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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject : Council Resolution on follow-up to the Green Paper on corporate social
responsibility

COUNCIL RESOLUTION

of

on follow-up to the Green Paper on corporate social responsibility

THE COUNCIL OF THE EUROPEAN UNION,

RECALLING:

1. The appeal made by the European Council in Lisbon to companies' corporate sense of social responsibility regarding best practices on lifelong learning, work organisation, equal opportunities, social inclusion and sustainable development.
2. The request made by the European Council in Nice, as part of the implementation of the European social agenda, to support initiatives relating to corporate social responsibility and the management of change by means of a Commission communication and, for the purpose of fighting poverty and all forms of exclusion and discrimination in order to promote social integration, to establish the conditions for an efficient partnership with the social partners, non-governmental organisations, local authorities and bodies that manage social services, and to involve undertakings in that partnership in order to strengthen their social responsibility.
3. The favourable reception given by the European Council in Stockholm to initiatives taken by businesses to encourage corporate social responsibility.

4. The Commission Green Paper on promoting a European framework for corporate social responsibility (COM(2001) 366), which launches a consultation on corporate social responsibility.

5. The Commission communications on quality, core labour standards and governance ¹,

CONVINCED that, corporate social responsibility can contribute to objectives such as those defined in the Green Paper, and in particular those:

6. of the Lisbon summit: "to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion";
7. of the European Employment and Social Inclusion Strategy, and the elements aimed at anticipating and benefiting from change in accordance with the Social Agenda approved at Nice;
8. of the strategy of sustainable development adopted by the European Council in Göteborg,

¹ "Employment and social policies: a framework for investing in quality" (COM(2001) 313) and "Promoting core labour standards and improving social governance in the context of globalisation" (COM(2001) 416).

SUPPORTING, without prejudice to the comments of all stakeholders, the definitional elements shown in the Green Paper as being:

9. (a) a constructive contribution to implementing the Lisbon strategy of encouraging a debate on enhanced corporate social responsibility at national, European and international level;
- (b) wide involvement of all stakeholders in a detailed debate on the Green Paper, on the basis of contributions by economic operators and society in general, and particularly the social partners;
- (c) business-led voluntary integration, as a corporate initiative, of the social and environmental concerns of businesses into their commercial operations and their relation with stakeholders,

MINDFUL OF THE FACT THAT:

10. Corporate social responsibility can be a means of responding to the challenges of organisational changes within undertakings and new production arrangements.
Implementation of corporate social responsibility within businesses can be facilitated by the participation of workers and their representatives in a dialogue that promotes exchanges and constant adaptation. In addition to this internal aspect, the external aspect of corporate social responsibility could be associated, in certain circumstances, with the achievement of objectives defined with stakeholders.

11. Social responsibility can contribute not only to encouraging a high level of social cohesion, environmental protection and respect for fundamental rights, but also to improving competitiveness in all types of businesses, from SMEs to multinationals, and in all sectors of activity.
12. Corporate social responsibility can complement and promote the application of rules and laws on social rights and environmental standards. Codes of conduct, in particular, can promote international labour standards and encourage a responsible attitude in those who subscribe to them, drawing on the core ILO conventions, the ILO's Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and the OECD guidelines for multinational enterprises.
13. Social responsibility is principally a matter for businesses, but all stakeholders, in particular employees, consumers and investors, can play a decisive part in encouraging business to adopt socially responsible practices.
14. While being compatible and consistent with Community and international norms, corporate social responsibility must be understood as complementing regulations or legislation or norms on social or environmental rights, for which it cannot be a substitute,

EMPHASISES that a European approach to corporate social responsibility could:

15. Complement existing measures at local and national level, imparting to them an added value, in order to contribute to the development of corporate social responsibility;
16. Support existing international agreements and initiatives, such as the OECD guidelines for multinational enterprises and the core labour standards of the ILO, the ILO's Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy or the UN Global Compact. The new approach should complement and add value to these agreements and initiatives at international organisation and private sector level,

CONSIDERS it useful to promote:

17. Initiatives aimed at exchange of good practice and innovative ideas relating to the practice and promotion of corporate social responsibility.
18. Increased awareness and analysis of the impact of socially responsible practices on corporate economic performance, so as to encourage their spread to all businesses, especially SMEs.
19. Initiatives aimed at building corporate social responsibility into the training of executives and workers, so that they will be better able to integrate such new issues and criteria into strategic business planning and everyday business operations,

AGREES AS FOLLOWS:

20. WELCOMES the Commission's Green Paper on promoting a European framework for corporate social responsibility and welcomes the initiative on consultation.
21. ASKS the Commission:
 - as far as possible to incorporate the conclusions reached in the discussions held in the Member States and at the conferences organised on this subject in its next communication, and
 - query carefully the added value of any new action proposed at European level,
22. AND EMPHASISES the importance of the social partners' contribution to the consultation process at national and European level.

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