The European Commission's strategy on Corporate Social Responsibility (CSR) 2011-2014: achievements, shortcomings and future challenges

Fields marked with * are mandatory.

1 Introduction - Background and explanatory remark

1. Purpose of this Public Consultation

The Commission launches this public consultation in order to receive feedback on the implementation of its most recent policy on Corporate Social Responsibility (CSR), which is outlined in the Communication "A renewed EU strategy 2011-14 for Corporate Social Responsibility" (COM(2011) 681).

The results of this public consultation will be summarised in a technical report and further inform the preparation of the plenary meeting of the multi-stakeholder forum on CSR, which is planned for November 2014. These two events will provide the most essential input for the Commission's work on the direction of its CSR policy after 2014.

2. Key elements of the CSR Communication (COM(2011) 681)

The Commission presented its current CSR strategy on 25 October 2011. At the center of this strategy stands the objective of helping enterprises achieve their full potential to create wealth, jobs and innovative solutions to the many challenges facing Europe's society. It sets out how enterprises can benefit from CSR as well as contribute to society as a whole by taking greater steps to meet their social responsibility.

The Commission's CSR strategy is built upon pertinent international CSR principles and guidelines, namely the ten principles of the UN Global Compact, ILO Tri-partite Declaration of Principles Concerning Multinational Enterprises and Social Policy, OECD Guidelines for Multinational Enterprises, ISO 26000 Guidance Standard on Social Responsibility and United Nations Guiding Principles on Business and Human Rights.

One of the key elements of the Commission's CSR Communication is a **modernised definition** of this concept, which should provide greater clarity for enterprises, and contribute to greater global consistency in the expectations on business, regardless of where they operate. The Commission defined CSR as "**the responsibility of enterprises for their impacts on society**".

Although there is no "one-size-fits-all" approach to CSR, and for most small and medium-sized enterprises the CSR process remains informal, complying with legislation is the basic requirement for an enterprise to meet its social responsibility. Beyond that, enterprises should, in the Commission's view, have a **process in place to integrate social, environmental, ethical human rights and consumer concerns into their business operations and core strategy in close cooperation with their stakeholders**. The aim is:

- •€€€ To maximise the creation of shared value, which means to create return on investment for the company's shareholders at the same time as ensuring benefits for the company's other stakeholders;
- •€€€ To identify, prevent and mitigate possible adverse impacts which enterprises may have on society.

The Commission's approach to CSR follows the assumption that the development of CSR should be led by enterprises themselves. Public authorities should play a supporting role through a smart mix of voluntary policy measures and, where necessary, complementary regulation, for example in the fields of transparency, the creation of market incentives and corporate accountability.

3. The Commission's agenda for action – what has been done

In the CSR Communication, the Commission put forward an action agenda for the period 2011-2014 covering 8 areas. The agenda for action and the Commission's related activities include:

- 1. Enhancing the visibility of CSR and disseminating good practices:
 - 1.1 In 2013, the European Commission organised the first European CSR awards;
 - 1.2 The Commission launched three projects for the establishment of sector-based multi-stakeholder platforms for enterprises and stakeholders to make commitments and jointly monitor progress (see the projects in the Fruit Juice, Machine tools and Social Housing sectors).
- 2. **Improving and tracking levels of trust** in business: the Commission published in 2013 a Eurobarometer survey on citizen trust in business.
- Improving self- and co-regulation processes: the Commission launched a Community of Practice platform to work with business and other organizations to develop a code of good practice to guide the development of future self- and co-regulation initiatives.
- 4. Enhancing market reward for CSR: the Commission revised its public procurement Directives to take better account of environmental and social concerns. The Commission also co-sponsored a project on building the capacity of the European investment community to use and integrate environmental, social and governance (ESG) information.
- Improving company disclosure of social and environmental information: the Commission revised the Accounting Directives on the disclosure of non-financial and diversity information by certain large companies and groups.
- 6. Further integrating CSR into **education**, **training and research**: the Commission sponsored for example a research project on Impact Measurement and Performance Analysis of CSR.
- 7. Emphasizing the **importance of national and sub-national CSR policies**: the Commission launched a CSR peer review process with EU Member States to facilitate the development and/or revision of their own plans for the promotion of CSR.
- 8. Better aligning European and global approaches to CSR:
 - 8.1. Focusing on internationally recognised CSR principles and guidelines: the Commission published a first monitoring report of the commitments of large European enterprises to take account of internationally recognized guidelines and principles.
 - 8.2. Implementing the UN Guiding Principles on Business and Human Rights: the Commission published guidance material for SMEs and three sectors.

8.3. Emphasising CSR in relations with other countries and regions in the world: as an example, CSR features more frequently on the agenda of political dialogues with third countries and trade negotiations (see for example the EU-South Korean Free Trade Agreement, Art. 13.6 (2) and Annex 13 1. (d)).

The full implementation table regarding the Commission's activities can be found here.

This public consultation aims in particular to receive feedback on the various activity streams in order to learn whether they were useful, successful or whether specific actions were missing. It also aims to receive input about what future challenges exist in CSR and what prospective activities might be required.

2 About the Respondent

2.1 Please indicate your full name:*

AFEP - Association Française des Entreprises Privées

2.2 Please provide your contact details (e-mail, phone no.)

Elisabeth Gambert, International Affairs & CSR Director, e.gambert@afep.com 0033143598514

- 2.3 Are you replying as:*
 - National authority (EU member state)
 - Regional authority (EU member state)
 - National authority (non-EU member state)
 - Industry association
 - Individual company (more than 250 employees)
 - Individual company (less than 250 employees)
 - International organisation
 - Civil Society representative
 - EU citizen
 - Other, please specify

2.4 Your country/ies - if responding on behalf of an organisation/association/authority, please specify all countries represented by your membership*

- Austria
- Belgium
- 🔲 Bulgaria
- 🔲 Croatia
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Greece
- Hungary
- Ireland
- Italy
- 🔲 Latvia
- 🔲 Lithuania
- Luxembourg
- Malta
- Netherlands
- Poland
- Portugal
- 🔲 Romania
- 🔲 Slovakia
- Slovenia
- Spain
- Sweden
- United Kingdom
- Other, please specify

2.5 How would you prefer your contribution to be published on the Commission website?*

• Under the name indicated (I consent to publication of all information in my contribution and I declare that none of it is under copyright restrictions that prevent publication)

Anonymously (I consent to publication of all information in my contribution except my name/the name of my organisation and I declare that none of it is under copyright restrictions that prevent publication)

Not at all - keep it confidential (The contribution will not be published, but will be used internally within the Commission)

3 The role of the Commission in CSR

3.1 Please indicate whether you think that the Commission should engage in a policy on CSR?

0 1

3.2 Please indicate whether you think that the Commission puts adequate emphasis on CSR?

(5 = highest, 1 = lowest indicator)

- 94
- 03
- 02
- 0 1

3.3 To date, who would you say have been the most important actors in promoting CSR?

Please choose maximum three answers

Private sector (Company, Social enterprise, Business Associations, Investment community)

- Public authorities (European, National, Regional, Local)
- International organisations
- Civil Society Organisations (CSO)
- Consumers (citizens)
- Business customers
- Academia (universities, including business schools, research organisations)
- Others, please specify

4 About the Commission's activities in CSR

4.1 How would you assess the overall impact of the Commission's policy on CSR?

- Very useful
- Useful
- Less useful
- Not useful
- Neutral

4.2 What would you say has been the **most important contribution** of the CSR Communication (COM(2011) 681)?

Please choose maximum three answers

- A new definition of CSR
- \fbox International leadership and setting of minimum expectations in CSR
- Emphasising the importance of CSR with companies and the society as a whole
- Mainstreaming CSR in a wide range of policies
- Enhancement of visibility (CSR awards, MSF platforms)
- Improving framework conditions (market incentives, e.g. public procurement)
- Image of the proposal for a Directive on the disclosure of non-financial and diversity information

by certain large companies and groups

- Publication of guiding material on CSR
- Other, please specify (maximum 100 characters)

4.3 In the 2011 CSR Communication (COM(2011) 681), the Commission outlined an agenda for action which includes eight priority work streams. Regarding the topics of this agenda for action, please asses s the activity streams according to importance:

	Very important	Important	Less important
1. Enhancing the visibility of CSR and disseminating good practices (see European CSR awards, multi-stakeholder platforms)	©	۲	©
2. Improving and tracking levels of trust in business	۲	۲	O
3. Improving self-and co-regulation processes	0	۲	0
4. Enhancing market reward for CSR:A. Consumption	0	۲	0
B. Public Procurement	۲	0	0
C. Investment	۲	0	0
5. Improving company disclosure of social and environmental information	0	۲	0
6. Further integrating CSR into education, training and research	۲	0	0
7. Emphasising the importance of national and sub-national CSR policies	0	۲	0
8. Better aligning European and global approaches to CSR:A. Focusing on internationally recognised CSR principles and guidelines	۲	ø	O
B. Implementing the UN Guiding Principles on Business and Human Rights	۲		O
C. Emphasising CSR in relations with other countries and regions in the world	۲	0	0

4.4 In the 2011 CSR Communication (COM(2011) 681), the Commission outlined an agenda for action which includes eight priority work streams.

Please indicate if you believe that the Commission was **successful with the implementation of these activities or not**.

	Very successful	Somewhat successful	Not successful	l don't know
1. Enhancing the visibility of CSR and disseminating good practices (see European CSR awards, multi-stakeholder platforms)	©	©	۲	0
2. Improving and tracking levels of trust in business	O	0	۲	O
3. Improving self-and co-regulation processes	O	۲	O	0
4. Enhancing market reward for CSR:A. Consumption	0	۲	©	0
B. Public Procurement	0	۲	0	0
C. Investment	0	0	0	۲
5. Improving company disclosure of social and environmental information	۲	O	O	O
6. Further integrating CSR into education, training and research	0	۲	0	©
7. Emphasising the importance of national and sub-national CSR policies	0	۲	O	O
8. Better aligning European and global approaches to CSR:A. Focusing on internationally recognised CSR principles and guidelines	۲	0	0	0
B. Implementing the UN Guiding Principles on Business and Human Rights	۲	O	O	۲
C. Emphasising CSR in relations with other countries and regions in the world	0	۲	0	0

4.4 Please specify why (1)*

Text of 1 to 100 characters will be accepted

CSR and good practices are still unsufficiently known beyond the circle of CSR specialists.

4.4 Please specify why (2)*

Text of 1 to 100 characters will be accepted

The 2013 Eurobarometer clearly shows an unsufficient level of trust in European companies.

- 4.5 Were there any shortcomings or activities missing in the agenda for action of the 2011 CSR Communication (COM(2011) 681)?
 - Yes (please specify)
 - No
 - I don't know

4.5 Please specify*

Text of 1 to 200 characters will be accepted

The World Bank has powerful means to spread CSR standards (e.g. the IFC's Performance Standards). The ongoing revision of public procurement procedures should be the occasion to reinforce cooperation

4.6 Outside the agenda for action, do you think CSR gave an **important impetus for other policy initiatives**? If so, which ones?

Country-by-country reporting/ disclosure requirements for the extractive industry and loggers of primary forests: Revision of the Accounting Directives (78/660/EEC and 83/349/EEC) and the Transparency Directive (2004/109/EC)

Proposal for a Regulation setting up a Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict affected and high-risk areas and Joint Communication on Responsible sourcing of minerals originating in conflict-affected and high-risk areas: Towards an integrated EU approach

Other, please specify

4.6 Other*

Text of 1 to 500 characters will be accepted

Timber Regulation (EU) No 995/2010 of 20 October 2010 to counter trade in illegally harvested timber and timber products; the FLEGT Action Plan to address illegal logging.

4.7 Do you think that there were other initiatives with an impact on CSR?

Yes (please specify)

No

I don't know

5 Future issues on CSR

5.1 What would you say should be the role of the Commission in CSR?

- International standard setting / leadership in CSR
- Raising the awareness and visibility of CSR
- Bringing stakeholders together around key CSR issues
- Supporting companies in implementing CSR
- The Commission should not be active in CSR at all
- Other, please specify

5.1 Other*

Text of 1 to 250 characters will be accepted

International leadership in CSR in order to have CSR requirements introduced or reinforced in third countries. International standards already exist and are sufficient. Additional standard setting is not required.

5.2 For the future EU policy on CSR, what would you suggest should be the main objectives?

Please rank your top-5 priorities (1 = highest, 5 = lowest)

	1	2	3	4	5
To achieve an international global level playing field, through e.g. third country cooperation, engagement in international fora etc.	۲	0	0	0	0
To raise the visibility and importance of CSR amongst all societal actors	0		0	۲	
To implement the UN Guiding Principles on business and human rights	0	0	۲	0	0
To support companies in adhering to CSR principles, e.g. through guiding material	۲	0	0	0	0
To promote transparency measures on CSR (e.g. reporting, sustainable responsible investment etc.)	0	0	0	0	0
To enhance market reward for CSR (e.g. through public procurement, investment or consumer policies)	0	۲	0	0	0
To work on better education on CSR (business schools, universities, etc.)	0				
To strengthen the cooperation with EU member states and regions on CSR	۲	۲	0	0	۲
Other, please specify	۲	۲	۲	۲	۲

5.3 What would you say are the main challenges for an EU policy on CSR in the future?

Text of 1 to 300 characters will be accepted

The main challenge for the EU policy on CSR is to create an International Fair Level Playing Field in order to avoid that responsible European companies are put at a disadvantage by third country competitors that are less respectful of social and environmental standards.

5.4 Please indicate whether you would say that CSR has an **important impact on the medium/long-term competitiveness of the EU economy**?

(5 = highest, 1 = lowest indicator)

\bigcirc	5	
٢	4	
۲	3	
\bigcirc	2	
\bigcirc	1	

5.5 Please indicate whether you would say that CSR has an **important impact on the sustainability of the EU economy as a whole**?

(5 = highest, 1 = lowest indicator)

5.6 Why would you say that CSR is important for companies?

Text of 1 to 400 characters will be accepted

CSR has become a part of companies' strategy, allowing for a better understanding of clients' and consumers' expectations, and providing society with sustainable responses to its needs. Social and environmental innovation opens new fields of development for companies. CSR contributes to the acceptability of business and to a company's licence to operate.

5.7 Why would you say that CSR is important for society?

Text of 1 to 400 characters will be accepted

CSR, based on stakeholder engagement, integrates social, environmental, ethical, human rights and consumer concerns into business operations, and therefore provides a response to the expectations of society. It aims at reducing negative impacts of business activities and at creating value for companies' stakeholders. As a result, CSR clearly benefits society and the environment.