

Environmental Tools:

Environmental Charters

What are environmental charters?

Environmental charters provide a guide for responsible environmental decision-making within a company. An environmental charter contains a set of principles relating to the company's environmental management system. By signing a charter, a company publicly declares its intention to carry out its environmental management activities in accordance with these principles.

Examples

[Keidanren \(Japanese Federation of Economic Organizations\) Global Environment Charter](#)

These charters provide guidelines for corporate actions. Companies must carry on their business activities to contribute to the establishment of a new economic and social system for realizing an environmentally protective society that will lead to sustainable development. The general charter requirements are that companies should have: environmental management policies, promote environmental technology development, technology transfers, emergency measures, public relations, education, community relations, overseas operations, contribution to public policies, and responses to global problems.

[The International Chamber of Commerce Business Charter for Sustainable Development](#)

The International Chamber of Commerce (ICC) created this business charter to help business globally improve environmental performance for sustainable development. It is comprised of sixteen principles for environmental management, which are considered vitally important aspects of sustainable development. These principles include: corporate priority, integrated management, process of improvement, employee education, prior assessments, products and services, customer advice, facility and operations, research, precautionary approach, contractors and suppliers, emergency preparedness, transfer of technology, contributing to the common effect, openness to concerns, and compliance and auditing. This Charter is provided to guide enterprises in fulfilling their commitment to environmental stewardship in a comprehensive fashion, in line with national and international guidelines and standards for environmental management.

Applications

Signing a charter is another way a company can demonstrate it is taking a responsible attitude to its environmental management. Even if a company does not wish to sign up to a particular charter, charters can be used as a source of ideas and inspiration on environmental management, particularly when a company is creating its environmental policy.

Tool Performance:

Pros

- Promotes open dialogue with community stakeholders.
- Improves the reputation of a company with its stakeholders.
- Environmental issues will be on a company's agenda.
- Educates staff about company's environmental commitments.
- Creates a "green" corporate culture.

Cons

- Firms only report voluntarily to the public.
- Firms are not obliged to follow the charter.
- Environmental issues may not be included in all policies within a company even if a charter is signed.

Special Considerations

Corporate charters need to be customized for each corporation. Successful charters:

- Need corporate commitment from the top of the organization to develop a charter that would be meaningful in giving direction to company policy.
- Need a review process that is accessible to all staff.
- Have staff become champions of the charter to keep its integrity intact.
- Establish an environmental council advisory committee and have members of the community participate and guide the process to creating the charter.