

**THE DEVELOPMENT OF INSTRUMENTS OF SUSTAINABLE DEVELOPMENT OF THE ENTERPRISES
SECTOR**

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Abstract:

The paper prepared within the PhD grant (*Sub-Action 8.2.2 „Regional Innovation Strategies”, Activity 8.2 „Know-How Transfer”, Priority VIII „Regional Business Personnel” of the Human Capital Operational Programme, co-funded from the EU resources within the European Social Fund as well as the state budget and the Lubuskie Voivodship*) undertakes the problem of universal instruments of sustainable development of companies such as environmental management BS7750, ISO 14000 standards, EMAS and CP strategies as well as CSR. It focuses on comprehensive presentation of their genesis, evolution and current situation in the entities operating in Poland.

Key words: *sustainable development, economy, business, international cooperation, environmental management systems, cleaner production, Corporate Social Responsibility*

INTRODUCTION

The genesis of methods and instruments of companies development according to the concept of *sustainable development* (SD) is obviously combined with its occurrence in the international discourse and defining the enterprises sector as one of the main perpetrators of the “ecological crisis” observed within the last fifty years. Currently the SD paradigm is the foundation of the EU development policy [1], bringing important tasks for this sector of enterprises which result from the sector’s long-term objectives. Their achievements will mainly depend on the popularization of universal systems that allow the entrepreneur to operationalise these objectives in their daily activities. Such opportunities create existing in practice and constantly evolving instruments of sustainable development (SD) including the systems of voluntary obligations, very often specified in the reference literature as the environmental company management.

Therefore the paper undertakes the problem of these tools beginning from their genesis, evolution and meaning in implementing the concept of *sustainable development* at the microeconomic level.

THE GENESIS AND DEVELOPMENT OF THE INSTRUMENTS OF SUSTAINABLE DEVELOPMENT OF COMPANIES

The reference literature provides many examples of tools which modify the form of companies operations into meeting the requirements of the concept of sustainable development. Out of many examples we can distinguish several universal instruments of complementary character which can be practically applied in the majority of modern forms of business entities after meeting specific requirements i.e. regardless of the size of the company and its trade. Such instruments include among others ISO 14000,

EMAS, CP strategies, CSR (Corporate Social Responsibility) or the British BS7750. These systems appeared in business practice at the end of the second half of the twentieth century, and they have been subject to continuous evolution until they reached the current form.

The first attempts to establish international standards i.e. Corporate Social Responsibility were taken in the 70’s by OECD and led to creation of the document entitled *Guidelines on Multinational Enterprises* as well as by International Labour Organisation which in 1970 adopted Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy. However these standards did not grasp large media attention [2]. Finally after the change of climate observed within the last two decades of the twentieth century, the popularization of the concept of sustainable development internationally led to the resumption of work to develop uniform standards of running business entities.

It somehow encouraged the search of the methods of development of this sector specified by the trajectory of objectives determined by the concept of sustainable development. The consequence of this search was emerging new international documents containing new ideas of methods and instruments in the forms of sustainable (environmental) company development. In the 80’s of the last century many industrial organisations were created intended to promote such methods of company management. In 1985 the German Environmental Management Association was established. It was the first world association which adopted *The Code of conduct of environmental management* [3]. Then similar associations were established worldwide.

1991 was very important moment for the creation of sustainable development methods and instruments. At that

time the ICC – International Chamber of Commerce) issued a document entitled „ICC Charter for Sustainable Development” (called ICC Rotterdam Charter). It contains 16 principles for Environmental Management [4]. International and domestic instruments of environmental management norms and standards have regularly appeared ever since.

In June 1992 the first British standard of environmental management – BS7750 was published and was later modified in January 1994. It was the first environmental standard of company management. At the same time after the UNCED conference in Rio in 1992, UNIDO and UNEP; referring to the provisions of paragraph 31 of agenda 21; conducted a pilot project on environmental preventive strategies in the main developing countries. After its completion these organisations started the joint program of creating National Cleaner Production Centres. The first eight NCPCs were established in 1994-1995. The centres were intended to render services for business, governments and other interested parties in their native countries to help them to in implementation of these methods, practices, strategies together with the technology of Cleaner Production (CP) [5].

In 1999, during the meeting of UNEP Council in Nairobi (Kenia), the Polish Minister of Environmental Protection,

Natural Resources and Forestry signed the International Declaration of Cleaner Production [6].

In 1995 pursuant to the regulations of the European Community based on the voluntary participation of industrial companies in environmental management system and Community audit *Eco Management and Audit Scheme* EMAS of 1993, the EMAS system was implemented [7].

In 1996 after less than three years of work of the TC 207 (Strategic Advisory Group of Environment) the first ISO 1400 standard [8] was issued. According to the opinion of the British quality portal [9] this series was mainly the result of the Uruguay GATT negotiations and Rio summit.

In May 2010, there was 8th plenary session in Copenhagen during which the content of ISO 26000 was adopted. It was the conclusion of the six years' work of experts and observers from 99 countries together with 42 associated organisations [2]. It led to the creation of standard which is a practical guide to the idea of CSR introduced in the 70's of the last century.

Table 1. presents selected, the most important moments in the evolution of sustainable development instruments in chronological order.

Table 1
Timely evolution of selected instruments of sustainable development of companies (based [4])

70	-Guidelines on Multinational Enterprises OECD - CSR
77	-Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy –ILO – CSR -Global Sullivan Principles - CSR
91	-Rotterdam Charter - ICC
92	-BS 7750:1992 -Agenda XXI paragraph 30 (Cleaner Production)
93	-Regulation EEC no. 1836/93 EMAS
94	-BS 7750:1994, Irish standard I.S. 310 Canadian standard CSA Z750-94, American standard NSF 110 The Caux Round Table (Principles for Business)- CSR -Guidelines on Multinational Enterprises OECD - CSR -UNIDO and UNEP first NCPCs (Cleaner Production)
96	-ISO 14001, EN ISO 14001, Withdrawing national standards, -ISO 14004, ISO 14004, ISO140010, ISO14011, ISO14012,
97	-ISO14040, (LCA) ISO Guide 64,
98	-PN EN ISO 14001, PN EN ISO 14010, 14011, 14012, ISO 14050 -ISO/TR 14061, ISO 14020, ISO 14041 -ISO:14041, (LCA)
99	-Global Sullivan Principles - (updating CSR)
00	-Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (amendments) – CSR -Global Compact (9 principles) – UN – CSR -ISO: 14042,14043(LCA)
01	-Regulation (EC) no. 761/2001 - EMAS, Commission Decisions (EC) 2001/681/EC,
04	-ISO 14001:2004
06	-2006/193/EC – EMAS -ISO 14040:2006 – LCA -ISO- 14044:2006 - LCA
09	-Regulation (EC) no. 1221/2009 - EMAS
10	-Standards ISO 26000 -CSR
11	-New classification of GC participants (Global Compact) according to the three advancement level -CSR

Table 2
The most often used in practice instruments of sustainable development of companies (based [14])

TRADITIONAL METHODS	UNCONVENTIONAL METHODS	PROECOLOGICAL SYSTEMS OF VOLUNTARY OBLIGATIONS	PROECOLOGICAL SYSTEMS OF VOLUNTARY OBLIGATIONS BASED ON ISO/EMAS STANDARDS
1. Ecological strategies	1. Ecological audits	1. CP Strategy	1. ISO 14000 standards
2. Ecological policy	2. Waste minimising procedure	2. CRS (Corporate Social Responsibility)	2. ISO 26000** standards
3. Environmental management program	3. Emergency plans	3. Responsibility and Care program*	3. EMAS

* program exclusively for chemical industry

**standards published in 2010

THE POPULARISATION OF SUSTAINABLE DEVELOPMENT INSTRUMENTS OF COMPANIES IN POLAND

Recently the most popular instrument among the Polish entrepreneurs which meets the above requirements is undoubtedly the management system according to ISO 14001 standard. As specified by Matuszak-Fleiszman [10] the number of certificates obtained in line with ISO 14001 standards is about 2000 and gradually increases. This fact is also confirmed by the data from www.eko-net.pl portal which keeps „the informal register of Polish organisations with certificates confirming the implementation of the environmental management system based on the standards ISO 14000” the current number in the register reaches 2012 organisations [11]. It should be noted that companies are not obliged to register and there is no generally available database of companies to accurately determine their exact number.

In case of EMAS according to the register kept by the ministry of environment at present 30 Polish entities has implemented this system into business practice [12].

However for CP Strategy based on the results from the database kept by the Polish Movement of Cleaner Production in cooperation with NOT (Polish Federation of Engineering Associations) 79 entities have been the awarded by the authorities implementing the CP principles to everyday business practice ever since the database was established.

In practice the use of such instruments by companies should contribute to their sustainable development so according to the International Institute for Sustainable Development (IISD) and World Business Council for Sustainable Development (WBCSD—The World Business Council for Sustainable Development is a coalition of 175 international companies which is united by joint involvement for sustainable development by integration and harmonisation of activities for: economic growth, ecological balance and social progress [15]) for such „operation strategy which satisfies the current needs of the company and related groups of stakeholders it protects, maintains and support the human beings and resources which may be needed in the future [15].

SUMMARY

The development of instruments of sustainable development of companies refers mainly to the period of the last 30 years. Despite earlier communicates sent by the international communities as in the case of the social aspects of business operations focusing on its responsibility presented in the documents issued in the 70's of the last century they occurred some years after the end of the UN conference in Rio, in 1992. Since that moment new standards of environmental management have been regularly published: BS7750, ISO 14000, EMAS, CP Strategies until 2010 when ISO 26000 standard related to CSR was published.

Moreover the instruments are subject to constant evolution what is expressed by regularly observed changes of

the published standards. The tools as shown in practice become more and more popular, (except for EMAS) and very often in international business contacts they determine the standard specifying the company business level and through their popularisation more and more business entities enter the trajectory of development in line with the concept of sustainable development. Thanks to them the companies limit the negative impact on environment and at the same time their operation is more socially responsible.

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