

CSR from European and Japanese
perspective

「社会的責任とは-ヨーロッパと日本
の視点から」

CSR from European business
perspective

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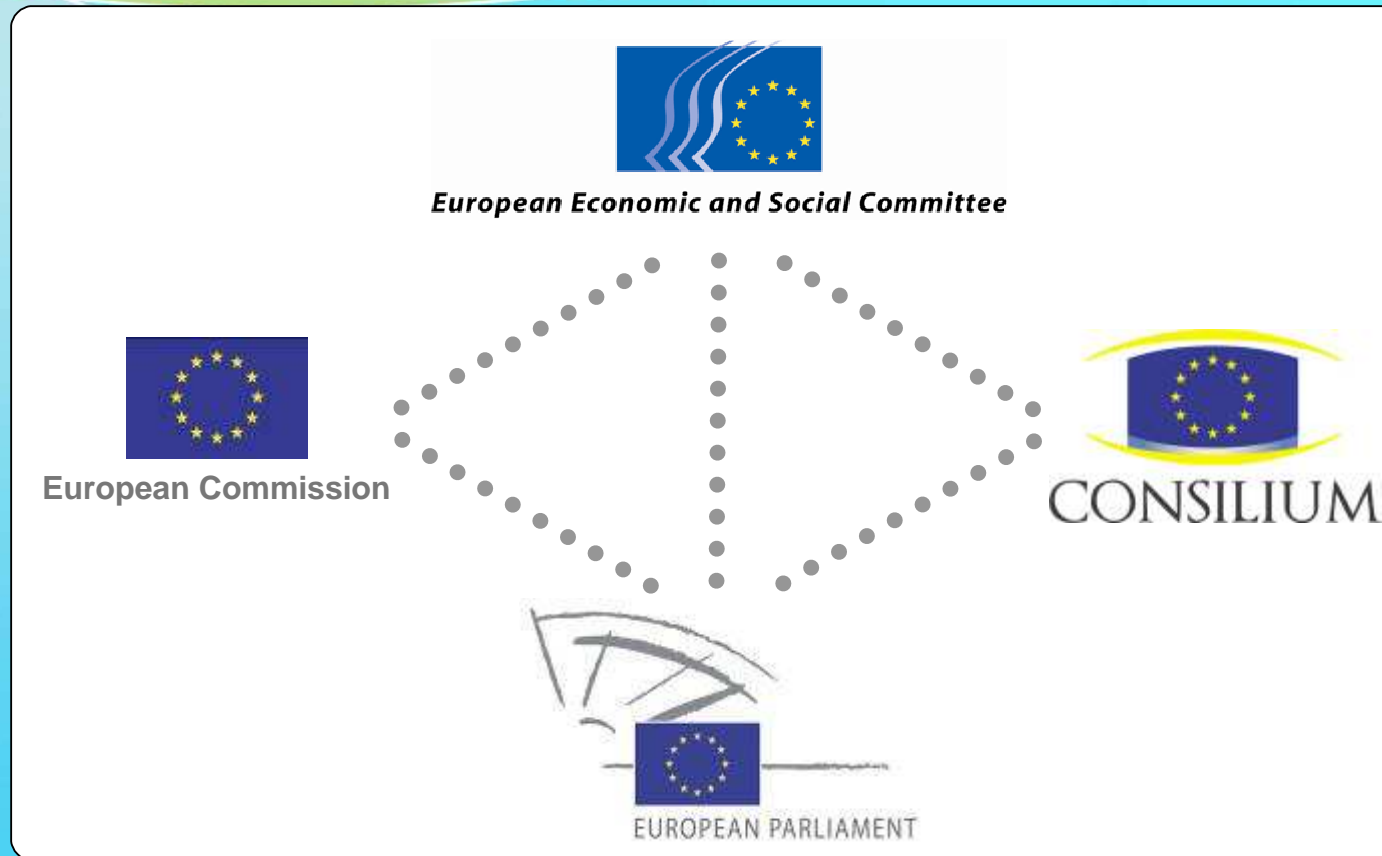
President of the Contact Group
on Japan of the EESC

Content

- EESC & its cooperation with Japanese counterparts
- CSR from European business perspective

Institutional position of the EESC:

Established by Treaty of Rome in 1957,
344 members from the 27 member states



EESC & Japan:

- **February 2007, Opinion on “EU-Japan relations: the role of civil society”,**
- **February, 2009 permanent contact group on Japan**
- **Joint workshops:**
 - Participatory process towards sustainable society & economy, (Kobe)
 - Environmental protection, (Kobe)
 - Education & sustainable development, (Kobe)
 - Future of employment in Europe & Japan (Brussels)
- **exchange of speakers,**
- **internship opportunities for Japanese students at the EESC**

What is CSR?

- “A concept whereby companies integrate **social** and **environmental** concerns in their business and in their interactions with their stakeholders on a voluntary basis”
(European Commission)
- CSR is part of the EU Growth and Jobs Strategy (*the Lisbon Strategy*)

What is CSR?

- CSR is the **voluntary** activity undertaken by business over and above legal requirements in **economic**, **social** and **environmental** considerations
- CSR is **flexible** and **diverse**: it does **not fit into one-size frameworks**
- CSR involves consulting all stakeholders where relevant
- CSR is about globalisation: building competitiveness and sustainability

CSR – 4 justifications for companies

- **Moral obligation:** different cultures/different values – are these being met by the company locally?
- **Sustainability:** chemicals/mining where there is a real environmental threat against issues like packaging, where misuse of raw materials and poor disposal are key
- **Company reputation:** imago, brand recognition, share – insurance
- **Licence to operate:** overt or tacit support



CSR:

source of opportunity, innovation, &
competitive advantage

What is CSR?

- CSR needs to develop a stronger international dimension, whilst respecting cultural differences
- Ethical trading standards and a philosophy of continuous improvement should play an increasingly important role in CSR related activities
- How far are European standards seen as helpful – or as interference?
- Companies can work together with public authorities but cannot act in substitution for them or their responsibilities
- International companies must operate on a level playing field with local companies around the world

Businesses for transparency:

- Transparency and CSR methods for rebuilding the trust in businesses that has been damaged by the crisis
- EC's initiative on Transparency & disclosure of environmental, social and governance (ESG) information (seminars, workshops in autumn/spring 2009-10)
- This should not be confused with introducing CSR regulation as a preventive measure to generate more responsible companies

Initiatives on CSR:

- In March 2006 the EC adopted a communication on CSR
- In March 2006 Communication, the EC launched the “**European Alliance for CSR**” together with European business leaders
- 20 laboratories were established

40 central industrial & employers' federations from 34 countries: 20 million SMEs, & large companies

- BusinessEurope-voice of European businesses,
- BusinessEurope - member of the the **European Alliance on CSR**
- Companies strengthen pro-active cooperation with policy-makers and other stakeholders at national and international level to create a strong, competitive Europe based on sustainable development and progress

CSR activities at national level:

- Debates on CSR
- Awareness raising activities for improving knowledge of CSR among Europe's companies:
 - Setting up websites
 - Publishing brochures
 - Developing practical tools to facilitate and support companies with their CSR activities
 - Training programmes on CSR have been launched jointly with schools and universities to enhance knowledge about sustainability
 - Seminars with bringing together all stakeholders
 - Assistance for developing national voluntary agreements

Strategy & activities on CSR:

- **A memorandum on CSR:** despite the economic downturn, European companies are committed to, and continue their CSR activities, CSR has become integral part of their business operations
- **a statement on transparency**

Current developments at EU level:

- **The European Commission's (EC) initiatives:**
- On **CSR Disclosure and Transparency** (disclosure information on Social, Environmental and Governance (***ESG transparency***): a series of workshops organised by the EC with stakeholders and field experts
- Prospects for 2010 onwards: promoting the EU's socially responsible competitiveness model
- **The European Parliament (EP):** establishment of a new **Parliamentary Intergroup on CSR** (December 2009): **the role of business and its contribution to sustainability in the society of the 21st Century**

European companies message to policy-makers:

- Reforms to create framework conditions for European businesses that allow them to develop a responsible and sustainable growth path and to successfully compete in a global economy.
- Strengthening European business competitiveness by viewing CSR in an international rather than purely European context.
- Stock-taking exercise every 2 years of what is practised by all stakeholders on CSR, in order to develop good practices, & update & raise the general knowledge on different paths to CSR in the EU member states.

SUMMARY:

- Core values of the European way of doing business: *equal opportunities, fair working conditions, exclusion of child labour, combating corruption, promote social inclusion & healthy environment*
- CSR is an integral part of modern business
- CSR is a value-based tool for anticipating to integral & external economic, social or environmental challenges

SUMMARY:

Important to avoid:

- one-size fits all policy approaches to CSR,
- standardised, transparency indicators or regulation on CSR

**THANK YOU FOR YOUR
ATTENTION**

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