### Learning booklet 5

# What is Compliance Corporate Social Responsibility?

### What Is Compliance CSR?

1. Many countries have a wide range of laws, whether at the national or local levels of government, relating to labor, health and safety, human rights, environmental protection, bribery and corruption, corporate governance and taxation.

2. These laws are the standards by which governments assess a firm’s economic, environmental and social impacts.

3. Usually, a firm’s CSR approach begins by ensuring compliance (do no harm) with those laws or standards already in place, addressing potentially problematic conduct before it attracts legal attention.

4. Similarly, the existing international CSR instruments prescribe the minimum level for CSR.

5. For example, businesses signing up to the UNGC Principles promises to respect them.

6. While failure to observe national laws and international CSR principles will undermine other good efforts, a compliance-based approach does not help business much, because it does not drive innovations necessary in the rapidly changing business world.

7. To make CSR more strategic and not just a matter of risk elimination, businesses needs to go beyond what is required to make it into a competitive advantage.

