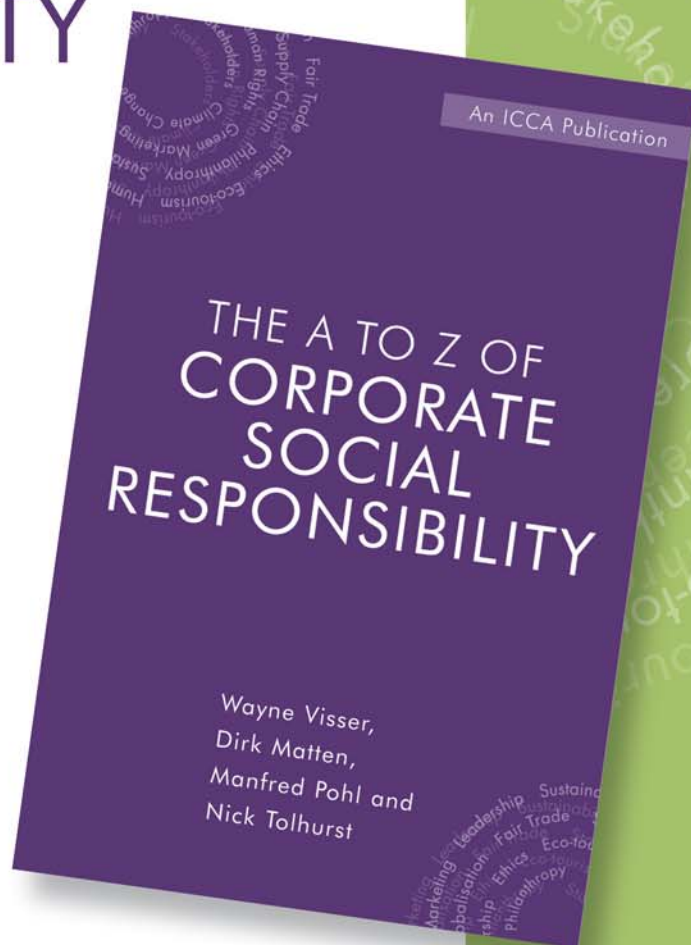
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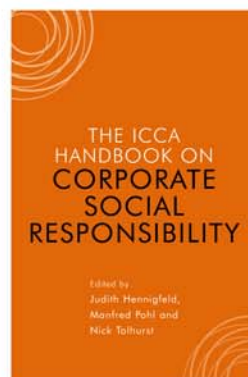


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THE A TO Z OF CORPORATE SOCIAL RESPONSIBILITY: The Complete Reference of Concepts, Codes and Organisations

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DESCRIPTION

This is the world's first complete reference on CSR, compiled by the Institute for Corporate Culture Affairs (the ICCA). The entries have been written by leading experts, leading global thinkers and CSR practitioners. The reference also lists and describes the most important organizations and landmarks in the field of CSR. The book comprises 339 terms, which are split into core concepts, key words and definitions to form the standard reference for managers, academics, teachers, students, officials and volunteers in the field of CSR. This is a timely and innovative contribution to the field of Corporate Social Responsibility; the definitive terminology reference on CSR, business society relations and the organizations and standards in the field.

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TERMS

3 Rs | Accountability | Accounting | Accreditation | Activism | Advertising | Affirmative action | Africa | Agricultural sector | AIDS | Air pollution | Animal rights | Animal testing | Animal welfare | Anti-capitalism | Anti-globalisation | Asia | Assurance | Auditing | Australia | Automotive sector | Banking sector | Base of the Pyramid model | Benchmarking | Best of class investing | Best practice | Biodiversity | Bioremediation | Black economic empowerment | Bluewash | Boycotts | Branding | Bribery | Business case | Business ethics | Carbon balance | Carbon credits | Carbon funds | Carbon neutral | Carbon offsetting | Carbon sink | Carbon tax | Carbon trading | Cause-related marketing | Certification | Charity | Chemicals sector | Child labour | Civil regulation | Civil society organisations (CSOs) | Clean technology | Cleaner production | Climate change | Codes of conduct | Codes of ethics | Codes of practice | Common good | Community development | Community investing | Competitive advantage | Conflict of interest | Conservation | Consumerism | Consumer rights | Continual improvement | Corporate affairs | Corporate citizenship | Corporate communication | Corporate culture | Corporate environmental management | Corporate foundation | Corporate governance | Corporate history | Corporate responsibility | Corporate social entrepreneur | Corporate social investment | Corporate social opportunity | Corporate social performance (CSP) | Corporate social responsibility (CSR) | Corporate social responsiveness | Corporate sustainability | Corporate volunteering | Corruption | Cradle-to-grave | Cultural issues | Developing countries | Development | Digital divide | Discrimination | Diversity | Donations | Donors | Downsizing | Drug and alcohol testing | Due diligence | Due process | Earth Summit | Eco-efficiency | Eco-friendly products and services | Eco-labelling | Ecological footprint | Economically targeted investment | Eco-subsidies | Ecosystem degradation | Eco-taxation | Eco-tourism | E-learning | Emerging markets | Emission trading | Employee rights | Employee volunteering | Empowerment | Energy management | Engagement | Environment | Environment, health and safety (EHS) | Environmental accounting | Environmental auditing | Environmental champions | Environmental due diligence | Environmental entrepreneurship | Environmental excellence | Environmental impact assessment (EIA) | Environmental liabilities | Environmental management | Environmental management system (EMS) | Environmental movement | Environmental reporting | Environmentally friendly products and services | Equal opportunities | Equity | Ergonomics | Ethical consumption | Ethical decision-making | Ethical investment | Ethical sourcing | Ethics | Ethics officer | Europe | Executive pay | Externalities | Factor four | Factor ten | Fair trade | Financial services sector | Food and beverage sector | Forensic accounting | Foundation | Fraud | Gaia hypothesis | Gender issues | Genetically modified organisms (GMOs) | Geographical information systems (GIS) | Global commons | Global governance | Globalisation | Global warming | Governance | Green consumerism | Greenhouse gases | Green marketing | Green movement | Greenwash | Hazardous waste | Health | Health and safety | HIV/AIDS | Human rights | Human security | Hydrogen economy | Impact assessment | Indigenous people | Industrial ecology | Infrastructure sector | Integrated pollution control | Integrity | Intellectual property rights (IPRs) | Interested and affected parties | Intergenerational equity | Intragenerational equity | Joint Implementation | Labelling | Labour issues | Labour relations | Land contamination | Latin America | Leadership | Learning | Legal compliance | Legislation | Licence to operate | Life cycle assessment | Living wage | Lobbying | Local community | Local economic development | Market based instruments | Marketing ethics | Media sector | Microfinance | Microlending | Mining sector | Moral case | Moral responsibilities | Natural capitalism | New economics | Non-financial assurance | Non-financial reporting | Non-governmental organisations (NGOs) | North America | North-South divide | Not in my back yard (NIMBY) | Occupational health and safety (OHS) | Off-shoring | Oil & gas sector | Organic food | Organisational culture | Ozone depletion | Partnerships | Persistent organic pollutants (POPs) | Personal & household goods sector | Pharmaceutical sector | Philanthropy | Policies | Political action committees | Polluter pays principle | Pollution | Poverty | Precautionary principle | Pressure groups | Privacy | Privatization | Product stewardship | Product take-back schemes | Public affairs | Public goods | Public interest | Public participation | Public relations | Public-private partnerships (PPP) | Quality management | Race to the bottom | Recycling | Regulation | Renewable resources | Report verification | Reporting | Reputation | Research | Responsible competitiveness | Retail sector | Risk management | Safety | Security | Self-regulation | Shareholder activism | Shareholder democracy | Shareholder resolution | Sin taxes | Small and medium sized enterprises (SMEs) | Social and environmental accounting | Social auditing | Social enterprise | Social entrepreneurship | Social impact assessment | Social innovation | Social justice | Social reporting | Social responsibility | Socially responsible investment (SRI) | Sponsorship | Stakeholder democracy | Stakeholder engagement | Stakeholder management | Stakeholder theory | Stakeholders | Stewardship | Strategic impact assessment | Subsidies | Supply chain | Sustainability | Sustainability reporting | Sustainable consumption | Sustainable consumption and production | Sustainable development | Sustainable livelihoods | Sweatshops | Take-back schemes | Tax avoidance | Technology sector | Telecommunications sector | Tobin tax | Traceability | Tragedy of the commons | Transparency | Travel and leisure sector | Triple bottom line | Union busting | Utilities sector | Value chain | Value creation | Values | Verification | Voluntary self regulation | Volunteering | Waste management | Water management | Water pollution | Whistle-blowing | White collar crime | Work-life balance | Zen

CODES, GUIDELINES & STANDARDS

AA 1000 Series of Standards | Agenda 21 | Anti-Slavery International | Apparel Industry Partnership (AIP) Code of 1997 | Bribe Payers Index | Business Charter for Sustainable Development | Business Principles for Countering Bribery | Business Social Compliance Initiative (BSCI) | CACC Principles | CERES Principles | Clean Development Mechanism (CDM) | Code of Labour Practices for the Apparel Industry Including Sportswear | Combined Code of Corporate Governance | Commonwealth Corporate Governance Principles | Corporate Responsibility Index | Corruption Perception Index | CSR Competency Framework | Domini 400 Social Index | Dow Jones Sustainability Indexes | Earth Charter | Eco-Management and Auditing Scheme (EMAS) | Equator Principles | ETI Base Code | EU Directive on Waste Electrical and Electronic Equipment (WEEE) | EU Green and White Papers on Corporate Social Responsibility | EU Greenhouse Gas Emission Trading System | Extractive Industries Review | Extractive Industries Transparency Initiative (EITI) | Fairtrade Mark | Five Capitals Framework | FLA Workplace Code of Conduct | Forest Stewardship Council (FSC) | FTSE4Good Index | General Agreement on Trade and Tariffs (GATT) | Global Compact | Global Corruption Barometer | Global Sullivan Principles of Social Responsibility | ICC Business Charter for Sustainable Development | ICFTU Code of Labour Practice | IFC Social and Environmental Performance Standards | ILO Declaration on Fundamental Principles and Rights at Work | ILO-OSH 2001 Guidelines on Occupational Safety and Health Management Systems | ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy | Interfaith Declaration: A Code of Ethics on International Business for Christians, Muslims and Jews | ISAE 3000 Standard for Assurance Engagements | ISO 9000 Series of Standards on Quality Management | ISO 14000 Series of Standards on Environmental Management | ISO 26000 Series on Corporate Social Responsibility | Johannesburg Declaration on Sustainable Development | Joint Implementation | King Report on Corporate Governance in South Africa | Kyoto Protocol | London Benchmarking Group Model | London Principles | Maquiladoras Standards of Conduct | Marine Stewardship Council (MSC) | Millennium Development Goals (MDGs) | Mining and Minerals for Sustainable Development | Montreal Protocol | National Corporate Responsibility Index | Natural Step Framework | OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions | OECD Guidelines for Multinational Enterprises | OECD Principles of Corporate Governance | OHSAS 18001 Standard on Occupational Health & Safety | Operating and Financial Review (OFR) | Rainforest Alliance Certification | Responsible Care Programme | Responsible Competitiveness Index | Rio Declaration on Environment and Development | SA 8000 | Sarbanes-Oxley Act | Sigma Project | Stockholm Convention on Persistent Organic Pollutants (POPs) | Sullivan Principles | Sustainability Reporting Guidelines | TRIPS (Trade Related Aspects of International Property Rights) Agreement | UN Convention Against Corruption | UN Declaration against Corruption and Bribery in International Commercial Transactions | UNEP International Declaration on Cleaner Production | UNEP Statement by Banks on the Environment and Sustainable Development | UNEP Statement of Environmental Commitment for the Insurance Industry | UN Global Compact | UN Millennium Development Goals (MDGs) | UN Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights | UN Principles on Responsible Investment | UN Universal Declaration on Human Rights | US Federal Sentencing Guidelines | US Superfund Legislation | Voluntary Principles on Security and Human Rights | Wolfsberg Principles | World Federation of Sporting Goods Industry Code of Conduct

ORGANISATIONS

AccountAbility | African Institute for Corporate Citizenship (AICC) | Brundtland Commission | Business and Human Rights Resource Centre | Business for Social Responsibility (BSR) | Business in the Community (BITC) | Carbon Disclosure Project | Caux Round Table | Club of Rome | CSR Academy | CSR Asia | CSR Europe | Ethical Trading Initiative (ETI) | Ethics and Compliance Officer Association | EU Multi-stakeholder Forum on CSR | European Academy for Business in Society (EABIS) | European Alliance on CSR | European Business Ethics Network (EBEN) | Fair Labour Association (FLA) | Fairtrade Labelling Organizations International (FLO) | FINE | Forest Stewardship Council (FSC) | Forum EMPRESA | Global Business Coalition on HIV/AIDS | Global Reporting Initiative (GRI) | Institute for Corporate Culture Affairs (ICCA) | Institute of Environmental Management and Assessment (IEMA) | Institute of Social and Ethical Accountability (ISEA) | International Accreditation Forum (IAF) | International Association for Business and Society (IABS) | International Association for Impact Assessment (IAIA) | International Auditing and Assurance Standards Board (IAASB) | International Business Leaders Forum (IBLF) | International Fair Trade Association (IFAT) | International Federation for Alternative Trade (IFAT) | International Organic Accreditation Service (IOAS) | ISEAL Alliance | Marine Stewardship Council (MSC) | Rio Earth Summit | Social Venture Network | Society for Business Ethics | UN Conference on Environment and Development | World Business Council for Sustainable Development (WBCSD) | World Commission on Environment and Development (WCED) | World Economic Forum | World Social Forum | World Summit on Sustainable Development | World Trade Organization (WTO)