

EU trade chief sees no decision from WTO powers meeting

AFP, Buenos Aires

EU Trade Commissioner Peter Mandelson predicted on Wednesday that a weekend meeting of World Trade Organisation powerhouses would fail to nudge stalled global trade talks forward.

Top officials from Brazil, the European Union and the United States meet in Rio de Janeiro Friday and Saturday to try to narrow differences, which are holding up a wider deal on cutting barriers

to commerce.

"I don't think it would be a decision" forthcoming from the talks, Mandelson said at a news conference in Buenos Aires.

Rather, he said, the meeting "will be an opportunity to understand the differences that exist among the key players to see how we could narrow the gap between us."

Mandelson will join EU chief Pascal Lamy and US Trade Representative Rob Portman for

the talks hosted by Brazil's Foreign Minister Celso Amorim.

The meeting comes a month before an April 30 deadline to agree on data aimed to conclude their Doha Round trade agreement by year-end.

"We are now in an important period. I believe the moment of truth is approaching," said Mandelson, who earlier met with several Argentine officials, including Economy Minister Felisa Miceli.

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CSR- The Buzz Word

In today's corporate world, there is a great myth or rather a buzzword about Corporate Social Responsibility, in short CSR. We often get confused with charity versus CSR and indulge into several activities in the name of CSR. The concept of CSR is not just social but is more than just corporate philanthropy and or charity.

Today corporate social responsibility goes far beyond the old charity of the past. It is not just making a contribution towards good causes or a charitable organization but is instead an all year round responsibility that companies should accept to serve for the community, the franchise and each other. It must integrate with corporate values, culture and the company's strategy and more to add have future sustainability. This is more like 'people were hungry in the past, people are hungry at present, but instead of giving them a bread for today, teach them, help them to eradicate poverty or to grow more food to address hunger'.

The profit that each institution makes should reflect as much as its core values and the adherence towards best practices. Thus CSR is in fact more than charity for the sheer engagement of a company in the local communities and for the recognition that brand names depend not only on quality, price and uniqueness but on how, cumulatively, they interact with companies' workforce, community, environment and moreover runs the business. The results of a company are judged not only by the input but also by its outcomes: the difference we make to the world in which we operate, and the contribution we make for sustainable development, as mentioned above.

It is the ambitious vision towards CSR that one should have by taking account of the economic, social and environmental impacts thereby acting to

address the key sustainable development challenges based on the core competences wherever one operates locally and internationally.

But the major controversy still lies in the true understanding of CSR. If we look 10 years back, CSR was just a jargon to most people and was not given so much of importance. Now we feel CSR is a business reality and any company, which enjoys privileges granted by the society, is socially responsible and accountable.

We see CSR as the business contribution to sustainable development. There are many definitions but we are all talking about how business takes account of its economic, social and environmental impacts in the way it operates maximizing the benefits and minimizing the downsides. But we are not talking about philanthropy CSR should be good for long-term business success as well as good for wider society to move forward and take it to the next trajectory.

CSR also often calls for finding a niche as an ethical organization. To translate this into a business perspective, how can competitive advantage be created, through approaches to CSR or even niche product development? Successful innovation will come from looking ahead to environmental and social trends and planning to create opportunities in that new environment. To spot a future niche, a business has to be a constant trend-watcher, alert to its environment, ready to spot the product-client mix to which it is uniquely adapted.

The true sense of CSR will also address the meaning of 'survival of the fittest' for a business. Thinking about how organizations evolve, how adaptation enables 'survival of the fittest' has long been an analogy that has helped business strategists. Can it really be fitness simply to eliminate all competitors in your path? Increasingly, it is becoming

important to measure success through working in partnerships with different stakeholders.

Charity versus CSR

Now days CSR in most cases are construed to be a part of the charity. But it is in fact the reverse. Charity can be an important part of CSR, which signifies a corporation's contribution to the community where it does business. It often sounds like, after a decade of evolution, corporate social responsibility (CSR) is at a crossroads. But CSR of a company involves a lot of factors that we usually tend to overlook. CSR is a much bigger picture when a company voluntarily integrates a complete range of economic, social, and environmental concerns in its business and communication with its stakeholders.

Again many companies have different concepts to serving the community. It can be a part of CSR or a part of Corporate Citizenship. Like for many big companies, all these initiatives is a commitment to being a responsible corporate citizen and an industry partner working with businesses, communities and governments to help advance economic and social well being and to enable people around the world to realize their full potential.

Corporate governance also goes side by side with CSR. How a company acts within a set regulation and how companies manies to produce an overall positive impact on society. Corporate social responsibility and social reporting is as corporate governance in action.

CSR for a company involves a total dedication and a shared responsibility to clients, to each other and to the franchise. Whether a company is doing a business in a responsible way or whether they are perceived as a responsible corporate citizen not only to their clients but also how they are eyed by the regulators and all the relevant stakeholders. Whether a company is supporting the country's vision for overall

economic and social development. Whether the company is attacking the right cause in the name of charity.

We may often find that a company may not have a CSR policy and even if so, there will be different opinions about the definition of CSR. The majority of companies do not meet the criteria of a planned CSR model, although they do practice charity. Charity and CSR are different but related concepts.

In other words CSR is as much as anything a way of thinking about and doing business. And that way of thinking needs to be mainstreamed across business operations and into company strategy. It is not just a task for the public relations department but needs to permeate across the company, in business development, marketing, human resources, finance and so on. We believe this is being reflected in the growing consensus that such integration is the only way for CSR to realize its full potential.

CSR - Recent Trends

In a nutshell, CSR has continued to be a highly topical and debated subject. It has increasingly provided the focus for exploration of broad philosophical questions about the roles and responsibilities of companies and their relationship with the roles and responsibilities of government and other stakeholders. But it has also provided the context for debate about more particular questions from donating to a charity to employee volunteering, to poverty eradication, and many more. Does this mean that CSR risks being about everything and nothing?

Although debate about CSR has continued to grow, we remain a long way from consensus on what it means and its value. We often find that it is just about glossy reports and public relations. Some see it as a source of business opportunity and improved competitiveness. Others see it as a distraction or threat. But is there any particular framework for a planned

CSR?

Very often, the relationship between CSR and a company's core business seems to depend largely on the views of the CEO and the chairman. There are still companies that conduct CSR by just donating money, while many organizations contribute to society by donating their own unique knowledge, know-how and resources. The main differences between large corporations on one hand and medium-sized and small ones on the other lie in the method chosen for CSR and the underlying motives. CSR is often not publicly communicated; there may be some very interesting underlying business concepts.

But clearly the ways that individual companies take up the challenge of CSR must reflect their particular circumstances. The approach, challenges and opportunities would be very different as between each company local or multinational. For many companies the focus is on "doing" CSR rather than reporting on it. CSR has continued to develop well beyond its philanthropic and community roots with a growing focus on the business case, making the business a socially responsible one and of course different from the crowd and serving the core values of the society the corporation works in.

By integrating CSR into the way we do business, we believe companies can be part of the solution to some of these challenges. But we need to look at how we can encourage business to move their CSR activities towards CSR that is part of core business and that makes a real difference in the society.

The bottom line is CSR is a combination of a company's initiatives that integrates the views and actions towards social and environmental concerns where the business operates and also taking into account the interaction with all relevant stakeholders.

The writer is a banker



PHOTO: FRONTLINE COMMUNICATIONS LTD

KR Kim, president and managing director of LG's South West Asia headquarters, cuts a tape to inaugurate the LG-Butterfly showroom at Shyamali in Dhaka yesterday. MA Mannan, chairman and managing director of Butterfly Marketing Ltd, and other high officials of the company were also present.



PHOTO: IOM

Visitors gather at stall at a daylong road show of mobile computing solution held in East West University premises recently. International Office Machines Limited (IOM), the exclusive distributor for Toshiba notebook PC, organised the road show for the students and officials of the East West University.

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