

Companies and Environmental Laws in the European Union: How to Make It Work ^{1, 2}

Julien Poivet

ABSTRACT

This paper focuses on environmental laws in the European Union and particularly deals with the issue faced by lawmakers and governments which demonstrates that quite many companies decide not to comply to those environmental laws. We then tried to understand whether the companies which do not comply with European Union and European States laws are reprehensible.

In order to do so we used a non-dimensional data technique which has been developed through a several steps procedures to make it as relevant as we possibly could. We eventually got interesting conclusions which states that companies have a part of responsibility in complying to environmental laws and that European companies, by complying to those laws, should be examples of CSRs. On the other hand, we also reached the conclusion that companies face a global competition and should be helped in that regard by fighting to make necessary environmental laws more widespread all around the world.

Key words: Dispute, Environmental Laws, European Union, European States, Compliance, Project Management

INTRODUCTION

Nowadays, the global awareness towards climate change raises all over the world. The last Intergovernmental Panel on Climate Change work showed once again “that the world is rapidly changing, that the average temperatures raise and will be at the very least 1.5°C higher compared to before the industrial revolution, which will lead to higher sea level, desertification or stronger

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natural disasters”³. Thus, things have to change and countries “concluded the Paris agreement in 2015, complying to take corrective actions to limit global warming to 2°C”⁴. Most of the time those corrective actions are laws which intend to reduce contamination, curve gas emissions or restraint plastic waste. The European Union claims to be a leader in that new model, implementing laws, giving advice and recommendations. Although, every year in the European Union, big scandals emerge regarding companies that do not or did not respect environmental laws, either at the Union level or at a state level. The 2015 Volkswagen scandal can pop directly to your mind, but the 2015 “red mud” affair in the South of France is striking as well. Lately, a cruise ship called the Azura has been caught on her way to Marseille, France, using fuel that pollutes over the European Union limit. Every time major environmental issues, such as the conservation of an ecological area, or the life of populations, are at stake, disputes emerge. But before going further, a few terms have to be defined for the well-understanding of the following paper. First we decided to work more using the word “dispute” over “conflict”, since the latter is “largely value based and group centered in nature, and thus less susceptible to resolution”⁵ while “dispute” “refers to a class or kind of conflict which manifests itself in distinct, justiciable issue”⁶.

Furthermore, we will need to focus on environmental disputes that “relates in some way to the incidence, or suspected incidence of environmental pollution or damage of some kind”⁷. Girard defines “five kinds of disputes which are listed here: party to party, issuance of licenses or permits, preliminary or “in principle” approvals, content of law and policy and compliance and enforcement”⁸. Another important aspect of this kind of dispute is that we can define public and private interest environmental disputes. We will mostly work on public interest environmental disputes which is “the impact of environmentally damaging or polluting activities on the public interest in environmental preservation”⁹. Finally, we can define several ways of dealing with environmental disputes: “negotiation, mitigation and arbitration being the more successful”¹⁰ while litigation should be avoided as a solution in that case. Although, we will see later that it is also often the solutions used to solve environmental disputes.

3 Gregory Rozières (2015). The Huffington Post. L’accord de la COP 21 veut limiter le réchauffement climatique à 1,5°C, mais est-ce seulement possible? Retrieved from https://www.huffingtonpost.fr/2015/12/12/accord-cop21-rechauffement-15-possible_n_8793184.html

4 Gregory Rozières (2015). The Huffington Post. L’accord de la COP 21 veut limiter le réchauffement climatique à 1,5°C, mais est-ce seulement possible ? Retrieved from https://www.huffingtonpost.fr/2015/12/12/accord-cop21-rechauffement-15-possible_n_8793184.html

5 Nicholson (2009). Environmental Dispute resolution in Indonesia. Retrieved from <https://openaccess.leidenuniv.nl/bitstream/handle/1887/580/01%2B2.PDF;sequence=5>

6 Brown and Marriott. (1999). *Adr Principles and Practice*, 2nd ed., p2.

7 Nicholson (2009). Environmental Dispute resolution in Indonesia. Retrieved from <https://openaccess.leidenuniv.nl/bitstream/handle/1887/580/01%2B2.PDF;sequence=5>

8 Jennifer Girard (1999). *Dispute Resolution in Environmental Conflicts: Panacea or Placebo?* Retrieved from http://cfcj-fcjc.org/sites/default/files/docs/hosted/17465-dr_environmental.pdf

9 Nicholson (2009). Environmental Dispute resolution in Indonesia. Retrieved from <https://openaccess.leidenuniv.nl/bitstream/handle/1887/580/01%2B2.PDF;sequence=5>

10 Jennifer Girard (1999). *Dispute Resolution in Environmental Conflicts: Panacea or Placebo?* Retrieved from http://cfcj-fcjc.org/sites/default/files/docs/hosted/17465-dr_environmental.pdf

To go deeper in our subject, disputes often arise between companies and several actors, which can be single citizens, associations of citizens, non-governmental organizations, governments or even the European Union itself. Since those disputes have a huge impact on the public and are very mediatized. Thus, every project and program manager, whose role is defined in Wideman's Comparative Glossary as "the person assigned responsibility and accountability for the project and who is given the necessary authority to undertake that responsibility"¹¹ needs to understand deeper the real reasons of those disputes and how they can be analyzed to be solved afterwards. Indeed, projects in the European union must comply to several laws that are complex and often quite demanding, thus making the project manager's job even more difficult. The current reality tree root cause analysis shown below shows us that there is a key notion to take into account when dealing with environment in the European Union: the public and companies do not have the same look towards environment laws. Their needs are quite different as well considering the general environment of business today. Although, this root cause analysis also lets us understand that it is a very complex environment in which several actors and decision makers are at stake.

As a consequence, we understand that compliance to environmental laws in the European Union is a great challenge and creates many disputes that project managers have to deal with over several steps of the projects they are carrying. Then a question arises: **are the companies which do not comply with European Union and European States laws reprehensible?** To answer this complex question, we will first study a few examples of environmental disputes that occurred in the European Union in the last two decades. Then we will focus on the different European Union and European States laws and try to understand how each has to be dealt with. Eventually, we will try to offer solutions for all parties to fulfill their requirements.

¹¹ Project Management Guidelines (Private BC Corporation), 1995 retrieved from http://www.maxwideman.com/pmglossary/PMG_P16.htm#Project%20Manager



Figure 1: Root cause analysis to understand the reasons of disputes on compliance to Environmental laws in the EU¹²

¹² By Author

STEP 1: PROBLEM RECOGNITION, DEFINITION AND EVALUATION

The objective of this paper is to answer the following question:

- Are the companies which do not comply with European Union and European States laws reprehensible?

This question entails many notions and we listed some of them bellow:

- Can the environment be more important than business well-being?
- Should the European Union impose mandatory laws when other countries do not?
- What does the public want about environment?
- Is it possible for a company to avoid disputes while developing its business activity?

METHODOLOGY

To answer to the research question, we will elaborate a few alternatives that we will then compare to relevant criteria in order to show which alternative can be considered as the most suitable one. Before going any further, we also need to confess that this is a highly complex question to which all actors have different thoughts about. Then the alternative which will be highlighted will be the most efficient, but a combination of several alternatives would be better to reduce the number of disputes regarding compliance to environmental laws from companies in the EU.

STEP 2: DEVELOPMENT OF FEASIBLE ALTERNATIVES

FEASIBLE ALTERNATIVE SOLUTIONS

Our researches lead to 8 alternative solutions which can be divided into two main parts. Indeed, on the one hand we find the idea of limiting the number and requirements of environmental laws in order to avoid disputes without penalizing business aspects. On the other hand, we find the idea that environment is too big an issue to be second in our world and that disputes resolution will come from a better compliance from companies to laws and regulations.

We will now develop more on each of the 8 alternatives.

1) Make environmental laws easier to comply to

Laws regarding the environment can sometimes be difficult to accept and adopt for companies. They might change all their business model or be too costly to implement. Then we easily understand the disputes that can emerge between companies that cannot afford complying to laws

and law-makers that try to enforce such laws. “Indeed, statute law has to accommodate the hard cases by predicting them in advance, and that is why it can be so hard to make and why it ends up so complex. The legislation must not just do the job in theory: it must work in practice”¹³. Then an alternative would then be to design environmental laws which would be less demanding and that would not be too hard for companies to comply with.

2) Avoid such a complex legislative system in the European Union and States

European Union legislative system is quite complex in itself, but then States can also adopt or enforce laws at their own, which makes the situation highly complicated for companies that try to work in different European countries.

Indeed, the 28 countries of the European Union have a large set of legislative opportunities depending on whether the legislative act should be constraining (for all or several countries), an objective in a near future, or even just a goal to achieve but without any date nor path to go there. All those legislations available at the European Union level are called Regulations, Directives, Decisions, Recommendations and Opinions¹⁴.

As a consequence, not all European States have the same legislation and laws, which makes business complicated. A quick example can be the famous French sport retailer Décathlon, which opened stores in most of the European countries. For instance, depending on the country where it is, Décathlon can or cannot give plastic bags to customers, sometimes is asked to sell reusable bags and sometimes is not.¹⁵ Dealing with only one problem of that kind would not be an issue, but when Decathlon opens stores in a new European country a huge number of considerations are to take into account which make it difficult to drive the business efficiently.

Eventually, exceptions are sometimes authorized, like for Poland which pollutes a lot¹⁶ but does not pay fines on it, which create disputes within Europe and an inefficient model to fight against pollution and non-compliance to environmental laws from companies.

Consequently, it could be interesting to decomplexify the European Union legislation system to avoid disputes.

13 Richard Heaton (2015). Making the law easier for users, the case of statute.

Retrieved from <https://www.gov.uk/government/speeches/making-the-law-easier-for-users-the-role-of-statutes--2>

14 Regulations, Directives and other acts. Retrieved from https://europa.eu/european-union/eu-law/legal-acts_en

15 Euronews. (2016). France bans plastic bags, what about the rest of the EU? Retrieved from <https://www.euronews.com/2016/06/30/france-bans-plastic-bags-what-about-the-rest-of-the-eu>

16 Client Earth. (2018). La Pologne enfreint les lois européennes sur la pollution de l’air avec des niveaux illégaux de PM10. Retrieved from <https://www.fr.clientearth.org/la-pologne-enfreint-les-lois-europeennes-sur-la-pollution-de-lair-avec-des-niveaux-illegaux-de-pm10/>

3) Make public interest lobbying weaker

Even if “corporate lobbying is 10 times more important in Brussels than public interest lobbying”¹⁷, governments often give a better attention to the public opinion. That obviously come from the democratic system which gives more right to citizens. Although, the problem is “that those citizens also do not have one voice nor expectation”¹⁸ and when one wants a job another one claims more protection of the environment. Then it makes it very hard for law-makers to hear all voices and to satisfy all. Moreover, public in the European Union have different cultures and do not react the same way to global warming. Overall, Western Europe countries are much more willing to enforce constraining environmental laws than Eastern Europe countries. Then, one alternative could be to focus more on business objective and avoid listening too much the discordant voices of the public regarding the environment.

4) Implement a better CSR in firms

Corporate Social Responsibility is increasingly important in companies, worldwide but within Europe in particular¹⁹. More and more actions are taken from companies to show their willingness to contribute positively to their environment and to limit the negative consequences of their actions. Some people state that CSR is “no more than a communication campaign”²⁰ but it is interesting to notice that some companies really put the environmental issues at the heart of their actions²¹. As an example, we can cite the world food company Danone, which motto now is “One Planet, One Health”²². Unfortunately, number of companies still do not enhance enough their CSR policies and prefer to preserve their cashflow. Although, a better brand image could solve help solving some disputes or at least be a better business driver. We have seen that after the 2015 Volkswagen scandal, when the company started putting more money in CSR policies and now sells more car than ever.

5) Implement higher fines and sanctions when non-compliance

Two alternatives can be determined within this financial part. First, we could recommend enforcing higher sanctions when non-compliance to environmental laws²³. At the moment

17 R. Kaske, W. Muhm (2015) Lobbying in Brussels

Retrieved from

https://media.arbeiterkammer.at/wien/PDF/Publikationen/Lobbying_in_Brussels_092015_englisch.pdf

18 R. Kaske, W. Muhm (2015) Lobbying in Brussels

Retrieved from

https://media.arbeiterkammer.at/wien/PDF/Publikationen/Lobbying_in_Brussels_092015_englisch.pdf

19 V. [Kasturi Rangan](#), [Lisa Chase](#), [Sohel Karim](#) (2015). The truth about CSR. Retrieved from

<https://hbr.org/2015/01/the-truth-about-csr>

20 V. [Kasturi Rangan](#), [Lisa Chase](#), [Sohel Karim](#) (2015). The truth about CSR. Retrieved from

<https://hbr.org/2015/01/the-truth-about-csr>

21 Danone (2017). Integrated annual report. Retrieved from <http://iar2017.danone.com/>

22 Danone (2017). Integrated annual report. Retrieved from <http://iar2017.danone.com/>

23 Mandard (2018). Pollution : un géant des mers pour la première fois devant la justice.

sanctions are already determined but law-makers or judge could try to determine sanctions that would make non-compliance totally unworthy. If we use the Volkswagen example once again, the astronomical sanction given to German car manufacturer from American judges²⁴ let us believe that no car manufacturer will try to fool the authorities once again.

On the other hand, we could also imagine some kind of financial aid (tax cuts)²⁵ to companies that really show great motivation to respect environmental laws and even push further. This idea has not been expressed yet and would be really difficult to implement and control but would also be a good asset for companies that want to do more for the environment. Positive finance is often more relevant than negative one, since it not only enforces companies to comply with the law but also pushes those same companies to do more and to always be more efficient.

Eventually, the financial dimension can be a nice alternative to dispute resolution since it touches directly the core business of companies and their cashflow.

6) Implement a “firm compliance ranking” or standard

This alternative follows a bit the previous one in the sense that it analyzes companies and their implication regarding the environment. The idea here would be to create a ranking of companies and their policies, attitude and impact over the environment. Such a ranking could be divided between market sectors, competitors, countries and many other ways. That could give customers a better view on companies and lead them to understand what they relate to.

Although, there is the same issue here as in the 5th alternative: control. How can organizations be controlled? on which aspects and by whom?

Another possibility would be to create a standard or a scale, which could be easier to implement than a ranking. The scale could be similar to the financial notations given by Moody's or Standard and Poor's with marks going from AAA to C²⁶. Directly related to companies' CSR, this standard could be a huge asset in communication for firms and a useful alternative to environmental disputes, since companies will not want a bad mark. We see that alternatives 5 and 6 are closely related since a C given in this standard could lead to financial sanctions as explained in a previous alternative.

Retrieved from : https://www.lemonde.fr/pollution/article/2018/10/05/pollution-un-geant-des-mers-pour-la-premiere-fois-devant-la-justice_5365265_1652666.html?

24 Russell Hotten (2015). Volkswagen: The scandal explained. Retrieved from <https://www.bbc.com/news/business-34324772>

25 HG. Org (2017). Environmental laws- Environmental and natural resources laws. Retrieved from <https://www.hg.org/environ.html>

26 Moody's (2018). Rating symbols and definition. Retrieved from HG. Org (2017). Environmental laws- Environmental and natural resources laws.

7) Push to make the decision taken at EU level global

That is a complicated alternative to enforce. Indeed, European Union countries already do not all want to enforce the same environmental laws, thus pushing towards a better worldwide compliance is highly complex. Moreover many developing countries judge that “the environment comes second to financial development”²⁷ or cannot afford deciding such laws. Although, this alternative could be very interesting since, from a business perspective, environmental laws are often very expensive to enforce for companies and imbalance competition with companies that do not have to comply with them.

A genuine example here is the decision of the United States (and of Brazil soon?) to step out of the Paris agreement²⁸, which was the first global agreement regarding the environment and could have solved disputes by making it economically irrelevant to violate environmental laws.

8) Make business revenue second to environment

This alternative is once again a mix of several others but also bring new notions. Indeed, more and more economists say that it would be more relevant to switch from GDP to more complete indicators, such as the Gross Environmental Sustainable Development Index (GESDI)²⁹ for instance. Then why not taking more into account the environmental impact of firms than their revenue, which has nothing in common with the environment and can turn a blind to it. This notion has been developed by Global Community Assessment Centre and is an extreme version of CSR. Although it is a complicated alternative because not so many companies, if any, are ready to let their cashflow come after philosophical ideas regarding global warming and environment. Moreover, from a financial market point of view, shareholders often do not care about the values of the companies they invest in, while their return on investment and dividends are at the heart of their analyses.

STEP 3: SELECTION OF CRITERIA

In this step we will try to determine the more relevant criteria to analyze our feasible alternatives³⁰. We have defined about 10 criteria which are listed below. Those criteria can be gathered into three main groups: those regarding the companies, those regarding the law-makers and those regarding

27 S Li, J Zhang, Y Ma (2015). Financial development, environmental quality and economic growth. Retrieved from <file:///Users/julienpoivet/Downloads/sustainability-07-09395.pdf>

28 Le Monde (2017). Donald Trump annonce le retrait des Etats-Unis de l'accord de Paris. Retrieved from https://www.lemonde.fr/donald-trump/article/2017/06/01/climat-donald-trump-annonce-le-retrait-des-etats-unis-de-l-accord-de-paris_5137402_4853715.html

29 Measurement of sustainable development. (2004). Retrieved from <http://globalcommunitywebnet.com/globalcommunity/measurementofsd.htm#AF>

30 Michigan.gov (2013). Select Evaluation criteria. Retrieved from https://www.michigan.gov/documents/9-pub207_60744_7.pdf

the citizens. It has been possible to define those criteria thanks to three main documents, which are the Paris Agreement³¹, the EU Climate Action³² and an article regarding global warming³³. Each one of those reference gave some criteria or insights linked to our topic and we selected the most critical one for our analysis.

- a) Non-prohibitive cost for implementation of regulation for companies
- b) Low impact on prices within the EU
- c) Cost of dispute resolution for non-compliance is prescriptive
- d) Easiness of implementation for companies
- e) Positive impact on European business development
- f) Feasibility at EU level
- g) Low cost of implementation for policy-makers
- h) Answer to citizens' demand for a wiser fight against global warming
- i) High global environmental positive impact
- j) High local environmental positive impact

STEP 4: DEVELOPMENT OF THE OUTCOMES OF EACH ALTERNATIVES

In this step, we will compare our alternatives to the selected criteria using a compensatory scoring model. This will enable us to narrow down our research and the number of alternatives that we will study.

31 Convention cadre sur les changements climatiques. (2015). Nations Unies. Retrived from : <https://unfccc.int/resource/docs/2015/cop21/fre/109f.pdf>

32 EU climate action. (2018). European Commission. Retrieved from : https://ec.europa.eu/clima/citizens/eu_en

33 Global Warming (2016). IndiaCelebrating.com. Retrieved from: <https://www.indiacelebrating.com/environmental-issues/global-warming/>

	Easier laws to comply to	Avoid such a complex legislative system in the European Union and States	Make public lobbying weaker	Implement better CSR in firms	Implement higher fines and sanctions when non-compliance, or financial aid	implement a firm compliance ranking or standard	Push to make the decision taken at EU level global	Make business revenue second to environment
Non-prohibitive cost for implementation of	3	2	3	2	1	3	3	2
Low impact on prices within the EU	3	3	2	1	1	3	3	1
Cost of dispute resolution for non-compliance is	1	2	1	3	3	2	1	2
Easiness of implementation for companies	3	3	2	1	1	2	2	1
Positive impact on European business development	3	2	1	2	1	2	3	1
Feasibility at EU level	2	2	2	2	3	3	2	2
Low cost of implementation for policy makers	3	1	2	3	2	2	2	3
Answer to citizens' demand for a wiser fight	1	1	1	3	2	3	3	3
High global environmental positive impact	1	2	1	3	1	2	3	2
High local environmental positive impact.	1	1	1	2	2	3	1	3
	21	19	16	22	17	25	23	20

Table 1: Scoring model: Multi-Attribute Decision making → Compensatory mode³⁴

This quick analysis leads us to delete two alternatives, which received scores way under the others. One of these alternatives is “make public interest lobbying weaker” and the other one is “implement higher fines and sanctions when non-compliance”. Indeed, this first analysis showed that the “make public interest lobbying weaker” would have a very low effect on almost all the scoring criteria that we have determined. In particular, that alternative would not help solving the pollution issue, nor would it be interesting from a business perspective. Thus, we will not study this alternative any further.

The other alternative that we will delete from further analysis seems more surprising. Although, we can see that this alternative has a very bad impact the business part of our analysis and does not deliver very good benefits from an environmental point of view. Eventually, this alternative would be feasible from a European Union point of view, but it does not answer all the citizens’ appeal for a better environmental positive action. Then, this first table revealed that implementing higher fines when non-compliance to environmental laws is not an acceptable answer to the problem.

On the other side of the ranking range, “implementing a firm compliance ranking or standard” seems to be a very good alternative. Although, we decided to go further into the analysis using the non-dimensional data technique to have even more accurate results.

34 By Author

STEP 5: ANALYSIS AND COMPARISON OF THE ALTERNATIVE

This 5th step is key to our analysis because it focuses on comparing further the six feasible alternatives that we have developed earlier. In order to do so, we first performed a pair-wise comparison of attributes, then we ranked order alternatives based on attributes. In the 6th step we will show the results observed using the non-dimensional data technique.

a) Pair-wise comparison of attributes

The aim in this part is to compare all the criteria that we decided to use and to determine a rank that depends on the impact of each criterion. Thus, we used the table shown below in which the most important criterion gets a “1” while the worst criterion of the pair-wise comparison gets a “0”. Then we get a sum for each criterion and the lower the sum, the worse the rank. Although, in order to make it relevant to our analysis, the best criterion is ranked 6th while the worst criterion gets the 1st rank.

Eventually, when two criteria receive the same number of points, we differentiate them in the ranking based on their pair-wise comparison.

	Non-prohibitive cost for implementation of regulation for companies	low impact on prices within the EU	Cost of dispute resolution for non-compliance is prescriptive	Easiness of implementation for companies	Positive impact on European business development	Feasibility at EU level	Low cost of implementation for policy makers	Answer to citizens' demand for a wiser fight against global	High global environmental positive impact	High local environmental positive impact.	Sum	RANK
Non-prohibitive cost for implementation of	x	0	0	1	0	0	1	0	1	0	3	4
Low impact on prices within the EU	1	x	0	1	0	1	1	0	1	0	5	6
Cost of dispute resolution for non-compliance is	1	1	x	1	0	1	1	1	1	1	8	9
Easiness of implementation for companies	0	0	0	x	0	0	1	0	0	0	1	2
Positive impact on European business development	1	1	1	1	x	1	1	1	1	1	9	10
Feasibility at EU level	1	0	0	1	0	x	1	0	1	0	4	5
Low cost of implementation for policy makers	0	0	0	0	0	0	x	0	0	0	0	1
Answer to citizens' demand for a wiser fight	1	1	0	1	0	1	1	x	1	1	7	8
High global environmental positive impact	0	0	0	1	0	0	1	0	x	0	2	3
High local environmental positive impact.	1	1	0	1	0	1	1	0	1	x	6	7

Table 2: pair-wise comparison of attributes³⁵

b) Rank order alternatives based on attributes

Then we ranked feasible alternatives based on each criterion. Once again, the best option receives the mark of 6 while the worst gets a 1.

We can observe that ranking is really different depending on criteria that we work on. Indeed, it is interesting to see that the “easier laws to comply to” alternative is the best when dealing with “non-prohibitive cost for implementation of regulation for companies” but receives the worst mark when it comes to the environmental impact.

³⁵ By Author

	6 >	5 >	4 >	3 >	2 >	1
Non-prohibitive cost for implementation of regulation for companies	Easier laws to comply to	Push to make the decision taken at EU level global	implement a firm compliance ranking or standard	Avoid such a complex legislative system in the European Union and States	Implement better CSR in firms	Make business revenue second to environment
Low impact on prices within the EU	Easier laws to comply to	implement a firm compliance ranking or standard	Push to make the decision taken at EU level global	Avoid such a complex legislative system in the European Union and States	Make business revenue second to environment	Implement better CSR in firms
Cost of dispute resolution for non-compliance is prescriptive	Implement better CSR in firms	implement a firm compliance ranking or standard	Avoid such a complex legislative system in the European Union and States	Make business revenue second to environment	Push to make the decision taken at EU level global	Easier laws to comply to
Easiness of implementation for companies	Avoid such a complex legislative system in the European Union and States	Easier laws to comply to	Push to make the decision taken at EU level global	implement a firm compliance ranking or standard	Implement better CSR in firms	Make business revenue second to environment
Positive impact on European business development	Easier laws to comply to	Push to make the decision taken at EU level global	Implement better CSR in firms	Avoid such a complex legislative system in the European Union and States	implement a firm compliance ranking or standard	Make business revenue second to environment
Feasability at EU level	implement a firm compliance ranking or standard	Implement better CSR in firms	Push to make the decision taken at EU level global	Easier laws to comply to	Make business revenue second to environment	Avoid such a complex legislative system in the European Union and States
Low cost of implementation for policy makers	Implement better CSR in firms	Make business revenue second to environment	Push to make the decision taken at EU level global	Easier laws to comply to	implement a firm compliance ranking or standard	Avoid such a complex legislative system in the European Union and States
Answer to citizens' demand for a wiser fight against global warming	Push to make the decision taken at EU level global	Make business revenue second to environment	Implement better CSR in firms	Push to make the decision taken at EU level global	Avoid such a complex legislative system in the European Union and States	Easier laws to comply to
High global environmental positive impact	Push to make the decision taken at EU level global	Implement better CSR in firms	Make business revenue second to environment	implement a firm compliance ranking or standard	Avoid such a complex legislative system in the European Union and States	Easier laws to comply to
High local environmental positive impact.	Make business revenue second to environment	implement a firm compliance ranking or standard	Implement better CSR in firms	Push to make the decision taken at EU level global	Avoid such a complex legislative system in the European Union and States	Easier laws to comply to

Table 3: Rank order alternatives based on attributes³⁶

c) *Determine dimensionless value*

The last task of this step was to determine the dimensionless value of each alternative depending on their ranking for each criterion and depending on the ranking of criteria themselves. The formula is quite simple here:

$$\text{Dimensionless value} = \frac{\text{Attribute value} - \text{Worst case}}{\text{Best case} - \text{Worst case}}$$

For instance, the dimensionless value of “Implement better CSR in firms” within the *Cost for company* criterion is:

$$\text{Dimensionless value} = \frac{2 - 1}{6 - 1} = \frac{1}{5} = 0,2$$

³⁶ By Author

		Value	Dimosionless value
Non-prohibitive cost for implementation of regulation for companies	Easier laws to comply to	6	1
	Avoid such a complex legislative system in the European Union and States	3	0,4
	Implement better CSR in firms	2	0,2
	implement a firm compliance ranking or standard	4	0,6
	Push to make the decision taken at EU level global	5	0,8
	Make business revenue second to environment	1	0
Low impact on prices within the EU	Easier laws to comply to	6	1
	Avoid such a complex legislative system in the European Union and States	3	0,4
	Implement better CSR in firms	1	0
	implement a firm compliance ranking or standard	5	0,8
	Push to make the decision taken at EU level global	4	0,6
	Make business revenue second to environment	2	0,2
Cost of dispute resolution for non-compliance is prescriptive	Easier laws to comply to	1	0
	Avoid such a complex legislative system in the European Union and States	4	0,6
	Implement better CSR in firms	6	1
	implement a firm compliance ranking or standard	5	0,8
	Push to make the decision taken at EU level global	2	0,2
	Make business revenue second to environment	3	0,4
Easiness of implementation for companies	Easier laws to comply to	5	0,8
	Avoid such a complex legislative system in the European Union and States	6	1
	Implement better CSR in firms	2	0,2
	implement a firm compliance ranking or standard	3	0,4
	Push to make the decision taken at EU level global	4	0,6
	Make business revenue second to environment	1	0
Positive impact on European business development	Easier laws to comply to	6	1
	Avoid such a complex legislative system in the European Union and States	3	0,4
	Implement better CSR in firms	4	0,6
	implement a firm compliance ranking or standard	2	0,2
	Push to make the decision taken at EU level global	5	0,8
	Make business revenue second to environment	1	0
Feasability at EU level	Easier laws to comply to	3	0,4
	Avoid such a complex legislative system in the European Union and States	1	0
	Implement better CSR in firms	5	0,8
	implement a firm compliance ranking or standard	6	1
	Push to make the decision taken at EU level global	4	0,6
	Make business revenue second to environment	2	0,2

Low cost of implementation for policy makers	Easier laws to comply to	3	0,4
	Avoid such a complex legislative system in the European Union and States	1	0
	Implement better CSR in firms	6	1
	implement a firm compliance ranking or standard	2	0,2
	Push to make the decision taken at EU level global	4	0,6
	Make business revenue second to environment	5	0,8
Answer to citizens' demand for a wiser fight against global warming	Easier laws to comply to	1	0
	Avoid such a complex legislative system in the European Union and States	2	0,2
	Implement better CSR in firms	4	0,6
	implement a firm compliance ranking or standard	3	0,4
	Push to make the decision taken at EU level global	6	1
	Make business revenue second to environment	5	0,8
High global environmental positive impact	Easier laws to comply to	1	0
	Avoid such a complex legislative system in the European Union and States	2	0,2
	Implement better CSR in firms	5	0,8
	implement a firm compliance ranking or standard	3	0,4
	Push to make the decision taken at EU level global	6	1
	Make business revenue second to environment	4	0,6
High local environmental positive impact.	Easier laws to comply to	1	0
	Avoid such a complex legislative system in the European Union and States	2	0,2
	Implement better CSR in firms	4	0,6
	implement a firm compliance ranking or standard	5	0,8
	Push to make the decision taken at EU level global	3	0,4
	Make business revenue second to environment	6	1

Table 4: Determine dimensionless value³⁷

STEP 6: SELECTION OF THE PREFERRED ALTERNATIVE

The aim of this sixth alternative is to determine the very best of all alternatives. The non-dimensionless data technique used below is a useful tool that gives us a reliable result by combining several other results.

Based on the result of this tables, we can say that the best way to have companies complying with environmental laws in the European Union is to make those laws more global. Indeed, it is not so much that companies are reluctant to respect laws than they need to be competitive on a worldwide scale. When facing American companies or Asian companies that produce or do business in areas where environmental awareness is lower, European Union companies sometimes decide that overruling laws of the area is the only way to remain competitive.

It is then the aim of the European Union itself to fight in order to impose its laws on a global scale and to raise everyone's awareness considering global warming.

Two other feasible and highly encouraging alternatives emerged from this analysis. The first one is still from the law-makers responsibility and would require them to create a standard or ranking showing the best practices and the companies that are the most evolved in change. This

³⁷ By Author

alternatives matches both the consumers' willingness to be more informed and the business attractiveness since it does not enforce anything. The last alternative that this analysis highly recommend is for companies to put more money on CSR policies that will help them fulfilling their environmental duty along with satisfying citizens' demands. The particularity of those two alternatives is that they both are really easy to implement and support from the European Union perspective.

Eventually, we determined that three other alternatives are either not efficient enough or not applicable and that we as citizens, as businessmen should not spend too much time on them.

Attribute	Step 1	Step 2			Easier laws to comply		Avoid such a complex		Implement better CSR in		implement a firm		Push to make the		Make business revenue	
	Relative Rank	Normalized Weight (A)			(B)	(AxB)	(B)	(AxB)	(B)	(AxB)	(B)	(AxB)	(B)	(AxB)	(B)	(AxB)
Non-prohibitive cost for implementation of	4	4/55	=	0,07	1	0,07	0,4	0,03	0,2	0,01	0,6	0,04	0,8	0,06	0	0,00
Low impact on prices within the EU	6	6/55	=	0,11	1	0,11	0,4	0,04	0	0,00	0,8	0,09	0,6	0,07	0,2	0,02
Cost of dispute resolution for non-compliance is	9	9/55	=	0,16	0	0,00	0,6	0,10	1	0,16	0,8	0,13	0,2	0,03	0,4	0,07
Easiness of implementation for companies	2	2/55	=	0,04	0,8	0,03	1	0,04	0,2	0,01	0,4	0,01	0,6	0,02	0	0,00
Positive impact on European business development	10	2/11	=	0,18	1	0,18	0,4	0,07	0,6	0,11	0,2	0,04	0,8	0,15	0	0,00
Feasibility at EU level	5	1/11	=	0,09	0,4	0,04	0	0,00	0,8	0,07	1	0,09	0,6	0,05	0,2	0,02
Low cost of implementation for policy makers	1	1/55	=	0,02	0,4	0,01	0	0,00	1	0,02	0,2	0,00	0,6	0,01	0,8	0,01
Answer to citizens' demand for a wiser fight	8	8/55	=	0,15	0	0,00	0,2	0,03	0,6	0,09	0,4	0,06	1	0,15	0,8	0,12
High global environmental positive impact	3	3/55	=	0,05	0	0,00	0,2	0,01	0,8	0,04	0,4	0,02	1	0,05	0,6	0,03
High local environmental positive impact.	7	7/55	=	0,13	0	0,00	0,2	0,03	0,6	0,08	0,8	0,10	0,4	0,05	1	0,13
	55			Sum	1	Sum 0,436	Sum 0,345	Sum 0,593	Sum 0,589	Sum 0,640	Sum 0,396					

Table 5: The non-dimensionless data technique³⁸

STEP 7: PERFORMANCE, MONITORING AND POST-EVALUATION OF RESULTS

The best alternative that we have determined is very complicated to monitor and assess. The two alternatives ranked second and third also present complexity but in a lower degree.

In general, it is all the complexity of environmental laws and compliance to them, since it used to be and most of the time still is more a humanitarian and generational issue than a business problem. As a consequence, on a day to day basis, fulfilling those laws or even going further as we advised involves greater costs, a new way of running the business and is then one more complexity in workers' minds.

Dealing with this fact, European Union deciders like Presidents, Prime Ministers, Parliament members and Commission members need to enforce greater laws and to constrain companies to respect them. They also need to demonstrate the interest of those laws during summits like the COP 24 which is a huge opportunity to solve issues, or at least to find solutions together to solve them.

Eventually, this paper helped us demonstrate that environmental issues are incredibly complex and that there is a need for global laws to be implemented if we want companies to be eager to respect environmental laws.

³⁸ By Author

CONCLUSION

Our analysis showed us that, if several factors can be found to explain why some companies are reluctant to comply to environmental laws in the European Union, solutions can also be brought to the public, companies and decision-makers' minds. In particular the European Union itself should push towards better integration and development of those environmental laws globally, since global warming is a humankind issue and cannot be solved by the 28 countries of the European Union alone. But companies that do not respect environmental laws in the European Union are also reprehensible in the fact that they should aim at being examples for others and citizens. There is a desperate need for action now and the COP 24 which is a good opportunity to engage further to save the planet. One important notion to extract from this paper is that the answer to non-compliance to environmental laws in the European Union is not to be searched at the local legislative level, nor can it be found in a more either permissive or tougher system. Issues are now too global, public awareness is too high to believe that such systems can still be efficient. Companies, countries, citizens all have a part of responsibility along with their needs and must match those with the global warming problem.

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About the Author



Julien POIVET

Paris, France



Julien Poivet is a French Student in Project Management at the French Business School SKEMA Business School. After being brought up in Reunion Island, a French Island in the Indian Ocean, Julien had the opportunity to join SKEMA Business School which enabled him to go and study in France (Lille, Paris), the United States (North Carolina State University, Raleigh, NC), Canada (University of Victoria, BC) and Brazil (Fundacao Dom Cabral, Belo Horizonte).

Project Management has been an easy choice for him since Julien has always been interested in the global overview Project Management offers on project. That is why he decided to join SKEMA Business School's MSc in Project and Programme Management and Business Development that he followed in 2018. This choice resulted in an interesting education which matched with Julien's appeal and expectation and will lead him to become an efficient Project Manager.

After a first six-month internship in Project Management at Décathlon, the French sports goods retailer, Julien joined Veolia Environnement in January 2018 for a six months internship as assistant to project manager. He has always presented a real interest in environmental issues and this paper has a logical link with both Julien's internship at Veolia Environnement and his desire for future jobs.

Throughout his education, Julien enhanced several qualities as team spirit, autonomy and leadership and also acquired the skills necessary to start a proficient career in project management. Julien is now CAPM, Prince 2 and AgilePM certified.

Julien lives in Paris and can be contacted at julien.poivet@skema.edu. You can also access his LinkedIn profile by clicking on <https://www.linkedin.com/in/julienpoivet/>