

NuPoC as Corporate Responsibility

The Principles of Conduct reflect a recent trend in the management of global challenges. Leading industries, including those in the oil and gas, apparel and pharmaceutical sectors, increasingly have recognized the value of their reputations as socially responsible actors to their long-term business success. Growing awareness of the business risks that can arise when global companies do not meet society's expectations regarding their environmental and social performance led these major industries to establish shared norms of self-regulation. These industries have committed to apply such norms even when not legally required to do so, because the industry participants do well by doing the right thing.

Voluntary self-governance by participants in an industry, often developed in consultation with (but without the direct participation of) national governments, fuses economic self-interest with social responsibility. This is beneficial for the corporations themselves as well as the people and places in states where these corporations conduct business. Such industry efforts acknowledge the sovereignty of governments and are consistent with national laws, but build on these minimal requirements to do more for the public good and the long-term well-being of the industries they serve.

Although such norms of Corporate Social Responsibility have largely been national in scope, in recent years they have grown considerably both in importance and reach as the machinery of inter-governmental arrangements lags farther behind an increasingly globalized business environment and an increasingly interdependent world.

The Principles of Conduct represent the first such initiative to develop norms of corporate self-management to govern the exportation of nuclear power plants. Assisted by a team of leading international experts, this unique initiative places companies from six countries on three continents within a single framework of corporate social responsibility.

The nuclear industry is much more heavily and effectively regulated by states than many other industries. The IAEA also produces invaluable recommendations and guidelines for nuclear energy development. Yet at their core, these guidelines and regulations, as well as those that govern the exportation of nuclear power plants are implemented through national legislation and regulation, while the implications of nuclear power can be more far-reaching. Moreover, current state-based and inter-governmental norms and regulations governing the exportation of nuclear technology have been previously focused mainly on preventing the proliferation of nuclear weapons. (Although commercial nuclear power plants of the types exported by the participating vendors are not sources of nuclear weapons

proliferation, the Principles of Conduct emphasize the participating vendors' continuing vigilance over the application of international nonproliferation safeguards.)

By adopting the Principles, the participating vendor companies commit to also apply less well-known norms related to the exportation of nuclear power plants, such as safety, nuclear security, and environmental protection. With interest in nuclear energy spreading rapidly, new vendors and buyers are contemplating entering the marketplace, some of whom have limited to no previous experience with nuclear power.

The participants in this initiative recognized the opportunity and value of a voluntary initiative informed by world-class expertise to collect, identify and widely promote global norms and practices that encourage the socially responsible expansion of nuclear power. The Principles of Conduct demonstrate how a global non-governmental organization such as the Carnegie Endowment, top experts in various aspects of the nuclear industry and key companies with global reach could partner to develop norms of corporate self-management in a globalizing world. Every participant in the Principles has committed voluntarily to fulfill these obligations and to periodically update this document in response to changing circumstances, new norms and technological change.

Although the Principles of Conduct are not legally binding, the companies adopting the Principles have independently committed to implementing them in word and deed. All of the elements of these Principles conform to national laws and international rules, guidelines and norms. But the companies adhering to the Principles recognize that the social and economic value of nuclear power is maximized by voluntarily adhering to norms that exceed legal and regulatory requirements, such as those set forth in these Principles.