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UL Environment 880 (New Sustainability Standards)

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UL Environment 880—Sustainability for Manufacturing Organizations is a sustainability standard for businesses and other organizations, focusing on their environmental and social performance. This standard is the result of the cooperation between Underwriters Laboratory, a global independent safety science company [1], with more than 100 years of expertise in creating safer living and working environments where businesses flourish. There are four other related domains—Product Safety, Life and Health, Verification Services and Knowledge Services), and GreenBiz Group, a leader in corporate sustainability media, corporate sustainability leadership and reporting [2].

Today, ULE 880 is considered to be a consistently applied, verifiable, measurable roadmap for sustainability policies, practices, and performance in business, which can improve risk management and data quality [3].

This certification process called ULE 880—Sustainability for Manufacturing Organizations defines five core areas of interest or domains for manufacturers: **Sustainability Governance** (sustainability strategic planning, board oversight, internal stakeholder engagement, ethics policies); **Environment** (product stewardship, sustainable resource use, environmental management systems, energy efficiency and carbon management, materials optimization, facilities and land use, habitat restoration, and waste prevention); **Work Force** (professional development, workplace integrity, employee satisfaction and retention, workplace safety, and

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employee health and well-being); **Customers and Suppliers** (fair marketing practices, product safety, customer support and complaint resolution, and sustainable supply chain management, monitoring and improvement); **Community Engagement and Human Rights** (community impact assessment, community investment, and human rights issues).

Each domain breaks down into seven prerequisites, 19 core indicators (that can award up to 159 points), and 74 leadership indicators (with 841 points available). An applicant for ULE 880 certification must first meet all seven prerequisites. All items (indicators) are factored in and a point value is assigned to each indicator for a total of 1,000 possible points across the entire standard. By demanding a minimum score in all core indicators, companies are forced to acknowledge that area in their operations. A company well on its way to green certification may score only 200 points or so of the 1,000 points available [4].

- [1] Underwriters Laboratory. (2013). *About UL. What we do*. Accessed on 15 December, 2013, <http://www.ul.com/global/eng/pages/aboutul/whatwedo/>.
- [2] GreenBiz Group. (2013). *ULE 880—Sustainability for manufacturing organizations*. Accessed on 20 February, 2013, <http://www.greenbiz.com/ratings>.
- [3] Barbara Englehart. (2011). *An insider's guide to ULE880 sustainability standard*. Accessed on 20 February, 2013, <http://www.englehartconsulting.com/p/article-insiders-guide-to-ule880.html>.
- [4] Robert Repas (2012). *ULE 880: Sustainability for manufacturing organizations*. Accessed on 20 February, 2013, <http://machinedesign.com/archive/ule-880-sustainability-manufacturing-organizations>.

United Nations Conference on Environmental Development

Gabriela Tigu and Andreea F. Schiopu

The United Nations Conference on Environment and Development (UNCED), also known as the Earth Summit, was held in Rio de Janeiro, Brazil, from June 2–14, 1992, 20 years after the United Nations Conference on the Human Environment (UNCHE) that took place in Stockholm, Sweden [1]. This convention was unprecedented in size and scope of its concern for a UN conference. The UN sought to help governments reconsider economic development and find ways to stop the destruction of irreplaceable natural resources and pollution of the planet. During the discussions, it became evident that poverty as well as excessive consumption by affluent populations place damaging stress on the environment and governments recognized the necessity to rethink their plans and policies to ensure that economic decisions completely reflected any environmental impact [2].

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The Conference emphasized that economic and social progress depends critically on the preservation of the natural resource base with effective measures to prevent environmental degradation [1]. The participants put on the global policy map environmental issues such as stratospheric ozone depletion and global climate change, or energy concerns related to economic security after the oil price crisis of 1972.

A major achievement of the UNCED was Agenda 21. The agenda frames the international plan of action to achieve sustainable development. In its 40 chapters, it outlines the key policies for achieving sustainable development, attempting to define the balance between production, consumption, population, development, and the Earth's life-supporting capacity [1]. Other important UNCED outcomes are the Rio Declaration on Environment and Development, the Statement of Forest Principles, the United Nations Framework Convention on Climate Change and the United Nations Convention on Biological Diversity [2]. The Rio Declaration on Environment and Development is a set of 27 legally non-binding principles designed to commit governments to ensure environmental protection and responsible development [1].

- [1] Cleveland, C. J., Kubiszewski, I., Miller, M., United Nations (Content Source), Saundry, P. (2012). United Nations Conference on Environment and Development (UNCED), Rio de Janeiro, Brazil. In: C. J. Cleveland (Ed.) *Encyclopedia of Earth*. (Washington, DC: Environmental information coalition, National Council for Science and the Environment). Accessed on 15 March, 2013, [http://www.eoearth.org/article/United_Nations_Conference_on_Environment_and_Development_\(UNCED\),_Rio_de_Janeiro,_Brazil](http://www.eoearth.org/article/United_Nations_Conference_on_Environment_and_Development_(UNCED),_Rio_de_Janeiro,_Brazil).
- [2] United Nations (1997). UN conference on environment and development. Department of Public Information. Accessed 15 March 2013, <http://www.un.org/geninfo/bp/enviro.html>.

United Nations Decade of Education for Sustainable Development

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The UN Decade of Education for Sustainable Development (DESD) refers to the year from 2005 to 2014 which was proclaimed in December 2002 by the United Nations General Assembly. DESD emphasizes that education is an indispensable element for achieving sustainable development. UNESCO was designated as the lead agency to promote and implement the Decade [1].

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DESD was adopted as a resolution to start the Decade of Education for Sustainable Development (DESD) from January 2005, following the Johannesburg Plan of Implementation based on the proposals by Japan and Sweden, the United Nations General Assembly, at its 58th Session in December 2002. DESD is regarded as one of the important international initiatives, particularly like the Millennium Development Goal (MDG), the Education for All (EFA), and the United Nations Literacy Decade (UNLD). All of these global initiatives aim to achieve an improvement in the quality of life, particularly for the most deprived and marginalised, fulfilment of human rights including gender equality, poverty reduction, democracy and active citizenship. However, DESD is more concerned than the other initiatives with the content and purpose of education. Conceiving and designing education for sustainable development challenges all forms of educational provision to adopt practices and approaches which foster the values of sustainable development.

The UN Decade of Education for Sustainable Development (2005–2014) seeks to mobilize the educational resources of the world to help create a more sustainable future.

[1] About ESD. Accessed on 23 February, 2013, <http://www.desd.org/About%20ESD.htm>.

United Nations Development Programme

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The United Nations Development Programme (UNDP) is a specialised institution of the United Nations (UN) whose mission is to work in partnership with people in order to help build nations in terms of crisis management, sustainability and quality of life. In practical terms this means providing multilateral grant technical assistance with operations in 177 countries and territories providing ‘global perspective and local insight’ [1]. Main goals orientate around poverty reduction and the Millennium Development Goals (MDGs) Democratic Governance, Crisis Prevention and Recovery and Environment and Energy for Sustainable Development. The MDGs stem from the late 1980s when the UNDP sought to extend measures of development beyond economic criteria with the Human Development Index. Hitherto the main achievements towards the MDGs have been the significant reduction both in levels of extreme poverty and the proportion of populations unable to access improved sources of drinking water. However, as the UNDP acknowledges, there is still considerable scope for further achievements in order to meet 2015 targets including further reducing levels of poverty and in helping to overcome hunger, morbidity and mortality rates, gender inequality, poor sanitation and greenhouse

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gas emissions. In some parts of the world such as sub-Saharan Africa, it is increasingly unlikely that the targets will be met.

Reasoning provided for the targets not being met tend to be split into arguments that blame the lack of (neo-liberal) development and governance or view the targets to be northern hemisphere impositions that fail to take into consideration the extent and diversity of the issues that different nations and regions are facing [2]. In this regard, the reasoning connects into wider debates about the role of the UN more generally and UNDP specifically and the extent to which the northern hemisphere becomes the normative basis on which to judge and encourage ‘development’ in the Global South [3].

[1] United Nations Development Programme. <http://www.undp.org/content/undp/en/home.html>. Last accessed 31 January 2013.

[2] McEwen, C. (2009). *Postcolonialism and development*. Abingdon: Routledge.

[3] Williams, G., Meth, P., & Willis, K. (2009). *Geographies of developing areas: The global south in developing areas*. Abingdon: Routledge.

UNIDO reap26

Florian Beranek and Thomas Walker

UNIDO reap26 (www.reap26.org) is the latest and most comprehensive member of the UNIDO reap family (Responsible Entrepreneurs’ Achievement Program, www.unido.org/reap) and designed to rethink your business in an integrative way [1] [See section “Integrative Management Approach of CSR”]. Based on the core documents of reference laid out by the European Commission’s Strategy on CSR 2011 (COM2011 681 final, 25.10.2011). The backbone is described in the reap26 Roadmap, split up in three main objectives: “Get inspired”, “Doing the right things” and finally “Doing the things right” however encouraging the critical Non-Linear-Development approach [See Section “Non Linear Development Approach of CSR (NLD)”] leading to significant progress of an organization’s overall maturity level [See Section “Maturity Model of CSR”].

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For tangible action a set of tangible hardware tools was developed which is used to guide entrepreneurs and organizations on their way of change. The reap26 Toolbox is a resource for specifically educated CSR experts. It provides them with both guidance and practical tools for supporting the implementation of CSR in enterprises.

The tools are divided into three stages of CSR adoption by enterprises, respectively: preparation (PRE), policy formulation (POL) and continuous improvement process (CIP), visualized on the CSR roadmap. The topical information is organized in the six core subjects adapted to local context from the international ISO26000 guidance standard on social responsibility level. The components of the toolbox are: reap26 Tool Box Manual (Guidebook), Documentation Workbook (“walking the CSR Roadmap”), CSR Starter, Policy Guide including issue specific CSR playing cards with references to ISO26000 and GRI (Global Reporting Initiative), Quick Assessment Tool and several supporting materials such as a guide on CSR indicators, CSR Marketplace [See section “CSR Marketplace”], CSR Weather Report [See Section “CSR Weather Report”], the CSR Dice [See Section “CSR Cube/Dice”], Stakeholder Map [2], etc.

UNIDO reap26 is an Open Framework for Change, Creativity and Non-Linear Development (NLD). It is reaching out to the foundations of an organization’s self-understanding and identity to make responsibilities, changes and improvements part of an organization’s core as described in the program’s slogan:

My Company—My Responsibility—My Opportunity—My Success

- [1] Idowu, S. O., Capaldi, N., Zu, L., Das Gupta, A. (Eds.) (2013). *Encyclopedia of corporate social responsibility*. In T. Walker (Ed.), *The integrative management approach of CSR*. Heidelberg: Springer.
- [2] Heinrich, P. (Ed.) (2013). *CSR und Kommunikation*. In T. Walker (Ed.), *Der Stakeholderansatz als Fundament der CSR-Kommunikation*. Heidelberg: Springer.

United Nations Universal Declaration of Human Rights

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The United Nations Universal Declaration of Human Rights pleads for the internationally recognized human rights that every human being is entitled with and forbids human rights abuses. Set up in 1948 it consists of the fundamental laws on human rights and incorporates treaties or conventions issued at both national and international scale. The Universal Declaration of Human Rights outlines the core principles of human rights, namely: universality, indivisibility, equality, and non-discrimination.

Governments should be very much aware of respecting human rights in all their economic, social, and cultural aspects, integrating human rights within the universality of all rights [1]. Governments are accountable for integrating human rights within their regulations, and developed countries still have to improve their legislation from a human rights perspective [2].

The Declaration of Human Rights is universal, as there is no boundary in the form of nationality, race, gender, religion, etc. Within a business environment, human rights represent a specific component of the corporate social responsibility section. Stakeholders are interested in how organizations manage to integrate and motivate their employees, respecting their rights, providing suitable working conditions. In addition, any business operation that interferes with human rights and societal well-being is to be considered by organizations in order to comply with international guidelines. More and more companies are starting to disclose their politics on human rights so as to prove their commitment to the United Nations Universal Declaration of Human Rights.

- [1] Cingranelli, D. L., & Richards, D. L. (2010). Cingranelli and Richards (CIRI). *Human Rights Quarterly*, 32, 395–418.
- [2] Mwaura, K. (2004). Corporate citizenship: The changing legal perspective in Kenya. In Inter-disciplinary CSR Research Conference. Nottingham: International Centre for Corporate Social Responsibility (ICCSR).

United Nations Environment Programme

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The United Nations Environment Programme (UNEP) is an agency of the United Nations established in 1972. It emerged as an outcome of the first United Nations Conference on the Human Environment, held in Stockholm. It is supposed to be the voice for the environment within the UN system. According to its website, “UNEP acts as a catalyst, advocate, educator and facilitator to promote the wise use and sustainable development of the global environment” and its mission is “to provide leadership and encourage partnership in caring for the environment by inspiring, informing, and enabling nations and peoples to improve their quality of life without compromising that of future generations” [1].

UNEP has selected six high priority areas in their decision making and guidance: climate change, resource efficiency, disasters and conflicts, environmental governance, harmful substances and hazardous waste, and ecosystem management. It does also work on other environmental matters including biodiversity, bio-safety, energy, environmental assessment, indigenous peoples, poverty and environment, regional seas, and many more [2].

Since its establishment, UNEP has played a crucial role in the creation of many revolutionary treaties and organizations regarding the environment—e.g. the World Plan of Action on the Ozone Layer, the Vienna Convention for the Protection of the Ozone Layer, Montreal Protocol on Substances that Deplete the Ozone Layer or the Intergovernmental Panel on Climate Change. It was also a key player in coordinating the UN system’s preparations for United Nations Conference on Environment and Development (UNCED), held in Rio de Janeiro in June 1992 [2].

- [1] United Nations Environment Programme (UNEP). (2013). Accessed on 17 March, 2013, <http://www.unep.org/>.
- [2] Mangino, K., & Saundry, P. (2012). *United Nations Environment Programme (UNEP)*. In: Cutler J. Cleveland (Ed.) *Encyclopedia of Earth*. Washington, D. C.: Environmental Information Coalition, National Council for Science and the Environment. Accessed on 17 March, 2013, [http://www.eoearth.org/article/United_Nations_Environment_Programme_\(UNEP\)?topic=49569](http://www.eoearth.org/article/United_Nations_Environment_Programme_(UNEP)?topic=49569).

United Nations Global Compact [1]

Dirk Ulrich Gilbert

The United Nations Global Compact (UNGC) is a Global Public Policy Network supporting ten universal principles in the areas of human rights, labor standards, environmental protection, and anti-corruption. The UNGC is bringing agencies of the UN, corporations, governments, and civil society groups from over 145 countries together and aims at aligning the strategies and operations of firms with the ten proposed principles. The UNGC probably is one of the most influential initiatives worldwide to inspire firms to voluntarily participate in corporate responsibility activities and the network has grown to more than 10,000 participants, including over 7,000 businesses [1].

The large number of participating stakeholders are supported by a growing number of *local networks*, which are defined as clusters of participants who come together to advance the UNGC and its principles within a particular geographic region. Local networks not only help root the UNGC within different national contexts but also deepen the learning experiences of all participants through their own activities [2].

The core tasks of the participants of the Global Compact network are to foster cooperation among those constituents who are willing to create multi-stakeholder engagement and to mainstream the ten principles in business activities around the world. Unlike other accountability initiatives (e.g., SA 8000), the UNGC has no intention to enforce or measure the behavior of firms participating in the initiative. In line with this, the initiative does not represent a legally binding code of conduct with explicit performance criteria and it does not provide an independent monitoring of compliance with the ten principles. Rather, the UNGC is designed as a voluntary learning forum where businesses and interested stakeholders share best practices to advance real-world solutions for the implementation of environmental, social, and governance policies and practices. The change model that triggers the UNGC is based on the idea that through dialogue corporations can foster corporate responsibility and make a difference once they learn from each other and other actors [3].

[1] Gilbert, D. U., Behnam, M. (2013). Trust and the United Nations Global compact: A network theory perspective. *Business & Society*, 52(1), 135–169.

[2] Ruggie, J. G. (2001). Global insights: Global_governance.net: The Global Compact as learning network. *Global Governance*, 7(4), 371–378.

[3] Rasche, A., Dirk Ulrich, G. (2012). Institutionalizing global governance—The Role of the United Nations global compact in a global economy. *Business Ethics: A European Review*, 21(1), 100–114.

United Nations Global Compact [2]

Mehmet Gökay Özerim

The United Nations Global Compact (UNGC) is a product of long term United Nations (UN) targets to develop a common initiative on strategic corporate responsibility which encourages businesses to commit themselves voluntarily for aligning their operations and strategies with the internationally accepted principles. These principles are entitled as “ten principles” in the compact and they cover the areas of human rights, labour, the environment and anti-corruption. As an initiative of the United Nations, UNGC was announced by the UN Secretary-General Kofi Annan on January 31, 1999 and officially launched in July, 2000. The UN Global Compact does not demonstrate the characteristics of a regulatory tool but it purposes to provide a network of communication among companies and governments. In this context, the UNGC aims to encourage companies and governments to shape their policies and practices in parallel with the socially responsible policies by taking the core values of the compact as a guide. It is accepted as the “worlds’ largest voluntary corporate sustainability initiative by its’ around 8.500 signatories in more than 135 countries” [1].

The first two principles of the UN Global Compact is related with the human rights and emphasize that businesses should support and respect the protection of internationally proclaimed human rights by guaranteeing that they are not complicit in human rights abuses. The next four principles of the compact towards labour standards and envisages that businesses should uphold the freedom of association, recognize the right to collective bargaining, eliminate forced and compulsory labour, abolish the child labour; and eliminate the discrimination in employment. Regarding the environment, the next three principles of the compact invites businesses to support a precautionary approach for environmental challenges by undertaking necessary initiatives and using more environment friendly technologies. The last principle of the UN Global Compact is about the anti-corruption and it foresees that businesses should work against corruption in all its forms.

Participation to the Compact is on voluntary basis and it is expected from the company to fully integrate the compact and the principles to its business strategy, operations and organizational culture. The UN publishes international year book on UNGC in order to reflect current situation and contemporary developments regarding areas covered by the ten principles.

[1] United Nations. (2011). *Corporate sustainability in the World Economy: United Nations Global Compact*. New York: Global Compact Office.

United Nations Guiding Principles on Business and Human Rights

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The United Nations Guiding Principles on Business and Human Rights (UNGPs) are a global standard for preventing and addressing the risk of adverse impacts on human rights linked to business activity. UNGPs were endorsed on June 16, 2011 by the United Nations Human Rights Council making the framework the first corporate human rights responsibility initiative to be endorsed by the United Nations.

The Guiding Principles on Business and Human Rights: Implementing the United Nations ‘Protect, Respect and Remedy’ Framework” was initially proposed by UN Special Representative, Harvard Professor John Ruggie. Professor Ruggie was appointed as the UN Special Representative for Business and Human Rights in 2005, and it took 6 years for Professor Ruggie to present the United Nations Human Rights Council with the “Protect, Respect and Remedy” framework.

The UNGPs encompass three principles outlining how states and businesses should implement the framework: (1) the state duty to protect human rights. This is the first pillar of the Guiding Principles which are concerned with the state’s duty to protect against human rights abuses by third parties, including business enterprises, through regulation, policymaking, investigation, and enforcement; (2) the corporate responsibility to respect human rights, which indicates that businesses must act with due diligence to avoid infringing on the rights of others and to address negative impacts with which they are involved; and (3) access to remedy for victims of business-related abuses. The third pillar addresses both the state’s responsibility to provide access to remedy through judicial, administrative, and legislative means, and the corporate responsibility to prevent and remediate any infringement of rights that they contribute to [1].

- [1] United Nations (2011), *Guiding principles on business and human rights: Implementing The United Nations “Protect, Respect and Remedy” Framework*. New York: United Nations. Accessed on 28 February, 2013, http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf.

United Nations Environmental Programme: International Declaration on Cleaner Production

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The *UNEP International Declaration on Cleaner Production* is a voluntary and public statement of commitment to the practice and promotion of Cleaner Production. It provides an opportunity to obtain a commitment from high-level political, public and private business leaders world-wide to reinforce the general recognition and endorsement for a more intense and broader adoption of Cleaner Production. The Declaration was formulated by UNEP in consultation with a great number of diverse interest groups. Its implementation is being coordinated and monitored by UNEP [1]. It was adopted at the Fifth International High Seminar on Cleaner Production held in South Korea in September, 1998 and is now an excellent promotional tool for the Cleaner Production strategy.

Cleaner production (similar to eco-efficiency, green productivity, pollution prevention or waste minimization strategies) promotes the elimination of pollution before it is created, rather than using “end-of-pipe” solutions (like are the technologies of treatment of air pollution, water pollution or waste treatments). It is an integrated preventive strategy to processes, products and services for increasing overall efficiency and reducing risks to human health and the environment, intending to minimize waste and emissions and maximize product output [2, 3]. The concept is also called the term “pollution prevention”.

To further support the signatories of the Declaration, UNEP has published the “Implementation Guidelines” to foster firm commitments to Cleaner Production and promote action to implement it. The guidelines consist of a series of three documents (for governments, companies, and facilitating organisations), including more than 300 suggested activities for implementing the Declaration and simultaneously, integrating Cleaner Production into day-to-day activities.

- [1] UNEP (2001). *International declaration on cleaner production*. Paris : United Nation Publication.
- [2] UNEP (2000). Driving changes in production and consumption patterns. Accessed on 18 February, 2013, <http://www.unep.org/Documents.Multilingual/Default.asp?DocumentID=177&ArticleID=2660>.
- [3] Yacooub, A., Fresner J. (2006). *Half is enough—An introduction to cleaner production*. Beirut: LCPC Press.

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United Nations Environment Programme: Financial Initiative

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The United Nations Environment Programme Finance Initiative (UNEP FI) is a unique global partnership between the United Nations Environment Programme (UNEP) and the global financial sector, launched in 1991. This programme works closely with over 200 financial institutions who are signatories to the UNEP FI Statements, and a range of partner organisations to develop and promote linkages between sustainability and financial performance. Through peer-to-peer networks, research and training, UNEP FI carries out its mission to identify, promote, and realise the adoption of best environmental and sustainability practice at all levels of financial institution operations [1]. It constitutes a list of basic guidelines that should be followed by financial institutions in order to adhere to sustainability principles. These statements are aspirational, and are therefore followed on a voluntary basis, decreasing accountability to the institution.

The main activities included in this programme are: research on the “business case” of internalising environmental, social and government externalities; guidelines and other implementation tools; training and capacity building; participation in environmental policy-making forums; international, national and regional seminars and conferences; networking opportunities between members and with stakeholders.

In 2006, the programme designed and developed the Principles for Responsible Investment (or PRI), there are now more than 900 signatories to the programme.

UNEP FI counts as one of the three conveners of the Natural Capital Declaration—an initiative to integrate natural capital considerations into investment, banking and lending decisions—launched at the 2012 United Nations Conference on Sustainable Development. At the same conference The Principles for Sustainable Insurance or UNEP FI-PSI were launched [2].

UNEP FI’s Work Programme is determined by a Steering Committee comprised of both member institutions and UNEP representatives, while broader strategic decisions are made in the context of the Initiative’s Annual General Meeting. UNEP FI’s Secretariat is located in the UN Environment House, in Geneva, Switzerland.

[1] UNEP. (2012). Creating the “New Normal”. Enabling the financial sector to work for sustainable development. Perspectives on financing sustainable development in the wake of Rio + 20. Accessed on 22 February 2013, http://www.unepfi.org/fileadmin/publications/general/Discussion_Paper_-_Financing_Sustainable_Development.pdf.

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- [2] United Nations Sustainable Development Knowledge Platform. (2013). *Decisions on finance*. Accessed on 21 February 2013, <http://sustainabledevelopment.un.org/index.php?menu=199>.

United Nations Industrial Development Organization (UNIDO)

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The United Nations Industrial Development Organization (UNIDO) is a specialized agency of the United Nations, headquartered in Vienna, Austria, with offices in Brussels, Geneva and New York. The UNIDO was established in 1966 and became a specialized agency of the United Nations in 1985. Its primary objective is the promotion of industrial development in developing countries and economies in transition, focusing its activities on poverty reduction, including globalization and environmental sustainability [1]. UNIDO also promotes cooperation on the global, regional, national and sectorial levels. It is a member of the United Nations Development Group [2].

UNIDO's vision is a world where economic development is sustainable and economic progress is equitable. The Organization focuses on three main thematic areas:

- (a) poverty reduction through productive activities (for example, encouraging the creation of decent employment and income to overcome poverty);
- (b) trade capacity-building (offering focused and neutral advice and technical cooperation in the areas of competitiveness, industrial modernization and upgrading, compliance with international trade standards, testing methods and metrology);
- (c) energy and environment (promoting sustainable patterns of industrial consumption and production to de-link the processes of economic growth and environmental degradation, offering services for improved industrial energy efficiency and promoting renewable sources of energy, assisting developing countries in implementing multilateral environmental agreements).

These activities are aligned with the priorities of all declarations by the United Nations (and in particular UNIDO's declarations) and long-term vision statement, business plan and mid-term programme frameworks of UNIDO.

Presently, 174 states are members of UNIDO. The organization thus maintains a field network of 29 regional and country offices around the world, some of which cover more than one country. In addition, 17 UNIDO Desks are operational in several countries in Africa, Arab States Asia and the Pacific. UNIDO developed more than 900 projects around the world. The Member States of UNIDO meet once

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every 2 years at the General Conference, the supreme policy-making organ of the Organization. The Conference determines the guiding principles and policies, approves the budget and work programme of UNIDO and appoints the Director-General. It also elects representatives to the Industrial Development Board and the Programme and Budget Committee. UNIDO offers a wide variety of publications and documents within the field of industrial development [1].

- [1] United Nations Industrial Development Organization (2013). *In brief*. Accessed on 21 February, 2013, www.unido.org.
- [2] United Nations Development Groups, (2013). UNDG Members. Accessed on 21 February 2013, <http://www.undg.org/index.cfm?P=13>.

United Nations Intergovernmental Panel on Climate Change (UNIPCC)

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The Intergovernmental Panel on Climate Change (IPCC) is a intergovernmental scientific body under the auspices of the United Nations (UN), established by the United Nations Environment Programme (UNEP) and the World Meteorological Organization (WMO) in 1988. It aims to provide the world with a clear scientific view on the current state of knowledge in climate change and its potential environmental and socio-economic impacts [1]. Membership in the IPCC is open to members of WMO and UNEP.

The Intergovernmental Panel on Climate Change was created with the goals to assess available scientific information on climate change, assess the environmental and socio-economic impacts of climate change, and formulate response strategies [2]. The IPCC does not conduct any research nor does it monitor climate relate data or parameters, it just reviews and evaluates the most recent scientific, technical and socio-economic information produced worldwide relevant to the understanding of climate change [1]. The reviewed scientific material has to be of highest relevance to policymaking and very important for the international climate agenda.

The IPCC is currently organized in three Working Groups and a Task Force, assisted by Technical Support Units (TSUs). The Working Group I deals with “The Physical Science Basis of Climate Change”, Working Group II with “Climate Change Impacts, Adaptation and Vulnerability” and Working Group III with “Mitigation of Climate Change” [1].

Up to this point, the IPCC has completed four assessments of climate change, the latest published in 2007 for which the IPCC was awarded the Nobel Peace Prize “for their efforts to build up and disseminate greater knowledge about man-made climate change, and to lay the foundations for the measures that are needed to

counteract such change” [2]. The 5th assessment report is in progress and is due to be published in 2014.

- [1] Intergovernmental Panel on Climate Change. (IPCC). (2013). *Organization*. Accessed on 17 March 2013, <http://ipcc.ch/>.
- [2] World Meteorological Organization (WMO). (2013). *Intergovernmental Panel on Climate Change (IPCC)*. Accessed on 17 March 2013, http://www.wmo.int/pages/themes/climate/international_ipcc.php.

United Nations Principles for Responsible Investment Initiative

Mary Godwyn

The United Nations (UN) Principles for Responsible Investment (PRI) initiative was started in 2006 and is a network of international, institutional investors who have voluntarily adopted the goal of understanding the implications of sustainability for investors and signatories [1]. In their fiduciary role, the investors believe that environmental, social, and corporate governance (ESG) issues can affect the performance of investment portfolios. To contribute to the development of an increasingly more sustainable global financial system and to ensure the long-term health and stability of the market, where consistent with their fiduciary responsibilities, and to ensure the long-term health and stability of the market as a whole, the investors have publically committed to incorporate the six principles of responsible investment into decision-making and ownership practices [1].

The six principles for responsible investment [2] are:

Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

Principle 4: We will promote acceptance and implementation of the Principles within the investment industry.

Principle 5: We will work together to enhance our effectiveness in implementing the Principles.

Principle 6: We will each report on our activities and progress towards implementing the Principles.

The Principles of Responsible Investment are tailored to fit the investment strategy, approach and resources of the institutions. The Principles are intended to

be compatible with large, diversified, institutions that use a traditional fiduciary framework. In 2012, there are over 1000 signatories representing over \$30 trillion assets under management [3].

- [1] Principles for Responsible Investment. Introducing responsible investment. Accessed on 23, January 2014, <http://www.unpri.org/introducing-responsible-investment/>.
- [2] Principles for Responsible Investment. The six principles. Accessed on 30 December, 2012, <http://www.unpri.org/about-pri/the-six-principles/>.
- [3] Principles for Responsible Investment. About the PRI initiative. Accessed on 30 December, 2012, <http://www.unpri.org/about-pri/about-pri/>.

Unknown Stakeholder

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The notion of stakeholder is primary in CSR. Mainstream CSR is the discipline of strategic stakeholder management. Mainstream CSR tends to privilege the existing and vocal stakeholders of corporations, which can be also called the “incumbent” stakeholders [3]. However there are stakeholders in society that are unaware of being the carriers of specific interests and are on the other hand ignored by the rest of society. An example of a socially positive interest was offered by the Indio population of the Amazon, which earned a High Court moratorium on the construction of a dam in 2012 [2]. These stakeholders are called “unknown” since they are ignorant of themselves and / or ignored by society. The notion of the unknown stakeholder was spelled out by Di Bitetto et al. [1]. The unknown stakeholder implies that an important task of CSR is to reveal what interests are not being taken care of in society and what interests are being served unawares by society. It must be noted that incumbent stakeholders have an interest in preventing other stakeholders from getting into the picture. Furthermore mainstream CSR considers the stakeholders of the corporation as “good” or “positive” stakeholders, i.e. stakeholders that might be negatively affected by corporate or management policies and, thus, need stewarding. However CSR should also consider that stakeholders might also have a “negative” interest in the organization. A negative interest is one that has a negative impact on the rest of society. An example of negative stakeholder interest is the interest of monopoly workers who might be earning above average salaries because they are appropriating part of the benefits deriving from the monopoly power enjoyed by the organization they work for. In micro-economics these extra salaries are called rents in the production factors.

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In this case monopoly workers' interests are at odds with shareholders as well as customers. The notion of the unknown stakeholder helps the analysis of CSR in organizations and it can be part of a process framework implying respect for three additional values: disclosure of the issues relevant to the organization, actual implementation of organizational plans, including proper data presentation, and attention to individual responsibilities within the organization (micro-ethics).

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- [2] IWGIA, International Work Group for Indigenous Affairs. (2012). Accessed on 15 April, 2013, http://www.iwgia.org/iwgia_files_publications_files/0573_THE_INDIGENOUS_ORLD-2012_eb.
- [3] Mitchell, R. K., Agle, B. R., Wood, D. J. (1997), Toward a theory of stakeholder identification and salience: Defining the principle of who or what really counts. *Academy of Management Review*, 22(4): 853–886.

Utilitarianism

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Utilitarianism is one of the most influential ethical theories within the field of moral philosophy and business ethics. Very few textbooks about ethics (if any) deal with utilitarianism. According to (act-) utilitarianism an action is right if and only if it maximizes the sum of well-being, seen from an agent-neutral perspective [1].

Several things are worth to notice. First, utilitarianism is a teleological moral theory, meaning that it focuses exclusively on the consequences of an agent's actions and does thus not consider any actions in themselves to be wrong (or right). Notice, however, that utilitarianism generally disapproves of harmful actions, since harmful actions ordinarily does not maximize the total sum of well-being. Second, utilitarianism is a very demanding moral theory, since it does not allow agents to prioritize their own interests (everybody's interests should be given equal weight). This also means that personal relationships, including friendships and family relations, do not generate special obligations. Third, utilitarianism focuses solely on the promotion of well-being (or happiness). This term has caused (and still causes) great debate among utilitarian scholars. In short the debate regarding the nature of well-being concerns whether well-being is about: (a) pleasant mental states (as the hedonists believes), (b) the satisfaction of preferences (as the supporters of preference-theories believes) or (c) some objective values that are (or should be) valued by all human beings (as the supporters of the perfectionist approach believes). Finally, utilitarians are often divided into two

groups, namely act-utilitarians and rule-utilitarians. One of the most common ways of defining the act-utilitarian criterion of rightness is as follows: an act is right if and only if it brings about a sum of happiness that is at least as high as that of any other act one could have brought about instead. The rule-utilitarian criterion of rightness is commonly described in the following way: an action is right if and only if it is in accordance with a rule whose general acceptance would maximize the total sum of well-being [2].

- [1] Singer, P (1993). *Practical ethics* (2nd Ed.). New York: Cambridge University Press.
- [2] Tännsjö, T. (2009). *Understanding ethics. An introduction to moral theory* (2nd Ed.). Edinburgh: Edinburgh University Press.