



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 29 March 2006 (30.03)
(OR. fr)**

7930/06

**SOC 155
MI 79**

COVER NOTE

from:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	27 March 2006
to:	Mr Javier SOLANA, Secretary-General/High Representative
Subject:	Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee Implementing the partnership for growth and jobs: making Europe a pole of excellence on corporate social responsibility

Delegations will find attached Commission document COM(2006) 136 final.

Encl.: COM(2006) 136 final



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 22.3.2006
COM(2006) 136 final

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE COUNCIL AND THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE**

**IMPLEMENTING THE PARTNERSHIP FOR GROWTH AND JOBS:
MAKING EUROPE A POLE OF EXCELLENCE
ON CORPORATE SOCIAL RESPONSIBILITY**

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE COUNCIL AND THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE**

**IMPLEMENTING THE PARTNERSHIP FOR GROWTH AND JOBS:
MAKING EUROPE A POLE OF EXCELLENCE
ON CORPORATE SOCIAL RESPONSIBILITY**

1. INTRODUCTION

Corporate social responsibility (CSR) is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis¹. It is about enterprises deciding to go beyond minimum legal requirements and obligations stemming from collective agreements in order to address societal needs. Through CSR, enterprises of all sizes, in cooperation with their stakeholders, can help to reconcile economic, social and environmental ambitions. As such, CSR has become an increasingly important concept both globally and within the EU, and is part of the debate about globalisation, competitiveness and sustainability. In Europe, the promotion of CSR reflects the need to defend common values and increase the sense of solidarity and cohesion.

Since the end of the Cold War the market economy has prevailed throughout most of the world. While this has opened up new opportunities for business, it also creates a corresponding need for self-limitation and mobilisation on the part of the business community, in the interest of social stability and the well-being of modern democratic societies. Moreover, within the EU, better regulation and the promotion of entrepreneurial culture are now high on the European agenda, as confirmed by the Commission's 2006 Annual Progress Report on Growth and Jobs². The Commission is committed to promoting the competitiveness of the European economy in the context of the relaunched Lisbon Partnership for Growth and Jobs. In turn it calls on the European business community to publicly demonstrate its commitment to sustainable development, economic growth and more and better jobs, and to step up its commitment to CSR, including cooperation with other stakeholders. More than ever Europe needs active entrepreneurs, positive attitudes towards entrepreneurship, and confidence and trust in business. Europe needs a public climate in which entrepreneurs are appreciated not just for making a good profit but also for making a fair contribution to addressing certain societal challenges.

The Commission therefore wishes to give greater political visibility to CSR, to acknowledge what European enterprises already do in this field and to encourage them to do more. Because CSR is fundamentally about voluntary business behaviour, an approach involving additional obligations and administrative requirements for business risks being counter-productive and would be contrary to the principles of better regulation. Acknowledging that enterprises are the primary actors in CSR, the Commission has decided that it can best achieve its objectives by working more closely with European business, and therefore announces backing for the

¹ COM(2001) 366.

² COM(2006) 30.

launch of a European Alliance on CSR, a concept drawn up on the basis of contributions from business active in the promotion of CSR. The Alliance is an open alliance of European enterprises, for which enterprises of all sizes are invited to express their support. It is a political umbrella for new or existing CSR initiatives by large companies, SMEs and their stakeholders. It is not a legal instrument and is not to be signed by enterprises, the Commission or any public authority. It is a political process to increase the uptake of CSR amongst European enterprises.

Backing for the new Alliance should be understood as a key component of a wider partnership that the Commission wishes to pursue with all stakeholders involved in CSR. In presenting this Communication, the Commission draws on several years of public debate and consultation with all stakeholders, most particularly in the context of the European Multistakeholder Forum on CSR, which presented its final report in 2004. The Commission continues to attach utmost importance to dialogue with and between all stakeholders, and proposes to re-convene meetings of the Multistakeholder Forum at regular intervals with a view to continually reviewing progress on CSR in the EU.

2. CSR IN SUPPORT OF SUSTAINABLE GROWTH AND MORE AND BETTER JOBS

Sustainable growth and more and better jobs are the twin challenges the EU must now address in the face of global competition and an ageing population to safeguard our model for European society, based on equal opportunities, high quality of life, social inclusion and a healthy environment. This is why the Commission called for a fresh start to the Lisbon agenda by launching a Partnership for Growth and Jobs in February 2005 and renewing its Sustainable Development Strategy in December 2005. This is also why the informal meeting of Heads of State and Government at Hampton Court in October 2005 called for innovative answers to address the competitive challenge while defending European values.

The revised Lisbon strategy promotes growth and jobs in a manner that is fully consistent with sustainable development, which remains an overarching long term goal for the European Union. Enterprises, as the motor for economic growth, job creation, and innovation, are key actors in delivering the Lisbon and sustainable development objectives.

Europe needs business to do what it does best: to provide products and services that add value for society and to deploy entrepreneurial spirit and creativity towards value and employment creation. However Europe does not need just business but socially responsible business that takes its share of responsibility for the state of European affairs. In its contribution to the March 2005 Spring Council, the Commission recognised that CSR *“can play a key role in contributing to sustainable development while enhancing Europe’s innovative potential and competitiveness”*³. In the Social Agenda⁴, the Commission announced that it would, in co-operation with Member States and stakeholders, present initiatives to further enhance the development and transparency of CSR. In the revised Sustainable Development Strategy⁵, the Commission called *“on the business leaders and other key stakeholders of Europe to engage in urgent reflection with political leaders on the medium- and long-term policies needed for sustainability and propose ambitious business responses which go beyond existing minimum legal requirements”*.

³ COM(2005) 24.

⁴ COM(2005) 33.

⁵ COM(2005) 658.

In March 2005, the European Council underlined that *“in order to encourage investment and provide an attractive setting for business and work, the European Union must complete its internal market and make its regulatory environment more business-friendly, while business must in turn develop its sense of social responsibility”*. In the Integrated Guidelines for Growth and Jobs (2005-2008), the Council recommended that Member States should *“encourage enterprises in developing their corporate social responsibility”*. The European Parliament has made valuable contributions to the debate on CSR, notably in its resolutions of 2002⁶ and 2003⁷.

Against this backdrop, the Commission has reviewed the work accomplished on CSR at EU level, in order to align its approach with the priorities and working methods of the Growth and Jobs strategy. The Commission believes that the potential of enterprises can and should be better harnessed in support of sustainable development and the Growth and Jobs strategy. In keeping with the spirit and priority areas of its 2006 Annual Progress Report on Growth and Jobs, the Commission invites European enterprises to “move up a gear” and to strengthen their commitment to CSR. In doing so the Commission wishes to create a more favourable environment for all actors in CSR and to explore with all stakeholders the potential of CSR to contribute to the development of European societies.

CSR practices are not a panacea and can not on their own be expected to deliver these outcomes. They are not a substitute for public policy, but they can contribute to a number of public policy objectives, such as:

- more integrated labour markets and higher levels of social inclusion, as enterprises actively seek to recruit more people from disadvantaged groups;
- investment in skills development, life-long learning and employability, which are needed to remain competitive in the global knowledge economy and to cope with the ageing of the working population in Europe;
- improvements in public health, as a result of voluntary initiatives by enterprises in areas such as the marketing and labelling of food and non-toxic chemicals;
- better innovation performance, especially with regard to innovations that address societal problems, as a result of more intensive interaction with external stakeholders and the creation of working environments more conducive to innovation;
- a more rational use of natural resources and reduced levels of pollution, notably thanks to investments in eco-innovation and to the voluntary adoption of environmental management systems and labelling;
- a more positive image of business and entrepreneurs in society, potentially helping to cultivate more favourable attitudes towards entrepreneurship;
- greater respect for human rights, environmental protection and core labour standards, especially in developing countries;
- poverty reduction and progress towards the Millennium Development Goals.

⁶ P5_TA(2002)0278.

⁷ P5_TA(2003)0200.

3. MAKING EUROPE A POLE OF EXCELLENCE ON CSR

Much progress has been made on CSR since the Lisbon Council made its appeal to companies' sense of social responsibility in March 2000. A Green Paper (2001)⁸, a Communication (2002)⁹, and the setting up of an EU Multi-Stakeholder Forum on CSR (CSR Forum) marked important steps in this process.

The CSR Forum brought together representatives of business, trade unions and civil society, with the Commission in a facilitating role. The Commission welcomes the Forum's work and final report of June 2004, and agrees with stakeholders that the report's recommendations, if fully implemented by the relevant actors, would help advance CSR in Europe and globally. The Forum succeeded in achieving a measure of consensus among participants, but is also revealed the significant differences of opinion between business and non-business stakeholders. A common European understanding of what CSR means has emerged on the basis of the Commission definition of CSR as *a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis*. The CSR Forum confirmed this definition while further exploring its scope and boundaries. The Forum also reached consensus on the need for further awareness-raising and competency-building activities. There was no consensus, however, on topics such as company reporting requirements or the need for European standards on CSR.

Awareness, understanding and uptake of CSR have improved over the past few years, partly as a consequence of the CSR Forum and other actions supported by the Commission. At the same time, initiatives by business and other stakeholders have moved forward the development of CSR in Europe and globally. Social dialogue, especially at the sectoral level, has been an effective means for promoting CSR initiatives, and European Works Councils have also played a constructive role in the development of best practice on CSR.

Nevertheless, the uptake, implementation and strategic integration of CSR by European enterprises should be further improved. The role of employees, their representatives and their trade unions in the development and implementation of CSR practices should be further enhanced. External stakeholders, including NGOs, consumers and investors, should play a stronger role in encouraging and rewarding responsible business conduct. Public authorities at all levels should further improve the consistency of their policies in support of sustainable development, economic growth and job creation.

The EU's vision of long-term prosperity, solidarity and security also extends to the international sphere. The Commission recognises the linkages between the uptake of CSR in the EU and internationally, and believes that European companies should behave responsibly wherever they operate, in accordance with European values and internationally agreed norms and standards.

The Commission has reflected on how best to give a new impulse to make Europe a pole of excellence on CSR. It has considered the final report of the CSR Forum, as well as the views of stakeholders that are not reflected in that report. The challenge has been to find a new approach that inspires more enterprises to engage in CSR, since they are the primary actors in this field.

⁸ COM(2001) 366.

⁹ COM(2002) 347.

4. A EUROPEAN ALLIANCE FOR CSR

The Commission therefore backs the launching of the European Alliance for CSR, described in the document attached to this Communication. The Alliance is a political umbrella for new or existing CSR initiatives by large companies, SMEs and their stakeholders.

The Alliance has an open nature and European enterprises of all sizes are invited to voluntarily express their support. It is not a legal instrument and is not to be signed by enterprises, the Commission or any public authority. There are no formal requirements for declaring support for the Alliance, and the European Commission will not keep a list of companies that support it. The Commission's contribution to the Alliance will be the further promotion of CSR in line with the points mentioned under chapter 5 of this Communication. This does not imply any new financial obligations for the Commission.

The Commission expects the Alliance to have a significant impact on the attitude of European enterprises to CSR and on their positive engagement with social and environmental issues. It should create new partnerships with and new opportunities for stakeholders in their efforts to promote CSR, and is therefore a vehicle for mobilising the resources and capacities of European enterprises and their stakeholders. The voluntary commitment of European business to the Alliance and the supportive role of the Commission within its policies and instruments where appropriate will strengthen the development of CSR within the EU and abroad. The results of the Alliance should be understood as a voluntary business contribution to achieving the goals of the relaunched Lisbon Strategy and the revised Sustainable Development Strategy. However these results will also depend on the engagement of stakeholders, who are invited to make full use of the opportunities the Alliance offers.

To enhance the transparency, visibility and credibility of CSR practices, the Commission encourages enterprises that support the Alliance to make CSR information available to all stakeholders, including to consumers, investors and the wider public. Large companies in particular should seek to present CSR strategies, initiatives and their results or best practices in a way that is easily accessible to the public. In addition, the Commission will continue to support stakeholders in developing their capacity to assess and evaluate CSR practices.

The Commission recognises that without the active support and constructive criticism of non-business stakeholders, CSR will not flourish. The Commission's backing of the Alliance is not a substitute for further dialogue with all stakeholders. The Commission remains committed to facilitating such dialogue, including through regular review meetings of the Multistakeholder Forum.

5. PROPOSED ACTIONS TO PROMOTE FURTHER TAKE-UP OF CSR PRACTICES

In further promoting CSR, the Commission will emphasise the following aspects:

- **Awareness-raising and best practice exchange.** The Commission will further raise awareness about CSR and promote the exchange of best practice as CSR continues to evolve, with an emphasis on SMEs and on Member States where CSR is a less well-known concept, as well as in acceding and candidate countries. It will do this in a strengthened partnership with business and all relevant stakeholders, including national and regional authorities. The Commission will further promote voluntary environmental instruments, such as environmental management systems and the

Ecolabel scheme. Other initiatives to make citizens aware of social and environmental issues and the impact of their consumption and investment choices will also be promoted.

- **Support to multi-stakeholder initiatives.** Involving stakeholders enhances the effectiveness of CSR initiatives, which is why the Commission will organise regular review meetings of the Multistakeholder Forum. To foster greater awareness of CSR and further enhance its credibility, the Commission will continue to promote and support CSR initiatives by stakeholders, including social partners and NGOs, and in particular at sectoral level The European Platform for Nutrition is a good example of such initiative. The sectoral social dialogue committees are also an important mechanism in this regard.
- **Cooperation with Member States.** There is a broad consensus in Europe about the definition of CSR, although its precise nature and characteristics vary between different national and cultural contexts. Moreover, Member States have at their disposal a broad range of instruments to encourage CSR. Cooperation with Member States and acceding countries, in particular through the Group of High-Level National Representatives on CSR, is therefore an important aspect of Commission policy on CSR. Within Member States, the regional level can be an appropriate level for actions in support of CSR, especially as far as SMEs are concerned.
- **Consumer information and transparency.** Consumers play an important role in providing incentives for responsible production and responsible business behaviour. They are expected to exercise critical choice and encourage good products and good companies. At the moment consumers lack clear information on the social and environmental performance of goods and services, including information on the supply chain. The Commission will examine, in consultation with all relevant stakeholders, the need for further voluntary actions to achieve the objectives of transparency and information for consumers including on issues of public health.
- **Research.** There is a need for more interdisciplinary research on CSR, in particular on: links at the macro- and meso-levels between CSR, competitiveness and sustainable development; the effectiveness of CSR in reaching social and environmental objectives; and issues such as innovation, corporate governance, industrial relations, and the supply chain. CSR as practiced by SMEs is an important research topic in its own right, but should also be adequately reflected in other areas of CSR research. Additionally, the Life Cycle Social Impacts of processes, products, and services deserve more investigation. Building on the four CSR research projects financed under the 6th Research Framework programme, the Commission will explore possibilities to support further research into CSR as part of the forthcoming 7th Framework Programme.
- **Education.** For CSR to become a mainstream business practice, the right knowledge and skills need to be developed among future entrepreneurs, business leaders, company managers and employees. CSR is also a lifelong learning issue. The Commission invites business schools, universities and other education institutions to incorporate CSR into education, as a cross-cutting issue, in particular into the curricula of future managers and graduate students.

- **SMEs.** The collective impact of CSR as practiced by SMEs is critical if the potential of CSR to contribute to growth and jobs and sustainable development in Europe is to be fully harnessed. The Commission recognises that a specific approach is needed to foster CSR amongst SMEs. Such an approach requires giving greater recognition to what many SMEs already do in the field of CSR. It also requires the active cooperation of mainstream SME intermediary organisations and support providers. The Commission will facilitate the exchange of experience about how best to encourage CSR amongst SMEs in Europe.
- **The international dimension of CSR.** The Commission will continue to promote CSR globally with a view to maximising the contribution of enterprises to the achievement of the UN Millennium Development Goals. The ILO Tripartite Declaration of Principles concerning MNEs and Social Policy, the OECD Guidelines for MNEs and the UN Global Compact, as well as other reference instruments and initiatives, provide international benchmarks for responsible business conduct. The Commission is committed to promoting awareness and implementation of these instruments and will work together with other governments and stakeholders to enhance their effectiveness.

The Commission will continue its leadership role in promoting high environmental standards internationally. The Commission aims to strengthen the sustainable development dimension of bilateral trade negotiations and to pursue the promotion of core labour standards in bilateral agreements. The Commission will encourage the inclusion of provisions to support internationally agreed CSR instruments and will seek to address CSR issues in bilateral dialogue between the parties. The Commission is also committed to using trade incentives as a means of encouraging respect for the main international human/labour rights, environmental protection and governance principles, in particular through the new EU “Generalised System of Preferences Plus” that entered into force on 1 January 2006. The Commission will strengthen its co-operation with the ILO to promote decent work, including through a pilot project on trade and decent work indicators in developing countries. The Commission will also present a communication on decent work in the course of 2006.

The Commission will discuss with partner countries and relevant stakeholders how to promote CSR in the framework of the Cotonou Agreement and the New Strategy for Africa¹⁰, and will propose that this issue be discussed during the EU-Africa Business Forum to be held in autumn 2006.

The Commission will follow other relevant international processes, such as the work of the UN Special Representative on Human Rights and Transnational Corporations and Other Business Enterprises, the possible development of an ISO guidance standard on social responsibility, and sectoral initiatives like the Kimberley Process Certification Scheme for rough diamonds.

¹⁰ COM(2005) 489.

6. CONCLUSION: THE NEED FOR A PARTNERSHIP AMONG ALL STAKEHOLDERS

The Commission strongly believes that CSR matters to each and every European, since it represents an aspect of the European social model. CSR can contribute to sustainable development, while enhancing Europe's innovative potential and competitiveness, thereby also contributing to employability and job creation. Further promoting CSR is central to the new partnership for "growth and jobs" as well as for implementing sustainable development objectives. The Commission calls on all parties involved to contribute to the implementation of this ambitious new initiative. The Commission offers close partnership, with Member States, with business (through the Alliance described in annex) and with all stakeholders involved to make Europe a pole of excellence on CSR since CSR mirrors the core values of the EU itself. The Commission will reassess the evolution of CSR in Europe in a year's time following the discussion within the Multistakeholder Forum.

ANNEX

MAKING EUROPE A POLE OF EXCELLENCE ON CORPORATE SOCIAL RESPONSIBILITY:

THE EUROPEAN ALLIANCE FOR CSR

CSR MATTERS TO ALL OF US

Corporate Social Responsibility (CSR) matters because it mirrors the core values of the society in which we wish to live. It matters to individual companies, big or small, who through innovative products and services, new skills and stakeholder engagement can improve their economic, environmental and social performance in the short and long term. It matters to those who work in and for companies, for whom it can help to create a more rewarding and inspiring working environment. It matters to those who buy from companies, to consumers who are paying more and more attention to the social and environmental credentials of the products and services they buy. It matters to the local communities where companies operate, who want to know that they are living amongst organisations that share their values and concerns. It matters to investors who feel that responsible business behaviour needs to be encouraged. It matters to people in other parts of the world who expect European based companies to behave in accordance with European and international values and principles. And it matters to our children and future generations who expect to live in a world which respects people and nature.

STRIVING FOR A SUSTAINABLE MARKET ECONOMY

A strong business commitment to CSR as well as an overall supportive role of public authorities towards CSR has become particularly important over the last 15 years as regard its contribution to the respect for human rights and the rule of law as well as the sustainable functioning of democracy and market economy, be it on a local, national, European or global scale. In order to be a successful economic model, the market economy needs to build on some essential prerequisites: on the one hand an effective and coherent legislative and regulatory framework; on the other hand, self limitation and self control as much as a proactive climate of innovation and entrepreneurship, fairness and trust: all these are necessary elements to combine high levels of economic success, environmental protection, social cohesion and welfare. To this end, leading enterprises in Europe are more than ever undergoing a process of searching, learning and innovating as regards their governance, management, stakeholder dialogue and product development, thereby making corporate and product responsibility a natural part of their everyday business practice and competitiveness. Small companies, as a key driver for growth and jobs in Europe, have as much to offer as large companies when it comes to corporate responsibility, even though they often adopt a more informal and intuitive approach to CSR. Against the background of globalisation and the associated structural changes, companies are making these shifts in the expectation that the other stakeholders also commit and shoulder their share of the risks and opportunities of responsibility and innovation. Dialogue with stakeholders helps companies to anticipate and deal with social and environmental issues which may affect future competitiveness.

A EUROPEAN ALLIANCE FOR CSR

In this context, the European Commission backs members of the business community that are laying the foundations of a European Alliance for CSR. This is an open Alliance for enterprises sharing the same ambition: to make Europe a Pole of Excellence on CSR in support of a competitive and sustainable enterprise and market economy. The essence of this initiative is partnership. This partnership is based on agreement that the priorities of the European Strategy for Growth and Jobs fully respond to the challenges of increasing global competition, demographic trends and a sustainable future.

The delivery of this strategy is crucial for securing Europe's sustainable growth as much as the European way of life. The Alliance is built on the understanding that CSR can contribute to sustainable development, while enhancing Europe's innovative potential and competitiveness, thereby also contributing to employability and job creation. The Alliance seeks to promote CSR as a business opportunity creating win-win situations for companies and society and recognises that CSR is a voluntary business approach which reflects the diversity of European business. While enterprises are the primary actors in CSR, public authorities at local, national and European level have a supportive role to play in promoting it. The Alliance initiative builds on previous discussions with business and stakeholders. In particular, it draws the lessons from the European Multi-Stakeholder Forum on CSR, a major initiative facilitated by the European Commission. The Forum provided a platform for European representatives of business, employers, trade unions and civil society organisations to engage in an innovative process of learning and dialogue and to agree recommendations for more and effective CSR practice. It will also capitalise on the European Campaign to promote CSR among SMEs and the multitude of other business and employer driven initiatives. Another key driver for this Alliance is the European Roadmap for Businesses on CSR - 2010, whereby leading companies and business networks have set out their vision and priorities for a competitive and sustainable enterprise from a European perspective.

The Alliance lays the foundations for the partners to promote CSR in the future. It evolves around the following three areas of activities:

- Raising awareness and improving knowledge on CSR and reporting on its achievements
- Helping to mainstream and develop open coalitions of cooperation
- Ensuring an enabling environment for CSR

Raising awareness and improving knowledge on CSR and reporting on its achievements

The Alliance will explore and support creative ways to exchange and disseminate CSR best practice, initiatives and tools with a view to making them relevant to business practitioners, policy leaders, consumers, investors and the wider public at all appropriate levels across Europe and abroad. Special attention will be paid to promoting CSR amongst enterprises of all sizes in a way that is better in tune with today's and tomorrow's realities and challenges.

The Alliance reaffirms that, building on existing initiatives, there is a need to further promote multi-disciplinary research on CSR at European level, in particular on its impact on competitiveness and sustainable development. Closer integration with universities and

scientific experts as well as continuous dialogue and cooperation with civil society are essential in this respect.

An important contribution to Europe's future competitiveness and sustainability will depend on education taking a leading role in the CSR agenda. The Alliance will encourage the integration of CSR and sustainable development related topics in traditional courses, in the curricula of future managers and graduate students, in executive education and in other educational institutions.

Helping to mainstream CSR and develop open coalitions of cooperation

Considering the wide-ranging nature of CSR and the diversity of the European and international business landscape, the partners of the Alliance have identified several priority areas for action:

- Fostering innovation and entrepreneurship in sustainable technologies, products and services which address societal needs
- Helping SMEs to flourish and grow
- Assisting enterprises to integrate social and environmental considerations in their business operations, especially those in the supply chain
- Improving and developing skills for employability
- Better responding to diversity and the challenge of equal opportunities taking into account the demographic changes alongside the rapid aging of the European population
- Improving working conditions, also in cooperation with the supply chain
- Innovating in the environment field with a special focus on integrating eco efficiency and energy savings in the product and service creation process
- Enhancing pro-active dialogue and engagement with all relevant stakeholders
- Further addressing the transparency and communication challenge to make the non-financial performance of companies and organisations more understandable for all stakeholders and better integrated with their financial performance
- Operating outside the borders of the European Union in a socially and environmentally responsible way as companies do inside the European Union

These priority areas will be addressed by “open coalitions of cooperation” bringing together interested companies ready to tackle these issues in the form of “laboratory meetings” in order to explore and to develop joint operational projects, in partnership with relevant experts and stakeholders and with the backing of the European Commission.

Ensuring an enabling environment for CSR

With the new European Strategy for Growth and Jobs and through its initiative on better regulation, the European Commission and EU Member States have committed themselves to set up and strengthen a business-friendly environment in which entrepreneurs and enterprises can flourish and grow.

In addition, the European Commission will step up its policy of promoting the voluntary and innovative efforts of companies on CSR, by encouraging good practices and their dissemination in a strengthened partnership with business and all relevant stakeholders as well as the national authorities. It will do this also by being consistent across the policy areas and integrating the promotion of CSR where appropriate. To succeed in their joint mission, the partners of the Alliance will capitalise on equivalent alliances developed at national level and will inspire and support similar initiatives in countries where there is interest in doing so. The Alliance supports the organisation of review meetings with all stakeholders, starting in 2006, to take stock of progress made in relation to the recommendations of the European Multi-stakeholder Forum on CSR and of other trends, developments and innovations in CSR.

CONCLUSION AND NEXT STEP

Commitment, mutual trust and dialogue are vital for the success of this Alliance. The Alliance will be what its partners will deliver on the agreed initiatives and priority areas. The partners agree that for coordination and communication purposes, the Alliance will rely on existing business driven structures actively involved in the CSR domain. The partners of the Alliance agree to take stock through high level meetings and to also communicate the Alliance results in the context of the European Strategy for Growth and Jobs.

Time has come to make Europe a Pole of Excellence on CSR. The Alliance is formed to make it happen.