CSR Policies in the EU-27: How Member States facilitate CSR

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www.sustainability.eu
www.sd-network.eu
1. Research behind this presentation
   RIMAS on CSR

2. Sustainable Development: The context of CSR Policies
   Conceptual clarifications

3. Characterising the CSR policy field
   Instruments and topics

4. Government initiatives on three topics in the EU-27
   Awareness raising, Sustainable Public Procurement (SPP) and
   Socially Responsible Investment (SRI)

5. Summary & conclusions
   CSR policies in the EU-27: instruments and levels of activity
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Recent research on CSR at RIMAS

- Sustainable development, stakeholder relation management and CSR
- Corporate Sustainability and CSR in Western and CEE Europe
- Agrobiodiversity and Stakeholder Management in the Seed Industry
- CSR Austria Guiding Model
- Analysis of National Policies on CSR for EU CSR High Level Group (DG Employment)

Summary: ESDN Quarterly Report June 2008 at www.sd-network.eu
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Sustainable Development

Corporate Sustainability

Economic dimension

Societal Concept

Corporate Concept

Management Approach

Management Systems

Starting Point of conceptual development
Stakeholder Relations Management (SRM)
Level of specification

Preliminary conclusions on CSR

„CSR is a business contribution to SD”
(European Commission 2001)

Since CSR re-defines state-business and business-society relations, shaping concept and activities also concerns governments and civil society

CSR policies are a new „government contribution to SD“ that complements (or compensates for the lack of) traditional social and environmental policies
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5. Summary & conclusions
   CSR policies in the EU-27: instruments and levels of activity
1. **Informational or endorsing instruments:**
   Campaigns, guidelines, trainings

2. **Partnering instruments:**
   Agreements, networks, PPPs, dialogues

3. **Financial or economic instruments:**
   Taxes, Subsidies, grants, prices/awards

4. **Legal (mandating) instruments:**
   Laws, regulations, decrees

5. **„Hybrid instruments“**
   Strategies, action plans, platforms, centres

- New governance and “soft-law approach”
- Regulatory approach
Character of CSR policy instruments

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   Campaigns, guidelines, trainings

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New governance and “soft-law approach”
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Key topics of CSR policies

Not traditional social and environmental regulations, but

- Raise awareness and build capacities for CSR
- Foster disclosure, transparency and stakeholder involvement
- Facilitate Socially Responsible Responsible Investment (SRI)
- Lead by example (or “walk the talk”) and provide incentives for CSR in applying SD principles to government activities, e.g. through
  - Sustainable Public Procurement
  - SRI in the public domain
  - Adopting social/environmental/SR management systems
  - SD/SR reporting
Not traditional social and environmental regulations, but

- **Raise awareness and build capacities for CSR**
- Foster disclosure, transparency and stakeholder involvement
- **Facilitate Socially Responsible Investment (SRI)**
- **Lead by example (or “walk the talk”) and provide incentives**
  for CSR in applying SD principles to government activities, e.g. through
  - **Sustainable Public Procurement**
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5. Summary & conclusions
   CSR policies in the EU-27: instruments and levels of activity
1. **Rationale**
   Companies do CSR only if they and their stakeholders are aware of the concept and respective opportunities

2. **Method**
   Telephone survey in August-October 2006
   24 interviews plus written information
   20 EU Member States covered

3. **Results**
   85 initiatives found
   3 case studies
Overview of CSR awareness raising instruments (85)

- **Education activities, e.g. conferences, seminars, trainings:** 17.7%
- **Government-sponsored guidelines:** 10.6%
- **Information resources, e.g. website, studies, reports etc.:** 10.6%
- **Information/awareness raising campaigns:** 9.4%
- **Networks/partnerships/ agreements:** 10.6%
- **Prices and awards (CSR audits/labels):** 8.2%
- **Multi-stakeholder fora:** 4.8%
- **Institutions: platforms/ centres:** 8.2%
- **Action plans/ programmes/strategy for CSR:** 9.4%
- **Economic incentives (loans, grants, subsidies):** 3.5%
- **Informational or endorsing instruments:**
  - Hybrid tools and others
  - Financial or economic instruments
  - Partnering instruments
- **Others:** 7.0%
3 case studies on CSR awareness raising

**Denmark:**
“People & Profit”
- Programme initiated in 2004
- Activities: research, training, dissemination of information
- Goal: enhance competitiveness (foster CSR as a business case)

**Netherlands:**
“Knowledge and Information Centre” on CSR since 2004
- Disseminate knowledge and good practices
- Promote stakeholder dialogues
- Foster partnerships

**Sweden:**
“Globalt Ansvar”
- Partnership for global responsibility
- Government invites companies to join the partnership by adopting the OECD guidelines and the UN Global Compact
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   CSR policies in the EU-27: instruments and levels of activity
1. **Rationale**
   By making public procurement more sustainable, governments lead by example and provide economic incentives for CSR

2. **Method**
   Telephone survey in March-April 2007
   24 interviews plus some written information
   26 EU Member States covered

3. **Results**
   103 government initiatives found
   3 case studies

**Sustainable Public Procurement (SPP)**
Overview of SPP initiatives (103)

- Action plans/programmes/strategies for CSR; 27.2%
- Laws; 25.2%
- Laws; 25.2%
- Informational instruments; 11.7%
- Information resources, e.g. websites, studies, reports, etc.; 11.7%
- Information/awareness raising campaigns; 1.9%
- Networks/partnerships/agreements; 1.0%
- Partnering instruments; 1.0%
- Informational instruments; 13.6%
- Government-sponsored guidelines; 3.9%
- Educational activities, e.g. conferences, seminars, trainings; 3.9%
- Hybrid instruments; 27.2%
- Platforms/centres/institutions; 5.8%
- Decrees, resolutions; 4.9%
- Circulars; 4.9%
EU Directives* on PP: Status of implementation

19: implemented

2 (Es, Lux): in preparation

1: not implemented

5: status unclear

* „Procurement directive“ 2004/18/EC
  „Utilities directive“ 2004/17/EC
Overview of SPP initiatives (103)

- **Hybrid instruments**: 27.2%
  - Action plans/programmes/strategies for CSR
  - Decrees, resolutions (4.9%)
  - Circulars (4.9%)
  - Platforms/centres/institutions (5.8%)

- **Informational instruments**: 13.6%
  - Government-sponsored guidelines
  - Information resources, e.g. websites, studies, reports, etc.

- **Partnering instruments**: 11.7%
  - Information/awareness raising campaigns
  - Networks/partnerships/agreements

- **Legal instruments**: 25.2%
  - Laws

- **Overview of SPP initiatives (103)**

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Steurer & Martinuzzi: CSR Policies in the EU-27

ESDN Conference 2008, 1 July
Member States with National Action Plans on SPP/GPP

9: NAP adopted
7: NAP in preparation/drafted
3: No (draft) NAP
8: Status unclear
Overview of SPP initiatives (103)

- Hybrid instruments: 27.2%
- Informational instruments: 13.6%
- Partnering instruments: 11.7%
- Legal instruments: 4.9%
- Economic/financial instruments are missing, but...

- Platforms/centres/institutions: 5.8%
- Action plans/programmes/strategies for CSR: 4.9%
- Decrees, resolutions: 4.9%
- Circulars: 4.9%
- Government-sponsored guidelines: 3.9%
- Information resources, e.g. websites, studies, reports, etc.: 11.7%
- Educational activities, e.g. conferences, seminars, trainings: 3.9%
- Information/awareness raising campaigns: 1.9%
- Laws: 25.2%
Overview of SPP initiatives (103)

Indirectly: All SPP initiatives foster CSR by providing economic/financial incentives

- Laws: 25.2%
- Decrees, resolutions: 4.9%
- Circulars: 4.9%
- Action plans, programmes, strategies for CSR: 27.2%
- Platforms, centres, institutions: 5.8%
- Informational instruments: 11.7%
- Information/awareness raising campaigns: 1.9%
- Networks, partnerships, agreements: 1.0%
- Information resources: 11.7%
- Government-sponsored guidelines: 13.6%
- Educational activities: 3.9%

Overview of SPP initiatives (103)
Steurer & Martinuzzi: CSR Policies in the EU

ESDN Conference 2008, 1 July

Three case studies on SPP

**France:** Legal Framework on SPP
- Public Procurement Contracts Code/PPCC
- Ordinance & decrees
- Circulars

**The UK:** Strategic Framework on SPP
- Sustainable Procurement Action Plan ("the UK aims to be a leader in SPP by 2009")
- Transforming Government Procurement (aims to build capacity and capability for SPP)

**Austria:** GPP Guidelines
- General Government Guidelines on GPP from 1998 (update from 2004 not adopted by government because of "unclear follow-up costs of GPP")
- "Check it" criteria catalogue for GPP
- "Greening events"
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1. **Rationale**
SRI is the application of CSR and SD principles in investment decisions - it embeds CSR in the functioning of shareholder capitalism

2. **Method**
Telephone survey in Nov 2007-Jan 2008
90 contacts and 24 EU MS reached

3. **Results**
14 initiatives found from 7 EU MS
Most of them briefly summarised (instead of case studies)
Overview of SRI initiatives (14)

- Informational instruments
  - Information resources, e.g. websites, studies, reports, etc. (2)
- Legal instruments
  - Laws (6)
- Financial or economic instruments
  - Tax incentives (3)
  - Economic incentives, e.g. loans, grants, subsidies, etc. (1)
- Hybrid instruments
  - Government-sponsored guidelines (1)

All SRI initiatives are economic incentives for CSR.
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Some figures on the CSR policies study

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<tr>
<td>HLG meetings attended</td>
<td>5 (since spring 2006)</td>
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<td>CO2 emissions caused</td>
<td>?</td>
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<td>Staff worked on studies</td>
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<td>Initiatives documented</td>
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<td>Types of initiatives</td>
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Overview of CSR policy instruments

- Informational instruments used most in context of CSR
- Indirectly, all SPP initiatives are about economic incentives for CSR
- Few partnering instruments despite voluntary character of CSR policies
- Legal, not mandating instruments
- Strategies, platforms, centres

Graph showing the percentage of different CSR policy instruments.
### Some figures on the CSR policies study

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<th>Category</th>
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<td>Survey contacts</td>
<td>&gt; 200</td>
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<td>Countries covered</td>
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CSR policy initiatives in 5 EU regions

European regions

- Scandinavian (n=4, DK, FI, NL, SE)
- Continental (n=5, AT, BE, DE, FR, LU)
- Anglo-Saxon (n=2, IE, UK)
- Mediterranean (n=6, CY, ES, GR, IT, MT, PT)
- Transitional (n=10, BG, CZ, EE, HU, LT, LV, PL, RO, SK, SI)
Number of CSR policy initiatives surveyed

- >10 initiatives
- 6-10 initiatives
- 1-5 initiatives
- not covered
Some figures on the CSR policies study conducted

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<tr>
<td>Institutional affiliations</td>
<td>7 different types of ministries</td>
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In the context of CSR, Economic Ministries more important than environmental ones.

Expertise on CSR policies mainly located in Social Ministries, and what about SD …?

Environment ministries are key players for SD, but not for CSR (except SPP theme).

Foreign Affairs, Environmental Agencies, Stakeholder groups (NCSDs).
Conclusions on CSR policies in Europe

1. **CSR policies are different to traditional policy fields** because they rely more on new governance and soft-law.

2. **Governments have many possibilities to promote CSR - proactively or passively**, depending on political ideologies and interests (change of course by the European Commission in 2005/2006!)

3. **CSR policies complement traditional policies**, i.e. they cannot replace social, environmental or trade regulations but they can fill public policy gaps (domestically & internationally).
THANK YOU!

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