Corporate Environmental Responsibility in Jordan: The Potential and Limits

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Introduction

The world is facing unique environmental challenges. There is a record loss of biodiversity and long-term damage to ecosystems; pollution of the atmosphere and the consequences of climate change; waste production and disposal; natural resource depletion; the impact of using chemicals and toxic substance disposal; damaged aquatic ecosystems and land degradation. There is a need to identify the options to reduce and eliminate unsustainable volumes and patterns of production and consumption to ensure that the resource consumption per person becomes sustainable.

The business sector is considered to be one of the biggest culprits of environmental degradation. Industry mines, extracts, shovels, burns, wastes and pumps, abusing the web of life. The living system and the life support systems of Earth are consequently in decline and the biosphere that supports human beings is corrupted. Governmental policies have failed to control such practices, as well as the private sector primarily focusing on profits. While governments may introduce laws that protect the environment and the current and future economic and social needs and rights of its citizens, many businesses recognize a commercial advantage in going beyond what is required by law.

Companies are expected to take an active role, and to initiate the addressing of social and environmental activities. These activities and
issues that relate to corporate social responsibility (CSR) may include employment, health and safety, training and education, poverty, women’s issues, safe products and adopting environmentally friendly technology (ISO, 2010). Furthermore, environmental responsibility is a precondition for the survival and prosperity of humankind. Environmental education and capacity building is fundamental in promoting the development of sustainable societies and lifestyles.

Tapping the resources and goodwill of corporations is essential, especially in countries like Jordan where privatization and liberalization are strongly being pursued by the government and where a new role for the private sector is envisioned. In addition to donating financial resources to ongoing sustainable development efforts, the private sector can also exercise CSR by investing in a sound environment in which to do business, as well as managing the direct costs and risks of conducting this business (United Nations Development Programme (UNDP), 2003).

This chapter will focus on an assessment of corporate environmental responsibility (CER) in Jordanian private-sector enterprises with respect to the three United Nations (UN) Global Compact (GC) principles: 7, 8 and 9. We will show how Jordanian companies regard GC, CSR, CER, environmentally friendly technology and clean production (CP) programs. In addition, the current national-level initiatives and the adoption of environmentally friendly technology and practices, including policy levels, legislation, implementation and monitoring, will be discussed. This chapter will also include a qualitative discussion on the market drivers and CER language in the Jordanian context from the cultural, religious, academic and business literature.

A case study will focus on CER in the pharmaceutical sector in Jordan. Investigations will analyze the environmental performance of two representative case companies, tackling the gaps and employing a CP approach to provide cost-effective alternatives for protecting the environment in Jordan.

Literature review

The essential characteristic of social responsibility is the willingness of an organization to incorporate social and environmental considerations in its decision-making and be accountable for the impact of