

Promoting Sustainable Development through Corporate Social Responsibility: Prospects and Limitations with Special Reference to Sri Lanka

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Successful business and a sustainably developed society are interdependent realities. 'Sustainable Development' was defined by the Brundtland Commission as "Development that meets the needs of the present without decreasing the ability of future generations to meet their own needs." The Corporate sector being a vibrant sector in the nation's development bears greater responsibility in promoting Sustainable Development through CSR. Though this concept has been developing since the early 1970s, there is no single, commonly accepted definition of "Corporate Social Responsibility". In achieving Sustainable Development, the Sri Lankan government has taken many policy decisions and planned strategies in poverty eradication, food security, water resources, land degradation and sustainable cities. The corporate sector also contributes considerably to economic and social sustainability through CSR activities. In Sri Lanka CSR as a concept is weighed down by misconceptions, whereas the large majority of companies believe in it merely in a philanthropic sense. Also, there is no comprehensive framework with public-private partnerships that would have realistic long term benefits. The objective of this paper is to present, current practices, approaches of CSR, and propose steps that could allow CSR to contribute immensely in achieving Sustainable Development goals. This research was carried out primarily as a library-based research using secondary sources. The studies indicate that, developed countries are more concerned about 'corporate environmental responsibility' and increased environmental management practices than developing countries. In the local context, positive signs can be seen in pollution prevention, supply-chain management, energy efficiency, industrial ecology etc. especially within the hotel trade and the manufacturing sector. Companies usually implement separate or joined selected initiatives, ignoring transparent monitoring mechanisms. It is

important to introduce environmental audit, green procurement and products, environmental education and ethics among employees, and also to establish an open-book policy, other than the internal Corporate Environmental Policies which aim at image building of companies. Better integration of voluntary approaches and law or regulation is needed rather than voluntary initiatives seen as an alternative to legal instruments in minimizing negative impacts on society and environment, whilst maximizing the positive impacts, which in turn ensures sustainable development of the nation.

Key words: *Company, Corporate Social Responsibility, Environmental sustainability, Policies, Sustainable Development*