



CSR as Opportunity

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Corporate Social Responsibility (CSR) is an ethical and business imperative and must be viewed as an opportunity by firms. After exhaustive consultation with industry, academia, civil society, Aboriginal communities and environmental organizations, the Government of Canada has created a checklist for the extractive sector that can serve as a meaningful template in developing a CSR strategy that works. Following are some issues to be considered.

Community relationship management

Maintaining relationships requires firms to ask questions, listen to concerns and discuss solutions. It is important that information be accessible to the community and that staff be properly sensitized to local issues. Languages must be respected, questions treated promptly and respectfully, and regular feedback loops established as projects advance and relationships mature.

Addressing human rights concerns

All firms must strive to respect and enhance human rights. The *United Nations Guiding Principles on Business and Human Rights* is the key mechanism to help companies incorporate respect for human rights into their practices. The guiding principles are accompanied by several tools that have been developed to help companies put them into practice.

International standards and guidelines

Canadian firms working internationally must respect all laws and international CSR standards, and operate transparently and in consultation with host governments and communities.

There are six key standards that are part of a global CSR:

1. OECD Guidelines for Multinational Enterprises.
2. International Finance Corporation Performance Standards on Environmental and Social Sustainability.

3. Voluntary Principles on Security and Human Rights.
4. Global Reporting Initiative.
5. United Nations Guiding Principles on Business and Human Rights.
6. OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Land access, acquisition, compensation and resettlement

Competition for land, and the issues facing companies and adjacent communities, is always difficult. Compensation for damage, and the displacement and resettlement of communities, can be extraordinarily challenging. Notification expectations, just compensation and transparent communications must always be top of mind.

In-migration

It is critical to manage the needs of influx and land use changes that occur around project areas. Construction management, worker housing, migration flow impacts on vulnerable groups, and resource management need to be explored and openly addressed.

Community health, safety and security

Firms must actively promote the safety, health and security of the public. To earn the confidence of a community, firms should minimize the burden of their projects on the population. These issues can be addressed through project evaluation, design, implementation, mitigation and ongoing management. If local governments do not have the capacity to assess, manage and communicate these responsibilities, firms must show leadership in achieving these outcomes.

Environmental impacts

The process identifying impacts and risks should be based on recent environmental and social baseline data that comprise some combination of literature review, stakeholder engagement, consultation and in-field surveys. Water management, biodiversity conservation and participatory monitoring are some of the issues that require ongoing policy

maintenance and practical planning. Environmental management requires a sound understanding of the social and cultural processes through which communities experience, perceive and respond to risks and impacts of projects in their community.

Cultural heritage

Firms must work with communities to identify culturally significant places inside and adjacent to projects so they can be protected, moved or compensated for. Understanding the legal requirements and social expectations related to cultural heritage is essential both domestically and internationally.

Local employment and procurement

Jobs are one of the greatest contributions a project makes to a local economy and should be used to solidify company-community relationships. However, issues surrounding jobs can become a major source of tension, particularly when local people see outsiders being hired for jobs they can—or think they can—do, or feel they are entitled to. A CSR plan should include steps to engage, educate and maximize local employment. On procurement, firms need to define drivers and objectives of local opportunities, set rules for sourcing different services or products, engage local firms and track progress.

Report and communicate

No one will ever know what you have done, what you are doing and what you aspire to achieve if you are not actively communicating your CSR policies. Always remember that the task of communicating is essential and never complete. **M**

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