

IMPACT OF CORPORATE SOCIAL RESPONSIBILITY ON ENVIRONMENTAL GOVERNANCE IN THE WESTERN AMAZON



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ABSTRACT

This study examines the role of Corporate Social Responsibility (CSR) initiatives in promoting environmental governance in the Western Amazon. Using a literature review methodology, the research identifies patterns and trends in CSR practices and their effectiveness in influencing environmental policies and sustainable practices. The objective of the research is to identify which CSR strategies are most effective in promoting environmental governance. This objective was partially achieved, as while the study provided an understanding of current practices and highlighted the importance of partnerships between businesses, governments and NGOs, it also identified significant challenges, such as greenwashing and the difficulty of measuring the impact of these initiatives, which still need to be addressed. The results highlight how companies, by adopting CSR strategies, can address specific regional challenges, contribute to sustainable development and align their corporate interests with global environmental goals. In addition, the study explores the benefits of these partnerships and addresses the associated risks. The discussion section looks at the need for collaborative integration to maximize the effectiveness of CSR practices and mitigate risks, offering insights for companies and policymakers interested in integrating environmental responsibility into business strategies.

Keywords: Corporate Social Responsibility, Environmental Governance, Corporate Sustainability, Western Amazon, Environmental Practices.

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INTRODUCTION

In the contemporary business landscape, social responsibility in the Western Amazon (one of the two parts of the Legal Amazon), with its rich biodiversity and global ecological importance, faces significant challenges related to sustainability and conservation. Corporate Social Responsibility (CSR), exercised by the private sector in the region, plays an instrumental role in promoting effective environmental governance. This article explores how CSR initiatives in the Western Amazon (composed of the states of Amazonas, Acre, Rondônia, and Roraima) can strengthen environmental governance, addressing specific regional challenges and promoting sustainable development. In addition, it offers valuable insights for those interested in fostering sustainable environmental practices.

CSR refers to the commitment and practices adopted by private companies and organizations to operate ethically and contribute positively to society and the environment. This concept goes beyond complying with laws and regulations, adopting a proactive stance towards social, economic, and environmental issues. The research problem of this study consists of investigating how these corporate initiatives impact the effectiveness of environmental governance in the Western Amazon, and what are the specific mechanisms through which these initiatives influence environmental policies, sustainable practices, and awareness of environmental issues, both at the corporate and community levels.

The objective of the survey is to identify which CSR strategies are most effective in promoting environmental governance, aiming to encourage the sector to adopt similar practices and contribute to a more standardized and efficient approach to environmental corporate sustainability. Understanding the impact of companies through CSR on environmental governance can help policymakers develop regulations and incentives that promote sustainable practices in the private sector. Companies, especially large corporations, have a significant reach and can profoundly influence public perception of environmental governance.

Using a literature review methodology, this study analyzes a series of academic publications and corporate reports to identify patterns and trends in CSR practices and their relationship to effective environmental governance. The rationale for this work lies in the growing importance of environmental sustainability in the business world and in society in general. As environmental issues become increasingly urgent, understanding how companies can contribute positively to environmental governance through their CSR

practices becomes an issue of global relevance. However, assessing the impact of CSR initiatives on environmental governance can be challenging due to the variety of practices and the difficulty in quantifying long-term environmental benefits.

It is essential to recognize the limitations of this study. The research is predominantly based on secondary sources, which may limit coverage of all the practical and theoretical nuances of CSR. In addition, the risk of *greenwashing*, in which companies exaggerate or misrepresent their environmental practices, is a reality that must be considered when analyzing CSR initiatives. Despite these challenges, the article offers a contribution to understanding the intersection between CSR and environmental governance, paving the way for future research and sustainable practices in the corporate world.

Investigating ways to improve and engage the private sector in environmental governance can also include recommendations for more robust policies, incentives for sustainable business practices, and strategies for better collaboration between the private and public sectors. Integrating sustainable practices into business operations can include the use of renewable resources, reducing waste generation, recycling and energy efficiency, conservation initiatives, investing in green technologies, and supporting sustainable development projects. By implementing these practices, businesses not only reduce their environmental impact but also set an industry standard that can influence other organizations to follow suit.

An important connection between sustainable practices and environmental governance in the private sector can be explored in this context of sustainable resource management. This point of relationship underlines how companies can influence and be influenced by environmental governance through their practices of use and management of natural resources. The effectiveness of CSR initiatives in environmental governance is often scaled up through partnerships with governments, NGOs and other businesses. These collaborations can lead to innovative projects that have a significant impact on the environment, such as reforestation programs, biodiversity conservation, or cleaning up aquatic ecosystems.

Companies that adopt CSR tend to be more transparent about their environmental impact, through sustainability reports that detail their emissions, resource use, and other environmental metrics. This transparency can put pressure on other companies to adopt similar practices and allow external stakeholders to assess the company's commitment to sustainability. Engaged, these companies often play a vital role in educating the public and

creating awareness about environmental issues, whether through marketing campaigns, educational programs, or sponsorship of sustainability-focused events.

On the other hand, it is also important to analyze cases of failure or criticism of CSR. In certain cases, these actions can be perceived as *greenwashing*, when a company invests more time and resources in marketing claiming to be sustainable than actually implementing practices that minimize environmental impact. Understanding this counterpoint is key to understanding the limitations of CSR and how it can be improved.

FUNDAMENTALS OF CORPORATE SOCIAL RESPONSIBILITY

In the modern business environment, Corporate Social and Environmental Responsibility (CSR) has established itself as a fundamental component that goes beyond the traditional objective of maximizing profits, adopting practices that are ethical, social, and environmentally sustainable. Its study dates back to the post-World War II period³.

Conceptually, CSR is a business practice that promotes sustainable development, ensuring a balance between economic, social, and environmental well-being. In this context, companies, in addition to pursuing profit, must evaluate the impact of their activities on communities and the environment, adopting actions that benefit both society and their own corporate structure. This concept not only reflects a response to the growing demand for social responsibility, but also configures itself as an essential strategy in the current era of sustainability⁴. This implies that corporations not only implement and publicize their social and environmental initiatives, but also seek certifications that validate their practices, as highlighted in a study by *Deloitte*⁵:

Companies today are no longer evaluated based only on metrics such as financial performance, or even the quality of their products and services. Instead, organizations

³ OLIVEIRA, L. G. L.; OLIVEIRA, M. C.; PINTO, F. R. Corporate social responsibility: comparative study of social norms. *Revista Alcance*, v. 15, n. 2, p. 169, 189, 2008.

⁴ "Sustainability in a broad sense seeks to capture the three pillars of sustainability: (i) pillar I – ecological sustainability; (ii) pillar II – economic sustainability; (iii) pillar III – social sustainability. From this perspective, sustainability is profiled as a 'unifying concept' (Verbundsbegriff) that has progressively defined the legal, environmental, political, social and economic conditions and assumptions of sustained evolution" (CANOTILHO, José Joaquim Gomes. Sustainability: a novel of culture and science to reinforce democratic sustainability. In *Boletim da Faculdade de Direito*, Vol. LXXXVIII, Volume I, Coimbra: Universidade de Coimbra, 2012, p. 6).

⁵ DELOITTE. The Rise of the Social Enterprise: 2018 Deloitte Global Human Capital Trends. 2018a. Disponível in: https://www2.deloitte.com/content/dam/insights/us/articles/HCTrends2018/2018-HCtrends_Rise-of-the-social-enterprise.pdf. Accessed on: January 30, 2024.

today are increasingly judged on the basis of relationships with their employees, consumers, communities, and impact on society as a whole.

On the subject of sustainability, Garcia⁶ teaches that:

It consists of the thought of global empowerment for the preservation of balanced human life, consequently, of environmental protection, but not only that, but also the extinction or reduction of other social ills that act contrary to the hope of delaying man's survival on Earth.

The private sector is committed to conducting its business ethically and sustainably, considering the social and environmental impacts of its operations. This approach has evolved from philanthropic initiatives to integrated business strategies that balance profit, people, and planet.

The implementation of this model involves the adoption of sustainable business practices, such as the efficient use of resources, reduction of carbon emissions, and promotion of fair working conditions. Companies also engage in community initiatives, support social and environmental projects, and strive to adopt ethical supply chains. In addition to contributing to a sustainable environment and a fairer society, this behavioral bias offers tangible corporate benefits, such as strengthening the brand and reputation, customer and employee loyalty, and potentially, improved financial performance. According to Prado *et al*⁷:

Therefore, an important link is established between companies and citizens, in which companies are responsible for providing citizens with an ecologically correct consumption alternative, and they to join this cause, increasingly encouraging this "green" movement.

Environmental governance in the Legal Amazon faces significant challenges and it is essential to integrate Corporate Social Responsibility (CSR) practices that align with the Sustainable Development Goals (SDGs), especially SDGs 13 and 15. This alignment is essential to mitigate environmental problems and promote sustainable development in the region. The study by Moia and Diniz (2024)⁸ highlights the importance of a robust

⁶ GARCIA, Denise Shmitt Siqueira, orgs. Sustainable debates: Multidimensional analysis and environmental governance [et al] collaborators - Electronic Data - Itajaí: UNIVALI, 2015. Available at: <<http://www.univali.br/ppcj/ebook>>.. Accessed on February 02, 2024.

⁷ PRADO, R. A. D. P., Silva, M. A., Junqueira, M.C., Almeida, L.N.N. (2011). The influence of green marketing on the consumption habits of young university students in business courses. Study in higher education institutions (HEIs). Brazilian marketing magazine. São Paulo, (10:2), pp. 126-145. <https://www.redalyc.org/pdf/4717/471747525007.pdf>. Accessed on January 25, 2024.

⁸ MOIA, Gabriel Costa Maciel; DINIZ, Marcelo Bentes. Environmental governance in the municipalities of the Legal Amazon: challenges to be faced from the perspective of the Sustainable Development Goals. In: XXIX

governance structure that involves local communities and indigenous peoples in the management of natural resources, strengthening sustainability strategies and providing opportunities for innovative solutions.

Despite its benefits, the posture in accordance with environmental responsibility faces challenges such as "*greenwashing*", where sustainability practices are promoted more than actually practiced. According to the authors Ribeiro and Epaminondas⁹:

Greenwashing is a term that has been adopted since 2007 in the corporate world and has gradually been introduced into discussions about products. Its best translation would be "green washing", or even "green brushstroke". The term is designated when a company, non-governmental organization (NGO), or even the government itself, propagates positive environmental practices and, in fact, acts contrary to or neutral to environmental interests and goods.

From the study carried out by the Sustainable Amazon Foundation (FAS)¹⁰ it is inferred that companies also engage in community initiatives, support social and environmental projects and strive to adopt ethical supply chains. In addition to contributing to a sustainable environment and a fairer society, this behavioral bias offers tangible corporate benefits, such as strengthening the brand and reputation, customer and employee loyalty, and potentially, improved financial performance.

The concept of social responsibility in the private sector has undergone a remarkable evolution over the years. Initially, it was predominantly associated with philanthropy or charitable actions. However, in recent decades, this view has broadened to encompass business practices that are sustainable, ethical, and transparent.

With increasing public awareness of global issues such as climate change and social inequality, corporations face increasing pressure to adopt more responsible practices. Today, consumers, investors, regulators, and society at large demand that businesses play a more active role in addressing social and environmental challenges.

However, a key part of corporate social responsibility is transparency in operations and accountability to *stakeholders*. Governments have implemented regulations that

National Meeting of Political Economy. Section 8: Regional and Urban Issues, Federal University of Pará, 2024.

⁹ RIBEIRO, R.A.C.; EPAMINONDAS, L.M.R. From greenmarketing strategies to the greenwashing fallacy: the use of environmental discourse in packaging design and product advertising. National Meeting of Anppas- V Annals. Florianópolis/SC, 2010. p. 18.

¹⁰ SUSTAINABLE AMAZON FOUNDATION (FAS). Sociobiodiversity, corporate social responsibility and international cooperation. Technical Course in Sustainable Development Management – Sustainable Amazonas Project, 2021. Available at: <https://fas-amazonia.org/wp-content/uploads/2022/12/pas-cartilha-responsabilidade-social-corporativa-fundamentos-compressed.pdf>. Accessed on: August 08, 2024.

encourage or require responsible practices, recognizing that the private sector has a key role to play in addressing social and environmental issues. According to Freeman *apud* Lyra¹¹:

Stakeholder in an organization is, by definition, any group or individual that can affect or be affected by the achievement of the company's objectives (Freeman, 1984). Stakeholder includes those individuals, groups, and other organizations that have an interest in a company's actions and who have the ability to influence it (Savage, Nix, Whitehead, & Blair, 1991). By neglecting these groups, some companies have already been devastated or destroyed (Tapscott & Ticoll, 2005).

Companies that adopt social responsibility practices often benefit from innovations and improvements in processes, products, and services. This approach can lead to a competitive advantage, as the company becomes more attractive to conscious consumers and investors who value sustainability. I mention some benefits:

Reduction of the risk of socio-environmental accidents and their consequent attractiveness to investors; eco-efficiency, a business management philosophy based on an incessant effort to produce more and better at competitive prices, progressively reducing the environmental impact and the consumption of resources to levels at least equivalent to the planet's carrying capacity; the improvement of its reputation; increasing credibility in the company and improving its image; conscious consumption, or "green", with the launch of differentiated products and services on the market at lower environmental costs than their competitors (...); and, finally, the advantages in the area of human resources with regard to hiring, engagement and innovation¹².

Despite the benefits, private sector social responsibility faces challenges, including consistency in the implementation of CSR policies and the difficulty of measuring the real impact of these initiatives. Additionally, companies may face accusations of *greenwashing* when social responsibility actions are perceived as marketing efforts rather than genuine commitments.

The conduct of creating a brand with false or superficial environmental ideologies can cause several losses to companies. Studies show that this attitude, when revealed, ends up generating a loss of trust in the brand, also affecting its market value¹³.

¹¹ LYRA, Mariana Galvão [et al]. The Role of Stakeholders in the Company's Sustainability: Contributions to the Construction of an Analysis Model. Curitiba, v. 13, Special Edition, art. 3, p. 39-52, June 2009.

¹² BUSSLER, Nairana Radtke Caneppele [et al]. Corporate Social Responsibility and Governance: Paths for the creation of value in organizations. Unijuí, 2016.

¹³ PIMONENKO, Tetyana et al. Green brand of companies and greenwashing under sustainable development goals. Sustainability, 12(4), 2020, p. 1679.

Social responsibility in the private sector is increasingly associated with building strategic partnerships with governments, NGOs, and other entities to more effectively and comprehensively address social and environmental challenges.

In the Western Amazon, the implementation of CSR practices can offer multiple benefits to companies. These include improved brand reputation and image, increased customer loyalty, the ability to attract and retain talent, and ultimately, more robust long-term financial performance.

THE IMPORTANCE OF CORPORATE SOCIAL RESPONSIBILITY IN THE CURRENT BUSINESS CONTEXT OF THE WESTERN AMAZON

The region faces challenges such as deforestation, illegal mining, and biodiversity loss. These issues not only threaten the local environment, but also have global implications, especially in relation to climate change. Companies operating in the Western Amazon¹⁴ have a responsibility to adopt practices that minimize their environmental impact. This includes sustainable resource management, biodiversity protection, and active engagement with local communities.

Governance plays an essential role in the sustainable development of the Amazon, being a key component for the preservation of global ecosystems. Within the scope of ESG (Environmental, Social, and Governance), corporate governance refers to the organizational structure and principles that guide the operations of entities, seeking to harmonize the interests of shareholders, leaders, and the community. In the Amazon, this form of governance is particularly crucial, as it gives companies a competitive advantage by promoting forest conservation, which in turn reduces carbon emissions and contributes to global climate stability.

This research focuses on Corporate Social Responsibility (CSR), and not on the concept of *Environmental, Social and Governance* (ESG). However, some sections use ESG as an example, which is why it is relevant to briefly clarify the similarities and differences between them. This clarification aims to maximize the reader's understanding, ensuring the full use of the content presented, without causing conceptual confusion.

¹⁴ BRAZIL. DECREE-LAW no. 291 of 28.02.1967 - Art. 1 § 4 For the purposes of this Decree-Law, the Western Amazon consists of the area covered by the States of Amazonas, Acre and the territories of Rondônia and Roraima.

Corporate Social Responsibility (CSR) and ESG (Environmental, Social, and Governance) criteria are approaches that promote sustainable business practices. Both aim to have positive impacts on the environment and society, considering various stakeholders in addition to shareholders.

CSR focuses on internal initiatives, such as philanthropy, reflecting social values, while ESG is crucial for investors, assessing sustainability and ethical behavior through metrics. While CSR is more qualitative and immediate, and ESG has a long-term perspective, their similarities allow them to be used in a complementary way, balancing social responsibility with financial performance.

The Glocal Experience Amazonia, organized by the Amazon Network Foundation¹⁵, exemplifies the practical implementation of these concepts, bringing together diverse stakeholders to explore sustainable solutions that meet both local and global needs. This event highlights how governance can act as an engine for sustainable development, encouraging the active participation of local people in decision-making processes and promoting a global perspective on the importance of the Amazon.

Initiatives can positively influence environmental governance with practices that go beyond compliance with regulations, setting higher standards for environmental conservation and the sustainable use of resources.

Stakeholder integration is essential to achieve these goals, as discussed by Moretto Alves in his dissertation 'Harmonizing Interests: Analysis of Legislation for the Sustainable Use of Wood in the Amazon from the Perspective of Amartya Sen' (2024).¹⁶ Moretto Alves argues that collaboration between different stakeholders can promote more equitable forest management by strengthening environmental governance in the Amazon.

It should be noted that some of the essential characteristics that make companies fundamental for the promotion of sustainability are their entrepreneurship, creativity and innovation. As Laville argues, the company can be considered the only institution in the world today powerful and creative enough to implement the necessary changes¹⁷.

Collaboration between companies, governments, NGOs and indigenous communities is essential for effective environmental governance. These partnerships can

¹⁵ BACELLAR, Clarissa. ESG: what is the relationship between governance and the Amazon? Portal Amazônia, 26 ago. 2023. Available at: portalamazonia.com. Accessed on: June 17, 2024.

¹⁶ ALVES, Gabriela Cristina Moretto. Harmonizing Interests: Analysis of Legislation for the Sustainable Use of Wood in the Amazon from the Perspective of Amartya Sen. Master's Thesis, Federal University of Rondônia, 2024.

¹⁷ MATIAS, Eduardo Felipe P. Humanity against the ropes. São Paulo: Paz e Terra, 2014, p. 98.

result in more robust policies, efficient conservation projects, and increased awareness of environmental issues.

There are different types of coalitions that involve companies in partnership with other entities, such as non-governmental organizations (NGOs) and the State. These coalitions are termed Business and Industry Non-Governmental Organizations (BINGOs) play a significant role in global governance by providing a means for businesses to come together and engage in discussions and negotiations on economic, social, and environmental issues. They contribute to the articulation of business interests and to the participation of the private sector in the definition of policies and the promotion of sustainable initiatives¹⁸.

Jacaúna¹⁹ presents reflections from which it is extracted that environmental governance in the Amazon is characterized by the complex network of interactions between multiple actors, including the State, NGOs and local residents. These networks form crucial governance structures for the coordination and implementation of environmental policies, as demonstrated in the study of the Conservation Units on the Unini River. Social network analysis (SRA) reveals how these interactions influence the management of natural resources, highlighting the importance of cooperation and information exchange among the various participants. The network structure found in the Unini River, characterized by a high level of heterogeneity and a combination of fragmented power and hierarchical cooperation, is an example of how governance can be both facilitated and challenged by these dynamic relationships.

Corporate Social Responsibility (CSR) in the Western Amazon requires a delicate balance between environmental conservation and economic development. Companies in the region have the opportunity to invest in business models that foster economic growth without causing harm to the environment, such as ecotourism and the sustainable use of natural resources. However, the implementation of these models faces specific challenges, including the vast geographical extension and rich cultural diversity of the region. Despite these obstacles, there is also enormous potential for innovation in sustainable practices, allowing companies to contribute significantly to the preservation of one of the most valuable ecosystems on the planet.

¹⁸ TIENHAARA, Kyla. Corporations: business and industrial influence. In: HARRIS, Paul G. Routledge Handbook of Global Environmental Politics. New York: Routledge, 2014. p. 164-175 apud BARBOSA, Milena de Souza Chaffin. The private sector in environmental governance: Global Compact and ESG principles as dimensions of instrumental power. João Pessoa, 2023.

¹⁹ JACAÚNA, Tiago da Silva. How do you govern the Amazon? Social networks and environmental governance in Conservation Units. Brazilian Journal of Social Sciences, v. 35, n. 103, 2020. Available at: <https://www.scielo.br/j/rbcsoc/a/pLjt87qTGLb9hGZWnxN3zTx/?lang=pt>. Accessed on: May 03, 2024.

The company's social performance can be enhanced by the adoption of strategies that value the quality of the benefited social projects, the multiplication of successful experiences, the creation of service networks and the strengthening of public policies in the social area... The company can also develop its own projects, mobilize its skills to strengthen social action and involve its employees and partners in the execution and support of social projects in the community²⁰.

Another point to be pointed out is that corporate social responsibility in the environmental context has been occurring due to adaptation to evolving social expectations. The discussion responds to the growing demands of consumers, investors, and the general public for more ethical and sustainable business practices. Companies are increasingly evaluated not only by their financial performance, but also by their impact on society and the environment.

It should also be considered that it can contribute to the strengthening of a brand, as a good CSR reputation can increase customer loyalty, attract and retain talent and open doors to new business partnerships, as well as the adoption of sustainable practices can ensure the continued viability of a company by protecting the natural resources on which it depends and maintaining a positive relationship with the community and the environment. As Laville, *apud*, Matias,²¹ explains:

It is necessary to create a company that is in harmony with the world around it, for which sustainable development is second nature and in which each act effectively contributes to the creation of a better world, not by altruism, but by its own way of being.

The proactive stance of the private sector towards Corporate Social Responsibility (CSR) can be a powerful driver of innovation, promoting the development of new products and services that not only meet the demands for more sustainable solutions, but also provide a competitive advantage in the market. This approach assists businesses in complying with government regulations and mitigating risks associated with environmental, social, and potential litigation issues.

In addition, CSR plays an essential role in social and economic development, enabling companies to effectively contribute to solving complex social problems, such as poverty, education, and health. Through these practices, businesses not only strengthen their operations but also promote a lasting positive impact on society.

²⁰ QUEIROZ, A et al. Ethics and social responsibility in business. 2. ed. São Paulo: Saraiva, 2005

²¹ MATIAS, Eduardo Felipe P. Humanity against the ropes. São Paulo: Paz e Terra, 2014, p. 98.

THE RELATIONSHIP BETWEEN PRIVATE SECTOR CORPORATE SOCIAL RESPONSIBILITY (CSR) AND ENVIRONMENTAL GOVERNANCE

The relationship between Corporate Social Responsibility (CSR) and environmental governance is a fundamental intersection in the contemporary business context. While CSR reflects the commitment of companies to operate in a socially responsible and ethical manner, environmental governance focuses on creating and implementing policies and practices for the protection and sustainability of the environment.

Regarding environmental governance in the Amazon, the complexity of the study is pointed out by Torres Alvarez²²:

The Amazon has specificities that differentiate it from other regions of Brazil. The states that make up this region have a large part of their territories composed of rural and indigenous areas, a fact that makes the task of managing public policies in order to achieve effective results for the government and society even more complex. At the state level, institutions encounter serious difficulties in the implementation of programs and projects formulated by the Federal Government, as these are, to a large extent, molded according to the reality of urban centers, disregarding the specific variables of the different regions of the country. This reality has manifested the need to reflect on the implementation of public policies in the Brazilian federative context, in which regional diversity predominates.

The concepts of Corporate Social Responsibility (CSR) and environmental governance are intrinsically linked, creating a cycle of reciprocal benefits for companies, society and the environment. CSR encompasses a set of practices that go beyond legal compliance, including voluntary actions that directly benefit society and the environment. Environmental governance, on the other hand, involves government policies, regulations, and voluntary initiatives that aim to manage the environmental impact of human activities.

These practices are aligned with environmental governance objectives. When a company implements more sustainable production practices, such as reducing emissions and waste, it not only complies with environmental regulations but also exemplifies a commitment to social responsibility. In addition, companies that have strong CSR initiatives are able to significantly influence the formulation and execution of environmental policies, contributing to a regulatory environment that encourages sustainable practices. According to the Abrinq Foundation²³:

²² ALVAREZ, Carmen Paola Torres. Governance of professional and technological education: an analysis of the context of the Western Amazon. 2014. 140 f., il. Dissertation (Professional Master's Degree in Education) - University of Brasilia, Brasília, 2014, p. 85.

²³ Abrinq Foundation. Everything you need to know about social responsibility. 2020. Available at: <https://fadc.org.br/noticias/tudo-o-que-voce-precisa-saber-sobre-responsabilidade-social>. Accessed on February 02, 2024.

Social responsibility is the way of thinking and acting ethically in relationships. Despite being strongly related to companies, the practice can be directly linked to an action, carried out by individuals or legal entities, whose main objective is to contribute to a fairer society.

By demonstrating successful environmental practices, businesses can encourage the adoption of stricter regulations and sustainable practices across the industry. In addition, integrating CSR with environmental governance benefits companies in several ways, such as improving their reputation, building trust with stakeholders, and ensuring long-term sustainable operations. For society and the environment, this results in a better quality of life and preservation of natural resources. Thereby:

A citizen-company has in its commitment to the promotion of citizenship and the development of the community its competitive differentials. In this way, it seeks to differentiate itself from its competitors by assuming a new business posture – a company that invests financial, technological and labor resources in community projects of public interest. The citizen-company creates an image of excellence for its performance with society, which is reflected in increased trust, respect and admiration of its consumers²⁴.

Despite the benefits, there are challenges in integrating CSR with environmental governance. These include the need to balance economic objectives with social and environmental responsibility, and the risk of "*greenwashing*", where CSR actions are more of a marketing strategy than a genuine commitment. Corporate social responsibility initiatives of companies contribute to environmental governance, however, it is necessary to identify the obstacles faced by companies and governments in corporate social responsibility initiatives in the environmental area.

INFLUENCE OF CSR ON ENVIRONMENTAL POLICIES IN THE WESTERN AMAZON

CSR is a business approach that includes social and environmental concerns in operations and corporate interaction with *stakeholders*.

Environmental policies are applied to the adoption of practices by companies, evidencing leadership and sustainability, and in doing so, they achieve high standards in future environmental policies, expanding innovation to the entire industrial sector. It is important to emphasize that corporate social responsibility leads companies to assume new postures:

²⁴ SANTOS, Elenice Roginski. Social responsibility or philanthropy. FAE Business Magazine, Curitiba, n. 9, p. 32-34, 2004.

With the increase in the involvement of the private sector in the solution of social problems, a function previously attributed only to non-profit organizations and the State, it is inevitable that companies seek to treat their social investment with the same logic and seriousness with which they treat their business strategies²⁵.

It is noted that companies engaged in environmental policies form links with government entities to develop the market in the areas of environmental sustainability. Companies that practice such behaviors play an important role in raising public awareness and education about environmental issues, influencing public opinion.

In these cases, these partnerships help shape regulations that are realistic, economically viable, and environmentally beneficial. In addition to adopting sustainable practices internally, some companies also actively engage in advocacy and *lobbying*²⁶ for progressive environmental policies, including support for legislation that promotes renewable energy.

In this regard, we can mention some measures that the private corporate sector can act with an eye on sustainable development such as products and services that are environmentally friendly; publication of transparent and detailed sustainability reports that show the company's environmental impact; obtaining environmental certifications that demonstrate a commitment to responsible environmental management; commitment to carbon reduction through environmental initiatives; promotion of environmental education and awareness among employees and customers, encouraging sustainable practices inside and outside the organization; adoption of sustainable supply chains; investment in research and development to find innovative solutions to environmental problems, among others.

METHODOLOGY

The methodology adopted for this study is a systematic literature review. This method involves analyzing multiple secondary sources, including academic publications and corporate reports, to identify patterns and trends in Corporate Social Responsibility (CSR) practices and their effectiveness in promoting environmental governance in the Western Amazon.

²⁵ FISCHER, Rosa Maria. Organizational Citizenship: a path of development In: Corporate Universities: Education for 21st Century Companies. São Paulo: Schmukler Editores Ltda, 1999 apud FEDATO, Maria Cristina Lopes. Corporate Social Responsibility: social benefit or competitive advantage, 2005.

²⁶ Defending interests with members of the public power who will make decisions – is an omnipresent phenomenon in democratic systems. THOMAS, C. S. (Ed.). Research guide to U.S. and international interest groups. Westport: Praeger Publishers, 2004. p. 544.

The literature review allows for a comprehensive understanding of CSR approaches employed by businesses in the region, identifying the most effective practices and gaps in the implementation of sustainable policies. The selection of sources followed criteria of relevance and timeliness, in order to ensure that the insights obtained were supported by contemporary evidence.

RESULTS

The results obtained from the literature review reveal a trend of adoption of Corporate Social Responsibility (CSR) practices by companies in the world, in Brazil and in the Western Amazon, although still in its infancy.

Data description: The analysis of the literature reveals that even though CSR practices are still incipient in the Western Amazon, there has been a significant growth in the adoption of these practices in recent decades. Data from the "ESG Panorama 2024" study indicate that 71% of Brazilian companies now incorporate environmental, social, and governance practices, reflecting a global trend towards greater corporate responsibility. This trend is particularly relevant in the Amazonian context, where pressure for environmental conservation is urgent.

Relevance of data: These data are critical indicators of the growth and importance of CSR practices, evidencing an increase compared to the previous year and highlighting the leading role of the industrial sector in this movement.

Greenwashing and Partnerships: The study highlights that, despite the increase in the implementation of CSR practices, the phenomenon of *greenwashing* remains a significant barrier. Many companies are accused of promoting a "green" image without adopting substantial changes in their operations. However, cross-sector partnerships between businesses, governments, and NGOs have proven effective in overcoming regional challenges, facilitating the adoption of more authentic and sustainable practices.

DISCUSSIONS

Interpretation of the results: The analysis shows that CSR practices, when integrated collaboratively with local stakeholders, have a positive impact on environmental governance. This is especially true when these practices are implemented through partnerships that share knowledge and resources, promoting a holistic approach to sustainability.

Comparison with existing literature: The results of the study are in line with previous research that highlights the potential of partnerships between businesses, governments, and NGOs to foster sustainable environmental practices. However, the study adds to the debate by emphasizing the ongoing risks associated with *greenwashing*, which can undermine the credibility of CSR initiatives if not properly addressed.

Contributions and implications: This study contributes to the understanding of the role of CSR in the Western Amazon, highlighting the region as a potential laboratory for economically viable and environmentally sustainable CSR practices. Companies that adhere to genuine CSR practices not only improve their reputation but also leverage their potential to innovate and lead the way towards more sustainable development.

Study limitations: The main limitation identified is the dependence on secondary sources. This can result in an incomplete view of the practical and theoretical nuances of CSR practices in the region. In-depth empirical studies are needed for a more comprehensive understanding.

Suggestions for future studies: It is recommended to carry out case studies with specific companies in the Western Amazon to deepen the analysis on the real impact of CSR practices on environmental governance. Such studies can provide valuable insights into how to overcome the identified challenges, including *greenwashing*, and can help develop innovative and sustainable business models.

CONCLUSION

Corporate Social Responsibility (CSR) in the Western Amazon is key to strengthening environmental governance in the region. By implementing responsible and sustainable business practices, organizations can not only mitigate their environmental impact but also actively participate in the conservation of this valuable global natural heritage while balancing economic and environmental needs.

Collaboration among diverse stakeholders is essential to achieve these goals, demonstrating that CSR is a powerful path to promoting a sustainable future in the Western Amazon. By incorporating ethical, social, and environmental considerations into their operations, companies not only help create a more sustainable world but also position themselves competitively in the market. The future of sustainable business requires a holistic approach, which CSR provides, balancing economic, social and environmental needs.

By adopting these practices, private sector companies can reduce their own environmental impact while simultaneously positively influencing society and the economy, promoting more effective and sustainable environmental governance.

The incorporation of ESG (Environmental, Social and Governance) practices is becoming increasingly prevalent in the Brazilian business sector, with 71% of companies adopting such practices, as pointed out by the "ESG Panorama 2024" study by Amcham Brasil²⁷. This data reflects a significant evolution compared to the previous year and demonstrates a movement led mainly by the industrial sector. The survey reveals that the motivation behind this adoption includes the desire to positively impact environmental and social issues and strengthen the corporate reputation of organizations.

There is a growing demand for transparency in CSR practices, with an increasing number of companies publishing detailed sustainability reports. This reflects a strategic and integrated approach by the private sector, considering the impact of its activities on all stakeholders and the environment. It is recognized that companies have an essential role in building a sustainable future.

From the Amcham Brasil data²⁸ available in the aforementioned vehicle, it is possible to infer that despite this increase in the adoption of ESG practices, companies face significant challenges. The study highlights that 40% of organizations report difficulties in measuring ESG indicators, while 32% face obstacles in building a solid organizational culture. In addition, 30% of companies point to the lack of financial resources and efficient methodologies as barriers to the effective implementation of these practices. Such challenges reiterate the need for training and leadership development, in addition to the integration of sustainability into business strategies, as emphasized by the survey respondents.

CSR strategies impact environmental governance at many levels, from integrating sustainable practices into daily operations to contributing to broader environmental goals through partnerships and collaborations. The interaction between CSR and environmental governance represents a significant challenge in the modern business context. This relationship not only reinforces the corporate commitment to sustainable practices, but also promotes a holistic and integrated approach to natural resource management and

²⁷ ESG Panorama 2024, Amcham Brasil-Chamber of Commerce of America. Published on April 23, 2024 by O *Tempo*. Available in <https://www.otempo.com.br/economia/praticas-sustentaveis-sao-adotadas-por-71-das-empresas-brasileiras-diz-estudo-1.3441718>

²⁸ ESG Panorama 2024, Amcham Brasil-Chamber of Commerce of America. Publ.23 Apr 2024, O *Tempo*.

environmental protection. As we move towards a more sustainable future, the fusion of these concepts will continue to play an essential role in driving positive change in both the private and public sectors.

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