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

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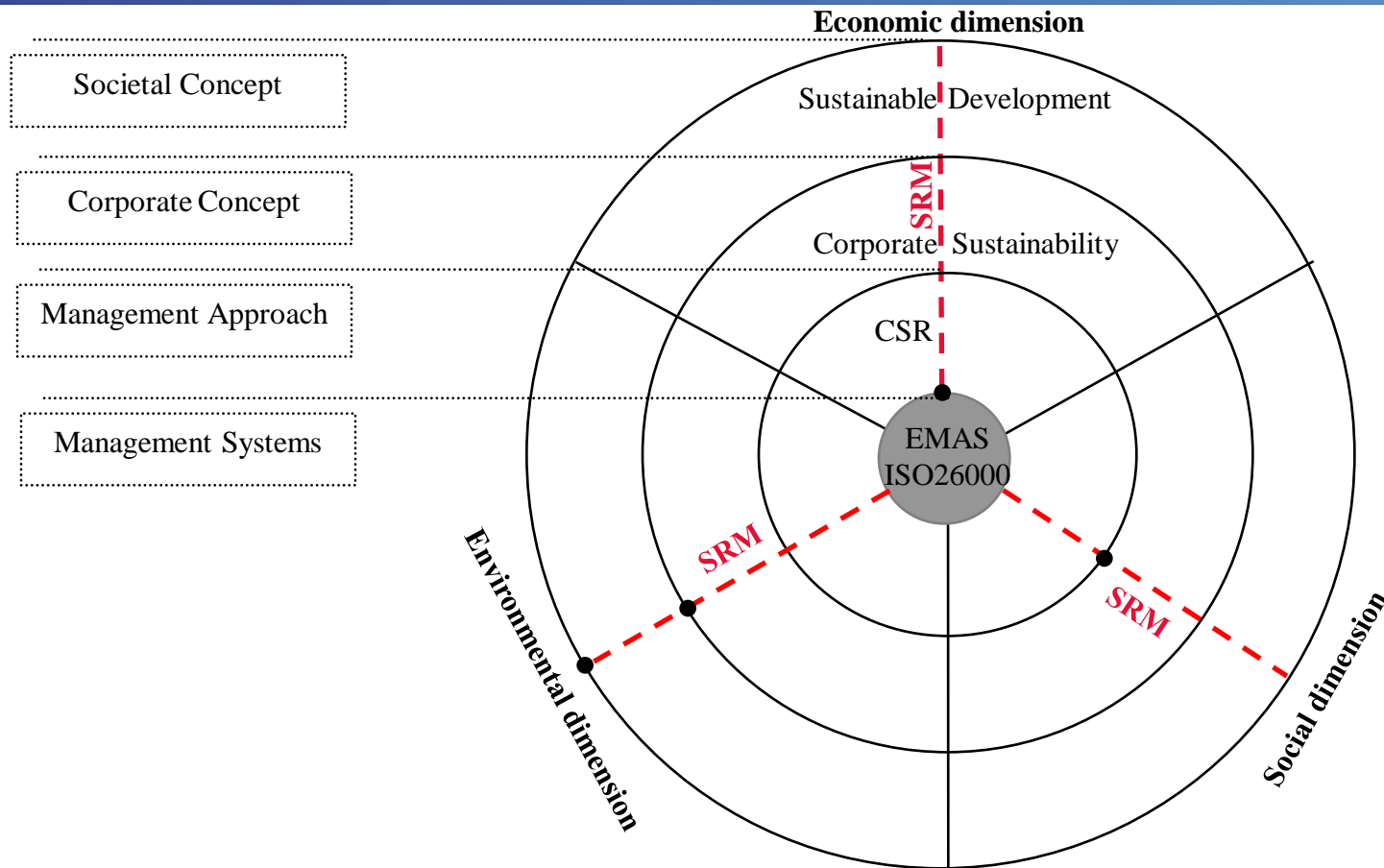Vienna University of Economics and Business Administration

www.sustainability.eu
www.sd-network.eu

Orientation

1. **Research behind this presentation**
   RIMAS on CSR

2. **Sustainable Develpoment: 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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Economic dimension

Sustainable Development

Corporate Sustainability

CSR

EMAS
ISO26000

SRM

SRM

SRM

Environmental dimension

Social dimension

Societal Concept

Corporate Concept

Management Approach
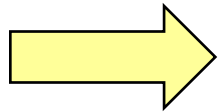
Management Systems

• Starting Point of conceptual development

---- Stakeholder Relations Management (SRM)

Level of specification

Source: Steurer, R et al (2005), Journal of Business Ethics, 61/3, 263-281.

Preliminary conclusions on CSR
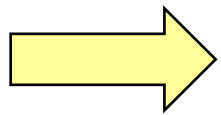
→ **„CSR is a business contribution to SD"**
(European Commission 2001)

→ **Since CSR re-defines state-business and business-society relations,** shaping concept and activities also concerns governments and civil society
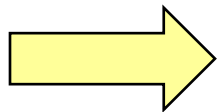
→ **CSR policies are a new „government contribution to SD"** that complements (or compensates for the lack of) traditional social and environmental policies

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Character of policy instruments in general

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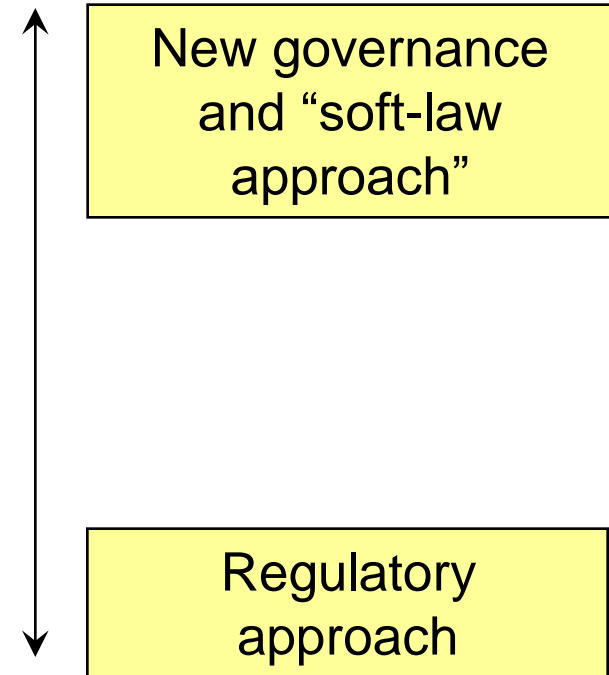
3. **Financial or economic instruments:**
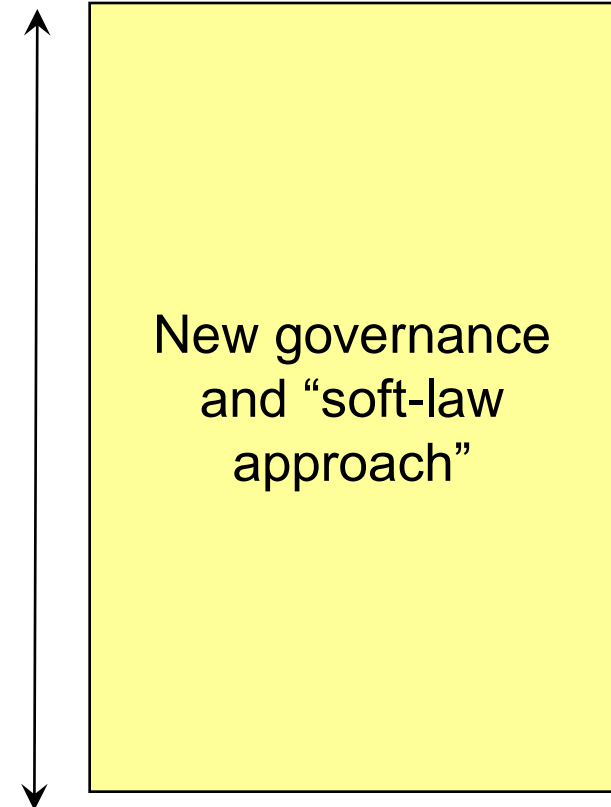   Taxes, Subsidies, grants, prices/awards

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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 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

Topics covered here (& in DG Employment study)

Not traditional social and environmental regulations, but

➢ **Raise awareness and build capacities for CSR**

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➢ **Facilitate Socially Responsible Investment (SRI)**

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CSR awareness raising initiatives

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
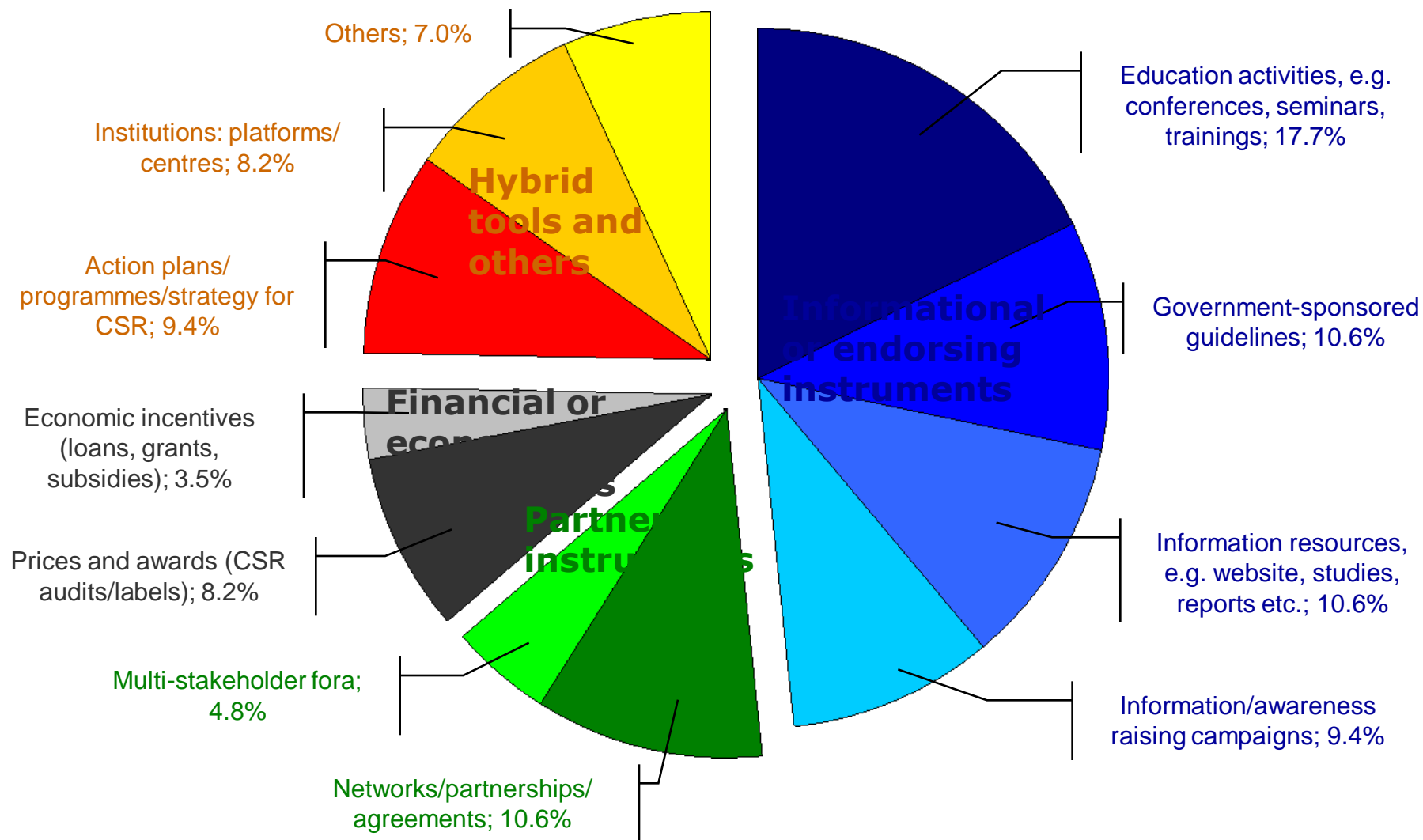   24 interviews plus written information
   20 EU Member States covered

3. **Results**
   85 initiatives found
   3 case studies

Overview of CSR awareness raising instruments (85)

- Others; 7.0%
- Institutions: platforms/ centres; 8.2%
- Action plans/ programmes/strategy for CSR; 9.4%
- Economic incentives (loans, grants, subsidies); 3.5%
- Prices and awards (CSR audits/labels); 8.2%
- Multi-stakeholder fora; 4.8%
- Networks/partnerships/ agreements; 10.6%
- 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%

Hybrid tools and others

Informational or endorsing instruments

Financial or econ...

Partner... instru...

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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Sustainable Public Procurement (SPP)

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
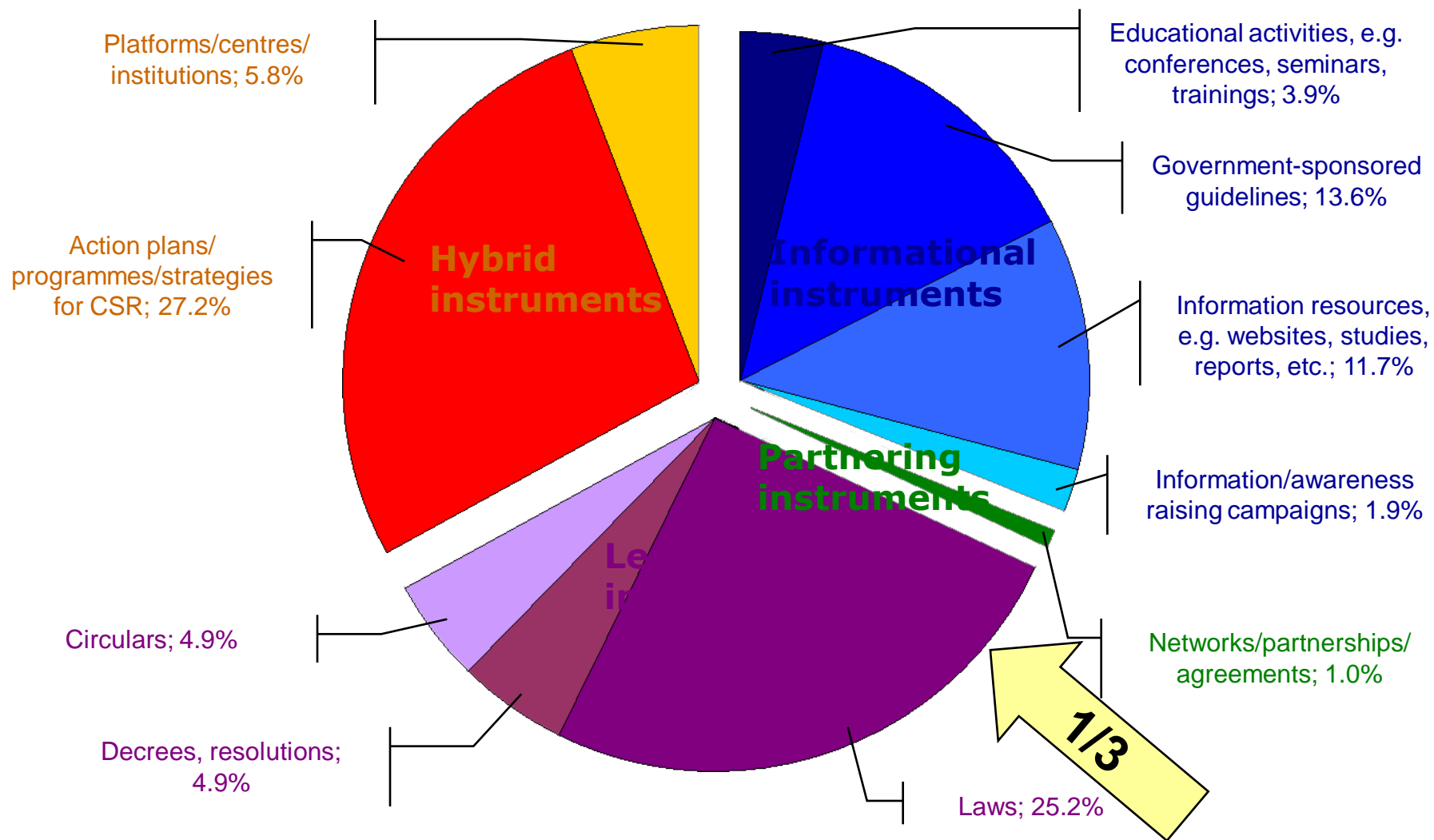   24 interviews plus some written information
   26 EU Member States covered

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

Overview of SPP initiatives (103)

Platforms/centres/ institutions; 5.8%

Action plans/ programmes/strategies for CSR; 27.2%

Hybrid instruments

Circulars; 4.9%

Decrees, resolutions; 4.9%

Laws; 25.2%

Informational instruments

Educational activities, e.g. conferences, seminars, trainings; 3.9%

Government-sponsored guidelines; 13.6%

Information resources, e.g. websites, studies, reports, etc.; 11.7%

Information/awareness raising campaigns; 1.9%

Partnering instruments

Networks/partnerships/ agreements; 1.0%

1/3

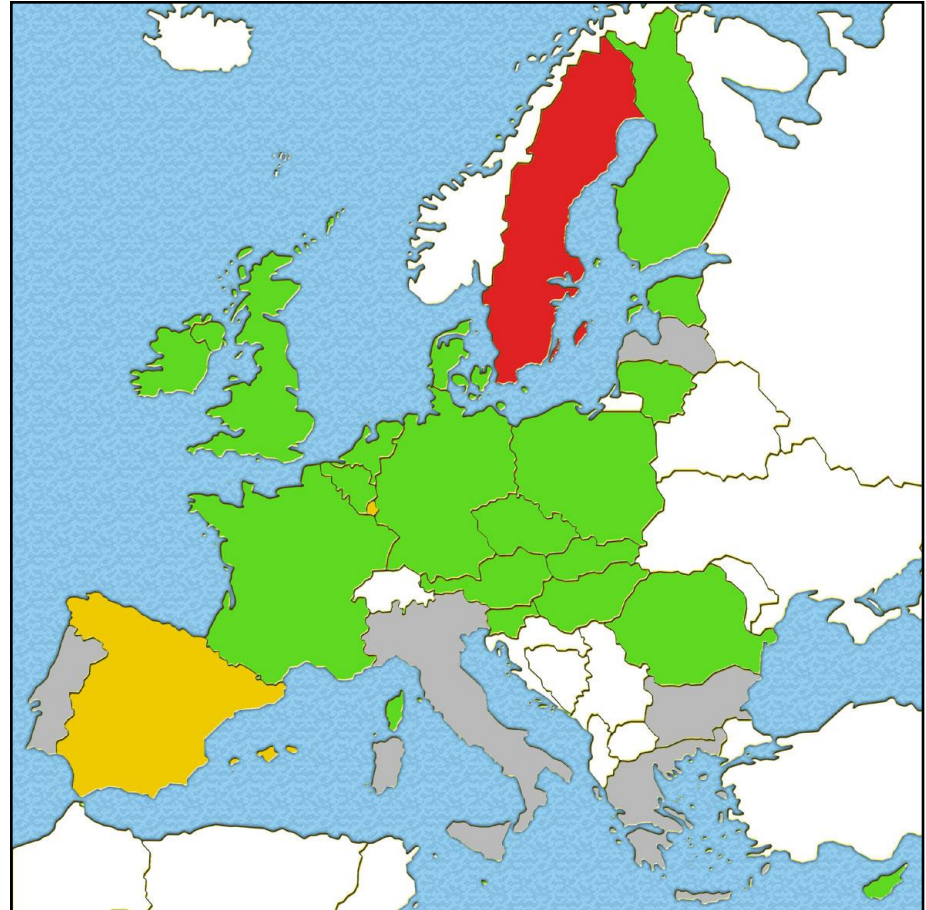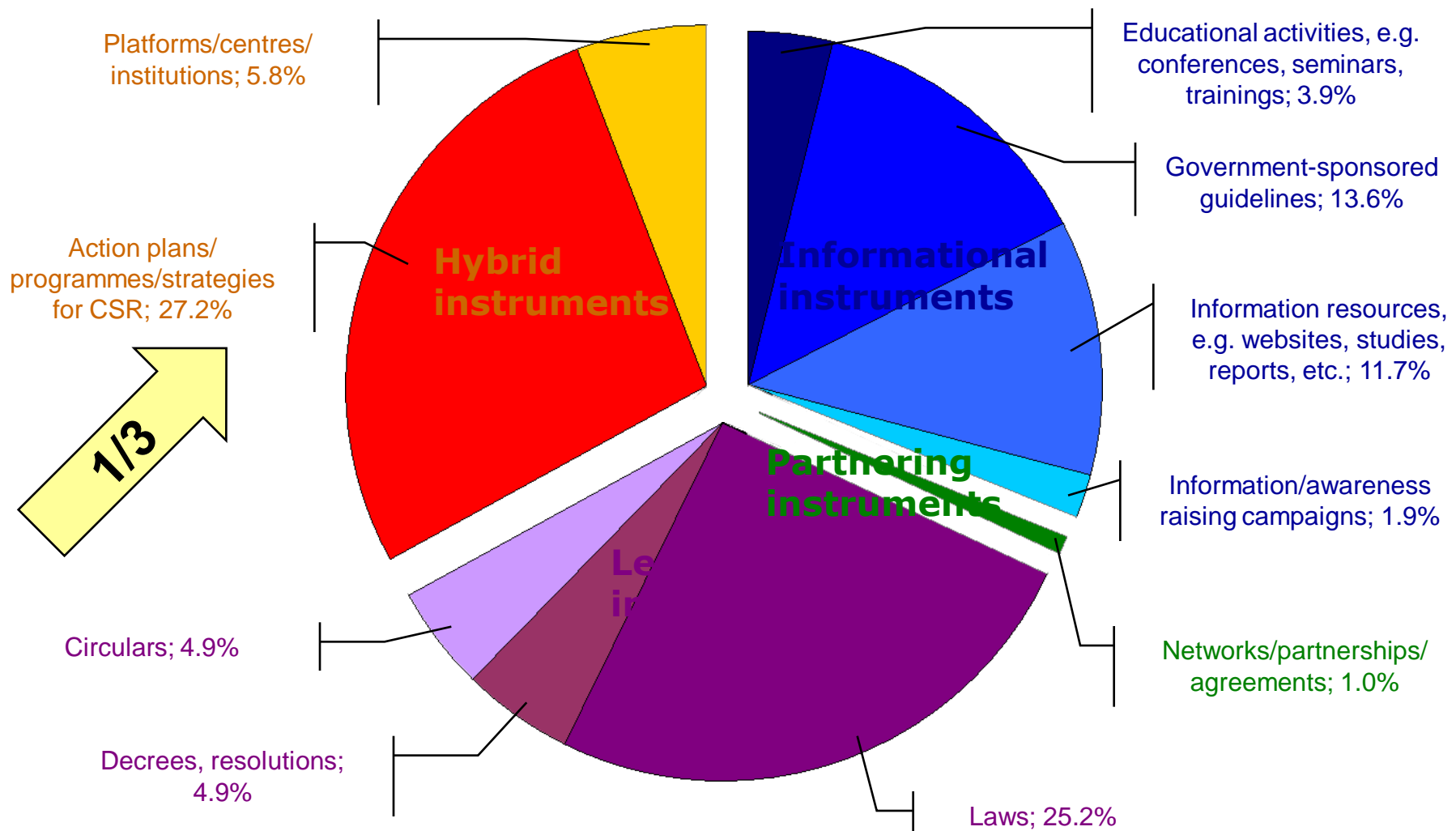# EU Directives* on PP: Status of implementation

19: implemented

2 (Es, Lux): in preparation

1: not implemented

5: status unclear

* „Procurement directive" 2004/18/EC
„Utilities directive" 2004/17/EC

Platforms/centres/ institutions; 5.8%

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1/3

Hybrid instruments

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Information/awareness raising campaigns; 1.9%

Networks/partnerships/ agreements; 1.0%

Laws; 25.2%

9: NAP adopted

7: NAP in preparation/ drafted

3: No (draft) NAP

8: Status unclear

- Platforms/centres/institutions; 5.8%
- Action plans/programmes/strategies for CSR; 27.2%
- Circulars; 4.9%
- Decrees, resolutions; 4.9%
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- Information/awareness raising campaigns; 1.9%

Hybrid instruments

Informational instruments

Partnering instruments

Le... in...

Economic/financial instruments are missing, but…

Platforms/centres/ institutions; 5.8%

Action plans/ programmes/strategies for CSR; 27.2%

Educational activities, e.g. conferences, seminars, trainings; 3.9%

Government-sponsored guidelines; 13.6%

Information resources, e.g. websites, studies, reports, etc.; 11.7%

Information/awareness raising campaigns; 1.9%

Networks/partnerships/ agreements; 1.0%

Circulars; 4.9%

Decrees, resolutions; 4.9%

Laws; 25.2%

Hybrid instruments

Informational instruments

Partnering instruments

Legal instruments

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

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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Socially Responsible Investment (SRI)

1. **Rationale**
   SRI is the application of CSR and SD principles in investment decisions - it embeds CSR in the functioning of shareholder capitalism
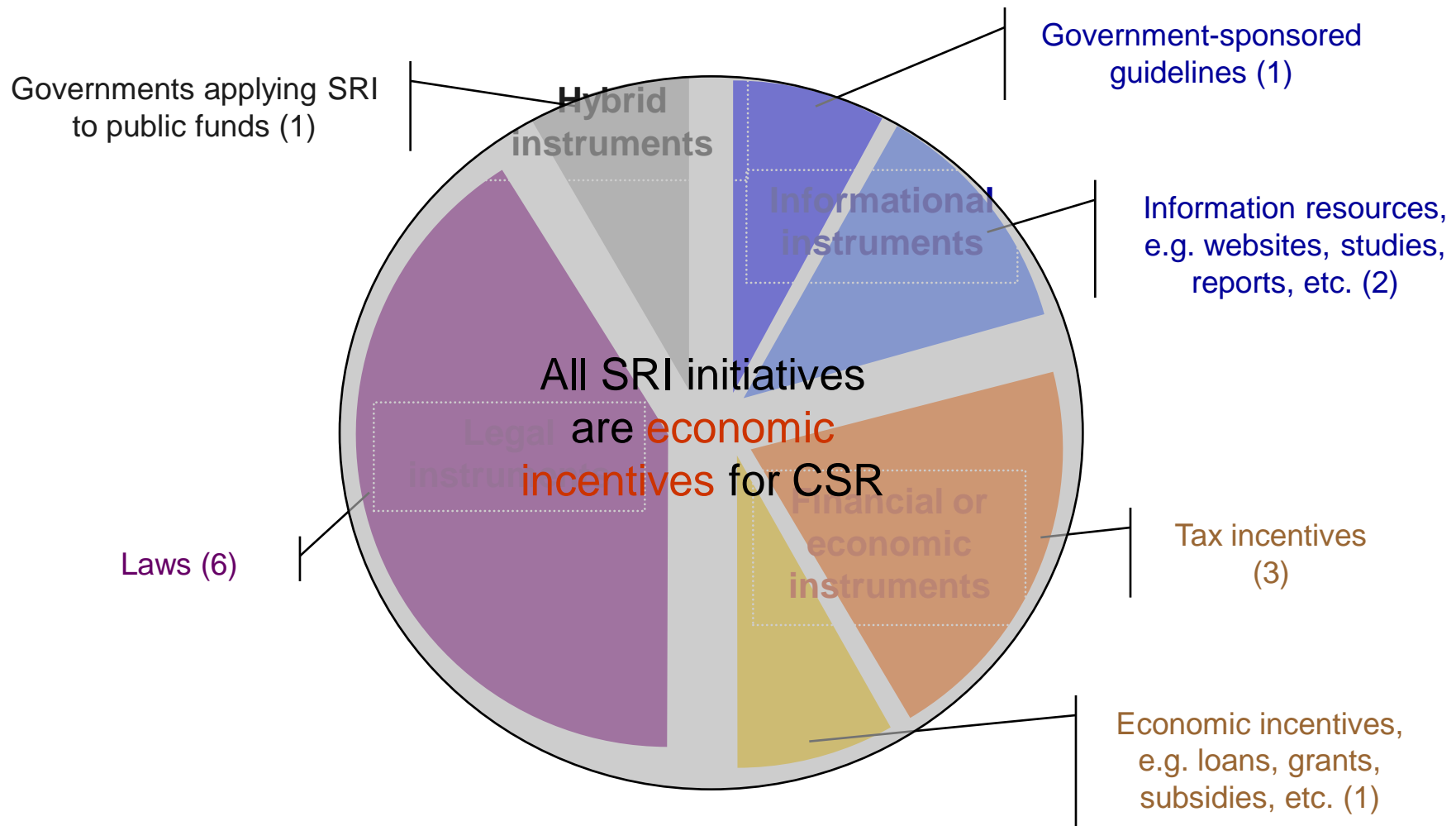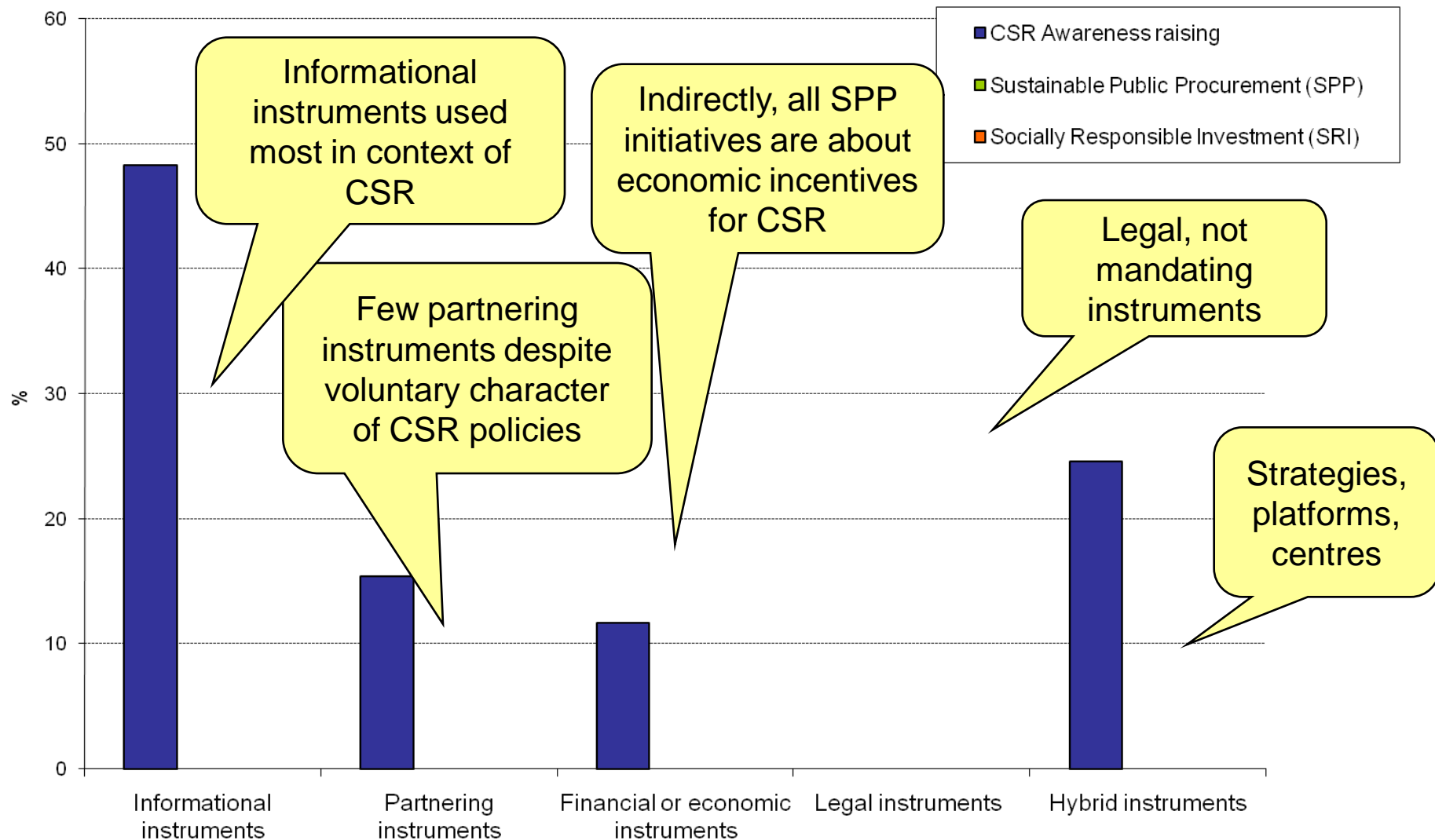
2. **Method**
   Telephone survey in Nov 2007-Jan 2008
   90 contacts and 24 EU MS reached

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

Government-sponsored guidelines (1)

Governments applying SRI to public funds (1)

Hybrid instruments

Informational instruments

Information resources, e.g. websites, studies, reports, etc. (2)

Legal instruments

All SRI initiatives are economic incentives for CSR

Financial or economic instruments

Laws (6)

Tax incentives (3)

Economic incentives, e.g. loans, grants, subsidies, etc. (1)

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Some figures on the CSR policies study

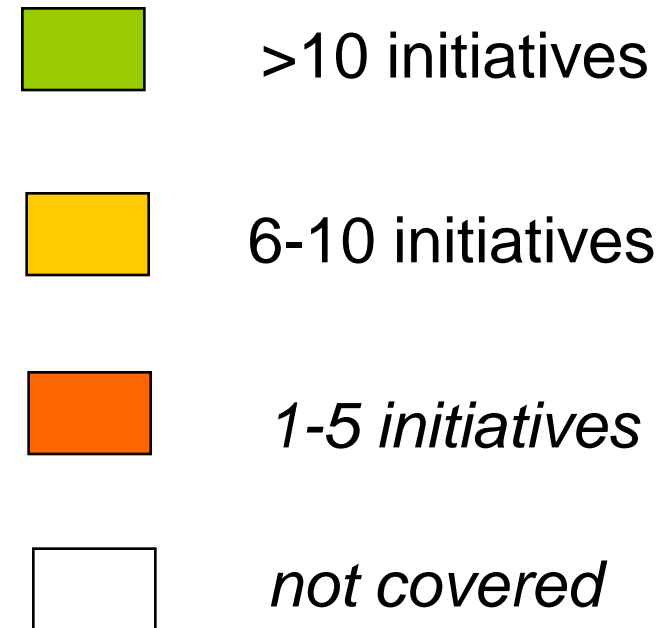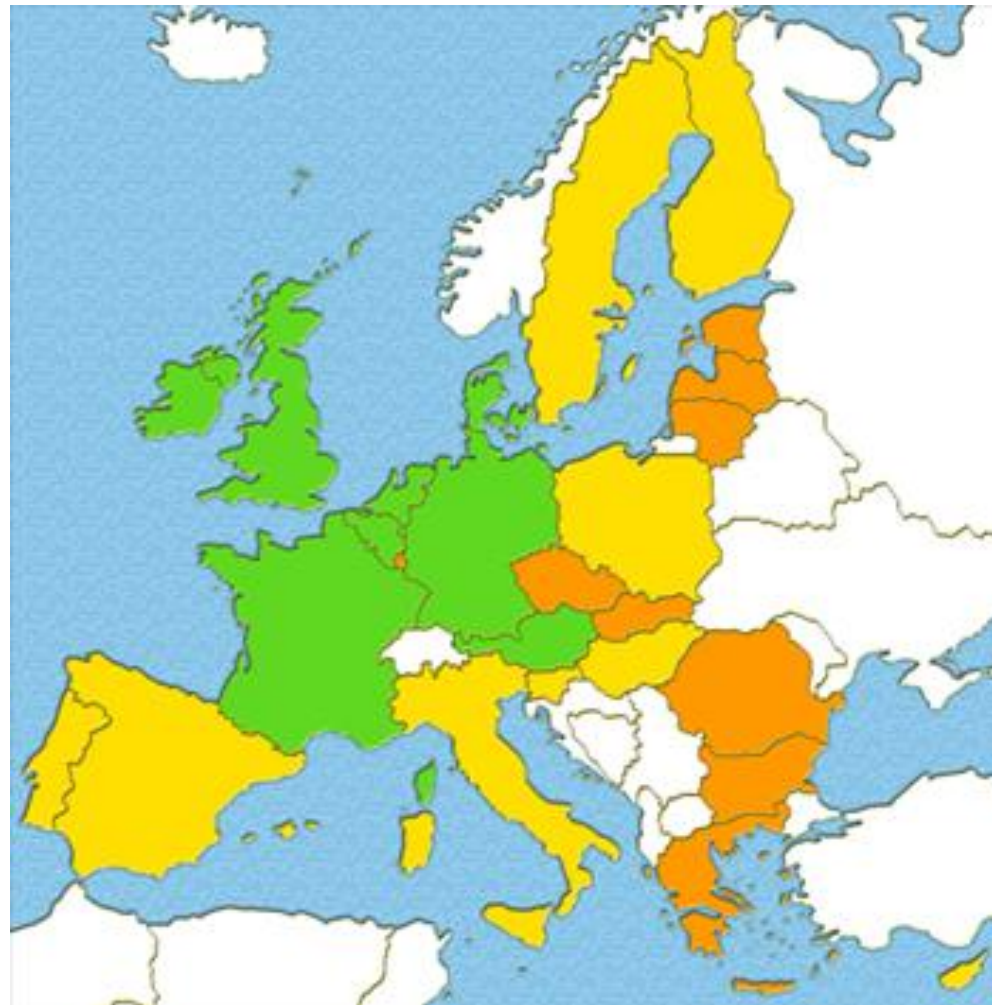|	
HLG meetings attended	5 (since spring 2006)
CO2 emissions caused	?
Staff worked on studies	6
Initiatives documented	85 on CSR Awareness Raising 103 on SPP 14 on SRI
Types of initiatives found	4 + 1

Overview of CSR policy instruments

Some figures on the CSR policies study

HLG meetings attended	5 (since spring 2006)
CO2 emissions caused	?
Staff worked on studies	6
Initiatives documented	85 on CSR Awareness Raising 103 on SPP 14 on SRI
Types of initiatives found	4 + 1
Survey contacts	> 200
Countries covered	EU-27

Number of CSR policy initiatives surveyed

- █ >10 initiatives
- █ 6-10 initiatives
- █ *1-5 initiatives*
- ☐ *not covered*

Some figures on the CSR policies study conducted

HLG meetings attended	5 (since spring 2006)
CO2 emissions caused	?
Staff worked on studies	6
Initiatives documented	85 on CSR Awareness Raising 103 on SPP 14 on SRI
Types of initiatives found	4 + 1
Survey contacts	> 200
Countries covered	EU-27
Institutional affiliations	7 different types of ministries

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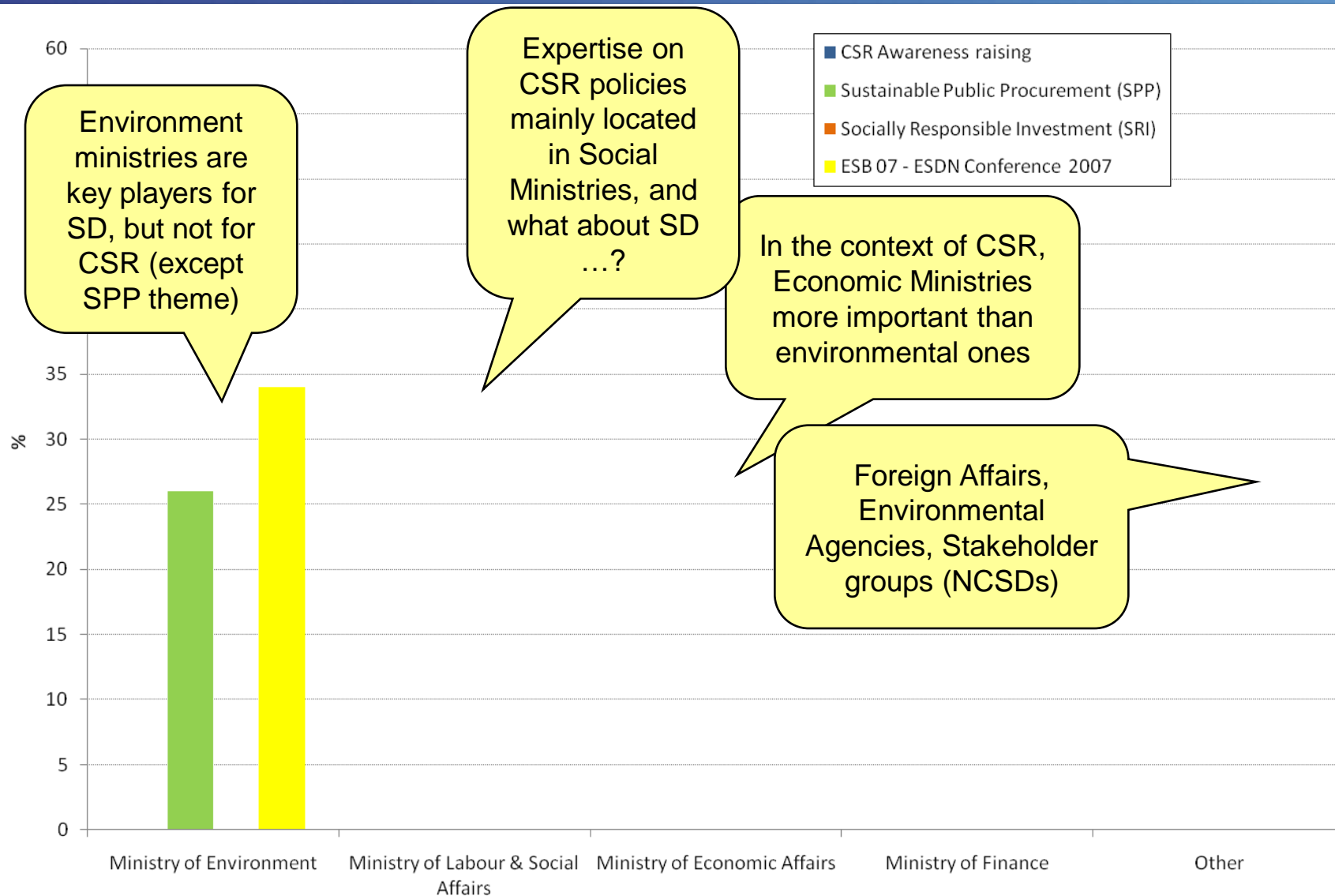
1. **CSR policies are different to traditional policy fields**
   because they rely more on new governance and soft-law

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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