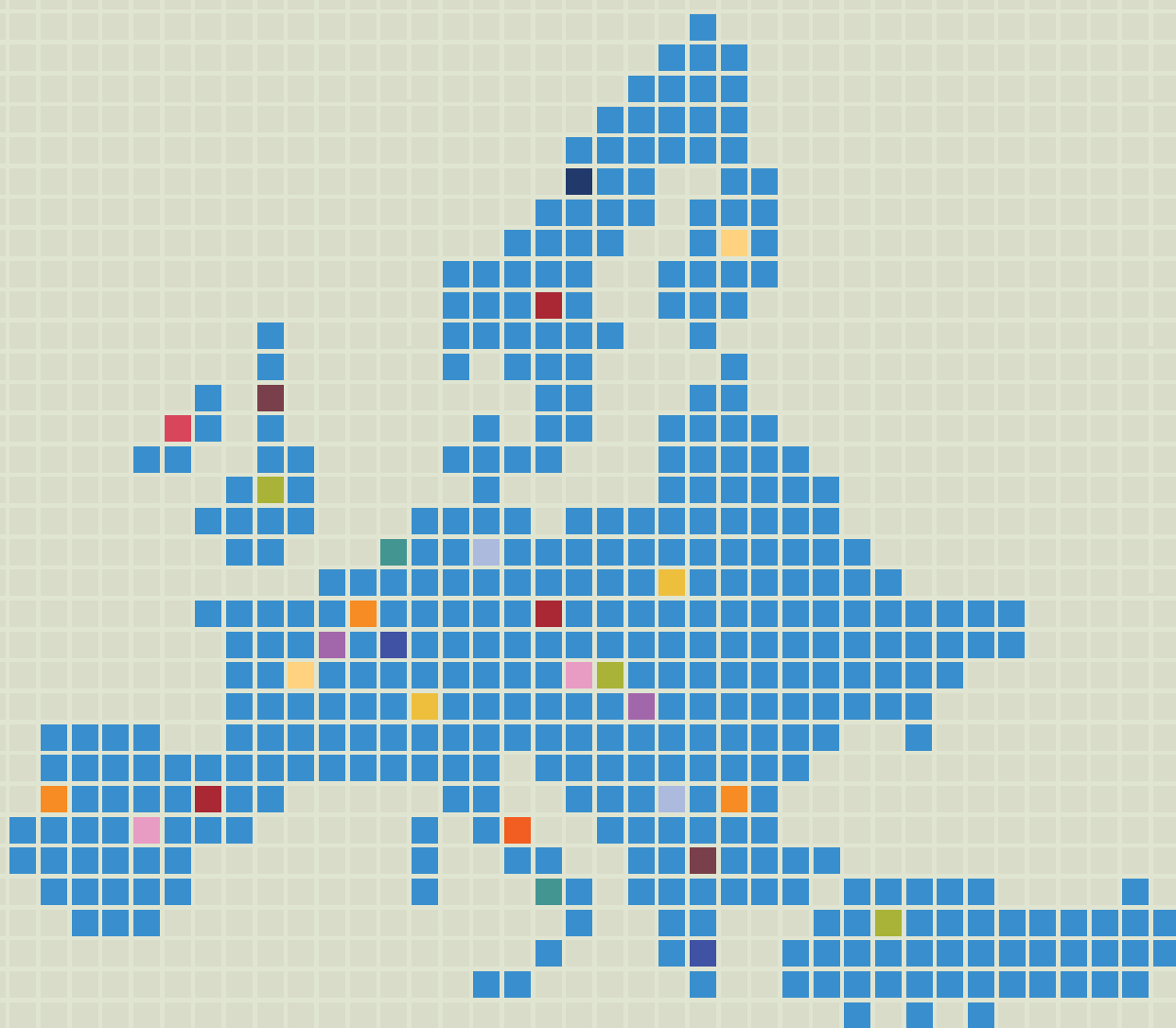


A Guide to CSR in Europe

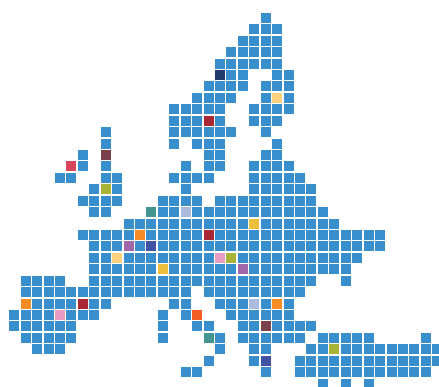
Country Insights by CSR Europe's
National Partner Organisations

Octobre 2010



This updated edition of CSR Europe's Guide to CSR in Europe aims to provide a brief overview of the current state of corporate social responsibility (CSR) and key trends in different European countries. The country insights included in the guide have been developed by CSR Europe's national partner organisations based upon their areas of operations.

The topics covered in each chapter include national CSR policies and legislation, key drivers of CSR, main organisational actors, and recent developments in various thematic areas including environment, supply chain, human rights, equal opportunities, community engagement, and sustainable products and services.



CSR Europe and its National Partners

CSR Europe is the European business network for corporate social responsibility, with around 70 multinational member companies and 27 national partner organisations in 23 European countries. As a diverse network of membership-based CSR organisations, CSR Europe's national partners work with companies and stakeholders across Europe to raise awareness, build capacity and support the development and implementation of CSR. Through collaborative action and membership services, the network strives to lead the responsible business movement at the local, European and international levels.

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Read more: www.csreurope.org

4.	CSR in Europe – An Overview	
6.	Austria	◦ respACT
9.	Belgium	◦ Business and Society Belgium
14.	Croatia	◦ The Croatian Business Council for Sustainable Development
17.	Czech Republic	◦ The Business Leaders Forum
20.	Finland	◦ Finnish Business & Society (FiBS)
23.	France	◦ IMS-Entreprendre pour la Cité ◦ ORSE
28.	Germany	◦ econsense
31.	Greece	◦ Hellenic Network for Corporate Social Responsibility
35.	Hungary	◦ KOVET Association for Sustainable Economies
39.	Republic of Ireland	◦ Business in the Community Ireland
42.	Italy	◦ Fondazione Sodalitas ◦ Impronta Etica
46.	Luxembourg	◦ IMS Luxembourg
48.	The Netherlands	◦ MVO Nederland
52.	Norway	◦ CSR Norway
56.	Poland	◦ Responsible Business Forum
59.	Portugal	◦ RSE Portugal
61.	Scotland	◦ The Scottish Business in the Community (SBC)
64.	Serbia	◦ The Business Leaders Forum
67.	Slovakia	◦ Slovak Business Leaders' Forum
69.	Spain	◦ Club de Excelencia ◦ Sostenibilidad
73.	Sweden	◦ CSR Sweden
77.	Switzerland	◦ Philiass
81.	Turkey	◦ CSR Turkey
84.	United Kingdom	◦ Business in the Community

CSR in Europe – An Overview

The interaction between business and society in Europe is shaped by the diversity of economic, political and cultural landscapes across the continent.

The idea that companies can contribute to societal well-being beyond their legal obligations has a long tradition in many parts of the region. In general, the development of CSR in Europe has been driven both by proactive strategies adopted by pioneering businesses, European institutions and national governments, as well as by external pressures from other stakeholders such as civil society and the investor community, among others.

In Western Europe, the development of the welfare state system during the second half of the 20th century emphasized the role of the state as the primary provider of welfare, while companies were expected to fulfill their societal obligations mainly by complying with laws, paying taxes, and providing employment.¹

Over the recent decades, however, economic and socio-political factors in many Western European countries have led to a partial redefinition of the boundaries between the public and the private sector as well as their respective roles in the society. In this context, growing attention is paid to the voluntary actions that companies take as part of their CSR strategies to manage their economic, social and environmental impacts and to contribute to wider societal development.

In the post-communist Central and Eastern Europe, environmental and social concerns have tended to receive less attention than the significant economic challenges associated with the transition to market economy. However, CSR awareness and implementation in the region are advancing rapidly. In contrast to Western Europe, it is mainly companies themselves – often multinational corporations – that are the main agents of change, whereas external pressure from civil society, media and public authorities has so far been fairly low.²

In Europe, as well as in other parts of the world, the CSR movement has traditionally been led by large companies. Yet 99% of European companies are small and medium-sized enterprises (SMEs), and about two-thirds of jobs in the private sector are in SMEs.³ Many small companies are by nature attuned to the values of their founder or owner as well as to the needs of their local communities, but today increasing attention is being paid to the implementation of a more structured CSR approach in European SMEs.

As a relatively wealthy, stable region with a developed economic and societal structure, the current CSR issues and challenges in Europe naturally differ to some extent from those faced by the less developed regions in the world. Many social and environmental responsibilities, which may fall under companies' voluntary CSR engagement elsewhere, are in Europe legally defined.

¹ See e.g. Global Education Research Network (2009), *Corporate Citizenship Around the World: How local flavor seasons the global practice*, www.cccdeutschland.org/pics/medien/1_1224173416/GERN_for_web.pdf

² United Nations Development Programme (2007), *Baseline Study on CSR Practices in the New EU Member States and Candidate Countries*

³ EIM (2009), *First Section of the Annual Report on EU Small and Medium-sized Enterprises*, http://ec.europa.eu/enterprise/entrepreneurship/craft/sme_perf_review/doc_08/spr08_annual_report.pdf

However, the increasing interest in business opportunities associated with innovative CSR approaches, together with the growing stakeholder expectations for corporate accountability and responsible business practices both within and outside Europe, continue to push the CSR agenda forward.

Furthermore, as a result of the financial and economic crisis, the level of public trust in business has fallen in many European countries. In this context, it is crucial for companies of all sizes to contribute to rebuilding trust in business and shaping a more responsible and sustainable economy in Europe and globally.

It is against this background that CSR Europe, together with its members and partners, is launching the Enterprise 2020 initiative in October 2010. With a shared vision and commitment to leadership, our network calls on other companies and organisations in and outside Europe to join the journey towards the enterprise of the future.



The Republic of Austria's social market economy is a fertile ground for CSR. Labour issues and industry-society relations have been addressed through Austria's political tradition of 'social partnership' since the end of World War II. This partnership calls for a constant dialogue between employers and employees on economic and social policy issues, resolving disputes and engaging in collective bargaining. As far as the government is concerned, the current grand coalition is led by Werner Faymann (Social Democrats - SPÖ) as chancellor and Josef Proll (Austrian People's Party - ÖVP) as vice-chancellor.

In response to the 2009 economic downturn, stimulus packages were enacted to bolster domestic demand. Recently, the Austrian economy has shown signs of recovery and GDP forecasts were adjusted from 0 percent to 1,5 percent for 2010¹. Export figures, accounting for over half of Austria's GDP, have recovered at an unexpected pace².

CSR Policies and Legislation: Austria is a highly regulated state. There are numerous environmental, labour and social protection laws setting minimum standards for business. Even the Companies Act dating back to 1966 states that a corporation must be managed in a way that benefits not only shareholders and employees but also the wider public. In 2002, the Austrian government adopted a joint Sustainability Strategy with the aim of integrating the economic, social and environmental spheres. Fields of action encompass the areas of quality of life, Austria as a dynamic business location, living spaces and overall responsibility. The strategy targets a variety of stakeholders, including the private sector, and is currently being extended to the provincial governments. CSR, regarded as a strategic factor of success for companies, forms part of the action plan. The government expresses its commitment to provide a framework that fosters business responsibility³.

As part of the 2002 Sustainability Strategy, the Federal Ministry of Agriculture, Forestry, Environment and Water Management has developed an action plan for sustainable public procurement. It contains mainly ecological but also social and ethical aspects in supply chains (e.g. Fairtrade products). Apart from contributing to the goals set in the Sustainability Strategy, the aim of the policy is to strengthen regional economic cycles⁴.

CSR reporting is recommended in the CSR Guiding Vision from 2009⁵ but is not mandatory and hence not enforced. However, over the last few years, a growing number of companies have recognised the value of communicating their sustainability measures⁶. In 2010, respACT initiated a unique project where 25 SMEs in one Austrian region were trained on sustainability reporting and as a result collectively submitted a report⁷.

Key Drivers of CSR: Eco-efficiency and sustainable consumption remain the most important drivers. Sustainability measures with immediate cost effects, like reduction of wastage or efficient use of resources, are particularly popular among SMEs which represent 99.7 percent of all Austrian companies.

¹ Österreichische Nationalbank: www.oenb.at/de/geldp_volksw/prognosen/konjunkturindikator/oenb-konjunkturindikator.jsp#tcm:14-172296

² Wirtschaftsblatt September 8, 2010 p. 9

³ Federal Ministry of Economy, Family and Youth: www.bmwfj.gv.at/BMWA/Schwerpunkte/Wirtschaftspolitik/Nachhaltigkeit/02nachhaltigkeit.htm
Federal Ministry of Agriculture, Forestry, Environment and Water Management: www.nachhaltigkeit.at/article/archive/26469
www.nachhaltigkeit.at/filemanager/download/58067/

⁴ Federal Ministry of Agriculture, Forestry, Environment and Water Management: www.lebensministerium.at/article/articleview/83699/1/29183/

⁵ respACT: www.respect.at/content/leitbild/en/home/index.html

⁶ Austrian website for sustainability reporting: www.nachhaltigkeitsberichte.at/nachhaltigkeitsbericht/suchen/berichte_suchdetail.php?oew=372&sw=E

⁷ respACT: www.respect.at/content/site/termine/events/calendar/163.html

Main CSR Actors:

- respACT – austrian business council for sustainable development - www.respect.at
- Netzwerk Soziale Verantwortung (Social Responsibility Network) - www.nesove.at
- Industriellenvereinigung (Federation of Austrian Industries) - www.iv-net.at/blm50
- Wirtschaftskammer Österreich (Austrian Federal Economic Chamber) - www.wko.at/awo/chamberinfo.htm
- Center for Corporate Citizenship Austria - www.ccc-austria.at
- ICEP Institut zur Cooperation bei Entwicklungsprojekten (Institute for Development Cooperation) - www.icep.at
- RIMAS Research Institute for Managing Sustainability - www.sustainability.at

Degree of Public Awareness on CSR: Consumer awareness on the concept of CSR is rather low and in this sense the pressure on businesses to act responsibly is limited. Representatives of only 18 percent of CSR “leading” companies serving domestic markets think that CSR matters to consumers. It has furthermore been found that a low degree of consumer awareness discourages companies from acting socially responsible on a broader basis⁸.

Media Coverage: The concept of CSR was broadly discussed over the last few years and coverage has moved beyond the interpretation of CSR as sponsoring activities. Meanwhile, monthly and weekly lifestyle as well as business magazines critically address the social responsibility of companies. Special reports on CSR can be found regularly in daily newspapers⁹.

Environment: In 2002, the Federal Government adopted a Sustainability Strategy which targets a variety of stakeholders, including the general public. Austria’s biggest environmental concerns are its great energy demand which cannot be satisfied from the country’s own resources, and the high level of CO2 emissions. In recent years, energy efficiency has become an important topic in media and society. Different types of subsidies for private investment (e.g. energy-efficient building) and companies have been made available. Austria’s ecological footprint is in line with the EU average, whereby women exhibit a higher degree of awareness on issues like climate change. Both, government and media are strongly pushing the issue, which is expected to heighten public awareness¹⁰.

Supply Chain: Companies are increasingly aware of social and environmental issues in their supply chains. Certified raw materials are starting to become accepted, as shows the prevalence of FSC-certified materials¹¹. However, companies are still uncertain as to how to deal with the Supply Chain topic properly.

Human Rights: Since 2006, respACT is the national focal point for the UN Global Compact. In this context, human rights issues are being promulgated. Companies such as OMV (www.omv.at), OeKB (Oesterreichische Kontrollbank - www.oekb.at), BAWAG (Bank für Arbeit und Wirtschaft - www.bawag.at) are taking the issue further. Human rights can generally be regarded as fulfilled in Austrian businesses, however, much work remains to be done concerning human rights in third country supply chains.

⁸ Ungericht, B., Raith, D., Korenjak, T. (2009). CSR in Österreich

⁹ respACT communication department

¹⁰ VCO (association for sustainable mobility): www.vcoe.at/start.asp?b=88&ID=3070
Allianz: www.unternehmen.allianz.at/presse/news/2009/Artikel_01.html

¹¹ WWF Austria: www.wwf.at/de/papier/

Equal Opportunities: Despite a number of regulations on equal opportunity, salary differentials between male and female employees are amongst the highest in the EU. Women earn around 25,5 percent less than men in the same positions¹². In 2010, the ministers for social and women's affairs decided on a resolution prescribing the disclosure of salaries applicable to companies with over 1000 employees¹³. Another significant factor where Austria lags behind is childcare, particularly in the rural areas.

Community Engagement: Relationships between companies and local communities are persistent throughout most areas in Austria and are also perceived as embedded within Austrian business culture. It is common for communities and NGOs to seek support from local companies which in turn back community activities. Especially SMEs are strongly embedded in regional structures.

Sustainable Products and Services: A number of innovative SMEs have specialised in the creation of sustainable products and services, thereby covering market niches (e.g. Zotter www.zotter.at, Weltweitwandern www.weltweitwandern.at, Gugler www.gugler.at, Götting des Glücks www.goettindesgluecks.at). In the area of grocery, sustainable products are ubiquitous, reflecting a high consumer sensitisation: Austria is one of the fastest growing fair-trade markets and ranks fourth in terms of per capita turnover of fair-trade products¹⁴. Organic products make up a considerable share of supermarket commodities, even in low-price retail segments. In order to expand this awareness to other areas of consumption, consumer protection organisations call for monitoring tools to guide consumers towards socially responsible businesses¹⁵.

Company Best Practices: www.respect.at/praxisbeispiele (German) or www.unglobalcompact.at/content/ungc/site/en/activitiesandbestpractice/bestpractices/index.html (English)

Main Challenges on CSR: One challenge is to raise awareness amongst civil society for the contribution of companies to combat social and ecological challenges. Secondly, large companies struggle to engage their employees in CSR issues. With respect to SMEs, it is crucial that they acknowledge the benefits of strategically employed CSR.



About respACT:

respACT offers innovative concepts and projects concerning CSR and sustainability (e.g. guides and tools for companies to integrate CSR in their business strategies), a platform for companies to discuss ideas and experiences, dialogue with politics, civil society and media, and the promotion of company best practices. Activities place special emphasis on SMEs, including one-person-enterprises, and relevant guidance has been developed (see www.respect.at/kmu and www.respect.at/epu).

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¹² Der Standard: <http://diestandard.at/1267132291365/Einkommensschere-Oesterreich-im-EU-Vergleich-Vorletzter>

¹³ Der Standard: <http://derstandard.at/1282979077042/Gehaltstransparenz-Gleichstellung-nur-Thema-fuer-die-Sonntagsrede>

¹⁴ Mandl et al (2007): CSR and Competitiveness - European SMEs' Good Practice. National Report Austria.

¹⁵ Die Presse: <http://diepresse.com/home/wirtschaft/economist/586075/index.do>



Belgium is a federal country with three regions located at the heart of Europe. Belgium is a highly industrialized country with an important transportation infrastructure. The Belgian economy is characterized by a highly productive and skilled work force, high GNP and high exports per capita. The economy is mainly supported by small and medium-sized enterprises. Approximately 83% of Belgian companies have less than 10 employees and 97% of the companies employ less than 50 people. SMEs account for over 70% of GDP.

CSR policy/legislation:

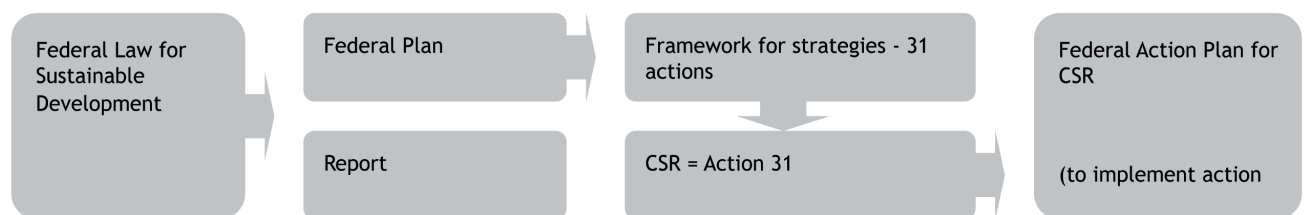
- Major pieces of Legislation related to CSR: (e.g. procurement, white papers, etc.)
- Planned/Future Governmental policies on CSR and what is the status: (e.g. Swedish government is thinking about a white paper strategy)
- Legislation/Policies around Reporting

Belgium is a complex country with three regions, each with various initiatives on CSR:

At national level, there is the law on “coordination of the federal policy for sustainable development” (1997). This law foresees a cycle of continuous improvement with a Federal Plan every four years and a Report every two years. The Plan is not constraining, but it defines the framework of the strategies to be followed with six priority areas translated in 31 actions – the 31st being for CSR.

To implement this action 31, the Federal Action Plan for CSR in Belgium has been developed in October 2006. The objective is to promote CSR in Belgium and stimulate companies to integrate it in their management. Most initiatives are based on recommendations and encouragement rather than on obligations.

Their goals are: to **stimulate the introduction of CSR in companies**



(incl. in SMEs), **to promote ethical investment, to increase transparency, to stimulate the exchange of information and good practices on CSR and to financially assist companies active in the social economy.**

These initiatives are summarised in the Federal Action Plan for CSR in Belgium (www.cidd.be/FR/publications/plans_d_actions_spa_cifiques).

Introduction to CSR in the country:

- Key Drivers/areas of CSR (e.g. in Norway is looking at Human Rights and Norwegian companies' behavior abroad):

According to a study of the Belgian Employer Federation more than 90% of the companies consider that their missions goes further than the realisation of profit and encompass also social and environmental aspects (www.vbo-feb.be/index.html?file=2670). The current CSR policies were driven by the regional environmental law in the 1990's (e.g. Vlarem).

Key CSR focuses in Belgium are non-discrimination, public procurement, international investment, SRI, dissemination of best practices, fair trade, stakeholders' dialogue, transparency and reporting. Main actors in the country in terms of CSR (e.g. specific NGOs, business federations, government ministries, etc.)

Governments:

SPF Sustainable Development - www.developpementdurable.be

Wallonia Ministry of Economy - <http://rse.wallonie.be/apps/spip>

Flanders Ministry of Employment - www.werk.be/beleid/mvo/overheid.htm

NGOs:

Kauri - www.kauri.be

Guberna - www.guberna.be

IEW - www.iewonline.be

IEB - www.ieb.be

BBL - www.bondbeterleefmilieu.be

Centre for equal opportunities and opposition to racism - www.diversiteit.be

Trade Unions

FGTB-ABVV - www.fgtb.be

ACV-CSC - www.acv-online.be

ACLB-CCSLB - www.aclb.be

Employer Federations

VBO-FEB - www.vbo-feb.be

UWE - www.uwe.be

UCM - www.ucm.be

UNIZO - www.unizo.be

VOKA - www.voka.be

BECI - www.beci.be

Investors

Belsif - www.belsif.be

Network Vlaanderen - www.netwerkvlaanderen.be

RFA - www.financite.be

Consumers

OIVO-CRIOC - www.crioc.be

Test achat-Test Aankoop - www.test-aankoop.be

- Degree of Public awareness and understanding on CSR: (please provide a brief overview and if possible, link to research undertaken in this area)
- Role/Involvement of the Media: (how present is it?)

Environment:

- Is there a national action plan for the Climate Change/Environment/Sustainable Development and/or public procurement?

In January 2009, a Belgian '**climate law**' was introduced. Its main objectives are to have more coordinated and efficient policies on climate in Belgium. The main environmental challenge in Belgium is to reduce the emissions of CO2 over time. (www.magnette.fgov.be).

- How is the issue of energy efficiency being dealt with (if at all)?

The environment is an important issue for Belgian companies, two third of them report on this issue in their annual reports. The performance of companies seems to be improving.

(www.vlerick.com/en/7097-VLK/version/default/part/AttachmentData/data/vlgms-wp-2007-34.pdf)

Regional governments financially promote the **eco-efficiency investments** (installation of energy saving installations and renewable energy investments, waste reduction, development of environmental technologies).

- Public awareness/concern on Environmental issues: (please provide links to the research)

The citizens' awareness for environmental issues is increasingly important. For prove the increasing number of enterprises in the environmental sector, the leading position in Europe in recycling, and the decreasing amount of infraction against the environment in Belgium.

(www.statbel.fgov.be/pub/d1/p140y2007_fr.pdf)

Supply Chain: (what are the most common issues (e.g. contractual requirements) that companies working with suppliers in the country may experience?)

The federal government just adopted a plan to foster **sustainable public procurement** for 2009-2011.

The objective of this plan is to reach 50% of sustainable public procurement by 2011. A website giving information and advices on how to do public procurement was created by the government

(www.guidedesachatsdurables.be).

- Even if the concept of **sustainable private procurement** is not as developed as the concept of sustainable public procurement, it is more and more on the agenda. Business & Society Belgium is currently working on it with its members. Belgian companies doing sustainable procurement are mainly using labels such as ISO 14001 or "Entreprise Eco-Dynamique" in the Brussels Region (www.bruxellesenvironnement.be).

Human Rights: (what is the perceived role of businesses in terms of respect of human rights and what are the issues of focus in your country in this area)

Belgian companies focus mainly on **diversity in the workplace and work-life balance**. Collective bargaining and freedom of association are obligatory and well integrated. Most Belgian companies are SMEs

and in the service sector, so not confronted regularly with issues associated with forced labour or child labour. However, the multinationals in the industry sector are active in this kind of issues and do report on it but they constitute a minority. This also explains that Human Rights aspects are rarely addressed in annual report (less than 5% of the annual reports) (www.vlerick.com/en/7097-VLK/version/default/part/AttachmentData/data/vlgms-wp-2007-34.pdf).

Equal Opportunities: (what are companies doing in terms of equal opportunities and what is the perceived role of business in this area, as well as issues of focus in your country)

Diversity is an increasingly important issue for Belgian companies. Discrimination seems to still be a problem in Belgium. According to several studies (for example: http://statbel.fgov.be/studies/thesis_fr.asp?n=200, or www.trends.be/fr/economie/politique-economique/12-1635-45749/discrimination--carton-jaune-pour-les-entreprises.html), there is an ethnostratification in the Belgian labour market. This means that the labour market is divided into different ethnic layers. While people of a European origin are over-represented in the top layers, people with non-European roots and/or nationalities are more concentrated in bottom layers. Other discriminations based on age, sex, and handicap also exists. In 2008, a diversity label was created in Brussels; it gives subsidies to companies having a diversity plan (www.cerexhe.irisnet.be/fr/competences-regionales/emploi-1/08-05-2009-accord-du-gouvernement-bruxellois-sur-le-label-diversite). Many large companies in Belgium have developed a diversity plan.

Community Engagement:

- What is the perceived role of businesses in the local community?
According to the Belgian Employer Federation, approximately 50% of Belgian companies communicate regularly their results concerning CSR to their employees, clients or authorities.
- What is the level of cooperation between local communities and businesses?

Companies' communication towards suppliers, local communities, and NGOs is an increasing concern for Belgian companies. Proactive stakeholders' engagement constitutes an important challenge for Belgian companies. (www.vbo-feb.be/index.html?file=2670)

Sustainable Products and Services: (please provide information on innovations in this area and information on the engagement between consumers and CR--- provide links to studies and research) .

For one decade, the success of sustainable products and services is increasing in Belgium. Sustainability turns out to be an **important business opportunity**, and enables brands to position themselves. Environmental respect is becoming essential for consumers. Currently 9 % of the annual budget of Belgian families is spent sustainably, this percentage is increasing (http://fr.observ.be/article/4329-le-panier-de-la-menagere-plus-vert_.html). Several Belgian companies such as Ecover have successfully based their business model on sustainability. Moreover, there is in Belgium an increasing success for organic food (www.statbel.fgov.be/studies/ac395_fr.pdf), and fair trade products (www.befair.be/fr/articles/www-befair-be/2-ressources/commerce-equitable/quelques-etudes-et-rapports.cfm).

Company Best Practices:

- B&S Belgium - www.businessandsociety.be/fr/documents
- MVO Vlaanderen - www.mvovlaanderen.be/zoeken
- RSE Wallonie - http://rse.wallonie.be/apps/spip/rubrique.php3?id_rubrique=7

Main Challenges Remaining around CSR in the country:

The main challenges are: Skills for employability, mainstreaming diversity in the company, stimulating an entrepreneurial mindset among young people and promoting entrepreneurship education, demographic change, eco-efficiency, climate changes, proactive stakeholder engagement, private procurement and transparency.

What are you (the partner) doing/working on in terms of CSR or focus areas in your country?

Business & Society Belgium is a network and an inspiration to corporations and associations striving to integrate social responsibility in their management and activities.

Mission:

- We are a growing action and business-driven network, which promotes and integrates CSR into business, to contribute to sustainable development and human progress.
- We want to be a driver for change by working with members, partners and social actors on specific CSR themes.
- We want to be a reference centre providing high quality information to our members. We want to be a sounding board and a platform for exchange of experiences.

Business & Society Belgium has currently 50 members of which four are employers' federations. It promotes and supports every aspects of corporate social responsibility, both internal and external. It provides significant exposure to its members, creates new partnership opportunities and encourages dialogue with all relevant actors.

Contact Details of Partner:

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A right center Government is currently in place in Croatia lead by HDZ, the Croatian Democratic Union. Croatia is still facing significant decreases of its GDP, going through an ongoing recession.

CSR Policies and Legislation: Unfortunately there is no CSR related legislation in Croatia, in terms of procurement or tax reductions. A Sustainable Development Strategy has recently been drafted, which is supposed to be further developed throughout various action plans. Among others, higher benefits to companies via the support of CSR related programs are expected to arise. It is also expected that the Government develops action plans within the SD Strategy. Little is expected in terms of more concrete measures such as procurement or taxes.

Generally, there is no regulation regarding reporting on CSR and SD. However, this trend might change with the influence of the UN Global Compact's requirements. Also, Croatia put in place an obligatory reporting for companies that cover part of the CSR in terms of corporate governance.

Key drivers of CSR: Traditionally, the major focus in Croatia lied in environmental protection. It is one of the main companies' CSR priorities, often referring to ISO 14000 certification standard. It is important to say that Croatia has a very strong environmental regulation system, all basic environmental impacts being regulated (such as waste, water and air emissions). Thus, companies' interest shifted, being now much more focused on labor and human rights. Also, increasing activities and reporting focus on employee's satisfaction and education.

Main CSR Actors:

- **Business associations:** HR BCSD, UN GC and the Association for CSR in the National Chamber of Economy,
- **Companies:** mainly large companies considered as being the leaders of CSR in the private sector. They help in promoting CSR through their own activities, support projects and report back to the media.

Degree of Public Awareness on CSR: The recent research made by the PULS agency showed that there is almost no public awareness on CSR in Croatia. A short version of this research is published on the following website: www.hrpsor.hr. The media do not have the necessary knowledge to effectively support CSR news, thus mainly responding to what the public wants to read. Although improvements in media's interests for CSR activities have recently been observed, they remain usually reserved to special editions of business magazines, published in December during the holiday seasons.

Environment: The country has recently revealed its National Sustainable Development Strategy, which is supposed to be further developed through action plans not yet available. The Government's focus lies in the waste sector. Much of the investments are oriented towards the establishment of waste collection centers. Furthermore, a National allocation plan for CO₂ emissions has been implemented. Since several years, Croatia has been paying fees for CO₂ emissions and other gas emissions to the Fund for Environmental Protection and Energy Efficiency.

Major environmental challenges for the country lie in the lack of sufficient energy sources able to cover the needs within the CO₂ limits. The major energy users companies have invested in better technologies and energy sources for years, but their efforts are often not followed with sufficient legislation frameworks. Waste of energy can be observed in large publicly owned companies, such as oil and energy companies owned by the Government.

Many individual energy efficiency projects have been opened in the country recently. There is no specific research available of environmental concerns of the public but it is safe to say that average Croatian citizen will claim to be environmentally friendly but he is not recycling and he is not saving energy, he will maybe plant a tree and recycle those materials that pay off.

Supply Chain: There have not been many examples of CSR related requirements in Supply chain management areas. In fact, most of the requirements are related to the product quality and legal practices.

Human Rights: Croatia being a former socialist country, the human rights and social rights have been seen as being very important issues. However, with the recent transition to a market oriented economy, human rights have not been considered as a major issue anymore, other issues being now considered higher on the agenda, such as the increase of stress at work.

Equal Opportunities: Equal opportunities are an issue that still do not belong to the major focus area of the Government, the companies as well as the general public. Higher management positions are still occupied by male workers. Statistics show that only 6% of the management positions in the country are occupied by women, whereas this amount reaches over 25% in companies dedicated to CSR.

Community Engagement: Generally, the level of cooperation between companies and local communities is very low. Indeed, companies are not expected to engage in local activities, although companies working in smaller communities are expected to financially support local sport clubs. In most of the cases though, companies provide minor donations and are rarely involved in projects with local communities or NGOs.

If joint projects are so rare, it is not only the companies fault. NGOs and local communities are not opened to cooperation and there is generally very low level of multi-sector partnerships and dialogs.

Sustainable Products and Services: The chapter in the SD Strategy called “Sustainable Production and Consumption” is currently being developed through an action plan. No public or private institutions are promoting or training on sustainable products development issues. Again there are some nice examples of private company initiatives in this area, but they are usually undertaken only if they can have financial benefits out of it, being otherwise very hard for them to justify such an investment.

Company Best Practices: CSR Platform project aims among others at effectively share best practice examples. For the individual best practices, please visit: www.hrpsor.hr, www.holcim.hr, www.hartmann.hr.

Main CSR Challenges: Companies have not been prepared to know how to implement CSR and do not know what benefits they can have out of it. The government does not support CSR measures in any way, neither is there any support to good practices. In the contrary, customers are not sensitive to companies implementing CSR measures. A research conducted showed that the most important criteria remain the quality and the price of products, CSR not being in the main focus area.



Hrvatski poslovni savjet za održivi razvoj
Croatian Business Council for Sustainable Development

About the Croatian Business Council for Sustainable Development:

We are promoting CSR through publications, conferences, seminars and trainings. **The Croatian Business Council for Sustainable Development** closely works with the Government to introduce CSR into overall development strategies. We are project manager of the CSR Platforms project through which we have form a group of relevant organizations and started stronger promotion of CSR. We have also initiated a CSR Index, being an excellent educational tool for companies and a transparent information tool for customers.

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The Czech Republic has been affected by the global economic downturn, especially as it affects the Euro Zone. The Czech economy's current inflation rate is around 4.1% and expected to increase. The unemployment rate is 5.8% and GDP at -3.4%.

www.economist.com/countries/CzechRepublic/profile.cfm?folder=Profile%2DEconomic%20Data

CSR Policies and Legislation: Most legislation related to CSR priorities is implemented nationally, the most important of which are the National Labour Code, Consumer Protection Law, and Law on general product safety and Environmental Law.

The Czech government adopted the National Quality Policy in 2000 which includes CSR as a priority. The coordination responsibility of this policy at the national level lays with the Council of the quality of Professional Section for CSR composed of representatives of organisations and government working to promote the concept of CSR in the Czech Republic.

The strategic objectives for 2013 are to create the basic prerequisites for the coordination of activities of major organisations around the promotion of CSR, participation in the implementation of the National Quality Prices (Price per CSR), cooperation in the implementation of professional activities on the issue of CSR towards the public and the creation of a discussion forum on terminology and content of social responsibility in the Czech Republic.

Neither legislation nor formal policies exist that oblige companies to report on their CSR activities. While there are a few certification bodies who can verify whether a CSR report is below GRI standards, this does not aid in promoting CSR reporting.

Key Drivers of CSR: According to surveys in the business sector, it appears that the main CSR-related priorities are the environment, well-being and philanthropy.

Main CSR Actors:

- Ministry of Human Rights and Minorities - www.vlada.cz
- Ministry of Labour and Social Affairs - www.mpsv.cz
- Ministry of the Environment - www.mzp.cz
- Ministry of Industry and Trade - www.mpo.cz
- Business Leaders Forum - www.blf.cz, www.csr-online.cz
- Association of Fair Business - www.korektnipodnikani.cz
- Czech Society for Quality - www.improvementandinnovation.com/directory/organisation-profile/czech-society-quality

Public Awareness on CSR: Awareness is widespread, but information is lacking as to specific CSR topics. Many CSR-related activities are of common public knowledge but they are understood as concepts in and of themselves and not within the CSR context. However, the broader concept of CSR is slowly taking root in educational institutions such as universities. It is often covered in courses on Corporate Governance, Business ethics and in some cases it exists as a separate course as well. The first of its kind accredited to the University of Economics in Prague.

Media Coverage: The role of the media is weak. There are occasional magazine/newspaper articles that make mention of CSR but offer little explanation.

Environment:

- **National action plan:** The current policy on climate change is in the process of modification. An updated version is expected to be finished by the end of 2009.
www.mzp.cz/cz/narodni_program_zmirnovani_dopadu_zmeny_klimatu
- **Main environmental challenges:** The main challenges in the Czech Republic include lowering emissions that exist as a results of transport, home heating and CO₂ incinerated fixed sources, as well as incomplete construction of a sewage treatment plant, insufficient share of renewable energy in the consumption of primary energy sources, deforestation, increase in public waste and finally, the role of environmental pollutants in the broadest sense (e.g. tobacco smoke, exhaust fumes, food additives) that contribute to the increase in childhood allergies).
- **Energy and eco-efficiency:** The focus is currently decreasing energy intensity, increasing total consumption of primary sources and decreasing domestic solid fuel (price and availability).
- **Public awareness on environment:** Environmental awareness is largely promoted through the Czech Republic's National Cleaner Production Program. In addition, there are a number of educational programs that reach out to the younger generations, introducing them to important personal practices such as sorting waste. www.mzp.cz/cz/evvo, [www.cenia.cz/_C12572570032F2DB.nsf/\\$pid/MZPMSFIV6FVN](http://www.cenia.cz/_C12572570032F2DB.nsf/$pid/MZPMSFIV6FVN)

Supply Chain: Czech companies are often found within the supply chain of many multinational companies. The most common issues companies when dealing with suppliers in Czech Republic are ensuring suppliers are competent in their field, legal capacity and integration of statutory bodies, financial correctness related to the state administration bodies, data security and company transparency.

Human Rights: The responsibility for monitoring and addressing this issue lays within several government councils include the Council for Human Rights, for National Minorities, for Roma Community Affairs, for Health and Safety at Work, for People with Disability, among others. www.vlada.cz/cz/pracovni-a-poradni-organy-vlady/rp/rp-uvod-17537/, www.vlada.cz/cz/pracovni-a-poradni-organy-vlady/rnm/historie-a-soucasnost-rady-15074/

www.vlada.cz/cz/pracovni-a-poradni-organy-vlady/zalezitosti-romske-komunity/uvod-5779/

Equal Opportunities: The main trend is for companies to focus on opportunities in work-life balance, diversity in the workplace, and ensuring inclusion of employees in the 50+ range. The latest trend is to establish company kindergartens.

The Labour Code plays a strong role in this area as well as the pressure from the Czech-Moravian Confederation of Trade Unions. www.cmkos.cz/homepage

Community Engagement:

- **Perceived role of businesses in the local community:** Czech businesses currently benefit from a positive image within local communities. This is largely due to the strict adherence of business to legal obligations.
- **Cooperation between local communities and businesses:** Business community involvement is generally not innovative. While normative projects and activities are carried out, ongoing dialogue and cooperation between businesses and communities is not common.

Sustainable Products and Services: The Czech Republic's National Trademark on Quality is given to products that meet certain standards regarding quality/sustainability. The program consists of approximately 20 trademarks, including several that focus solely on environmental impact of the product. www.tmoffices.eu/czech/trademarks2.htm

Company Best Practices: Business Leaders' Forum: www.csr-online.cz

Main CSR Challenges: For large corporations, the main challenge is to ensure consistency between what is done in practice and what is written in theory in the form of CR strategy. CSR is still largely seen as a means to greater corporate reputation. Therefore, the real challenge lies in creating a deeper understanding of CSR. In regards to SMEs and the public sector, the greatest challenge, is to position CSR as a potential driver for business.



BUSINESS LEADERS FORUM

About Business Leaders' Forum:

The Business Leaders Forum, currently, has collected and disseminated practical CSR tools and guidelines via its web portal, www.csr-online.cz. Additionally, it regularly organises seminars and round tables on CSR, has developed an initiative for university students (the Manager Shadowing Program) and implements a corporate award scheme on Health and Safety and the Environment.

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Finland is a parliamentary republic with eight official parties of which the Centre Party, the National Coalition Party, the Green League and the Swedish People's Party of Finland form the current government. The updated Constitution has been in place since the year 2000 and next Parliamentary elections will be held in 2011.

Within the EU, Finland has been one of the most competitive economies and its banks and financial markets were largely unaffected by the global financial crisis. However, as the country is heavily dependent on exports, with exports accounting for over one third of GDP, Finland has been among the worst hit economies of the euro zone. As a result, the unemployment rate, for example, is expected to remain around the current 8,5 per cent level. Naturally, one urgent challenge is to find a way to alleviate the fluctuations in exports and meet economic opportunities and challenges from BRIC countries. In the long run, Finland has to address two key issues: the ageing population and finding increasing economic growth and productivity.

CSR Policies and Legislation: As with the Nordic model, compulsory law is covering many areas of CSR e.g. in social, consumer rights, labour, educational and environmental areas. General CSR reporting is not mandatory, although the accounting regulation requires the companies to disclose e.g. material environmental risks; also personnel issues like sick days and occupational education need to be disclosed. Additionally stock exchange (OMHEX) self-regulatory system requires disclosure of all material issues and risks. The government is currently considering a Resolution on the key areas of CSR. The main pieces of relevant legislation are the Companies Act, Employment Contracts Act, Employment Accidents Act, Social Security Legislation, extensive legislation on Environmental Protection and the Accounting Act.

Depending on the size and industry, many companies are now putting more emphasis on stakeholder views and competitive advantage through sustainable operations, thus extending beyond the legal requirements. The major companies rely heavily on the global frameworks such as UN Global Compact, ILO and OECD guidelines, various ISO standards and GRI Guidelines.

In terms of the main CSR issues, environment and climate change have been at the center of CSR dialogue in Finland. Lately other issues have risen in importance, namely fair employment practices and ethical consumption.

Main CSR Actors:

- Finnish Ethical Forum - www.eettinenfoorumi.org
- Confederation of Finnish Industries - www.ek.fi
- European Business Ethics Network Finland (EBEN Finland) - www.eben-net.fi
- Finnish Business & Society - www.fibsry.fi
- ICC Finland - www.icc.fi
- Central Chamber of Commerce - www.keskuskauppakamari.fi
- Central Organization of Finnish Unions - www.sak.fi/
- Federation of Finnish Enterprises - www.yrittajat.fi
- Ministry of Economy and Employment (MME)/Committee on Social and Corporate Responsibility; an OECD NCP - www.tem.fi
- Ministry of Environment - www.ymparisto.fi
- Ministry for Foreign Affairs /(MOFA) - www.formin.finland
- Ministry of Social affairs and Health - www.stm.fi
- Association for Environmental Management - www.yjy.fi

In addition, many NGO's, universities and private entities take part in the CSR development in Finland.

Environment: Finland ranked 12th on the 2010 Environmental Performance Index (EPI) whereas in 2008 it was still on fourth and, in 2006, third position. Although general environmental awareness has risen significantly, there are still many remaining challenges to be addressed. Cutting greenhouse gases while maintaining efficient society operations in a cold climate is a major challenge. The Ministry of the Environment is currently preparing a collection of articles on environmental awareness in Finland.

The Finnish Government passed a resolution encouraging all public actors to adopt sustainable procurement. As public procurement accounts for 15% of Finland's GDP, it acts as a significant example for the private sector as well as consumers to pay more attention to sustainability. In terms of energy, voluntary energy conservation agreements play a key role in the implementation of Finland's climate strategy and the associated energy conservation program. Industry associations are also pushing for positive measures in this area.

Supply Chain: Many of largest companies in consumer goods and textiles industry acknowledge that companies working with several tiers of suppliers need to require safeguards e.g. on human and labour rights from their suppliers e.g. in the emerging markets. They use widely available international guidelines like Global Compact and ILO guidelines and include basic terms into their contractual arrangements. Finland together with other Nordic countries is planning the introduction of a Nordic CSR Compass tool on supply chain management to support SME's on creating their own code of conducts. The government has also widened the domestic due diligence requirement of buyers, about employment related taxes etc.

Human Rights: Human rights in the Finnish business context have been widely discussed related to investments into emerging markets since the late 1990's. The Foreign Ministry has commissioned a study on business and human rights that was supposed to give a basis for discussion, a goal that has largely been met. Detailed measures promoting the achievement of human rights are often included in companies CSR reports and UNGC disclosure mechanisms. However this is an area with constant dialogue with government and NGO's. There is also a Human Rights Advisory Board (IONK) co-ordinated by the Ministry for Foreign Affairs.

Equal Opportunities: Finland has openly and persistently promoted equality and was ranked second on the Global Gender Gap Report in 2009. Interestingly enough, though, in terms of economic participation and openness to board membership, Finland still has a long way before reaching the top. Wage inequality and the relatively low number of women in senior positions are areas where most improvement is needed. MME coordinates this work on government level.

Community Engagement: Traditionally in the early 1900's, companies were tightly linked to their local communities. Employers were expected to take care of many aspects of their employees' lives (accommodation, healthcare, school for children). Yet, with the rise of industrialization, the state took over the responsibility for social issues. However, corporate volunteerism has recently arrived in Finland and it is no longer uncommon for companies to find ways to communicate and collaborate with the communities they operate in. Employee volunteering programs are also gradually becoming more common.

Sustainable Products and Services: Finland's program to promote sustainable consumption and production is one of the first of its kind in the world. As part of the program, the Ministries of Environment and Employment and the Economy have set up a materials efficiency center, in connection to Motiva Oy (www.motiva.fi). The purpose of the center is to provide services for businesses and advice for consumers and public sector organizations on ways to improve materials efficiency. They have also drafted proposals for a government policy on public sector purchasing procedures to adopt environmentally favorable solutions. The best examples of innovative and sustainable business solutions can be found from the so-called cleantech sector (www.cleantechfinland.fi). Additionally MEE supports new product and service innovations based on sustainability.

Additionally, many companies in ICT sector have developed innovative and sustainable solutions like energy efficient mobile networks and base stations and global access to mobile communications on a Bottom-of-Pyramid mindset.

Company Best Practices: Information on CSR area best practices has been systematically collected mainly into industry sector and project-based databases (e.g. Cleantech, non-discrimination - equality.fi). For showcases of company best practices, the web pages of listed companies (OMHEX), and of the members of Finnish Business & Society, show best examples. Additionally www.ek.fi lists best practices. Especially those Finnish companies, who rank high in DJSI and FT4Good sustainability indices, are notable. MME maintains also a database of SME's CSR best practices.

Main CSR Challenges: Safeguarding the competitiveness of Finnish industries against emerging markets countries has been one key issue and the relocation of companies operations to low-cost countries has created controversies.

Managing demographic change and to some extent, ethnic diversity are challenges Finland has to tackle in the near future. A lot is also being written of the difficulty of younger generations to get into steady employment, and job security and job satisfaction are increasingly important.

In terms of the environmental challenges, climate change and low-carbon economy have been the focus of Finnish CSR. Also, new mandatory sewage treatment requirements in rural areas are hotly debated. In addition, there are signs of rise in importance of the loss of biodiversity as an environmental challenge.



About Finnish Business & Society:

Finnish Business & Society (FiBS) encourages Finnish companies to embrace corporate social responsibility in their strategic planning and day-to-day management – thereby forging social responsibility into a compelling success factor in the competition for customers, personnel and investors. FiBS provides information and networking services for its members, and raises awareness of corporate responsibility among Finnish companies, decision-makers and consumers.

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CSR Policies and Legislation: The law of Modernisation of the economy “*Nouvelles Regulations Economiques (NRE)*” passed in 2001, makes reporting on social and environmental impacts mandatory for listed companies through article 116. A study, led by ORSE, OREE and EpE on its application showed that despite several imperfections, the NRE law has acted as an impulse for non-financial reporting. The combination of both, volunteer and legal actions, and the necessity to give a global answer to all the stakeholders gave a great impetus to non-financial reporting and CSR policies.

www.orse.org/site2/maj/phototheque/photos/docs_an/critical_review...pdf

Following the *Grenelle de l'environnement*¹, a nationwide multistakeholder² consultation process which recommended better integration of Environmental, Social and Governance criteria in asset management, the NRE Law should extend to public companies and non-listed companies of more than 500 employees (+ Turn over > 43 M€), in addition to requiring reporting on data in relation to international perimeters. Practical details on implementation of this new law are currently discussed with governmental and professional representatives. Other regulatory initiatives include the update on regulation around corporate pension schemes via the Law of Modernisation of the economy (NRE), the signature of a chart on responsible Investment by several French professional organisations in July 2009, as well as transparency guidelines and collective and individual labelling initiatives.

Diversity is also the subject of regulations as a series of laws recommended companies to negotiate agreements with trade unions on gender equality. More lately (March 2006), a law proposed to reduce the salary gap between men and women by 2010. In case of no respect of this engagement, financial sanctions are foreseen. Equally, a quota of 6% of disabled people should be respected in the staff of companies with more than 20 employees.

Key Drivers of CSR: The emergence of CSR in France results from globalization, the influence of foreign corporations as well as growing stakeholder expectations (employees, NGOs, public actors, etc) for better CSR integration, additionally intensified by the financial and economic crisis. Another important driver is the pending launch of the new standard ISO 26 000 (workshops led by AFNOR), plus the successful development of the French socially responsible investment (SRI) market. According to Novethic's latest study in June 2010, the French SRI market amounted to 50.1 billion Euros in 2009; an increase of 70% compared to 2008.

www.novethic.fr/novethic/investissement-responsable/developpement-durable/indice-isr/94601.jsp

Main CSR Actors:

- IMS- Entreprendre pour le Cite - www.imsentreprendre.com
- ORSE - www.orse.org
- Novethic - www.novethic.fr
- EPE - www.epe-asso.org
- OREE - www.oree.org
- Comité 21 - www.comite21.org

¹ www.legrenelle-environnement.fr/spip.php?rubrique112

² Including trade unions, NGOs, professional organizations, State's representatives, corporations...

Public Awareness on CSR: Although many international summits, scientific reports and an increasing number of natural disasters mean that the public is becoming increasingly familiar with the concept of climate change, there is still work to be done to better raise the awareness of the general public, elected representatives, companies and consumers to the issues at stake. Concepts such as sustainable development or CSR are subject to a lot of confusion and misunderstanding, even in large corporations and among the State representatives.

Besides, there is still a focus on environmental issues at the expense of societal challenges (such as the fight against poverty), which need to be enhanced as strategic business innovations in the same way as green innovations.

Media Coverage: Until now, efforts in the industry mainly focused on direct impacts. TF1 (a French media private group) tend to be more innovative by developing an indirect impacts approach.

Environment:

- **Main Environmental Challenges:** The reduction of CO₂ Emissions in France is one of the main challenges. Emissions are expected to exceed the Kyoto objective by 10% in 2010, namely due to an increase in various areas of daily life (e.g. buildings, transport). The Climate Plan aims to devise a set of measures to save 54 million tonnes of CO₂ equivalent yearly by 2010 to considerably inverse the current trend. The Climate plan is an action plan that is operational as of 2010 to accelerate the reduction of emissions in all sectors. www.gisclimat.fr/Doc/GB/index_GB.html
- **Energy and Eco-efficiency:** French energy policy has four main objectives. It aims to contribute to national fuel independence and secure supplies of energy sources, improve environmental protection, take further action to tackle greenhouse effects and guarantee competitive fuel prices. To do this, the government has devised the several initiatives including fiscal measures, such as the improved tax credit for efficient appliances, incorporating a building energy label compulsory as of 2006 to identify potential energy savings and several heating regulations.

Supply Chain:

National action plan: In March 2007, the government adopted a National Action Plan for Sustainable Public Procurement including an evaluation of the current situation with regard to sustainable public procurement from the perspective of regulation and guidance for public purchasers.

http://ec.europa.eu/employment_social/emplweb/csr-matrix/csr_topic_allcountries_en.cfm?field=14

In the private market, given the diversity of possible situations, there is no single CSR engagement strategy for suppliers and subcontractors. Various approaches can be observed (see ORSE 2008 Proactive Stakeholder Engagement Guide p 35; www.orse.org/site2/maj/phototheque/photos/engagement_pp/stakeholderengagement_r.pdf):

- Initiative from the buyer (AREVA – FAR DD Tool)
- Initiative from the supplier (Collective organization of suppliers – “Pacte PME – SME Pact”)
- Reciprocal initiatives (Adecco / Rhodia Chart)
- With a stakeholder as intermediary (trade unions: EDF, NGOs : Carrefour / FIDH)
- ORSE is currently leading a survey on procurement policy within European listed companies. The results are available on line at [www.reportingrse.org/force_partie_prenante.php?fichier=fichier_36.pdf&fichier_old=etude_reporting_ORSE-Ecovadis\[1\].pdf](http://www.reportingrse.org/force_partie_prenante.php?fichier=fichier_36.pdf&fichier_old=etude_reporting_ORSE-Ecovadis[1].pdf)

For more information also available from www.orse.org:

- 2008 - Proactive Stakeholder Engagement
- 2008 A critical look by suppliers of the purchasing policies of large companies - www.orse.org/site2/maj/phototheque/photos/achats/4_pages_regard_critique_eng.pdf
- 2007 - Directory Purchasing and sustainable development – How to integrate the Social Responsibility and Environmental lever into the supplier relationship www.orse.org/site2/maj/phototheque/photos/tableau/purchases_and_sustainable_development_0308_ss_sheet.pdf

Human Rights: In France, NGOs involved in Human Rights are very active. In 2006, 8 companies engaged to join forces and found Entreprises pour les Droits de l'Homme (EDH). The aim of this initiative is to enrich the works led by the Business Leaders Initiative on Human Rights (BLIHR) since 2003 and to adapt them to French culture.

Some companies in France have developed interesting approaches towards their suppliers: Since 2000, with the support of FIDH (International Federation for Human Rights), Carrefour has drawn up a Social Charter signed by all of its own brand product suppliers. (See 2008 - Proactive Stakeholder Engagement Guide page 36 available on line at www.orse.org)

Diversity & Non-Discrimination: Diversity and inclusiveness in the workplace are a growing issue for companies. In France, they now embrace the wide scope of the issue: equal opportunities (gender), disability, sexual orientation, ageing, inclusive marketing, etc.

As for equal opportunities, trade unions tend to be very much involved in this issue. In spring 2009, ORSE published two reports to promote equal opportunity for men and women. The report “Men are the future of equal opportunity”, a call for companies to involve men in equality issues, was published in French and English in partnership with CNIDFF (Centre National d'Information sur les Droits des Femmes et des Familles) and with the support of the Ministry of Labour and the 5 French trade union confederations. The “2009 Equal Opportunity Directory”, available in French, is a call for companies to promote equal opportunity. This directory has been designed as a practical toolkit towards all stakeholders within companies. Examples of the themes addressed in the directory include tools for implementing and monitoring an equality policy, recruitment tools, and work/life balance. Both documents are available online at www.egaliteprofessionnelle.org. ORSE has also launched a working group to identify reporting indicators on diversity. The results will be published by the end of 2010.

IMS and its network have also mobilised towards education and equal opportunities, by implementing cross-company programmes in partnership with secondary schools aimed at involving young people (particularly women) in team-building activities and give them an insider view of companies and professional life.



With the support of the EU, a Research-Action Programme on “Stereotypes and Disability” is led by IMS with 4 companies (Areva, Alstom Power Services, CNP Assurances, L'Oréal) and researchers in Social Psychology in France and Belgium. The aim is to work and act on the stereotypes of disability in the sphere of employment, by producing an inventory of how stereotypes impact the career evolutions of disabled people and to measure the efficiency of awareness tools.

Besides, workshops on sexual orientation are organized in France by IMS. The topic is considered as invisible, which does result in discriminations. During the sessions, IMS has helped companies identifying various ways to include sexual orientation in an efficient and sustainable diversity policy.



IMS has also launched an e-learning tool on the topic of ageing, in cooperation with Accordia and with the support of the EU and the Conseil Régional d'Ile de France. The e-learning targets human resources and managers, around different issues: age management, managing the second half of a career, preparing retirement.

Other important workshops are led in France by IMS on inclusive marketing. On the 11th of October, IMS organized a conference to address issues such as: responsible advertising, adapting products and services for targeted groups and merchandising and communication towards these groups.

Community Engagement: The private and non-profit sectors used to be regarded as absolutely antagonists. Increasingly, companies and NPOs build non-profit partnerships aimed at contributing together to the welfare of Community. The companies' support to their non-profit partners nowadays comes in many forms such as financial support, in kind support or human support, via employee volunteering programmes. Within IMS, a team is responsible for providing specific expertise in the area of Community Engagement. This team is especially dedicated to advise companies on partnerships between the private sector and the non-profit organizations via: cross-company workshops and programmes, trainings, publications and a business-made service. IMS launched a free dating website, www.mecenova.org, aimed at encouraging and increasing the number of non-profit partnerships between companies and NPOs. For the companies, the website is an opportunity to scope NPOs they are interested in and to get in touch with them with a view of becoming partners. As far as NPOs are concerned, the website is an easy tool to communicate on their projects. Beyond its function of connecting companies and NPOs, Mecenova is also an on-line databank which provides comprehensive advice, information and examples of innovative non-profit partnerships.

Sustainable products and services: Some French pioneer companies have initiated thinking & pilot projects around "Base of the Pyramid" (BoP) / social business strategies (new products/services to address Development challenges), in several economic sectors: food industry (Danone), energy (GDF SUEZ, EDF, Total, Schneider), water (SUEZ Environnement, Veolia Water), banking (BNP Paribas, Société Générale), insurance (AXA), health (Sanofi-Aventis, Essilor), IT (Orange, SFR), postal services (La Poste). IMS leads a Research-Action program on BoP with its partner companies to share BoP expertise & explore field projects in developing countries (a cross-sector project in Egypt). The Action tank of HEC business school (Danone, Carrefour) also underlines the dynamics of the BoP topic in France.

Company Best Practices: IMS & ORSE are continuously working on identifying best practices through their working groups and support to the development of CSR expertise. For more details, see:

- For ORSE : publications classified by topics at www.orse.org (section "ORSE's work")
- For IMS-Entreprendre pour la Cité : www.imsentreprendre.com (section « Documentation »).

Main CSR Challenges: The main CSR challenges in France are threefold:

- to find ways and tools to mainstreaming CSR amongst SMEs which still need to understand how to define CSR strategies and what they would gain from CSR.
- to involve everyone at each stage of the company (employees, managers, members of the board) and companies not matter of the size.
- to develop a holistic approach of CSR within the company (HR, environment, society issues) & global/ local strategies.



About ORSE & IMS:

As a think tank dedicated to CSR, **ORSE** aims to develop CSR tools that will impact the operations of companies and of their stakeholders (investors, employees, NGOs, suppliers etc) more comprehensibly. ORSE works together with its members and other stakeholders within targeted working groups to promote CSR and identify best practices.

IMS is a place to share learning and expertise to help companies implement inclusive business models, by providing a full range of services from exchange of practices to the implementation of initiatives in the following areas: corporate citizenship; diversity and inclusiveness in the workplace; education & employment in disadvantaged urban areas; access to essential goods.

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Germany is currently governed by a coalition of the Christian Democratic Union (CDU/CSU) and the liberal Free Democrats Party (FDP). The next national elections will be held in 2013. As a nation with an export-oriented economy, the recent economic crisis has had a significant negative impact on the economy. However in 2009 Germany's economy already began to recover from the crisis. A growth of 1,5% of the GDP is estimated in 2010. Also due to a government subsidized, reduced working hour scheme the unemployment rate did not increase significantly during the crisis.

<https://www.cia.gov/library/publications/the-world-factbook/geos/gm.html>

CSR Policies and Legislation: No German government, so far, has adopted specific pieces of legislation relating CSR. The Ministry of Employment and Social Affairs has the responsibility for CSR. In 2009 the government established a multi-stakeholder forum on CSR which in June 2010 adopted a recommendation for a national action plan on CSR. However in Germany CSR is seen as a voluntary instrument of business and to our knowledge no legislation in this matter is planned. Sustainability reporting is also of voluntary nature in Germany. The annual reports published by companies often include CSR issues.

Key Drivers of CSR: In Germany, CSR evolved from a strong debate on ecological issues. Still today, the ecological arena is important but in recent years, social issues have gained much ground.

Main CSR Actors:

- German Sustainability Council - www.nachhaltigkeitsrat.de
- econsense—Forum for Sustainable Development of German Business - www.econsense.de/
- UPJ - www.upj.de
- BDA - www.bda-online.de
- Ministry of Employment and Social Affairs - www.csr-in-deutschland.de
- Greenpeace - www.greenpeace.de/
- Germanwatch - www.germanwatch.org/welcome.htm
- Transparency International - www.transparency.de
- Amnesty International - www.amnesty.de/

Degree of Public Awareness on CSR: The public has taken some interest in sustainability and CSR-related issues, yet no specific research is available.

Media Coverage: The print and internet media have taken up CSR quite intensely. Yet, other more traditional media, like television and radio have not been as active.

Environment:

- **National Action Plan:** Germany is very active in terms of climate change. In April 2002, the German government adopted the first national sustainability strategy which has since then been reviewed and accompanied by a set of sustainability indicators. In 2009, Germany performed a Peer Review of its sustainability policies. The results can be seen on: www.nachhaltigkeitsrat.de/en/projects/projects-of-the-council/peer-review-2009/?size=qguayyqimugp
In 2012 a review of the 2002 national sustainability strategy is envisaged.
- **Environmental Challenges:** From a political, business and societal perspective, climate change is the most important environmental challenge.
- **Energy and eco-efficiency:** Efficiency is seen as a major cost cutting factor and as an effective means to fight climate change. This is true both for business and for politics. www.bmu.de/english/energy_efficiency/aktuell/38275.php
- **Public awareness on Environmental:** Today the public is well aware of environmental issues and especially of climate change. A broad public discussion about future climate scenarios as well as debates on climate mitigation and adaption are taking place. www.wirtschaftfuerklimaschutz.eu, www.klimatech-atlas.de, weltkarte-der-klimapolitik.econsense.de/

Supply Chain: CSR-related questions in company supply chains have led to many companies requiring specific data from their suppliers on their ecological and social impacts.

Human Rights: Human Rights have until now not been an important part of the German CSR debate, although they are often mentioned in reporting procedures. Prospectively, it will become an essential issue especially as human rights are a key issue within the growing sustainable supply chain discussion.

Equal Opportunities: Germany has for many years followed business and governmental strategies to foster equal opportunities. This debate is older than the CSR debate and therefore has followed a rather individual path. www.total-e-quality.de/fileadmin/files/Downloads/Letzkorrektur.pdf, www.bmfsfj.de/bmfsfj/generator/BMFSFJ/gleichstellung.html

Community Engagement: Community engagement is traditionally one of the most important areas of engagement of German companies. Cooperation between local and regional communities and business varies significantly depending on the specific situation.

Sustainable Products and Services: Sustainable products and services is an integral part of the German debate around consumer protection. This debate touches on a broad range of issues, including, for example, green products. The CSR debate is not closely connected to the consumer protection debate. Yet many innovative companies in Germany now focus on sustainable products as an important means for future market development.

Company Best Practices:

- econsense database - www.econsense.de
- Extensive best practice on climate change by econsense - www.klimatech-atlas.de
- Site by German business association - www.csrgermany.de

Main CSR Challenges: SMEs are not very closely involved in the CSR debate.

econsense

Forum for Sustainable Development
of German Business

About econsense:

Created in 2000, **econsense**, the Forum for Sustainable Development of German Business, is the largest business-driven Forum on corporate social responsibility (CSR) and sustainability in Germany.

The primary objective of the network is to offer German business a platform to exchange and learn about CSR, to mainstream CSR in business, to strengthen stakeholder dialogue and to nurture the establishment of political and economic frameworks which provide a reliable and stimulating environment for corporate innovation and investment.

econsense is working on a broad variety of topics including climate change, demographic change, supply chain management, business and biodiversity and ratings, ranking and reporting.

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Modern Greece has a republican structure based on the constitution of 1975. The 300 members of the single-chamber parliament are elected for a period of four years. It officially joined the EU in 1981 and adopted the euro in 2001 and is currently governed by the PASOK party (Socialists), which has a seven seat majority.

Currently, the economic situation of the country, due to the excessive public debt totaling a staggering 125% of GDP, has led the Government to sign a Memorandum of Understanding on Specific Economy Policy Conditionality for a joint EC/IMF/ECB financing package of 110 billion Euros and supporting economic policies.

This has led to radical political, economical and social adjustments and changes that have created a negative environment for most of the 11.7 million Greeks, although they are considered necessary for the reform of the country.

Recent surveys have shown that economic activity has been slowing down. The heightening uncertainty has proven to be detrimental to both consumer and business confidence, undercutting economic activity and future prospects. Weakening private consumption and, more importantly, declining investment, were the main reasons behind the recorded slowdown. Extremely pessimistic expectations for unemployment remain, the current unemployment rate being more than 12%.

CSR Policies and Legislation: Major pieces of Legislation related to CSR: The wide spectrum of Greek legislation provides many laws related to basic CSR issues but not specifically mentioned as such (e.g. laws on health and safety, human rights, equal opportunities, the right of collective agreement, the environment, etc.). It has been calculated that CSR issues are included in the responsibility framework of nine (9) Ministries. In the State plan for 2007 – 2013, CSR appears as a horizontal axis in most ministry budgets but not in a clear and direct way.

One law that is related to CSR is the one which provides tax reductions to companies supporting cultural events. Law No 3525 was published in the No 16/26 January 2007 Government Gazette under the name “Cultural sponsorships”.

Other Government initiatives are the promotion of eco-labels and EMAS by the Ministry of Environment (more on these in the links www.ypeka.gr/Default.aspx?tabid=519 and www.ypeka.gr/Default.aspx?tabid=520 respectively), and the promotion of eco-mobility by the Ministry of Transport (more in the link www.ecomobility.gr).

In the near future the Ministry of Environment will launch a Green Public Procurement policy and the Ministry of Employment is planning to issue guidelines for the implementation of a CSR label (mainly focusing on employee rights etc.)

The HNCSR has also recently started a dialogue with several Government officials for the materialization of a national strategy on CSR. The discussions are in progress. There is currently no legislation or policy on reporting either.

Key Drivers of CSR: With the exception of the environment (see below), there is no specific focus on other CSR issues. All issues related to CSR are key and strategic for businesses, as the societal expectations on the way businesses operate and behave are increasing.

Main CSR Actors: The main CSR actor in Greece is the HNCSR. A special branch on Sustainable Development was recently launched in the Federation of Greek Enterprises and Industries. There is also a Department in the Ministry of Economy which acts as the local focal point of the OESD principles. In addition, a large number of consultancies (all of them established lately) present themselves as CSR specialists, which often creates inconsistency regarding mainstreaming CSR principles and beliefs, resulting in confusion among businesses and other stakeholders as to what and whom to believe.

Degree of Public Awareness on CSR: The HNCSR has conducted two surveys on the awareness and understanding of CSR. One was conducted in 2001 among opinion leaders (outcomes available in English at www.csrhellas.org/csr_last2/portal/index.php?option=ozo_content&perform=view&id=124&Itemid=27 and the other in 2007 among 300 SMEs (www.csrhellas.org/csr_last2/portal/index.php?option=ozo_content&perform=view&id=124&Itemid=27).

There are also a number of surveys conducted by the Institute of Communication – the last one being that of 2009 – on how consumers understand CSR. These surveys are conducted with the cooperation and license of the Canadian company, GlobeScan Inc., and are carried out in 24 countries with a sample of 1000 people in each country.

The HNCSR has been supporting all surveys carried out in Greece (outcomes available in English at www.csrhellas.org/csr_last2/portal/en/misc/119oz_20071101119.php3). Another survey among company CEOs was conducted by PwC in 2001-2002 (outcomes available in English at www.csrhellas.org/csr_last2/portal/en/misc/119oz_20071101119.php3). Other surveys of minor importance have also been conducted by several consultancies.

Another indicator regarding the interest businesses show on CSR is the increase of the members of HNCSR from 16 in 2000 to 145 in 2010.

Media Coverage: The media – with very few exceptions – shows an interest on CSR but not as positively and deeply as desired. They recognize it as a new way of managing a company but they are always ready to criticize it. Several attempts that the HNCSR has made to increase awareness among journalists have shown positive acceptance and results but rather on a personal level and not on a medium level. One of the few exceptions is the state TV, (member of the HNCSR), which has lately launched a program on CSR broadcasted once a month. Nevertheless, most of the newspapers dedicate special inserts on CSR (and lately we see a lot of them) and cover major CSR events, but in our opinion they do so in order to get sponsorships from companies implementing CSR.

Environment: The Ministry of Environment has enacted a number of Plans like the Special Framework for the Alternative Energy Sources, the National Plan for the Management and Protection of the Watery Sources or the National Plan of dealing with pollution, etc. These activities put Greece among the 4 European Countries that are within the Kyoto protocol. A remarkable indicator is that during the last five years recycling was quadruplicated and now it is more than 26%.

For a more general context of what the Ministry is doing about the environment, see in English at www.minenv.gr/anakyklosi/general/general.html or in Greek at www.minenv.gr/4/41/e4100.html

There are many environmental challenges in the country. Lack of natural resources (the country's power system depends mainly on lignite (extracted in some parts of the country), gas oil and natural gas (imported from third countries). Another challenge is the water shortage due to lack of rain (reserves are to last for one and a half years if there is not rain in the meantime). Pollution of the main cities is also a large issue mainly during the summer period.

Lately the issue of energy efficiency is being dealt by the government through incentives offered to households for the purchase of either energy efficient air conditioners or refrigerators or by subsidizing the insulation of old houses.

Degree of Public Awareness on CSR: As mentioned, environmental issues are of great concern in Greece. Several surveys have shown that the issue is among the top (if not the top) priorities of people, businesses and NGOs. Further data can be found at: www.csrhellas.org/csr_last2/portal/en/misc/119oz_20071101119.php3

Supply Chain: The most important issue in this respect is to provide basic training on CSR to suppliers as they are increasingly facing relevant contractual requirements as "buyers" become increasingly interested in the sustainable behavior of their supply chains. The HNCSR was actively involved in the Responsible Supply Chain Laboratory and together with TITAN Cement Co. (one of the leaders of the Lab) are planning a series of events towards this direction.

Human Rights: For Greek businesses the issue of human rights is not among their top priorities as all basic rights foreseen in international conventions are dealt with through National Law. From a political point of view, some issues have emerged with the influx of illegal immigrants into the country.

Equal Opportunities: A special general secretariat on Gender Equality exists under the supervision of the Ministry of Justice, Human rights and Transparency Interior, which recommends and promotes through several initiatives equal gender opportunities in the work place. The HNCSR has signed a Memorandum of Collaboration with them for the promotion of equal gender opportunities in the work place. To this respect, we have produced a self-diagnosis tool which allows businesses to identify their position regarding equal opportunities and gives solutions for improvement. In the framework of CSR Europe's Toolkit Road show, the HNCSR organized In November 2009 a very successful conference on diversity under the title: "Multicultural Companies and Diversity".

In general, businesses are expected to meet the expectations for social inclusion by employing people belonging to several socially isolated people (drug addicts, people discharged from prison, people with disabilities). There is a national law which obliges large businesses to cover 2% of their staff by this category but only a few do so.

Community Engagement: Businesses are perceived as active members of local communities. The cooperation between local communities and businesses is very good and there are many good examples of this among the solutions mentioned below:

www.csrhellas.org/csr_last2/portal/en/misc/989oz_20071101989.php3.

Sustainable Products and Services: A recent (2009) survey carried out by the Institute of Communication (see 3 above) has shown a number of very interesting outcomes regarding the views of consumers on responsible sectors and services. The outcomes are available at

www.csrhellas.org/csr_last2/portal/en/misc/119oz_20071101119.php3

Company Best Practices: The HNCSR has produced three catalogues of good practices which contain more than 170 solutions implemented by corporations and SMEs. These (for the time being) are available only in Greek at www.csrhellas.org/csr_last2/portal/en/misc/989oz_20071101989.php3. There is also a theme-specific search engine which allows users to narrow their search according to need (e.g. company, sector, thematic area etc.) www.csrhellas.org/csr_last2/portal/en/misc/988oz_20071101988.php3

Main Challenges on CSR: People are very sensitive regarding how companies operate and expectations for sustainable and responsible behavior are increasing.



About Hellenic Network for Corporate Social Responsibility:

Through B2B Alliances, Awareness Raising Events, Stakeholder Dialogue, Publications & e- Newsletters, Research & Surveys, an Internet Portal, Sharing Best Practices, Capacity Building & Training as well as Political Networking, the **HNCSR** is working for the wider promotion of CSR among businesses especially SMEs.

Dimitris Papadopoulos – diktio@csrhellas.gr



The Hungarian Government is a parliamentary republic governed by a coalition of the Hungarian Civic Union (Fidesz) and the Christian Democratic People's Party (KDNP). The unicameral, 386-member National Assembly is the highest organ of state authority and initiates and approves legislation sponsored by the Prime Minister. Hungary is ranked 20th globally (out of 195 countries) on International Living's Quality of Life index (2010) (www1.internationalliving.com/qofl2010/).

Since the political transition of 1989, the economy has had a controversial 'dual character', which means that strong medium sized companies are missing. Hungarian companies neither alone, nor as suppliers are able to reach a strong position in the Hungarian economy, which hinders their growth in contrast to international companies. In 2009, the Hungarian GDP (-6.2%) fell deeper than the EU-average (-4%). The year 2009 was the worst year for Hungarian industry since 1989. (Report on the Hungarian economy 2010 - www.kopint-tarki.hu/tanulmanyaink/2010/gszt.pdf - only in Hungarian). More information is found at: www.nfft.hu/dynamic/Jovokereso_Hosszu_Screen.pdf – only in Hungarian).

CSR Policies and Legislation: There are two fields in which legislation can support CSR: setting an example to companies as well as developing and maintaining a consequent incentive system.

Economic and Social Council developed a bunch of recommendations on CSR for the government in 2007 (www.mgszt.hu/index2.php?option=com_docman&task=doc_view&gid=49&Itemid=17), but these have not yet been adopted. The National Climate Act (www.eeac-net.org/workgroups/pdf/decarbonisation/NFFT_CAct_Hungary_Prommer.pdf) was rejected in the spring of 2010, but the amount of Rehabilitation Contribution has been raised, which is expected to assist the employment of disabled people. Several governmental organizations have initiated stakeholder dialogue and more sustainable and greener public procurement initiatives have also been launched. The Hungarian Environmental Label was established by the Ministry of Environment and Regional Development, but there are only a few certifications that ease sustainable decision making. Social Label has been also developed to distinguish socially responsible enterprises (www.sociallabel.hu – only in Hungarian).

There is no legislation around CSR/sustainability/environmental reporting, but 33 CSR reports were published in 2008-2009 (Corporate Responsibility and Sustainability at large Hungarian companies: www.kpmg.hu/index.thtml/en/about/news/index.html?cid=52616e646f6d49561170d67be32dc19b6996eb04e3120525 - only in Hungarian). However CSR reporting is still not compulsory for state owned companies, four of them have already issued sustainability reports over the past few years.

Key Drivers of CSR: The main CSR drivers include the issues of environmental protection, reporting, accountability and transparency as well as equality, social cohesion and sustainable purchasing.

Main CSR Actors:

- American Chamber of Commerce in Hungary - www.amcham.hu
- Association of Conscious Consumers - www.tve.hu/contacts
- Budapest Chance Nonprofit Ltd. - www.pestesely.hu/?pageid=menueng
- Business Council for Sustainable Development in Hungary - www.bcsdh.hu/en
- Clean Air Action Group - <http://levego.hu/en>
- Economic and Social Council - www.mgszt.hu/index.php?option=com_content&task=view&id=102&Itemid=28
- Energia Klub - www.energiaklub.hu/en
- First Hungarian CSR Association - www.hungariancsr.org/english-card

- Hungarian Business Leaders Forum - www.hblf.org/index.php?lang=english
- Hungarian Donors Forum - www.donorsforum.hu
- Hungarian PR Association - www.mprsz.hu
- KOVET Association for Sustainable Economies - www.kovet.hu/view/main/108.html
- Kurt Lewin Foundation - <http://kla.hu/en/>
- Ministry for National Economy - www.ngm.gov.hu/en
- Ministry of Public Administration and Justice - www.kim.gov.hu/english
- National Council for Sustainable Development - www.nfft.hu/main_page
- Society of Protection - www.vedegylet.hu/index.php?lang=english
- Transparency International - www.transparency.hu
- Waste Prevention Alliance - <http://humusz.hu>
- WWF Hungary - www.wwf.hu

Degree of Public Awareness on CSR: Public awareness of CSR is still rather limited in Hungary, 50.7 % of the Hungarian employees have never heard of the term (research on 1500 Hungarian companies with more than 20 employees - www.gki.hu/hu/individual/csr/csr090311.html, (www.csrhungary.eu/CSRH2009-eloadasok/CSR-Index.pdf - only in Hungarian)). Although environmental awareness exists, CSR is still often identified as sponsorship and donation. Stakeholder dialogue is not a widely used CSR tool in Hungary.

Media Coverage: Although Hungarian Media has not recognized its important role regarding the verification of companies' CSR activities, more and more CSR related news is available in the media, in order to raise CSR awareness in the country. Media professionals gradually take part in stakeholder dialogues. However, there is a code of ethics regarding advertising and marketing activities, but it is not hundred percent kept. There are also cross-sectoral initiatives, co-operations and self-regulations in connection with self-informing about CSR news but they too remain a challenge for the future. (Study on the CSR of Hungarian Media Sector: www.mgszt.hu/index.php?option=com_content&task=view&id=155&Itemid=38#5 – only in Hungarian).

Environment: The National Sustainable Development Strategy (NSDS, www.nfu.hu/download/1027/national_sustainable_development_strategy.pdf) of the Hungarian government is a long term strategy document, which is helping to lead the development of society. It outlines a system of instruments and a framework of reform corresponding to a positive and sustainable future vision with which all members of the society can identify. The strategy sets out the framework until 2025. The National Action plan is launched for the 2009-2014 period (National Environmental Program, www.kvmm.hu/cimg/documents/96_2009_OGY_hatarozat_NKP_3.pdf – only in Hungarian).

The main environmental challenges prioritized related to areas of NSDS: meeting the requirements of international regulations, protection of natural values, reducing activities which enhance the threat of climate change, adaptation to climate change and creating sustainable water management.

Energy and eco-efficiency: Meeting the goals of the National Energy Efficiency Action Plan (2007-2013) has been facing difficulties (www.origo.hu/uzletinegyed/hirek/20100817-asz-nem-volt-megvalosithato-az-energiakonysagot-szolgalo-cselekvesi-program.html – only in Hungarian). Priority areas of energy and eco-efficiency: dependence on energy imports, expensive energy sources, energy efficiency, usage of renewable energy sources, meeting the requirements of EU regulations, a more dominant role of government (www.hkik.hu/index.php?id=2948&term= – only in Hungarian)

Public awareness: Concern about the environment among Hungarian consumers has waned slightly; 48 % say they are very concerned about environmental issues, 8 points less than in 2008. Still, more than 55 % disagree that environmental problems are exaggerated today (versus the 17-country average of 48 percent), 51% agree that environmental problems are having a negative impact on their health (versus the average of 39 percent), and 65% reject the notion that technology alone will solve environmental problems (versus the average of 46 percent). Finally, three-quarters of Hungarians believe that the typical lifestyle in their country is unsustainable for future generations: <http://images.nationalgeographic.com/wpf/media-live/file/Hungary-2010-cb1274454786.pdf>)

Supply Chain: Hungarian companies still struggle to comply with all the legal regulations, so that it is difficult for them to pay enough attention to maintaining a responsible supply chain. Price sensitivity is also a very serious factor in choosing the most appropriate supplier. However, there are several best practices such as Audi Hungaria's Self Assessment System (http://audi.hu/en/beszallitok/letoltesek/7_suppliers_self-assessment/), Group Level Principles of Responsible Purchasing of Dreher Breweries Ltd. (www.dreher.hu/portal/main.php?heading_id=112&article_id=&language=en) or Magyar Telekom's Electronic Procurement System (<https://www.beszerzes.magyartelekom.hu/english/main.vm>).

Human Rights: Hungarian laws, in general, respect ILO standards on human rights and working conditions. The rights of employees are described in the Law of Work Protection covering work safety, trainings and working conditions. The Hungarian Helsinki Committee monitors the enforcement in Hungary of human rights enshrined in international human rights instruments, provides legal defense to victims of human rights abuses by state authorities and informs the public about rights violations (www.helsinki.hu). Human rights problems in Hungary include police use of excessive force against suspects, particularly Roma; government corruption; societal violence against women and children; sexual harassment of women; and human trafficking. Other problems worsened, such as extremist violence and harsh rhetoric against ethnic and religious minority groups (www.state.gov/g/drl/rls/hrrpt/2009/eur/136035.htm).

Equal Opportunities: Regarding equal opportunities, the main emphasis in Hungary is laid on a balance between work life and private life, employment of disabled people, a higher employment rate, and preservation of workplaces, dialogue between employers and employees, responsible downsizing and Roma integration.

Community Engagement: Community engagement is still not the priority focus of businesses in Hungary (www.gki.hu/hu/individual/csr/csr090415.html - only in Hungarian). According to recent research, stakeholder engagement would enhance the importance of CSR in Hungary (www.alternate.hu/index.php/hu/hireink/171-alternatesocialbrandingkutatas.html - only in Hungarian). However, the level of cooperation between local communities and businesses is rising, mostly within companies who have CSR as part of their business strategies. Companies issuing sustainability reports tend to arrange stakeholder forums.

Sustainable Products and Services: According to the latest research on the Hungarian consumers' consciousness (Conscious Consumer Index), the loyalty towards Hungarian products rose slightly in 2009. As of 2010, some 333 products of 47 companies have the Hungarian Ecolabel (www.kornyezetbarat-termek.hu/?lang=en) and 8 Hungarian companies' products have the European eco-label. Among other product labels, energy labels such as Biokontroll Hungaria's label (www.biokontroll.hu/cms/index.php?lang=en) and Fair Trade are known. These labels help the conscious Hungarian consumers to choose the best available product from the supply, but a well known and extensive label for sustainable products and services with a strict criteria system is still needed.

Company Best Practices: Best practices of Hungarian CSR MarketPlace 2009:

<http://csrpiac.hu/CSRadatbazis.html> (only in Hungarian). CSR Best Practices in Hungary by the Hungarian PR Association (http://csr.mprsz.hu/?page_id=78 only in Hungarian)

Main Challenges on CSR: Companies principally initiate short, often ad hoc projects, mainly focusing on sponsorship, donation and community. Only some companies integrate CSR into their business strategies and initiate CSR related, long-lasting projects. Often, local CSR activities of Hungarian affiliates of global corporations have nothing to do with the company's core business, which does not ensure sustainability for the programmes. The main challenges remaining surrounding CSR are transparency, accountability and anti-corruption in each sector, building strong (stakeholder) dialogue and cross-sectoral co-operation. There are still a few conscious consumers (the recession has made them more price sensitive), the relevant civil society does not play an active role, which leads to companies not being forced to operate responsibly in order to remain competitive. (Review of CSR activities of Hungarian Government, civil sector and companies:

www.mgszt.hu/index.php?option=com_content&task=view&id=155&Itemid=38 – only in Hungarian)



About KÖVET Association for Sustainable Economies:

The main activity of **KÖVET** is to promote CSR and preventive environmental solutions, as well as to ensure information exchange primarily in the business sector. The organization acts as a platform for ongoing information exchange, with the aim of promoting environmentally and socially aware business management, to find new ways for industry to reduce its environmental impacts and to integrate CSR tools as a competitive advantage.

Our main CSR activities are stakeholder mapping/forums, sector-specific research, CSR trainings for company managers, awareness raising through CSR related workshops and companies' sustainability/CSR report evaluation and the CSR MarketPlace for CSR best practices.

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Ireland is a parliamentary democracy, led by a coalition government comprising the centre majority party Fianna Fáil and the minority Green Party. The Houses of the Oireachtas, the Irish Parliament acts as the main legislative body. The Irish economy benefitted from steady growth in GDP and employment in the 1990s and the first half of this decade, led mainly by foreign investment in the ICT and pharmaceutical industry. Since early 2008 it became evident that the economy was over-inflated and government finances were over-reliant on property development which, coupled with the global downturn and a high dependence on foreign investment and exports led to a serious fiscal deficit, increased unemployment and uncertainty on investment and economic growth. The economic recovery is being currently debated and the thinking is much aligned to economic development through environmental sustainability and a shift to a services based economy.

The government's strategy for a Smart Economy highlights how a responsible and sustainable recovery is possible through investment in environmental and sustainability capacity.

CSR Policies and Legislation: The Irish government views corporate responsibility as a voluntary approach of business and has endorsed the European Commission views and communications in this regard. There is no specific set of legislation that refers to corporate responsibility reporting or corporate responsibility practices, with the exception of the Credit Institutions (Financial Support) Act 2008 that requires those financial institutions supported by the government guarantee scheme to issue a corporate responsibility report of their activities through their representative body, the Irish Banking Federation.

The importance of corporate responsibility for business competitiveness has been widely discussed at the Oireachtas but is still viewed mainly as a voluntary approach.

Key Drivers of CSR: The key drivers of corporate responsibility in Ireland are around community investment and employee engagement and recently climate change and sustainable procurement. On a lesser level marketplace innovation is a growing trend.

Main CSR Actors:

- Department of Enterprise, Trade & Employment - www.entemp.ie/employment/industrialrelations/index.htm
- Department of Community, Rural & Gaeltacht Affairs - www.pobail.ie/en/CommunityLocalDevelopmentProgrammes
- Office on Active Citizenship - www.activecitizen.ie/index.asp
- The Equality Authority - www.equality.ie
- Health & Safety Authority - www.hsa.ie/eng
- Department of the Environment, Heritage & Local Government - www.environ.ie/en
- Department of Communications, Energy & Natural Resources - www.dcenr.gov.ie
- Sustainable Energy Ireland - www.sei.ie
- National Consumer Agency - www.nca.ie/eng
- Financial Regulator - www.financialregulator.ie/processes/consumer-protection-code/Pages/default.aspx
- BITC Ireland - www.bitc.ie
- Great Place to Work Institute - www.greatplacetowork.ie
- Friends of the Earth - www.foe.ie
- Irish Business Employers Confederation - www.ibec.ie/IBEC/IBEC.nsf/vPages/Home?OpenDocument
- Chambers Ireland CSR Policy Council - www.chambers.ie/index.php?id=243
- Association of Certified Chartered Accountants - www.accaglobal.com/ireland/publicinterest/sustainability
- Irish Banking Federation - www.ibf.ie/Default.asp
- Irish Pharmaceutical Healthcare Association - www.ipha.ie
- Marketing Institute of Ireland - www.mii.ie
- Public Relations Institute of Ireland - www.prii.ie

Degree of Public Awareness on CSR: Public awareness and understanding on corporate responsibility has increased in the past few years, especially amongst consumers. The 2009 Survey of Consumer Attitudes in Ireland towards Corporate Responsibility by Business in the Community Ireland and Ipsos MORI reveals that when forming a decision to buy a product or service, 8 out of 10 people in Ireland say that an organisation's commitment to social and environmental responsibility is important yet almost 80% of consumers could not name one company which treats staff well, gives good customer service and are mindful of its impact on the environment. In addition, whilst 92% of consumers are taking individual actions to limit their own environment impacts, three out of four people (75%) could not name a company doing the same.

Media Coverage: The Irish media has played an active role in the corporate responsibility debate and although not very structured like in other European countries, there are several annual media supplements and features on corporate responsibility issues.

Environment:

- **National Action Plan:** The Irish government issued its second national climate change strategy in 2007 which runs until 2012 and is aligned to the targets agreed under the Kyoto Protocol and the European Emissions Trading Scheme (EU ETS). There is also a government policy on Sustainable Development, Making Ireland's Development Sustainable, published in 2002 and a subsequent revision of this policy is due to be published imminently. Additionally, the Department of the Environment has established COMHAR, the Sustainable Development Council as a forum for national consultation and dialogue on all issues surrounding Ireland's pursuit of sustainable development. In relation to public procurement, in 2010, the Department of Environment launched a consultation process with a view to developing comprehensive guidelines on Green Public Procurement later in the year or early 2011.
- **Environmental challenges:** The main environmental challenges that Ireland faces are 1) access to energy and integration of renewable energy sources where there is significant potential through wind, tidal and wave energy; 2) Efficient waste management due to the limited facilities available and the high cost of exporting waste and 3) Overall awareness on climate change and energy efficiency. In this regard, the Change.ie and Power of One and Power of One at Work campaigns have helped raise awareness and call for efficiency in energy consumption.

In September 2009, Business in the Community Ireland, in partnership with Vodafone Ireland and Friends of the Earth Ireland launched the Irish Corporate Leaders Group on Climate Change, a coalition of leading businesses that aim to bring to government proposals and recommendations to address the challenge of climate change. The Group has issued two Communiqués to Government in 2009 and 2010 and engage intensively with key stakeholders in this debate including the discussion on the Climate Change Bill.

Supply Chain: The most common issues related to businesses working with suppliers relate to cost management on behalf of bigger buyers and the limited capacity of small suppliers to reduce costs. Local sourcing is an issue of growing concern and this has moved large retailers to stock local produce or specially labelled Irish products as a differentiation factor. There have been isolated cases of complaints or concerns about the living and working conditions of secondary and tertiary suppliers of companies operating in Ireland when these suppliers are based in developing countries but this does not seem to have generated a major shift in consumer choice. (See appendix for related articles)

Human Rights: There is a very limited awareness of the role of business in the promotion and protection of human rights, with very few cases of Irish or multinational companies being questioned on their role in promoting human rights.

Equal Opportunities: The main dimensions of diversity and equal opportunities that have been the attention of business in recent years are: gender balance, people with disabilities and nationality, although age and sexual orientation have also been referenced as issues for businesses to address. There are a number of initiatives and campaigns aimed at raising awareness on these issues such as the Equality Authority's Anti-Racism Workplace Week and Say No to Ageism Week or the O2 Ability Awards, a leading campaign on the employment and integration of people with disabilities.

Community Engagement: Community engagement is a key element of most companies' corporate responsibility programmes. Overall there is an expectation for businesses of all sizes and sectors to be actively involved in local communities and making an impact on key social issues like obesity or drink driving. Over the past years, large companies have engaged in more strategic community engagement programmes combining philanthropic donations with employee volunteering programmes and cause related marketing campaigns. Later in 2010, Business in the Community Ireland will launch Ireland's first interactive online map showing the impact of business in local communities across the island of Ireland.

Sustainable Products and Services: The incorporation of environmental and social dimensions to product and service development is a growing trend in Ireland with a wide range of products and services launched including sustainable and fair-trade products, preferential mortgages for environmentally friendly houses and buildings, energy efficient car fuel or healthy and nutritious options in food menus. For many businesses this is a key area of sales growth and development and in some cases such as fair trade products, these are becoming the norm as opposed to the exception.

Company Best Practices: Business in the Community Ireland has published best practice in corporate responsibility in Ireland for over five years and over 200 case studies from over 50 companies, including videos are available through a searchable database. In 2010 the key theme for the case studies collation is business transformation to sustainable business models. BITC Ireland database: www.bitc.ie/case_studies/index.html

Main Challenges on CSR: One of the main challenges related to corporate responsibility in Ireland is around reporting and communications of responsible business practice and the overall integration of CR into business strategies.

Business in the

Community

Ireland

About Business in the Community Ireland:

Business in the Community Ireland specialises in advice and guidance to business on all aspects related to corporate responsibility strategy, policy and practice development and implementation, performance measurement and communications. Our approach is based on a holistic concept of responsible business practice across the key areas of workplace, marketplace, community, environment and CR management & communications. Additionally, Business in the Community Ireland is developing Ireland's first Corporate Responsibility Mark, an award scheme to recognise businesses that excel in their approach to responsible business practice to be launched in November 2010.

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Italy's current Parliament represents five major political parties (as of the 2008 elections). The centre right wing majority of politicians are supporters of Prime Minister Berlusconi by a wide margin, but the lack of cohesion hinders a badly needed structural reform agenda. Centre left wing parties like the PD-Democratic Party and the Italy of Values are in opposition. Left-wing parties (Unreformed Communists and Greens) are no longer represented in the Parliament.

While Italy was relatively less affected by the financial crisis, it nevertheless suffered from the free fall in many products/markets as it is an export-led manufacturing economy (industrial output declined by almost 20%). The country has faced severe productivity problems and a growth rate lower than the European average. GDP contracted by 5% in 2009, while it is expected to have a slow GDP growth in 2010 (+0,8%) and in 2011 (+1,4%), according to Eurostat.

(<http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&plugin=1&language=en&pcode=tsieb020>).

CSR Policies and Legislation: After the Italian Multi-Stakeholder Forum launched by the Labor Minister Maroni in 2004-2005, there were no longer high level CSR initiatives by the national Government or Parliament. While initiatives were often promoted locally with a bottom-up approach by some Regions – Toscana, Umbria, Marche, Emilia-Romagna – with very active legislation and programs.

The current Minister of Labor and Social Affairs, Sacconi, published in 2009 a White Book on the Future Social Model, focusing on subsidiarity, employability, health and safety and equal opportunities. On the other hand, the activities of the Foundation I-CSR, established by Maroni to promote CSR, were further scaled down.

The debate around the “social market economy” has been recently gaining ground, with the powerful Economic Minister Tremonti committed to promote, in collaboration with OECD, “global legal standards” based on propriety, integrity, transparency. Also having the Italian Tajani as Commissioner of DG Enterprise and Entrepreneurship might represent an opportunity to revive government interest in CSR.

The Directive 2003-51 on company accounts, which introduced social and environmental issues in management reports, was adopted late (DL 2007-32).

Key Drivers of CSR: The key CSR drivers in Italy currently are climate change, safety in the workplace, high unemployment with youth unemployment also hindered by skill shortages, an increasingly diverse workforce (ageing population, lowest female activity rate in Europe, lack of culture in the integration of a large number of immigrants, up until a few decades ago many Italians were emigrants).

Main CSR Actors:

- Fondazione Sodalitas - www.sodalitas.it
- Impronta Etica - www.improntaetica.org
- Forum Finanza Sostenibile - www.finanzasostenibile.it/finanza
- Confindustria - www.confindustria.it/Conf2007/DbDoc2009ENG.nsf/tuttiDoc/299833665FC8FA07C12575990052F146
- ABI - www.abi.it
- Bocconi – CrSV – “Center for Research on Sustainability and Value”
- Cattolica/Altis - <http://altis.unicatt.it>
- EconomEtica - www.econometica.it
- Fondazione ICSR

Degree of Public Awareness on CSR: Awareness with the public at large is growing, but their understanding remains relatively limited. On the contrary, in the most progressive sectors of the business community, according to a recent survey (link) conducted by Fondazione Sodalitas with the CEOs of 45 leading companies about the future of CSR in Italy, substantial progress has been achieved recently in integrating responsible and sustainable competitiveness into company strategies and related mainstreaming practices,

Media Coverage: There is increasing coverage in media, especially financial press (e.g. Sole 24 Ore).

Environment:

- **National Action Plan:** Italy, as an EU country, signed the Kyoto Protocol in 2001 and it also now belongs to the EU ETS schemes. Italy approved on April 28th 2010, the CO2 Emissions National Allocation Plan for the new plants of the ETS system, effective from 2009 until 2012. Italy approved on June 11th the National Action Plan for Renewable Energies and Energy Efficiency, requested by the European Directive 2009/28/CE, which foresees that Italy will achieve the 17% target of renewable energy use by 2020. (www.e-gazette.it/public/arc/bib/ap966.pdf)
- **Main Environmental Challenges:** Key challenges include the dominance of oil/gas as energy supplies, inefficient waste management (high level of waste production, still low recycling rates in many regions, predominance of landfill disposal) and water scarcity in several regions. The most relevant environmental challenges are: costal erosion; sea level rises along the costal areas; air pollution, mainly in the Pianura Padana geographic area, and in the cities located in this region. Levels of PM10 and other pollutants are often higher than maximum permitted levels.
- **Energy and Eco-Efficiency:** Companies and sectors (such as glass, ceramic and cement industries) which are expected to reduce their gas emissions have been identified and their reduction targets assigned. In recent years, the progress in achieving Kyoto objectives has been slow at the national level, due to reluctance by businesses and government due to their claim that it could be damaging for an economy still relying heavily on manufacturing. However, the economic crisis had a positive impact in the CO2 emission reduction, and it's now foreseeable to achieve the Kyoto target (-8% for Italy).

The renewable Energy sector grew thanks to the introduction of an incentive scheme ("Conto Energia") that is the most generous in Europe. It is estimated that the production of renewable energies by 2008 was 60,5 TWh, while by 2020 107 TWh should be produced (a majority of this derived from hydroelectric) in order to meet the targets of the action plan.

Public Awareness on Environment: Regional and local levels demonstrate good awareness and carry out successful initiatives. There are different forms of incentives for private citizens and for companies: Green and White Certificates, "Energy Account" and detraction from taxes. Consumers are becoming greener, but this is still a relatively recent phenomenon. At a National level, there is an increasing awareness of this issue: the Ministry of the Environment has recently launched the SCP (Sustainable Consumption and Production) Strategy in order to favor and spread models of sustainable consumption and production.

Supply Chain: There are no national programs or partnerships related to supply chain control, while management systems are widespread with Italy ranking number one worldwide in SA8000 certification. Several suppliers of big companies are involved in the control process. Additionally, many Tuscan SMEs are certified through the regional Fabbrica Etica process. Requirements on control of environmental aspects are also becoming increasingly important.

Human Rights: Italian laws, in general, respect ILO standards on human rights and working conditions. The rights of employees are described in the Law of Work Protection covering work safety, trainings and working conditions. An important document that has been published and diffused is the “OECD Guidelines on CSR focusing on SMEs” (www.pcnitalia.it/documenti/la-responsabilita-sociale-d2019impresa-nel-quadro-delle-01cinee-guida-ocse-destinate-alle-imprese-multinazionali201d-2013-un-focus-sulle-piccole-e-medie-imprese), promoted by the Italian Foreign Ministry in the context of the project “Sustainable development through the Global Compact”.

Equal Opportunities: Gender equality is an especially important issue in Italy, as women’s activity rate is considerably behind the rest of Europe. Commitment by companies to well structured diversity management programs is still rather limited. A big step forward has been the launch in October 2009 of the Italian Diversity Charter (Carta per le pari opportunità e l’uguaglianza sul lavoro, www.cartapariopportunita.it) by leading business networks and the network of Equality Bodies, with the patronage of the Ministries of Employment and Equal Opportunities. By September 2010, about 80 companies, employing more than 500.000 people had signed the Diversity Chart.

Conversely, integration of immigrants and foreign workers is well developed in some companies, especially those with a high percentage of foreign employees.

Community Engagement:

- **Perceived role of businesses in the local community:** Italy has a long tradition of company philanthropy, evolved in time from paternalism to partnering with NGOs.
- **Cooperation between local communities and businesses:** There is encouraging growth in Corporate Foundations, established also by SMEs, to enhance effectiveness of philanthropic programs. The first baseline survey on Italian Corporate Foundations, conducted in 2009 by Fondazione Sodalitas in partnership with Università Cattolica and Fondazione Giovanni Agnelli, allowed this emerging community to surface and profile its key features and challenges ([link](#)).
Employee volunteering, first adopted by multinationals, is gaining ground also with Italian companies, including SMEs.

Sustainable Products and Services: The number of SMEs working on sustainable products is growing, especially in the mass market. There are also some good examples of innovation in the service sector (especially for waste management and green energy). The new Sustainable Products and Services Program of the Ministry for Environment is promoting Green Public Procurement and local programs to increase green consumer policies. In this respect, a working group between different levels and departments of Government, Control Bodies, NGOs and best practice companies was recently established.

Company Best Practices: Fondazione Sodalitas database, www.sodalitas.socialsolution.it

Main Challenges on CSR: The main CSR challenges in Italy are engaging public authorities in the CSR debate and enforcing a strategic approach towards CSR involving the organisation as a whole, especially the products and sales departments.



About Fondazione Sodalitas and Impronta Etica:

Fondazione Sodalitas has since 1995 supported its corporate members (currently 80) in adopting and practicing sustainable and responsible behaviours, contributing to the diffusion of the CSR culture in the business world and beyond. The main thrust is now focused on governance and transparency.

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Impronta Etica is a non-profit association established in 2001 working with its corporate members (26 companies and cooperatives) for the promotion and development of CSR. Its mission is to promote sustainable development by creating a network between companies and organisations willing to share their experiences and experiment with innovative CSR practices. The network works to implement criteria, methods and systems for evaluating the correct behavior in the economic and administrative environment, to facilitate the collaboration and the exchange of information between members and local communities and to promote the dissemination of knowledge on the issues of accountability. It also organizes activities and events and publishes studies and reports. Impronta Etica at the moment is particularly engaged in CSR in the construction sector and the development of innovative training techniques.

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Luxembourg is a parliamentary-representative democracy headed by a constitutional monarch, the Grand Duke. It is the world's only remaining sovereign Grand Duchy. The country has a highly developed economy, with the highest Gross Domestic Product per capita in the world, according to the International Monetary Fund and World Bank. Its unemployment rate is also relatively low at 5.5%.

<https://www.cia.gov/library/publications/the-world-factbook/geos/lu.html>

CSR Policies and Legislation: A skeleton law for sustainable development (dating from the 25th of June 2004) establishes precise institutional structures and a range of legislative instruments.

The instruments are the following:

the PNDD (Plan National pour un Développement Durable = National Plan for Sustainable Development)
the National Report on the implementation of the "Sustainable Development's Policy"

Main CSR Actors:

- Ministry of Environment - www.environnement.public.lu
- IMS Luxembourg (Institut pour le Mouvement Sociétal) - www.imslux.lu
- INDR (Institut National pour le Développement Durable et la Responsabilité Sociale des Entreprises) - www.indr.lu
- The Ecological Movement - www.mouvement.oeko.lu

Degree of Public Awareness: In a 2008 study, only 21% of the interviewed Luxembourgish firms knew the concept and meaning of CSR. www.ifsb.lu/fr/telechargement.php?id=12

Environment:

- **National action plan:** The Environment Ministry has published a list of 27 indicators in order to respect the Agenda 21 concerning the action program that was passed in Rio in 1992. Among these 27 indicators, nine relate to the social field, nine to the economic field and nine to the environmental field. *"The control of the results/data resulting from a national sustainable development program must be done using efficient indicators/tools to evaluate the progress done regarding the objectives."*
- **Main environmental challenges:** The main challenges include the protection and restoration of biodiversity, sustainable protection of the environment and climate, as well as of solid waste management and control.
- **Energy and eco-efficiency:** An "Energy Law" (22.02.04) supports energy-reducing measures and encourages the use of renewable energies.

Equal Opportunities: Measures that have been implemented on equal opportunities between men and women include various advertisement campaigns to raise awareness, a Luxembourgish "Girls' Day" and the creation of an institute for women entrepreneurs (FFCEL= Federation des Femmes Cheffes d'Entreprise du Luxembourg).

Company Best Practices: Our catalogue of "Best Practices" is reserved exclusively to our paying members. They are granted the access to a broad database (extranet system), containing the Best Practices Tool Kit as well as other useful documents.

Main CSR Challenges: The main CSR-related challenges in Luxembourg include ensuring a competitive economy and jobs for all, improvement of the valorization of human capital, fostering the development and use of public transport to the detriment of individual transportation, fighting against climate change and the deterioration of natural resources and ensuring a more efficient and smarter urban and regional planning.



IMS LUXEMBOURG
Inspiring More Sustainability

About IMS Luxembourg:

IMS Luxembourg organizes monthly conferences on various CSR topics. All IMS members are invited to attend these events (106 members, of which many are banks, service suppliers, human resources and assessment agencies etc).

There are also four different kinds of workshops that members can attend depending on their size/focus interests; diversity, sustainable marketing, SME or big business workshops. The aim of the workshops is an in-depth analysis of specific CSR subjects. Field experts come and dispense practical advice or do case studies with the participants.

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Since February 2010 the Dutch cabinet of Christian Democratic Appeal (CDA) and the small Christian Union (CU) is under resignation. In February 2010, the governing coalition ended as a result of a conflict concerning the military mission in Uruzgan. During the election in June 2010 the right parties made a large uplift. At present, the coalition negotiations take place, in which the Liberal Party (VVD) takes the lead.

The Dutch economy depends heavily on trade and export (mainly machines, materials, chemicals, fuels and food products). The main sectors in the Dutch economy are industry, the trade sector and financial and service business. The Dutch economy has grown in the first trimester of 2010 with 0.6 % in comparison to the previous year. Due to the recession, it was the first time in five trimesters that the GDP lies higher than a year earlier. The modest economic growth in the first trimester is a consequence of the growth of the export. All the other spending categories decreased in comparison with a year ago, with exception of government expenditures. In the most of sectors a clear convalescence is visible. The inflation in 2009 is 1,2%.

www.cbs.nl/nl-NL/menu/themas/macro-economie/publicaties/dne/default.htm

CSR Policies and Legislation: The Dutch government builds on the self-regulating and disciplining functioning of businesses when it comes to CSR. The government supports CSR in companies by providing practical manuals, knowledge and clear frameworks. The governments vision on CSR includes a recommendations report, (www.ser.nl/~media/Files/Internet/Talen/Engels/2000/2000_11.ashx), a cabinet vision on CSR 2008-2011,

(www.oesorichtlijnen.nl/wp-content/uploads/Kenniscentrum/Kabinetsvisie%20ENGELS.doc),

and a normative framework

(www.ser.nl/~media/Files/Internet/Publicaties/Overige/2000_2009/2008/b27428/b27428.ashx).

The Netherlands also has several objectives concerning sustainable public procurement. The government has set itself a target to be 100% sustainable in its procurement processes by 2010. The progress of this objective will be measured in 2011. www.senternovem.nl/duurzaaminkopen/index.asp

There is no existing regulation making reporting mandatory in the Netherlands. There are, however, guidelines for social reporting available. The guideline 400 which states what annual reports should include, are since January 2010 expanded with guidelines concerning reporting about their international supply chain management. www.commissiecorporategovernance.nl/Information%20in%20English

In comparison with other countries, Dutch large companies are transparent about their CSR-activities. The Ministry of Economic Affairs provides insight in the way in which Dutch companies report on their CSR-activities by annually publishing a transparency benchmark.

www.rijksoverheid.nl/onderwerpen/maatschappelijk-verantwoord-ondernemen/nederlandse-beleid-voor-mvo/transparantiebenchmark-mvo

Key Drivers of CSR: When it comes to sustainability, the Netherlands score relatively good on social issues in comparison with other countries. Climate and environmental issues do not show such positive results. Although the absolute contribution on the climate problem is small because of it's a small country, the relative contribution – by head of the population – is quite large. The main issues of CSR are water and climate

change, biodiversity, demographic change and social cohesion. The use of natural resources, supply chain responsibility and sustainable purchasing, sustainable building and agriculture, technological innovation, cradle to cradle and labour force participation are also important issues.

www.cpb.nl/nl/pub/cpbreeksen/bijzonder/77/bijz77.pdf, www.vrom.nl/pagina.html?id=48442

An important trend in the field of CSR is the rise of initiatives from certifying organizations that want to prove the sustainability of companies by certifying them. The development of guideline ISO26000 enforces this trend. Although this guideline is not developed for certifying objectives, ISO26000 is used by certifying organizations as basic thought underlying their certificate.

Main CSR Actors:

- BiD network - www.bidnetwork.org/
- Trade organizations - www.mvonderland.nl/content/pagina/maak-kennis-met-leden-het-brancheprogramma
- Duurzaam Hoger Onderwijs - www.dho.nl/
- Div, Landelijk Netwerk Diversiteitsmanagement - www.div-management.nl/
- Energiecentrum - www.energiecentrum.nl/
- Initiatief Duurzame Handel - www.duurzamehandel.com/en/home
- Global Compact Nederland - www.gcneland.nl/
- Milieu Centraal - www.milieucentraal.nl/
- Ministries - www.overheid.nl/
- MVO Nederland - www.mvonderland.nl/
- MVO Platform - <http://mvoplatform.nl/>
- Netwerk Bedrijfsethiek Nederland - <http://bedrijfsethiek.nl/>
- Nationaal Contact Punt - www.oesorichtlijnen.nl/english/ncp-national-contact-point/
- Agentschap NL - www.agentschapnl.nl/
- Social Venture Network - www.svn.org/
- Urgenda - www.urgenda.nl/
- VBDO - www.vbdo.nl/

Public Awareness on CSR: A publication developed by MVO Nederland on the state of the art of CSR in the Netherlands finds that the public is increasingly aware of CSR and sustainability.

www.mvonderland.nl/content/pagina/stand-zaken

30% of the Dutch consumers are intentionally aware of sustainability in their consumption behavior. They rather consume more sustainable than decrease their consumption. Approximately 16% of the Dutch population can be classified as Culturally Creative, characterized by their choice for products and services which do not cause ecological or social problems.

www.marketresponse.nl/specials/duurzaamheid/duurzaamheidkompas/

Media Coverage: There are several specialized CSR media in the Netherlands, both for consumers (increasingly) as for businesses. Information from this specialized media is frequently taken over by regular media, generally through special sections.

www.duurzaam-ondernemen.nl/detail_page.phtml?page=boek_magazines,
www.nuzakelijk.nl/category/groenzakelijk

Environment:

- **National action plans:** The Netherlands scores high on their (international) climate and environmental policies. There are various programs and policies concerning the environment. The Netherlands strives for decreasing the emission of greenhouse gases with 30% in 2020, increasing the share of sustainable energy to 20% and improve energy saving with 2% per year. www.vrom.nl/pagina.html?id=2706&sp=2&dn=7421 Finally, the government has two important policy-programs relating to the environment and to contributing towards sustainable development. www.vrom.nl/pagina.html?id=2706&sp=2&dn=1076, www.vrom.nl/pagina.html?id=48442
- **Main environmental challenges:** Although the absolute contribution on the climate problem is small because of the relative small size of the country, the relative contribution – by head of the population – is quite large. The main environmental challenges for the Netherlands include water and climate change, reduction and storage of CO₂ emission, energy saving and sustainable energy, biodiversity (mainly fishery) and use of natural resources.
- **Energy and eco-efficiency:** The attention to energy saving, sustainable energy and CO₂-reduction seems to have grown in the last year. 41% of the Dutch SME's state that energy reduction is increasingly important in their business. 31% of the Dutch SME's and 15% of the households uses sustainable energy. There has been an increase of the offer of energy saving products and services.

Supply Chain: In the Netherlands, there are several frameworks and guidelines to support companies in tackling challenges in this area. Although information about actual supply-chain risks is hard to find, the attention to supply chain responsibility increases in the business-to-business market, especially within large companies. Among the group of companies that report about CSR, 61% of the large Dutch companies and 53% of the SME's report about their supply chain risks. 35% of the Dutch SMEs also state sustainability-requirements to their subcontractors.

Yet, the multiplicity of CSR labels makes sustainable purchasing hard for consumers.

www.duurzamehandel.com/en/home

www.oesorichtlijnen.nl/english/ncp-national-contact-point/

Human Rights: The Dutch human rights policy focuses on abolition of the death penalty, prohibition of torture, promotion of women and children's rights, stimulating freedom of speech and prevention of discrimination. In the field of human rights improvement issues for the Netherlands are the asylum policy, the prevention of discrimination and human rights education. To work on human rights issues, the Netherlands cooperates as much as possible with other member states of the European Union.

www.minbuza.nl/nl/Onderwerpen/Mensenrechten

Equal Opportunities: In 2009, the employment rate of women was 71,5 %. The percentage women in top positions in large companies is 12%. In 2008, the employment rate of non-western immigrants was 56.5%, the employment rate of elderly (50-65 year) was 63%. The labor force participation in the Netherlands is comparable with other European countries. The percentage of part-time workers is high. Governmental action plans concerning equal opportunities:

http://docs.szw.nl/pdf/135/2007/135_2007_1_17987.pdf

www.rijksoverheid.nl/bestanden/documenten-en-publicaties/besluiten/2007/10/12/emancipatienota/emancipatienotameerkansenvoorvrouwen.pdf

Community Engagement: In 2007, the Netherlands gave about 0,8% of the GNP. 66% of the Dutch companies gave and/or sponsored (in money, in kind and/or in manpower). In total, Dutch companies have spent 1,353 million Euros on grants and sponsoring.

<http://geveninnederland.nl/file/60/samenvatting-geven-in-nederland-2009.pdf>

Sustainable Products and Services: The turnover from sustainable (biological/ fair trade) products is not high in comparison with other European countries. Most Dutch sustainable innovations are technological innovations. The Dutch government aims to improve the Dutch competitive position by supporting research and (knowledge)development in high tech systems, sustainable energy production, sustainable initiatives and social innovation.

www.innovatieplatform.nl/

www.ncsi.nl/

Company Best Practices: MVO Nederland,

www.mvonederland.nl/praktijkvoorbeelden/

Main CSR Challenges: The main CSR challenges for the Netherlands include ageing, innovation, social cohesion, climate change, sustainable supply chain management, sustainable purchasing and measurement of sustainable activities and reporting.



About MVO Nederland:

MVO Nederland is the national centre of knowledge and network organization in the area of CSR; a starting point and guide for entrepreneurs who want to make their business more sustainable. The network of MVO Nederland contains over 1000 partners, who represent over 100,000 entrepreneurs.

The organization brings all interested parties together to share knowledge and to carry out joint activities focusing mainly on implementing CSR in a way that both society and the company profit. MVO Nederland reaches business mainly by means of intermediate parties (for example: chamber of commerce, business associations, and trade organizations).

MVO Nederland is in a changing process from an organization completely financed by the government to a hybrid financed organization. Part is financed by the network partners, part is financed by (project) grants.

MVO Nederland, contact@mvonederland.nl, +31 30 2363465, www.mvonederland.nl



As expected, the financial crisis hit less hard in Norway as compared to many other countries. The unemployment numbers have remained well under the European average, and the state financials are sound – as a consequence of Norway's fortunate oil riches. The present government is a three-party red-green alliance that was re-elected for a second term in 2009. The conservative party and the right-wing liberal party constitute the main opposition.

CSR Policies and Legislation: In 2009, the Norwegian government released a white paper on CSR. This white paper sets CSR firmly in the context of global sustainability challenges and the competitiveness of Norwegian business in the global economy. The importance of ethical frameworks and transparency are key elements throughout the document. Furthermore, the Norwegian government's position is that CSR means companies integrating social and environmental concerns into their day-to-day operations, as well as in their dealings with stakeholders. The white paper also describes both roles and responsibilities of the state and public sphere as well as the role of the corporate sector. The Norwegian Parliament debated the white paper in autumn 2009, and instructed the government to include a duty to report on CSR in the companies' annual statements. The amendment to the Annual Reports Act has not been executed.

Norwegian limited companies have for many years been obliged to report in their annual statement on their impact on the environment. This is a requirement which only recently has started to provide any meaningful environmental reporting. A separate complaint office has been established to evaluate whether companies actually fulfill the duty to report. Since 2001 the Annual Reports Act has also included a duty to report on gender equality. Through the Anti-discrimination Act, the companies are also obliged to report on status and activities related to discrimination based on race religion, nationality, sexual orientation and disability.

Key Drivers of CSR: The financial sector's focus on responsible investments by excluding unethical companies and issuing Best in Class lists, has been a major driver for the development of CSR and a public awareness of CSR-issues in Norway. The Government Pension Fund-Global has provided increased momentum, by more or less establishing a standard list of companies that should be excluded from all responsible investor portfolios. This list does not, however, include any Norwegian companies for the present.

Another key driver are the engagements of the Norwegian companies abroad, such as Statoil, Hydro and Telenor. This has created a general awareness of problems related to corruption, labour rights, including child labour, and vulnerable local communities. But it has also contributed to a false understanding of CSR as something that is happening far away.

A more influential driver is public procurement, mainly for the health sector, state authorities and some municipalities. Environmental qualifications and to some extent other CSR-issues are now increasingly becoming a standard element of public tenders. This might be the most important driver in the years to come, as this also creates a snowball effect in the, mainly national, supply chain.

The white paper released in 2009 did stir up some interesting debates, but so far no real move forward has come out of the process. The main challenge is to engage the small and medium sized companies that evade the media radar and have no direct engagements abroad. This is the main bulk of Norwegian companies, and they have to a limited extent established policies and practices to ensure a sustainable business community.

Main CSR Actors:

- Statoil - www.statoil.com
- Telenor - www.telenor.com
- Storebrand - www.storebrand.no
- KLP - www.klp.no
- Stormberg - www.stormberg.no
- Government Pension Fund- Global - www.nbim.no
- Innovation Norway - www.innovasjon Norge.no
- Ministry of finance - www.regjeringen.no/en/dep/fin/Selected-topics/the-government-pension-fund/responsible-investments.html?id=446948
- Ministry of foreign affairs - www.regjeringen.no/nb/dep/ud.html?id=833
- Ministry of Trade and Industry - www.regjeringen.no/nb/dep/nhd.html?id=709
- Environmental Ministry - www.regjeringen.no/nb/dep/md.html?id=668
- IEH - www.ieh.no
- WWF - www.wwf.no
- Bellona - www.bellona.org
- ForUM - www.forumfor.no/?vis_seksjon=2
- Confederation of Norwegian Enterprises - www.nho.no/samfunnsansvar
- Federation of Norwegian Commercial and Services Enterprises - www.hshorg.no
- CSR Norway - www.csrnorway.no
- University of BI - www.bi.no

Degree of Public Awareness on CSR: CSR has increasingly become more important in public debate and media has a reasonable good coverage of CSR related issues. In 2008, a top leader survey showed that more than 70 % of leaders experienced increasing demands to deliver results on environmental, ethical and other social conditions complementary to financial results. The main driver behind this was customer demand. Still – CSR is often seen as something that relates to Norwegian activities abroad, and there is still a long way to go to make sustainability a common platform for politics, new business models as well as innovation and development in general.

Environment: Climate is by far the most important environmental issue in Norway. But even pollution and destruction of nature and natural heritage is high on the agenda.

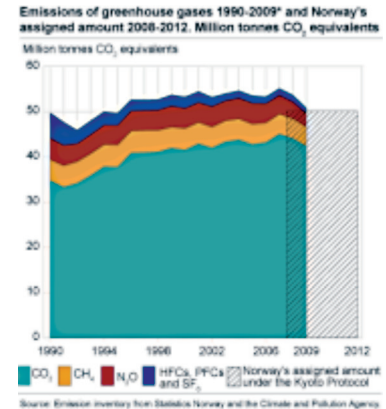
The Parliament reached a consensus on a Climate action plan in 2008. The consensus implies that Norway will advance the goal of becoming carbon neutral from 2050 to 2030. The participants in the consensus believe 15 – 17 million tons CO₂-equivalents, or about 2/3 of total reductions, should be achieved nationally, and the remaining by contributing to reductions abroad through ERM's.

A major discussion through 2010 has been whether a new high voltage energy line should be allowed to run through the Hardangerfjord in Western Norway. Here conflicting environmental viewpoints meet – preservation of nature vs. secure hydropower based electrification.

Main environmental challenges: Norway's main challenge is to the reduction of greenhouse gas emissions. Contrary to neighboring countries, Norway's CO₂-emissions increased continually between 1990 and 2008, when the pattern was broken. Norwegian greenhouse gas emissions in 2009 amounted to 50.8 million tons

CO₂ equivalents. This is 5.4 per cent lower than in 2008. The strong reduction is partly due to lower emissions from manufacturing industries and oil and gas activities. There is reason to believe that the emissions continue to be influenced by the financial crisis. This is indicated in preliminary figures in the Norwegian emission inventory, which is compiled by Statistics Norway in collaboration with the Climate and Pollution Agency.

For the second year running, Norway's total greenhouse gas emissions have decreased. In 2009, 50.8 million tonnes CO₂ equivalents were emitted, which is the lowest level since 1995. A great deal of the reduction is due to lower emissions from the manufacturing industries and oil and gas activities, but emissions from road traffic and agriculture also decreased. Nevertheless, the government has received harsh criticism for having to let go of ambitious goals for CO₂- capturing at the Norwegian refineries at Mongstad and Kårstø –which was estimated to account for 30% of Norwegian CO₂-reductions towards 2020.



The emissions from manufacturing industries were reduced from 14 million tonnes CO₂ equivalents in 2008 to 12.5 million tonnes in 2009, which represents a 10.7 per cent reduction. There is a particularly strong reduction from metal production – according to Statistics Norway's monthly index of production, the production was reduced by 20 per cent in the same period. This must be regarded as a result of the international financial crisis. Over time, the industry will recover from the crisis, which in turn may lead to higher emissions. Emissions of N₂O from chemical manufacturing, which include production of fertilizer, also decreased. (Source: Statistics Norway, www.ssb.no/english/subjects/01/04/10/klimagassn_en)

Energy and Eco-Efficiency: Norway is in a very special position regarding energy supplies. 99 % of the country's energy production is based on renewable hydro power, with bio-energy as the second most important contributor. This is of course an advantage, but even contributes to lower attention given to energy efficiency in Norway, compared to other countries. At the same time, Norway exports oil and gas to less fortunate countries. Norway is also a part of the Nordic electricity market, which gives a real percentage of renewable energy (including nuclear power) of approximately 85 % - with the remaining 15 % originating from Danish coal fired power plants. A recent report shows that the households have reduced their total electricity consumption the last 10 year, while the overall increase is due to business and industry consumption. Initiatives to increase energy efficiency in the business community are mainly fuelled by cost incentives.

Supply Chain: Supply chain issues are a growing concern in Norway, mainly driven by public procurement. Guidelines for ethical public procurement have been established and a standard for private actors has been established through the Initiative for Ethical Trade, IEH. But Norway to a lesser extent than i.e. Sweden had public scandals that have fuelled the process. An exemption to this was the Telenor case in Bangladesh in 2008. As in many other countries, the textile industry seems to be taking a lead on these issues even in Norway – following a slow start.

Human Rights: Human Rights issues have mainly been a concern for companies with engagements abroad. The general attitude seems to be that Norway does not have human rights issues within its borders – a supposition that is positively wrong. Discrimination of various groups, handling of under-aged refugees, working conditions for imported labour are only some areas to be mentioned. But slowly even nationally orientated companies are starting to do evaluations of human rights concerns within their core business, and in the supply chain.

Equal Opportunities: Gender equality has had a strong foothold in Norway since it became the first country in the world to appoint a special Gender Equality Ombud. In 2005, the Ombuds responsibility was expanded to include discrimination based on race, nationality, religion, sexual orientation and disability. Since the 1980s, Norway's changing governments have had a representation of 40 to 50 percent women. In the business community the development is more in line with the rest of Europe, and the Norwegian labour market is one of the most gender segregated in the western world, with women in public sector occupations and men in the private sector. In 2008, 20 % of all top leaders were women, but thanks to the change in the Public Companies Act, a whole 40 % of board members in such companies are now women. When it comes to integrating immigrants, persons with a non-western cultural heritage and disabled persons, there is still a long way to go before equal opportunities are achieved. A yearly publication by the Equal opportunities Ombud, SALdo, gives a more comprehensive picture: www.ldo.no/Global/SaLDO%202009/SaLDO_2009_hele.pdf

Community Engagement: Community engagement has been the main CSR activity for the savings banks in Norway, and even production companies in the rural Norway have a tradition in supporting their local communities. But with Norway being a highly developed welfare society, with a consensus across party lines to preserve the regional distribution of habitats, this aspect has been of less importance than in many other countries.

Company best practices:

- www.stormberg.no/no/Om-Stormberg
- www.sbseating.com/web/environment.aspx
- www.norskeskog.com



About CSR Norway:

Created in 1996 under the name Green Business Network Norway, **CSR Norway** is the leading Norwegian business network on Corporate Social Responsibility. The network has a multi-stakeholder focus, and encompasses the following stakeholders:

- Companies and federations
- Governments
- Universities and R&D
- NGOs

The network changed its name to CSR Norway in June 2010. At the same time it launched a new effort to mobilize Norwegian companies in a strong CSR movement.

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The Republic of Poland is one of the largest countries in Central Europe. At the very outset of the political and economic transformation process, Poland focused its efforts on two major goals: economic integration with the European Community and NATO membership (both accomplished). Now the main targets are to join the Eurozone and to fulfill obligations as a member of NATO.

The economic integration process aimed at re-establishing Poland as an integral part of the European economy. The dismantling of all central economy planning mechanisms and the introduction of a market economy showed immediate effects. Inflation, running at triple digits in 1990, halved between 1991 and 1998 – and is expected to reach a rate of 2.4% in 2010.

Developed countries dominate in both Polish exports and imports, with Germany as the dominant trading partner. Besides Germany, main export destinations within the European Union include France and Italy. Inversely, Germany, Russia and China represent the main import countries. Foreign direct investment (FDI) is one of the key factors contributing to long-term economic development. www.economist.com/countries/Poland

CSR Policies and Legislation: Government representatives are actively following the CSR issues developed at European level since 2004 and they have started national activities to increase awareness on the topic. The Ministry of Economy is currently the leading body within the government administration in regards to CSR. The Ministry has been entrusted to support the public administrations in developing and implementing CSR as well as to foster dialogue between various stakeholders. These measures were concretized with the publication, in 2009, of a guide for SMEs called “Sustainable business”. The following year, the Ministry developed 4 working groups, each preparing recommendations for enhanced CSR related implemented issues and promotion in Poland, thereby focusing on four main subjects: socially responsible investment (SRI), sustainable consumption, education and promotion of CSR. Furthermore, the topic of CSR is being actively promoted by the Energy Regulatory Office. This is also evident on the government website on CSR (Ministry of Economy): www.mg.gov.pl/node/10892

Key Drivers of CSR: Currently, eco-efficiency, sustainable development and corporate social responsibility, but also compliance with existing laws and regulations (including EU regulations) are the main topics of the CSR debate in Poland.

Main CSR Actors:

- Responsible Business Forum - www.responsiblebusiness.pl
- CSRinfo - www.csrinfo.org
- Responsible Business Institute - <http://odpowiedzialnybiznes.ning.com>
- Ministry of Economy - www.mg.gov.pl
- Energy Regulatory Office - www.ure.gov.pl
- Business Ethics Center - www.cebi.pl
- Academy of Development of Philanthropy in Poland - www.filantropia.org.pl
- Institute for Sustainable Development - www.ine-isd.org.pl
- Polish Confederation of Private Employers Lewiatan - www.pkpplewiatan.pl

Degree of Public Awareness on CSR: Awareness of Polish consumers has been the single weakest element of the CSR development process. Compared to western societies, boycotts of company products when one fails to follow the standards of ethics are relatively rare. The main obstacle for consumer awareness around CSR is the lack of appropriate knowledge available as well as the absence of active social attitudes. The civil society in Poland remains generally weak and citizens seldom organize themselves within social groups to protest their concerns towards business. However, social media are increasingly becoming popular in that field, tending to become major agents in stimulating responsible business behavior.

Media Coverage: Media are getting increasingly engaged in the promotion of CSR. The number of articles on CSR-related issues keeps growing. However, CSR as such is often to be read only in special supplements to daily papers – companies being obliged to provide financial input in order to appear in such publications, which constitutes a major ethical dilemma.

Environment: Various action plans have been developed at national level to protect the environment.

- **National action plan:** Main objectives of the official “Environment National Development Plan 2007-2013” include (in correlation with Lisbon Strategy):
 - Conservation and enhancement of the environment,
 - Reasonable natural resources usage,
 - Ensuring sustainable development,
 - Mitigating climate change risks.
- **Main Environmental Challenges:** Poland’s main environmental issues constitute high CO₂ emissions, low eco-efficiency as well as the need to modernize the industry and the energy sectors in order to adapt them to the sustainable development requirements.
- **Energy and Eco-efficiency:** The Polish energy sector is undergoing serious transformations, including privatization and restructuring, being still today very much coal-dependent. Recently, alternative solutions have been considered, such as the development of wind power stations, for example. However, the EU legislation forces Poland to increase its eco-efficiency. Government institutions such as the Energy Regulatory Office are preparing the relevant regulations: www.ure.gov.pl
- **Public awareness on environment:** Public awareness on the environment has increased in recent years. However, it remains low in comparison to other EU countries. Polish citizens are aware of climate change but lack knowledge on how to take preventive measures. This issue is monitored by the Ministry of Environment and NGOs such as the Institute for Sustainable Development: www.ms.gov.pl

Supply Chain: Since the concept of CSR is not yet fully adopted in Poland, the issue of responsible supply chain management is scarcely discussed (apart from some scarce academic research), especially amongst SMEs. For now the debate on this topic revolves around compliance with EU regulations and quality standards. Fair Trade and sustainable products remain a niche market. International companies are taking the lead in initiating the debate on CSR in supply chains and there is still a need for wider education among entrepreneurs. In 2010, Responsible Business Forum Initiated a research project on how consumers and companies perceive the issue of social and environmental standards related to supply chains. The project is to be continued in order to elaborate recommendations on how to address this issue in future and how to connect production and consumption patterns.

Human Rights: In Poland, Human rights are guaranteed by law and Poland is part of all important international agreements relevant to human rights. Polish employers are obliged to comply with the Labor Code. This issue is part of the Polish CSR debate in the context of employee relations and workplace conditions.

Equal Opportunities: The main emphasis in Poland is around gender equality. Poland has a relatively low indicator of women employment, especially in managerial positions. In previous years, a special project aiming at introducing effective management tools in the field of equal opportunities and diversity, Gender Index, was realized. The project helped to foster a wider debate on gender issues in the workplace. A special focus is being put on working parents with programs around flexible working hours and mother-friendly office spaces are developing amongst larger companies. Some companies, also due to adequate regulation and legal solutions, employ disabled people.

Community Engagement:

- **Perceived role of businesses in the local community:** Corporate community engagement is often implemented by large enterprises, Polish and foreign. Such initiatives are used to build trust and a positive

image among local communities.

- **Cooperation between local communities and businesses:** Community engagement programs are one of the most popular CSR activities within companies in Poland. The majority of large enterprises appreciate the importance of company and employee engagement in the local community and the number of initiatives in this area is growing. Yet, many companies become involved in too many philanthropic actions, which are not coordinated with an overall strategy. Strategic partnerships with NGOs are increasing in popularity.

Sustainable Products and Services: The development of ethical consumerism in Poland is very slow yet gradually progressing. So far, consumers' declarations of ethics being one of the factors taken into consideration when purchasing, have little confirmation in actual selling statistics. The drive towards ethical consumption might have also been slightly halted by the economic crisis. Moreover, fair-trade products, eco- and organic products are relatively expensive. There is also some evolution in the social economy sector.

Company Best Practices: CSR Best Practice in the Workplace <http://fob.org.pl/workplace-1884186.htm>, in the Community <http://fob.org.pl/community-1884187.htm> and Management Best Practices <http://fob.org.pl/managment-1884188.htm> \. Summary of the latest good practices report by RBF: http://fob.org.pl/responsible-business-in-poland--good-pra-221_3417.htm

Main Challenges on CSR: One of the main challenges relating to CSR in Poland is the need to mainstream business ethics and compliance standards. There is also the need for transparency and reporting (very few companies have introduced social reporting so far). Additionally, to increase the credibility of CSR, independent and third party assurances or audits must be integrated in the way CSR is communicated. There is also a considerable need for the business sector to engage more in social dialogue.

Business and NGOs need to play an important role in promoting partnership with companies to further societal needs, especially at the local level. However, civil society structures have to be strengthened. Private enterprises, on the other hand, need to measure and monitor the social added value, which is created by the private sector at the local level. In recent years, thanks to EU funding, several projects promoting CSR on a regional level have been launched, some of them realized in cooperation with trade unions. CSR remains scarcely known as a concept among SMEs.



About Responsible Business Forum:

Responsible Business Forum is the oldest and the biggest nongovernmental organization in Poland to provide in-depth focus on the concept of corporate social responsibility. It was established in Warsaw in 2000 as an initiative of Polish business people, academics and NGOs. Today, it cooperates with 38 strategic partners. The Forum's mission is to make the idea of responsible business widespread as a standard in Poland in order to increase companies' competitiveness, to satisfy society and to improve the state of the natural environment. To achieve these goals, the Forum assists companies in the development of their social responsibilities, builds a coalition of companies to solve social problems, creates a community of socially engaged companies, creates a forum where managers, government and NGOs can exchange experience, seeks CSR solutions adequate to the needs and capabilities of companies in Poland, and cooperates with stakeholders to create social and political climates conducive to the growth of CSR.

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Portugal, since 2005, is being governed by the Socialist Party (PS) led by the Prime Minister Jose Socrates. The country, as most of the European Union, is suffering the consequences of the global financial crisis. This has had a major impact on the business's activity accompanied by an exponential increase in the unemployment rate. www.economist.com/countries/Portugal/profile.cfm?folder=Profile%2DEconomic%20Data

CSR Policies and Legislation: Today there is no legislation on CSR and due to the proximity of the upcoming elections there are no clear ideas as to the policies of the next government.

Key Drivers of CSR: CSR in Portugal is mainly focused on fighting exclusion and poverty and also focusing on corporate community Involvement. Environmental issues and concerns are becoming increasingly important.

Main CSR Actors:

- RSE Portugal - www.rseportugal.org
- BCSD Portugal - www.bcsdportugal.org

Public Awareness on CSR: Due to a lack of publicity, media involvement and CSR regulations, the Portuguese public is still relatively unaware of CSR. Most people that are familiar with the issue either work in companies where CSR is a focal point in management systems or because their own personal interest.

Media Coverage: The role of the media regarding CSR issues is still very weak. Coverage is limited to community activities and linked to national, cultural and seasonal context (e.g. Christmas). A public debate around CSR issues does not exist.

Environment:

- **National action plan:** There is a National Strategy for Sustainable Development addressing the most significant environmental issues and challenges.
- **Environmental Challenges:** The most important environmental challenges include a lack of natural resources.
- **Energy and eco-efficiency:** Portugal is leading on renewable energy and although some activities or initiatives to address this issue have been undertaken by companies, the government and individual NGOs, this has been done in a very individual and uncoordinated manner.
- **Public awareness on environment:** The general public has become more aware of the environmental challenges we are facing and there are some initiatives being developed to continue the raise awareness and attain universal public support.

Supply Chain: Regarding the supply chain, and especially in some key sectors like textile, companies try to apply some contractual requirements to local suppliers. Most of the multinational companies working with local suppliers develop social audits in order to guarantee suppliers' compliance in social and environmental issues.

Human Rights: Human Rights are an issue which generally, Portuguese companies operating in developing countries put a special emphasis on. This is usually in Portuguese speaking countries like Brazil.

Equal Opportunities: Equal Opportunities are a very central issue in companies' agendas focusing specifically on the issue of gender equality. Recently, the Commission on Gender equality, a government organisation, has published three guides on equal opportunities to be applied by public companies, central administration and local authorities.

Community Engagement:

- **Perceived role of businesses in the local community:** Albeit it is clearly one of the more developed CSR dimensions in Portugal, there is still a long way to go in terms of the role of businesses in Portuguese society. Synergies in terms of interests and benefits need to be further explored and understood.
- **Level of cooperation between local community and business:** A significant number of the companies located in Portugal are involved in their local community through specific programs or through sponsorships or donations.

Sustainable Products and Services: Sustainable products and sustainable consumption are still relatively unknown concepts to the Portuguese society. Developments have been attained in the past years as companies start to look at this topic as a competitive advantage

Company Best Practices: RSE Portugal MarketPlace best practices: www.rseportugal.eu/marketplace

Main CSR Challenges: The acknowledgement of CSR by the government as a powerful instrument to tackle social exclusion and to promote more transparency in companies' activities is necessary. There is also a clear need for a stronger commitment from businesses in addressing the most relevant social and environmental issues for Portugal. Lastly, there is a need to raise awareness amongst civil society in Portugal around CSR and CSR activities by companies.



About RSE Portugal:

RSE Portugal is focused primarily in helping their company members to develop their own CSR strategies, being at the same time an active member in several partnerships at European, national and local levels. The organisation works to raise awareness to the relevance and importance of CSR.

RSE Portugal has been developing in the last years several CSR training programs and activities and participated in some studies in the areas of corporate volunteering and the impact of CSR in Portuguese-speaking countries.

www.rseportugal.org



The devolved government for Scotland in the United Kingdom is responsible for most of the issues of day-to-day concern to the people of Scotland, including health, education, justice, rural affairs, environment and transport. The Government was known as the Scottish Executive when it was first established in 1999. Since then it has been called the Scottish Government and it is the most devolved part of the United Kingdom, with independence from the UK government going up and down the agenda over the past few decades.

The current administration is the Scottish National Party, led by First Minister Alex Salmond. Scottish Elections will be held in May 2011. For 2010-11, the core purpose as a government is to promote sustainable economic growth. For Scottish Government performance at a glance including assessment of Purpose Targets and National Indicators go to www.scotland.gov.uk/About/scotPerforms/performance

Scotland, along with the rest of the UK, is in a recovery process from recession. 'Accelerating Recovery' is the Government's next phase for the 'Economic Recovery Plan', first published in autumn 2008. The current update sets out a number of priorities for the coming months to accelerate economic recovery in Scotland and increase sustainable economic growth. This includes the development of a low carbon economy, supporting internationalisation, further improvements to the planning system, managing labour market pressures, a renewed focus on commercialisation, and improved access to finance. www.scotland.gov.uk/Topics/Economy/economic-situation

CSR Policies and Legislation: The Sustainable Development plan for Scotland is the umbrella plan for CSR. Additionally, the public procurement reform program encourages public sector procurement that takes account of the economic, social, environmental and equality impacts of their purchasing activities. It also provides support for purchasers and suppliers. The Sustainable Procurement Action Plan, launched in October 2009, provides guidelines for public sector procurers. www.scotland.gov.uk/Publications/2008/12/23151017/11

Key Drivers of CSR: CSR is an established concept and practice for most large organisations in Scotland. This includes some of the public sector organisations. For example, the NHS in Scotland spearheads the Corporate Citizenship programme.

Also, SMEs in general have awareness and do engage in improving their social and environmental credentials, even though there is still a lack of clarity on how they can position it for business benefits. Movements between supply chains are starting to change the scene.

The economic downturn since 2008 has given impetus for the focus of CSR to be on sustainable business practices, putting CSR at the core of the business. This is the approach that SBC is championing as we lead the way in Scotland from bolt on CSR to authentic triple bottom line business sustainability.

Main CSR Actors:

- The Scottish Business in the Community www.sbcscot.com remains the key player in Scotland in CSR, with its role strengthened by engagement at more strategic level with both Members and key stakeholders for Scotland.
- Several environmental and social organisations, such as the Green Business Partnership www.greenbusinesspartnership.org.uk

Degree of Public Awareness on CSR: The Scottish Environmental Attitudes and Behaviours Survey (SEABS), shows that awareness of environmental issues is high and that some greener behaviors are becoming commonplace. But there is still some way to go to tackle stubborn issues like travel habits and to make people realize that their own behavior can make the world a greener place.

www.scotland.gov.uk/News/Releases/2009/03/06122455

Media Coverage: Scotland has two main quality daily newspapers: The Scotsman and The Herald. Both have coverage on CSR and sustainable development issues, though this tends to be more on the individual component topics and not on CSR in general. They do not position themselves as protagonists or supporters of CSR. However, SBC is working with them as well as with other media like the BBC Scotland to develop communication partnerships that aim to harness their power for positive communication and change.

Environment: This is a devolved area in Scotland. The main environmental challenge identified is the cut of CO2 emissions as well as an evaluation and monitoring of environmental impacts throughout the supply chain.

The Scottish Government and their agencies have established robust mechanisms and procedures for tackling climate change: the National action plan. The Climate change delivery plan, recently launched by the Scottish Government, contains a range of transformational aims supported by 5 sector themes. Each theme contains milestones and objectives to reach the 2020 targets of 42% reduction in greenhouse gas emissions.

www.scotland.gov.uk/Publications/2009/06/18103720/0

Scotland is uniquely placed to lead the developed world towards renewable technologies. Our geographic location and the fact that we are a peninsula enable our country to tap the natural resources of wind, wave and water power. Scotland can also lead the way in new and innovative technologies including Carbon Capture and Storage.

Supply Chain: The main supply chain pressures are environmental, and mainly come from both the government and larger businesses. Private sector businesses are increasingly requiring suppliers to have accreditations such as ISO 14001. The Scottish Government has also new procurement guidelines in place. Supply chain is increasingly being identified by businesses as an area of risk in CSR yet it remains the toughest area to tackle.

Human Rights: The Human Rights area in Scotland is more often expressed as social justice and social inclusion. It also includes topics such as wealth distribution, housing, education, access to jobs and environmental justice, although they are more widely addressed as single issues. Scotland traditionally has a global role in the democratic and social rights arena.

Equal Opportunities: In Scotland, this agenda is often linked with Human Rights related issues and is driven by established and innovative new legislation, overseen by the Equality and Human Rights Commission for the UK and Scotland. Current projects and campaigns of the Commission include the stalling of sex equality in the workplace, homophobia, Public Sector Duties, and independent living for the disabled persons. Businesses in Scotland actively works on campaigns to promote equal opportunities, including training.

www.equalityhumanrights.com/scotland/about-the-equalityand-human-rights-commission-in-scotland

Community Engagement: Scottish businesses have a tradition of supporting the communities in which they operate. This has become more organized and sophisticated over the past decade, with the private sector engaging in innovative, active and sustainable partnerships with the government and third sector organisations.

Education and community regeneration continue to be key areas for cooperation, and CSR provides shared aims and frameworks to maximize success. Aggregate measurement and evaluation of those activities are not yet very developed, representing certainly one of the major improvements necessary for the near future.

Sustainable Products and Services: The Scottish government, together with universities, NGOs and businesses aims at developing more sustainable products and services. Sustainable Consumption and Production is a key theme in the Sustainable Development plans of both Scotland and the UK. Renewable energy, tourism and waste management are activity areas for Scotland

Company Best Practices: Examples and case studies on www.sbcscot.com

Main CSR challenges: Scotland traditionally is a country that has for centuries led the world in social, scientific and political innovation. That reputation is intact today, despite the challenges implied by the current economic problems. Although CSR has a huge role to play, it currently faces a reputation problem. In this regard, companies have to better demonstrate the importance of CSR to their product and services and within their core business. Finally, governmental sustainability and business' CSR agendas need to better converge, so as to strive to lead the world together towards a new and better way of doing business.



About the Scottish Business in the Community (SBC):

SBC addresses many areas of CSR and sustainable business in Scotland, through membership, training and the development of various services. This includes: climate change through the Prince's May Day Network; Social inclusion and skills through

Scotland's Got Talent campaign; Volunteering and SME development through cooperation with Scottish Enterprises; People and organisational development through the Leonardo supported Train4CSR project.

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The mismanagement of the economy during the 1990 followed by an extended period of international economic sanctions as well as the damages to the Yugoslavian industry provoked by the NATO strikes of 1999 sincerely destroyed the Serbian national economy. After the ousting of former Federal Yugoslav President Milosevic in September 2000, the Democratic Opposition of Serbia (DOS) implemented stabilization measures and started a market reform program. During this time, Yugoslavia renewed its membership with the IMF in December 2000 and joined the World Bank (IBRD) as well as the European Bank for Reconstruction and Development (EBRD), thus fully reintegrating the international economic community. Serbia is also pursuing membership in the World Trade Organization. These events have been followed the restructuring and privatizing companies, including telecommunications and small- and medium-size firms. However, and despite the signature of the EU Stabilization and Association Agreement in May 2008, the EU integration process had been put on hold. If huge reforms needed to be undertaken to ensure the country's long-term economical viability, they have however largely been interrupted with the global financial crisis of 2008/2009. Indeed, Serbia has now to tackle huge decreases of its exportations to West European countries as well as a decline in manufactured products. Unemployment and a deep national financial deficit remain ongoing political and economic problems. Whereas IMF's conditions include a limited use of financial stimulus as a tool to revise the national economy, Serbia's concerns about the inflation prevent the use of expansionary monetary policies. Nevertheless, IMF' prospects of a 1.5 % growth of the Serbian economy in 2010 after a 4% fall in 2009 has indeed been observed throughout the year.

Major economic priorities of the current pro-EU government include: EU membership, economic stability, infrastructure development, ensuring energy stability, proactive trade diplomacy, support to major national industries (automotive, electronics & IT), as well as the support to underdeveloped and strategic regions. More information available at www.eubusiness.com/europe/serbia/econ and www.merr.gov.rs/en

CSR Policies and Legislation: Minimum standards regarding business behavior are set through numerous labor rights, social rights and environmental protection laws. The law on employment of disabled persons has been re-enforced in May 2010.

However, there is still no legal framework for CSR, neither is there an ESG reporting obligation, even though both have been strongly advocated by NGOs and business associations (e.g. the American Chamber of Commerce and the Foreign Investors Council). Public procurement policies still do not include CSR in their criteria.

The first State's official document on CSR – the National CSR Strategy, endorsed by the Ministry of Labor and Social Affairs - was adopted in July 2010. It represents a first and important step forward in creating an enabling environment for CSR. More information at www.minrzs.gov.rs/cir/index.php?lang=en

Key Drivers of CSR: The most important CSR issues are poverty and unemployment, and since recently also the environment.

Main CSR Actors:

- SMar kolektiv – the most prominent NGO promoting and developing CSR - www.smartkolektiv.org
- Business Leaders Forum – business network founded in 2008 at the initiative of SMar kolektiv - www.fpl.rs
- UN Global compact - www.unglobalcompact.rs
- American Chamber of Commerce - www.amcham.rs
- Balkans Community Initiative Fund – foundation promoting corporate philanthropy - www.bcif.org
- Serbian Chamber of Commerce - www.pks.rs

Degree of Public Awareness on CSR: According to the latest survey on CSR (Synovate, October 2010), the concept of corporate responsibility is quite unknown to Serbian citizens: only 34% of them recognize the concept of CSR. Out of this number, only 11% are able to provide a concrete example of a socially responsible company. CSR is mainly seen as a workplace-related issue: fair treatment as well as health and safety of employees, both priority areas in a country with high unemployment rates. Consumers' awareness is also significantly low: 60% of the surveyed citizens affirm purchasing a product or a service regardless of the provider's ethical background.

Media Coverage: The role of the media will be crucial in changing the current perception of CSR, too often understood as PR instrument, whereas no journalist is really specialized in the topic. An exception is being made with B92 broadcasting company (www.b92.net). Having started as the only "free" media during Milošević's regime, the company now incorporates CSR principles into its mission, and acts both as a promoter and a fundraiser for various social issues.

Environment: The government adopted the National Sustainable Development Strategy in 2008, putting in place a special department within the Vice Prime Minister's cabinet, thus ensuring a strategic and continuous approach to CSR (www.odrzivi-razvoj.gov.rs/eng). However environmental awareness remains globally quite low (although it has increased in recent years). Therefore, main challenges still include basic issues such as waste management and eco-efficient production. Two recent campaigns (www.ocistimosrbiju.rs; www.ecotopia.rs), both heavily supported by the businesses and the government, significantly contributed to putting environmental issues higher on the public's agenda.

Supply Chain: The most common CSR related issues that suppliers encounter when working with multinational companies are health, safety and environmental policies. However, most of the multinationals, even being aware of the necessity to more actively involve suppliers in CSR programmes, do not yet have adequate strategies or programmes in place.

Human Rights: Human rights are not perceived as a business priority, being traditionally considered as a topic relevant only for NGOs. However, labor-related rights are currently becoming more present in the public opinion.

Equal Opportunities: This might be the less developed CSR area, since none of the minorities are addressed neither by the Government nor by businesses. Women rarely occupy high management positions and they traditionally earn less than men working in the same positions. Ethnic minorities often do not have equal access to education, and are therefore disqualified in the labor market. Companies CSR programmes rarely tackle these issues, although most of them would pretend to an equal opportunities policy in place. The law on employment of disabled persons has been reinforced in May 2010.

Community Engagement: The community pillar is the area in which companies are the most active in. Generally, community engagement is often confounded with CSR itself, both by the public and by companies. Since the communism period in Serbia, there has been a number of “company-towns”, with one major company being practically the only employer in the town, thus providing to the needs of almost the entire community. Much of this tradition is still alive, with expected modifications that the multinationals brought. Many companies strategically support towns or regions in which they operate. One of the most popular forms of community engagement in the last few years has been employee volunteering.

Sustainable Products and Services: There are a few SMEs offering sustainable products or services, some of them established also as social enterprises (www.greenandclean.rs). But as mentioned previously, consumers’ awareness on the subject is still low. This niche is expected to grow as the public awareness rise. Company Best Practices:

Concrete examples available at: [www.amcham.rs/corporate_social_responsibility_\(csr\).135.html](http://www.amcham.rs/corporate_social_responsibility_(csr).135.html);
www.csr-srbija.com/bdp.php

Main Challenges on CSR: The government has to adopt more strategic approaches to CSR; raising awareness on CSR among small and medium enterprises; raising awareness among general public and enhance consumer’s role in development of the concept.



About The Business Leaders Forum:

Activities of the **Business Leaders Forum (BLF)** meet companies needs in terms of networking, gathering and exchanging information, consultancy and training, establishing partnerships as well as promotion. BLF establishes cooperation between businesses and the society, and represents the link that binds business sectors with the local communities and other stakeholders. The overall goal is to jointly tackle most acute social and environmental challenges. Besides conducting various publishing and educational activities aiming at the promoting of the CSR concept in the Serbian business sectors and within the general public, member-companies also conduct joint programmes, tackling specific issues such as youth unemployment, community investment and climate change. www.fpl.rs

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With the majority of the workforce concentrated in industry and construction and a population of over five million people, Slovakia became member of the Euro zone as of January 2009. Unemployment figures from May 2009 highlight an 11.4% jobless rate and economic activity, according to the Economist, is expected to be very subdued in 2009- 2010, with a recovery expected in the latter year.

www.economist.com/countries/Slovakia/profile.cfm?folder=Profile%2DEconomic%20Data

<http://portal.statistics.sk/showdoc.do?docid=12551>

CSR Policies and Legislation: The Slovakian government is quite inactive in regards to CSR. There is no department or any position within any ministry in Slovakia directly responsible towards CSR promotion or implementation. Nonetheless, some minor initiatives around issues closely related to CSR, such as work-life balance do exist. Every year, for example, the Ministry of Labor, Social Affairs and Family issues a “family-friendly employer award”. Additionally, the Slovak Ministry of the Environment fosters ISO certification and eco-labeling.

www.employment.gov.sk/index.php?SMC=1&id=795,

www.sazp.sk/public/index/go.php?id=1345&lang=en

Key Drivers of CSR: According to the European Cartography on CSR done with Business Leaders’ Forum members, issues such as communications and transparency, environmental protection, stakeholder dialogue and equal opportunities are key issues in Slovakia.

Main CSR Actors:

- Slovak Business Leaders’ Forum - www.blf.sk
- Pontis Foundation - www.nadaciapontis.sk
- UNDP - www.undp.sk
- Integra Group - www.integra.sk
- Panet www.panet.sk - www.partnerstva.sk
- Donors Forum - www.donorsforum.sk
- American Chamber of Commerce - www.amcham.sk
- The Faculty of Social and Economic Sciences at Comenius University in Bratislava - www.uniba.sk/fileadmin/user_upload/editors/omv/UK_knizka_mail.pdf
- Faculty of Management at Economical University in Bratislava - www.euba.sk

Public Awareness on CSR: According to a 2006 study by Pontis Foundation, more than a half of Slovak citizens have not heard about CSR. www.blf.sk/prieskumy

Media Coverage: The media has been identified as one of the biggest weaknesses in terms of CSR in Slovakia. These findings are confirmed by The Pontis Foundation annual survey about the perception of CSR in Slovakia. The survey consistently demonstrates low public awareness of CSR. This is primarily due to low media coverage of CSR.

Environment:

- **National action plan:** There is no national action plan for the Climate Change in Slovakia. Nonetheless, the government passed in 2007 a three year plan for national green public procurement. www.rokovania.sk/appl/material.nsf/0/7DF24577A9EDC16AC1257384003D2738?OpenDocument
- **Main environmental challenges:** The Main environmental challenges include toxic waste dumps (e.g. pesticides at stock in old bankrupted agricultural cooperatives existing during socialism), cyanide exposure due to gold mining, lowering dependency on nuclear power (56% of all energy produced in Slovakia)

- **Energy and eco-efficiency:** The Slovak Republic has achieved substantial progress in the introduction of medium to long-term energy efficiency strategies. Specifically, Slovakia has adopted a concrete action plan. On an aggregate level, progress in energy efficiency was quite significant throughout 2000-2007. While the economy grew by about 50% over this period, final energy consumption increased by only 3%, and primary energy consumption by only 2%. www.encharter.org/index.php?id=176

Supply Chain: Supply chain issues are not a high priority in Slovakia and therefore are not monitored.

Human Rights: The Human rights debate in Slovakia refers mainly to Roma people, who tend to suffer higher levels of unemployment and discrimination in accessing employment. Many employers are unwilling to employ Roma workers because of unfavourable subjective assessments of their productivity and work ethic. Research on long-term and chronic unemployment shows that Roma unemployment rates are between 40 and 50 percent. <http://roma.undp.sk>

Equal Opportunities: As for the law regarding discrimination and equal opportunities, Slovakia has reached European standards, yet improvements are still possible in terms of compliance with standards. There are active NGOs in this area working to improve the situations in different groups of society. www.diskriminacia.sk

Community Engagement:

- **Perceived role of businesses in the local community:** Ten out of nine businesses are supporting the community through the Social Law which allows for business to donate 2% of their yearly tax payments to NGOs. This is a unique approach to Slovakia as typically in other countries, such a donation is only allowed towards individual tax payers. There is a growing trend of time and in-kind donations.
- **Cooperation between local communities and businesses:** The model of corporate employee's engagement is a growing trend. There are 15 companies which share their experience in the ENGAGE network and around 60 companies where involved in the volunteering city project such as Our Bratislava, www.nasabratislava.sk,

Company Best Practices: CSR Best Practices 2007-2008 - www.blf.sk/10892

Main CSR Challenges: The main CSR challenges in Slovakia relate to the government. There is a need to develop and ratify a national CSR strategy and for the government to take leadership in giving CSR credibility as well as creating incentive mechanisms. Additionally, governance structures need to be adjusted accordingly and environmental protection further developed.



About Slovak Business Leaders' Forum:

Slovak Business Leaders' Forum is the leading CSR organisation in Slovakia. It engages with the media and provides trainings to journalists as a way further promote the uptake of CSR by the public and companies. In addition, Slovak BLF organizes general CSR trainings and events which also look to foster corporate volunteering schemes and benchmark community engagement activities.

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Spain is a constitutional parliamentary monarchy. The Prime Minister is Mr. Rodriguez Zapatero, from the left-wing party PSOE, "Partido Socialista Obrero Español". The last national elections were in March 2008, and the next elections are due in 2012.

In relation to the economy the sharp reversal of the pace of economic growth seen in 2008 is continuing in 2010. Real GDP growth grew in Q1 and Q2 of 2010 by 0.2% but according to an IMF overview,¹ it will contract by 0.4% in 2010 and will grow by 0.6% in 2011 (on a year over year basis). A rising unemployment rate (one of the highest among EU countries, near 20.1%² as of Q2 of 2010) combined with a deterioration of Public Accounts draw a very difficult outlook for Spain.

CSR Policies and Legislation: Spain's national government has been gaining prominence in CSR areas, especially during the last 4 years and some important legislation has come into force:

- **LISMI. Ley 13/1982**, Law for the social integration of handicapped people, among other measures it establishes the obligation of hiring a minimum quota of 2% of handicapped people in companies with more than 50 workers. (It also establishes alternative measures).
- **LO 3/2007 for the effective equality between women and men.** Organic law passed in 2007 that pursues to guarantee the effective equality between women and men within all fields, especially within the labor market.
- **Ley 30/2007 on Public Procurement and PRE/116/2008 the Green Public Bid Plan of the General Administration of the Government and its Public Bodies.** Environmental and social criteria are included under certain requirements for the hiring of Civil Servants.
- **Royal Decree 221/2008 by which the State Council of Social Responsibility of Companies is set up**³. It's a multi-stakeholder advisory body for the State Government regarding CSR that includes representatives from different key areas for CSR such as public administrations, enterprises, trade unions or organizations and institutions focused on CSR.
- **Royal Decree 1615/2009**, for regulating the granting and use of the distinctive "Equality in the Company."

At a regional level, there have been some interesting initiatives like a Corporate Citizenship Law in Valencia (11/2009 of 20 November), a bill of law of stewardship and governance in Balears and a bill of law of CSR in Extremadura.

Key Drivers of CSR: According to the 5 working groups created in the State Council, there are 5 key areas in Spain:

- Diversity management, social cohesion and cooperation development
- CSR to face economic crisis: CSR contribution to productive economy
- Transparency, communication, CSR standards and Reporting
- Social Responsible Investment
- Integrating CSR in Education Scheme.

¹ www.imf.org/external/pubs/ft/weo/2010/update/02/index.htm

² www.ine.es/en/daco/daco42/daco4211/epa0210_en.pdf

³ More information about the State Council on Social Responsibility: www.responsabilidadimas.org/canales/index_eng.asp?canal=8

Main CSR Actors: The main state actor is MTIN, “Ministerio de Trabajo e Inmigración” (*Ministry of Labour and Immigration*), who is in charge of CSR. Spanish regions (Comunidades Autónomas) are also approaching CSR in a formal way. Islas Baleares (*Balearic Islands*) has created the *Dirección General de RSE*⁴. Other regions such as Cataluña, País Vasco and Andalucía are taking action.

Other organizations pushing forward CSR agenda are:

- **Forética** as a multistakeholder organization (including companies, NGOs and universities www.foretica.es),
- **Club de Excelencia en Sostenibilidad** as a business organization (www.clubsostenibilidad.org),
- **Asepam**, the Spanish association of Global Compact www.pactomundial.org or the different **CSR Observatories** promoted by workers and NGOs.

Degree of Public Awareness on CSR: In relation to CSR awareness, Spain has a long way to go. According to *Informe Forética 2008*⁵ 90% of big companies know what CSR is about but only 49.3% of small companies carry it out. In this sense, CSR is present in the vision, mission and strategy of most large companies in Spain. Nearly 80% of them have generalized policies on the subject and the creation and consolidation of specific units within the organization⁶. On the other hand, only 48.3% of Spanish consumers could identify what CSR was according to the same report.

Media Coverage: CSR specialist media has been developing in recent years, especially online. Broader media are just starting to cover CSR (normally within special reports). The economic crisis has reinforced media interest on CSR as it's seen as a way out of it.

Environment: In 2007, the Spanish Government developed “*Spanish Climate Change and Clean Energy Strategy*”⁷ in defining ongoing actions and establishing objectives together with a follow-up plan, assessment and verification. For public procurement please refer to section 2.

Among main Environmental Challenges are greenhouse gas emissions, water availability, demographic change, as well as unsustainable urban development.

In the National Climate Change and Clean Energy Strategy there is one chapter dedicated to Energy Efficiency, with objectives, measures and indicators (page 44 of the document).

Foretica's report or *Informe Forética 2008* shows a consensus on the origin of Climate Change; more than 80% of the people interviewed acknowledged it and agreed that it has been produced by human activities together with natural phenomenon. (Note 1)

More information is available at the specific channel developed by Club de Excelencia en Sostenibilidad: www.responsabilidadimas.org/canales/index.asp?canal=3

⁴ Dirección General de Responsabilidad Social Corporativa depending on the Consejería de Trabajo y Formación www.caib.es/govern/organigrama/area.do?lang=es&coduo=139811

⁵ Forética's report “Informe Forética 2008. Evolución de la Responsabilidad Social de las empresas en España” can be downloaded from: www.foretica.es/es/index.asp?MP=33&MS=85&MN=1&TR=A&IDR=28&idCat=5

⁶ From the report: Multisectorial Report on the State of Corporate Responsibility in big companies in Spain 2009, Club de Excelencia en Sostenibilidad (www.responsabilidadimas.org/download/ESTUDIO_MULTISECTORIAL_09.pdf)

⁷ An english version of the document is available in the following link: www.mma.es/secciones/cambio_climatico/documentacion_cc/estrategia_cc/pdf/cle_ene_pla_urg_mea.pdf

⁸ www.responsabilidadimas.org/download/ESTUDIO_MULTISECTORIAL_09.pdf

Supply Chain: According to *Informe Forética 2008* Spanish companies are aware of the importance of complying with Human Rights in their Supply Chain and with their workers (and so do customers) and it appears as one of the top issues to label a company as socially responsible. Nonetheless, only 12% of companies develop any kind of social or environmental audits for their suppliers to monitor if they are working on it.

Human Rights: No big problems in relation to Human Rights in companies operating just in Spain, medium risk in relation to immigrant workers, especially in the construction sector. Multinational companies are working hard on these issues abroad, especially in relation to supply chains. Multisectoral research⁸ conducted by Club de Excelencia en Sostenibilidad shows that implementing Suppliers Code of Conduct has become an increasingly common practice in enterprises in order to protect their own public reputations.

Equal Opportunities: Although strong public involvement (with initiatives such as the Equality Ministry, Organic Law for the effective equality between women and men, Diversity Charter, ...) is still one of the biggest issues in Spain. Big companies, with more than 250 employees, are compelled to develop equality programs but there are also voluntary initiatives both public (Distinction of equality⁹) or by other organizations (i.e. Charter de la diversidad¹⁰).

Community Engagement: Community Engagement is extensively developed in Spain especially thanks to Savings Banks and their social programs, and thanks to the Foundations created by big companies which work hard in this area.

Sustainable Products and Services: According to Forética's report (Foot note 1) nearly 40% of Spanish consumers have given up buying products produced by irresponsible companies. Around 55% declared that they would pay more for a product from a responsible company if they could be 100% sure about it. Another report on the issue was published in 2008 by CECU¹¹ (Consumer association)

Another research study published by Club de Excelencia is "*Consumo Responsable y Desarrollo Sostenible*"¹²

Company Best Practices: Best practices presented to the 2007 and 2008 CSR Spanish Marketplace *El Mercado de la RSE* carried out by Forética can be downloaded, and organized by up to 12 categories.¹³ Club de Excelencia en Sostenibilidad has joined best practices in the field of CR in the "*Best Practices Catalogue in Corporate Responsibility*"¹⁴

Main Challenges on CSR: The main challenges are to bring CSR to SMEs, and to generate greater consumer awareness. Club de Excelencia en Sostenibilidad in collaboration with PWC and Madrid City Council has developed an initiative to help SMEs plan their strategies on CSR¹⁵. Specific CSR issues could be equal opportunities and CSR management, and the relation of CSR to the economic crisis.

⁹ www.migualdad.es/ss/Satellite?cid=1193047402928&pagename=MinisterioIguualdad%2FPPage%2FMIGU_contenidoFinal&language=en_GB

¹⁰ www.fundaciondiversidad.org

¹¹ CECU, Confederación Española de Consumidores y Usuarios. "*La opinión y valoración de los consumidores sobre la RSE en España. 2008. 3º edición*" www.ceu.es/GuiaRSE3.pdf

¹² www.clubsostenibilidad.org 13 www.marketplace.foretica.es

¹⁴ www.csreurope.org/data/files/npa/20091015_best_practices_catalogue_in_corporate_responsibility.pdf

¹⁵ More information about the Corporate Responsibility Guide to SME and future translations in Facebook: www.facebook.com/pages/Club-de-Excelencia-en-Sostenibilidad/338330573309?v=wall

Communication issues are also a challenge: Spanish consumers are unaware of any activities related to responsible and sustainable consumption in companies and public administrations



Club de Excelencia
en Sostenibilidad

About FORÉTICA & Club de Excelencia en Sostenibilidad:

FORÉTICA (www.foretica.es) works on a global approach to CSR:

Training (companies, students, auditor, etc), **CSR awareness** (publications, research, seminars, award, etc.) and management (promoting and implementing the certifiable Ethical Management System, the SGE 21 www.sge21.foretica.es)

Club de Excelencia en Sostenibilidad has the aim of serving as a dialogue forum for stakeholders, facilitating benchmarking on sustainable development and promoting good practices to the Spanish business sector through diverse approaches: alliances with foundations and business schools, development of publications, projects and events with companies, public institutions, legal entities of all kinds and individuals on SD and CSR. More information is available in www.club sostenibilidad.org and www.responsabilidadimas.org.

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Just over 7 million people were entitled to vote in the 2010 parliamentary election. To be able to vote in the parliamentary election you must be a Swedish citizen and have reached the age of 18 by Election Day. The election turnout this time was 84.5 per cent.

The four Alliance parties — the Moderate Party (formerly Conservatives), the Liberals, the Center Party (formerly Agrarians) and the Christian Democrats — was the biggest group of parties. The mission to form a government was assigned to the chairman of the Moderate Party and the current prime minister, Fredrik Reinfeldt. He will thereby become the first ever right wing prime minister to remain for two terms.

The historic situation has occurred in Sweden in that an openly xenophobic party – the Sweden Democrats – will enter the parliament. The number of parties represented in parliament will increase from seven to eight, with the Sweden Democrats entering the parliament for the first time. The Sweden Democrats' success has been heavily debated and the established parties have failed to present strong and powerful arguments against the populist agenda of The Sweden Democrats. During the election campaign both the Moderate Party and the Social Democratic Party promised the voters that they – if they would win – would not end up being dependant upon the Sweden Democrats.

The Moderate Party did have discussions with the Green Party but they did not lead to very much. This means that the four Alliance parties — the Moderate Party, the Liberals, the Center Party and the Christian Democrats — will form a minority government. It remains to be seen how this government will manage the new situation with the Sweden Democrats in the parliament.

Of the 349 elected members of the parliament, 192 are men (55 per cent) and 157 are women (45 per cent). After the previous parliamentary election in 2006, 52.7 per cent were men and 47.3 per cent women.

Sweden has a history of strong political involvement by ordinary people through its "popular movements" — trade unions, the women's movement, the temperance movement, the sports movement and many more. Election turnout in Sweden has always been very high in international comparisons. In Sweden it is often portrayed as a serious democratic problem that this political involvement has declined in recent decades. However, 84.5 per cent is still a very high figure in international terms.

Throughout the 20th century, Swedish foreign policy was based on the principle of non-alignment in peacetime, neutrality in wartime. Since 1995 Sweden has been a member of the European Union, and as a consequence of a new world security situation the country's foreign policy doctrine has been partly modified, with Sweden playing a more active role in European security cooperation as well.

CSR Policies and Legislation: In Sweden, the conviction is – and has always been – that the public sector must take the lead. It has to set an example for companies and the public and accelerate developments. One action taken by the government is to tighten the requirements for the share of environmental cars in public procurement and leasing of cars by the central government from 75 to 85 per cent. The boards of the state-owned companies are responsible for issues such as ethics, the environment, human rights, gender equality and diversity. The government is now making clearer demands for reporting and accounting in these guidelines.

The state-owned companies shall present sustainability reports in accordance with the Global Reporting Initiative's (GRI) guidelines which, together with other financial reports such as the annual report, interim reports and the corporate guidance report, will make up an integrated basis for assessment and follow-up. The GRI guidelines are international standard guidelines for sustainability reports, which have been developed over more than ten years and which are applied by over 1,000 companies throughout the world.

"Both state-owned and private companies bear a responsibility for matters concerning social responsibility and sustainable development. We want to be able to follow up the work of the companies. For us, it is self-evident that the state-owned companies should set an example and be at the leading edge in these fields, and we know that accounting and reporting are tools to drive these issues forward."

The Minister for Enterprise and Energy, **Maud Olofsson**.

Key Drivers of CSR: Sweden has a tradition of being in the forefront in CSR related issues. As a country, Sweden has often been high ranked when it comes to responsible performance etc. Representatives of Sweden often bring up this distinguishing feature with a clear sense of pride.

It does not necessarily mean that Swedish companies are always among the best when it comes to CSR practice, even though there are some – H&M, IKEA, ABB to mention a few – that often get credit for their work in this field.

In Sweden, similarly to Norway, the main issues have revolved around human rights and Swedish companies' behavior abroad. During the most part of the last decade, the climate crisis dominated the agenda. This domination is not as strong today.

Adding to this, matters related to the labor market have gained importance lately, among businesses, politicians, NGOs and civil society. More focus is directed towards issues such as employability and integration, and companies' HR departments participate more frequently in the CSR debate.

Main CSR Actors:

- Globalt Ansvar - www.regeringen.se/sb/d/2657/a/14557
- NyföretagarCentrum Sverige (The Swedish Jobs and Society Foundation) - www.nyforetagarcentrum.se
- CSR Sweden - www.csrsweden.se
- Mistra, www.mistra.org/english
- SuRe Sustainability Research Group - www.hhs.se/CMDID/Research/SuRe/Pages/default.aspx
- CEBERG- The Corporate Social Responsibility and Business Ethics Research Group - www.fek.uu.se/forskning/index.asp?page=CEBERG
- The Swedish Institute - www.si.se/English/Navigation/Scholarships-and-exchanges/Leadership-programs/The-Management-Program/Corporate-social-responsibility
- Amnesty International - www.amnesty.se
- The Swedish Trade Federation - www.svenskhandel.se/Om-Svensk-Handel/Swedish-Trade-Federation---Svensk-Handel-

In Sweden, auditing firms and public relations agencies have been heavily active in setting the CSR agenda. Despite having started fairly late, auditing firms have been successful in establishing the importance of companies in reporting and auditing their CSR activities. Public relations agencies, in their turn, have been keen on using CSR as a communications tool, and thereby somewhat limiting the scope and complexity of CSR.

One actor in the public relations field that has chosen a more extensive approach is Hallvarsson & Halvarsson, www.halvarsson.se/en. This agency is also among many viewed as the leading public relations agency in CSR related issues.

Degree of Public Awareness on CSR: The public awareness is increasing on CSR all the time. However, the "man on the street" may not call it CSR. Heavy media reporting in recent years on topics such as the environment, top executive remuneration, irresponsible layoffs, etc, has triggered this increase in awareness. Also, many universities offer courses on CSR, which has created a high awareness among students in Sweden.

Media Coverage: Media plays an important role in Sweden. Even though the media landscape has significantly changed compared to 15 years ago, when there were two TV channels and nothing more.

Every now and then Swedish companies are targeted by journalists for violating human rights, insufficient environmental concern or other ways of not acting responsibly. Both H&M and IKEA have been targeted a number of times. Today they are in the CSR forefront, but journalists appear to disregard that as they still love to focus on these two companies. Meanwhile, other companies in the same sectors “slip away” with behaviors that in many ways would justify a review, e.g. by not having adequate supply chain controls, etc.

Few journalists want to look at CSR from a more complex perspective. Swedish Radio and Swedish Television (both state-owned) are those who tend to be more serious than others. Among newspapers, Svenska Dagbladet, offers the most balanced reporting.

Worth noticing:

- The weekly magazine Veckans Affärer gives out an award on a yearly basis called the Socialist Capital Award.
- CSR i Praktiken (a blog turned into a web magazine) is popular among CSR professionals for its commitment to focus on positive and constructive CSR activities.

Environment:

- **National action plan:** The climate issue is a top priority of the Swedish Government's environmental work. The government is investing almost SEK five billion in reducing climate impact and adaptation to climate change between 2009 and 2011. The government policy is characterised by a strong international commitment and close cooperation with all parts of Swedish society; from consumers and researchers to businesses and environmental organisations. Sweden is to be a leading international model of a modern society that is environmentally sound and based on sustainable resources.
- **Environmental Challenges:** The main issues are global climate change, the Baltic Sea (which is more heavily polluted than many have imagined), energy efficiency and transportation.
- **Energy and eco-efficiency:** Sweden has made a radical change from oil to nonfossil based energy sources including biofuels, which has led to a reduction of its greenhouse gas emissions by more than 40 per cent since the mid-1970s. Between 1990 and 2006, emissions fell by almost 9 percent. At the same time, GDP increased by 44 per cent. In this field, the Government is investing SEK 420 million in energy efficiency measures over the same period. These measures will be implemented in policies related to environment, forestry, agriculture and energy. Investment and initiatives will take place in areas such as climate research, energy efficiency measures, pilot projects on second-generation biofuels, developing networks for wind power and a program for sustainable cities.
- **Public awareness on the environment:** The general Swede is very environmentally aware. He/she has access to clean water and landscapes that are vast and in many ways untouched. Something called the “Right of common access” gives Swedes the right to spend time across private properties, given that discretion is showed. Sales of eco-friendly products increase continuously.

Supply Chain: With big multi nationals like IKEA and H&M, the supply chain issues have a fairly high priority on companies' agendas, not least in the textile industry.

Human Rights: By and large one can state that human rights are not violated in Sweden. The UN Human Rights Convention is supported 100 per cent in all layers of society. The CSR conference in 2009 arranged by Globalt Ansvar (The Swedish Partnership for Global Responsibility, the government's “CSR department”) had its basis in John Ruggie's report “Protect, Respect and Remedy: a Framework for Business and Human Rights”.

Equal Opportunities: Gender equality is a cornerstone of Swedish society and Sweden is one of the world leaders in equality according to the Global Gender Gap Report 2008. The government's gender equality policy is twofold: to ensure power and resources are fairly distributed between the sexes, and to create the conditions that give women and men the same power and opportunities. In this light, the Discrimination Ombudsman was established in 2009 to complement the various existing Ombudsman dealing with specific equal opportunities issues. New provisions were introduced prohibiting discrimination due to age and transgender identity or expression. Additionally, the minister of Industry provides support for women's advancement in employment and in starting their own enterprises: www.weforum.org/en

Community Engagement:

- **Perceived role of businesses in the local community:** According to the "Swedish model" the role of business in the society is complex and Swedish people are very much engaged in the society..." http://hdr.undp.org/docs/publications/ocational_papers/oc26a.htm
- **Cooperation between local communities and businesses:** Traditionally, in the Swedish view, the private and public sectors should not integrate too often or too intimately. This, however, is slowly changing and both parties tend to see the synergies instead of the obstacles. For example: the private sector is nowadays, to some extent, allowed into education and healthcare collaborations/projects, which is a fairly new phenomenon. In a way, we're moving towards a pre-Swedish Model mentality. About a century ago, the companies were heavily involved in their surrounding communities; daycare, healthcare, education, etc.

Sustainable Products and Services: The range of sustainable products and services increases all the time. Organic or fair-trade coffee is served everywhere. Water is supposed to come from the tap. More textile producers offer organic cotton. The percentage of eco-friendly cars increases every day.

Company Best Practices: CSR i Praktiken (a blog turned into a web magazine) is popular among CSR professionals for its commitment to focus on positive and constructive CSR practices.

- On www.csrsweden.se the members' CSR practices are partly listed.

Main Challenges on CSR: The main CSR challenges include climate change, integration into the labour market, worklife balance, demographic change, mental health and the need for innovation and entrepreneurship.



About CSR Sweden:

CSR Sweden's main purpose is to inspire companies to create and improve CSR activities, to build a network for Swedish companies, to promote use of CSR practices and to offer practical solutions.

CSR Sweden does this by arranging meetings, events, conferences and hearings within the following fields:

- B2B (exchange of experience)
- Think Tank (close dialogue with CSR researchers)
- Showroom (external promotion of our members' CSR activities)
- Dialogue (close contact with/knowledge of everyone who's anyone in CSR in Sweden)
- Mainstreaming (spreading CSR within our member companies' organizations)

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Switzerland is a multi-ethnic, multilingual and multi-confessional nation shaped by the will of its people. The country has a federal structure with three different political levels: the Confederation, the cantons and the communes. The Swiss government (the executive authority) is made up of the seven members of the Federal Council (7 counselors) who are elected by the United Federal Assembly for a four-year term of office. The federal counselor in charge of the Economy is Johann Schneider-Ammann. For the first time in 2010, the Federal Council, female counselors are in majority (4 women and 3 men).

Regarding the legislation period up to 2011, the main objectives of the Swiss government regarding its economy are: overcoming the economic crisis, stabilizing the financial sector, limiting unemployment; and returning to economic growth.

CSR Policies and Legislation: In Switzerland there is no specific CSR legislation or strategy. From a general point of view, there are very few major pieces of legislation related to CSR in Switzerland, except on the environment pillar, as it is not yet a priority on the federal agenda.

The Confederation has developed a sustainability strategy with an action plan for 2008-2011 divided in 11 main topics (Climate change, energy, transport development, economy, production and consumption, use of natural resources, social cohesion and demography, public health, sport and promotion of physical activities, support to developing countries, training, research, and innovation, culture).

The federal Counselor has given the responsibility to the ARE (federal office for spatial development) and an inter-departmental Committee for sustainability (CIDD) to support the action plan. This structure has created a stakeholder dialogue initiative in order to consult stakeholders on the strategy.

www.are.admin.ch/themen/nachhaltig

Different Federal Offices are in charge of different topics related to CSR. For instance, the Secretariat of Economic Affairs is in charge of the OECD guidelines and addresses issues such as work-life balance and support to SMEs. The Secretariat for Foreign Affairs participated in the UN Global Compact initiative in the country and is pushing the Human Right agenda. Since 2000, it is also coordinating initiatives related to Sustainability. At regional level, there are functions related to sustainability with the aim to implement Agenda 21.

In regards to communication and reporting, companies that are on the stock exchange are legally obliged to report on CSR and sustainability issues.

Key Drivers of CSR:

- Demographic change
- Youth unemployment
- Working poor
- Equal salary between men and women
- Responsible consumption
- Fair Trade
- Sustainability

Main CSR Actors:

- Philias - www.philias.org
- Déclaration de Berne - www.evb.ch
- Amnesty International - www.amnesty.ch
- Covalence - www.covalence.ch
- ObÜ - www.oebu.ch
- The Sustainability Forum Zurich - www.sustainability-zurich.org
- Sustainable finance Geneva - www.sfgeneva.org
- Transparency International - www.transparency.ch
- Corvo - www.corvo.ch
- Economie Suisse - www.economiesuisse.ch
- USAM - www.sgv-usam.ch
- FER Genève - www.fer-ge.ch
- Centre Patronal - www.centrepatronal.ch

Public Awareness on CSR: There are no formal figures based on a recent CSR survey. However, according to Philias, the Swiss public is increasingly aware of CSR-related issues.

Media Coverage: There is a significant difference between the French-speaking media and the German speaking media. In the French speaking part of Switzerland, the media (including the business media) communicate CSR information on a regular basis. It is, however, more difficult to motivate the media in the German-speaking part to invest in CSR-focused publications.

Environment: The Swiss Federal Office for the Environment (FOEN) is responsible for the sustainable use of natural resources, including soil, water, air and forests.

Environmental policy: The aim of Swiss environmental policy is to ensure that natural resources are maintained over the long term and continue to be available to future generations. In doing so, the FOEN must seek to implement solutions which also take into account social considerations and the needs of the economy. As far as possible, environmental protection should be achieved by means of voluntary measures and incentives.

- Current priorities
 - **Limiting climate change:** Switzerland has resolved to cut greenhouse gas emissions by 20 percent from 1990 levels by 2020 - and by 30 percent if other states adopt similar commitments.
 - **Greening the economy:** Efficient technologies, processes and products can minimise environmental impacts while simultaneously boosting the competitiveness of Switzerland's environmental technology sector.
 - **Using resources sustainably:** The FOEN is working to generate standardised, internationally coordinated assessment tools and to improve transparency.
 - **Averting risk from natural hazards:** Natural hazards, such as floods, are best avoided by reducing human activity in at risk areas.
 - **Maintaining biological diversity:** Biodiversity - the natural diversity of genes, species and ecosystems - is vital to human existence. It provides invaluable services including fertile soils, protection against landslides, the availability of active ingredients for medicines, and the pollination of crops by insects. This is why the FOEN is working on behalf of the Federal Council to design strategies that maintain, over the long term, a rich and resilient biological diversity with all its services.

- **National action plan:** The national action plan for 2008-2011 consists of 30 measures in 11 thematic action areas. The corresponding Federal administration departments are responsible for implementation. The Interdepartmental Sustainable Development Committee (ISDC) is composed of members of the various departments and coordinates the implementation of all measures.

The action plan of the Sustainable Development Strategy is derived from action areas defined as priorities. These priorities include tackling global warming and overcoming natural hazards, boosting economic productivity in combination with a decoupling from resource and energy consumption, sustainable use of natural resources and minimizing environmental impact, ensuring fair access to social and economic resources and improving the integration of all population groups and increasing the effectiveness of the global fight against poverty and building peace.

- **Main Environmental Challenges:** Forest protection, CO₂ emission, traffic regulation
- **Energy and eco-efficiency:** In regards to energy, the only mandatory regulation is the CO₂ tax. The basis of the Swiss legislative framework is the "CO₂-Act", in force since May 2000. It focuses on energy-related CO₂ emissions, and provides the principal legal basis for compliance with Switzerland's Kyoto commitments.

In lowering fossil fuel consumption, priority is to be given to voluntary action. However, if voluntary and other CO₂-related measures do not suffice, the Federal Council is authorized to resort to an incentive tax. The tax rates depend on the shortfalls in the sectoral targets, requiring the approval of Parliament. The need for a CO₂ tax is determined by means of energy projection models.

- **Public awareness on environmental:** various initiative are being develop such as Nature Congress, WWF and Pro Natura public campaign as well as private sectors initiatives to support environmental awareness toward their employees.

Supply Chain: Switzerland has historically been a pioneer in the development of the supply chain concept. For instance, the Business Social Compliance Initiative was developed and adapted based on the Migros' model (supermarket chain). Moreover, Switzerland is very much involved in the Clean Clothes Campaign. The respect code is another Swiss initiative in this area, offering information on production chain of goods in terms of respect to human being and the environment. www.respect-code.org

Human Rights: Switzerland has a long tradition in supporting Human rights, with the creation of the CICR, various institutions promoting dialogue for peace such as Center for Humanitarian Dialogue as well as the Federal department of Foreign affairs that is engage in Switzerland's involvement.

Switzerland concentrates on areas in which it can make a special contribution by virtue of its experience and obligations. These particularly include:

- The global defence and promotion of basic human rights. Switzerland is especially committed to combating torture and abolishing the death penalty. It also seeks to take account of the growing importance of economic, social and cultural rights.
- The protection of especially vulnerable groups: minorities, children, women, the aged, defenders of human rights (groups and individuals working particularly for human rights), refugees and prisoners.
- Human rights must be consistently taken into account in all foreign-policy activities. In addition, globalization must be exploited to reinforce the protection of human rights.

Equal Opportunities: Equal opportunity is unfortunately not a priority on the business agenda and diversity is not specifically addressed by Swiss companies. However, some initiatives are arising such as the Equal Salary Certificate for Equality between Men and Women, and a national initiative for promoting work-life balance launched by the Secretariat for Economic Affairs. At regional level, there are equality offices pushing the agenda, but the focus is general on salary. <http://www.equal-salary.ch/>

Community Engagement:

- **Perceived role of businesses in the local community:** For the past five years, a positive perception of business has been growing in local communities. Philanthropic initiatives of businesses are beginning to actively involve employees, as opposed to simply donating money to local organizations. Business strategy is becoming increasingly linked with community engagement.
- **Cooperation between local communities and businesses:** Cooperation is growing. Philiass has developed a marketplace for business and NGOs entitled Humagora. Furthermore, community days, mentoring programs as well as NGO days organized by companies themselves are becoming more and more common.

Sustainable Products and Services: Sustainable trade is a key component of CSR in Switzerland. The Swiss population is known to be in Europe amongst the most sensitive towards such issues. Sustainable products like Max Havelaar are popular and companies like Migros or Coop have developed special organic lines and promote specific labels for different products, which highlight the traceability within the supply chain.

Company Best Practices:

- Humagora catalogue in English at www.philiass.org
- SMEs in German at www.proofit.ch

Main CSR challenges: The main challenge is to put CSR on the political agenda and to increase cooperation between all actors involved in order to strengthen efforts already being made. One key weakness is assessment and measurement of the impact of business activities. Social issues such as youth unemployment and demographic change remain important topics and have to be addressed in an innovative way.



About Philiass:

Philiass works to provide its company members with a number of services, including general information on CSR, CSR tools for implementation and best practice exchange through the business network. Their core expertise is in community investment (creation of tailor-made partnerships, PP partnerships and social reporting) and strategy and implementation of stakeholder engagement. The organization also acts as a broker for specific issues such as diversity and environment, and put their members in contact with the most relevant experts.

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The Justice and Development Party (AKP) is in government since 2003 led by Prime Minister Recep Tayyip Erdogan. The economy turned around with the implementation of economic reforms, and 2004 GDP growth reached 9%, followed by roughly 5% annual growth from 2005-07. Annual growth is estimated to have fallen to 1.5% in 2008. The Turkish economy is negatively affected in 2009 because of the result of the global economic slowdown. Exports and imports decreased at least by 30 %. Coincidentally, balance of payment improved. Unemployment rate rose to above 15 %. The government is considering to have a stand-by agreement with the IMF, but it is not clear how and when they may reach a conclusion.

CSR Policies and Legislation: There is no direct CSR-related positions in the administration. And although there is no specific law on CSR in Turkey, there are issues that are addressed mainly through two sources. The first source is through legal frameworks such as international treaties and convention. The second source are national laws on issued related to CSR. The constitution ensure the protection of consumers and the labour law number 4587, which ensure the employment of disabled people. Other laws include the public procurement law, environmental law (see environment section), and laws regulating banking and renewable energy.

Corporate Governance Codes published by the Capital Markets Board of Turkey in 2003 do include a small chapter on CSR, where it is stated that companies should act in accordance with a company's ethical rules and respect the environment, consumer and the public health.

www.spk.gov.tr/indexcont.aspx?action=showpage&menuid=10&pid=2

In terms of reporting, the process is underdeveloped. Therefore, assurance systems are far from being complete and functioning.

Key Drivers of CSR: The key driver in Turkey include community development programs (through donations to hospitals and schools) sponsorship activities and social projects organized with NGOs.

Main CSR Actors:

- The Turkish Society for Quality (KALDER) - www.kalder.org
- Regional Environment Center (REC) - www.rec.org.tr
- The Business Council for Sustainable Development Turkey - www.tbcsd.org
- Corporate Governance Association of Turkey - www.tkyd.org
- Education Volunteers Foundation of Turkey (TEGV) - www.tegv.org
- CSR Turkey - www.kssd.org.tr
- Association in Support of Contemporary Living (CYDD) - www.cydd.org.tr
- Community Volunteers Foundation (TOG) - www.tog.org.tr
- The Turkish Foundation for Combating Soil Erosion, for Reforestation and the Protection of Natural Habitats (TEMA) - www.tema.org.tr
- Turkish Industrialists' and Businessmen's Association (TUSIAD) - www.tusiad.org
- Union of Chambers and Commodity Exchanges of Turkey (TOBB) - www.tobb.org.tr
- Confederation of Turkish Trade Unions (TÜRK-İŞ) - www.turkis.org.tr
- Turkish Trade Union Confederation (TISK) - www.tisk.org.tr
- Ministry of Environment and Forestry (on Environment) - www.cevreorman.gov.tr
- Ministry of Trade and Industry (on Standards) - www.sanayi.gov.tr
- Ministry of Labour and Social Security (on Labor issues) - www.calisma.gov.tr
- Ministry of Education (on Children's Education) - www.meb.gov.tr/
- Capital Market Board (agency) - www.cmb.gov.tr

Public Awareness on CSR: Research conducted in 2009 in partnership with GfK and Capital Business Magazine has indicated that 65% of the society thinks that companies should have CSR activities (understood mainly as community development projects). Education is seen as one of the biggest concerns and society expects support from companies. Other important issues for Turkish society include health, environment, violence in family and women's rights. www.capital.com.tr/haber.aspx?HBR_KOD=5271

Media Coverage: A total of 3,687 news were found under the keyword "Social Responsibility" between 2005 and 2006. A sharp increase in the number of news in 2006 compared to 2005 should be noted. The number of published news in year 2006 is 2,272 whereas it was 1,415 in 2005.

Environment:

- **National action plan:** Turkey's National Climate Change Action Plan and 'Improving the capacity of Climate Change Negotiations' have been implemented with TÜSİAD, a private sector umbrella organisation. All private sector representatives were invited to participate in the development of the Climate Change Strategy from February to May 2009. The State Planning Agency has recently started to determine the cost analysis for the action plan after 2012.
- **Environmental Challenges:** The most important environmental issues are top soil erosion, air and water pollution and also industrial pollution in some areas. Another challenge deals with decreasing waste and recycling. Currently, the National Forestation and the Mobilization of the soil Erosion Control Project is being implemented with the re-forestation of 2.3 million hectares planned by 2012.
- **Energy and eco-efficiency:** For the energy sector, the Renewable Energy Law enacted in 2005 makes significant progress toward hydro-electric and wind energy use. Hydro-electric energy has a 30 % share in the total electricity production while Solar and wind energy generation are in a very early stage. By 2020, 75 million ton of CO2 emission is estimated to be prevented with such conservation efforts. Additionally, a comprehensive study of the legislations and applications for the control of greenhouse gas emissions in relation to all economic sectors is being undertaken. Increasing energy efficiency initially in cement, iron and steel industry, use of high quality and alternative fuels are being debated and could be the first results.
- **Public awareness on Environment:** Public concern on environmental issues has slightly increased in recent years due mostly to the environmental challenges affecting daily lives and the threat of climate change. Experiences of water scarcity and draught in some parts of the country have contributed to the development of nationwide public awareness.

Supply Chain: Supply chain issues, especially in the textile industry, are important and Turkish companies work towards on the application of international labor standards. Nonetheless, the activities of local branches lag behind their headquarters and any initiative are usually project-based without being integrated into an overall strategy.

Human Rights: The issue of human rights is understood in relation to torture and violence. Therefore, society expects that companies should focus on projects about violence in the family and women rights.

Equal Opportunities: The Turkish Society for Quality has developed, in cooperation with the business world, a declaration entitled 'Women's Right to Management'. This declaration, prepared with the participation of all relevant parties in March 2009, is based on Principle six of the Global Compact.

Community Engagement:

- **Perceived role of businesses in the local community:** Local community expects from companies to give full weight to education, health, environment through donations.
- **Cooperation between local communities and businesses:** In the last decade more businessmen have actively involved in efforts for the eradication of social problems. The sponsorship activities as well as social projects organized with NGOs are among those efforts.

Sustainable Products and Services: Sustainable Products and Services as still rare in Turkey yet the first examples of companies moving towards such products is emerging. This is highlighted by large companies like Arcelik whom have a high commitment to making Class-A appliances with less environmental impact.

Company Best Practices:

- Koç Holding [http - www.koc.com.tr/en-us/Corporate_Social_Responsibility/Pages/CSR.aspx](http://www.koc.com.tr/en-us/Corporate_Social_Responsibility/Pages/CSR.aspx)
- Hey Tekstil - www.heytekstil.com
- Milliyet - www.doganholding.com.tr/en/corporate-social-responsibility/daddy-send-me-to-school.aspx

Main CSR Challenges: Stakeholder engagement is restricted with partnerships or joint projects with NGOs. Engagement in issues like employee participation or even legal compliance around workers' rights needs to be developed. Finally, public awareness needs to be increased and for this, as well as for a holistic strategy for CSR, government interaction and engagement is crucial.

**About CSR Turkey:**

CSR Turkey aims to promote the ideas of CSR not only in business world but also to other stakeholder groups such as government and NGOs. The organisation promotes CSR through publications, conferences and roundtables on issues like private-public partnerships and development.

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The first formal coalition government in 70 years came to power on 11th May 2010, with David Cameron as Prime Minister. It sees a return of his centre-right Conservative Party to power after over a decade of rule by the centre-left Labour Party. The Conservatives were forced to ally with the Liberal Democrats, as the elections failed to produce an absolute majority for any party. On coming to office, the coalition government faces an economy just recovering from deep recession, and a significant public debt situation. As a response, Cameron has resolved to cut the UK's budget deficit, starting with £6 billion in emergency spending cuts by the end of 2010. The government has also stated that they wish to tackle what they see as 'deep social problems' within the UK, with the concept of the 'Big Society'.

http://news.bbc.co.uk/1/hi/world/europe/country_profiles/1038758.stml

CSR Policies and Legislation: Since the deregulation of the finance industry and the privatisation of public utilities in the early 1980s, business has not tended to look to the government to set the framework for responsible business practice beyond the existing legal requirements. The expectations are therefore on business to lead and to engage in best practice. In July 2010 the UK's Coalition government launched their flagship policy idea: the Big Society. The aim of the initiative is to devolve power from government to local communities, empowering local people to an active role in their own communities. BITC supports this strategy, and has been invited to contribute to this vision.

Key Drivers of CSR: The concept of CSR in the United Kingdom originated in the ethical approach to business of a number of prominent firms, which ran their business in an ethical manner, in particular looking to the welfare of their employees. This philanthropic approach laid the foundations for the situation today where the need for companies to manage in a responsible manner across the various sectors of their activity is generally, if not universally, understood.

Main CSR Actors:

- Business in the Community - www.bitc.org.uk
- Caux Initiatives for Business - www.cib.iofc.org
- LEAD International - www.lead.org
- Accountability - www.accountability.org.uk
- Ethical Corporation - www.ethicalcorp.com
- London Benchmarking Group - www.lbg-online.net
- Corporate Citizenship - www.corporate-citizenship.com
- Doughty Centre for Responsible business - www.som.cranfield.ac.uk/som/p1080/Research/Research-Centres/Doughty-Centre-for-Corporate-Responsibility
- Ethical Trading Initiative - www.ethicaltrade.org/

Degree of Public Awareness on CSR: The UK public is becoming more aware of the concept of CSR as companies are marketing their ethical business programmes more effectively. There has also been an increase of consumer awareness in recent years as companies are becoming more accountable for their business practices. For example, research in 2005, by Mori said that, "78% of the general public wants to hear about companies' responsibilities to their customers, employees, communities and the environment."

Involvement of the Media: In general, the media is less critical of business than other European countries. This may be due to media being owned by business conglomerates, but in general the approach is an educated one.

Environment:

- **National action plan:** The new coalition government will continue their ambitious plan to develop a low carbon economy, create green jobs, invest in carbon capture and storage and develop alternative sources of energy. The government will also create a green investment bank.
- **Environmental challenges:** The main environmental challenges in the UK are meeting ambitious carbon reduction targets, water conservation, promoting behaviour change in waste and recycling and biodiversity protection.
- **Energy and eco-efficiency:** The government and energy companies in the UK encourage the public to reduce their carbon footprint by highlighting the cost benefits of using less energy. There is a big focus on behavior change at home, home insulation and business efficiency measures.
- **Public awareness on environment:** Public awareness on environmental issues continues to grow but large sectors of the population remain very skeptical, particularly on climate change post-Copenhagen. 'Mainstreaming' environmental issues continues to be a challenge.

Supply Chain: In the UK, many companies are grappling with how to develop and use policies, questionnaires and audit processes to improve sustainability in their supply chains. There is concern, however, that these processes do not always get to the root of the problem and drive improvement beyond minimum standards. Some leading companies are developing more innovative responses to issues such as low wages and child labour, working in partnership with other businesses, governments and NGOs to address underlying causes.

Human Rights: Businesses are increasingly accepting their obligation to respect human rights. Many companies now have corporate policies setting out their commitment to a range of specific human rights, referring directly to recognized international standards. Whilst businesses providing public services in the UK are bound to act in accordance with the Human Rights Act, governance mechanisms for protecting human rights overseas are often weaker. Business in the Community encourages its members to work with rule-makers and operate with consistent standards wherever they have operations.

Equal Opportunities: Equality legislation exists for age, race, gender, disability, religion and belief, sexual orientation. New equality legislation includes a potential requirement for employers to report on their gender pay gap, promotion of positive action, use of procurement to promote diversity in employment and the extension of public sector duties to promote equality. The current UK government is keen to ensure the profile of the UK workforce better represents the profile of the working age population and has extended the right to request flexible working. An extension of paternity leave for fathers of children due on or after 3 April 2011 (or matched for adoption on or after that date) providing up to 26 weeks to care for the child if the mother returns to work before using her full entitlement to maternity leave. This effectively gives mothers the right to transfer a proportion of their paid leave to their partner and offers a new system of flexible paternal leave.

Community Engagement: Dating back to the origins of CSR in the UK, businesses have positioned themselves as key actors within local communities, and leading companies ensure that core operations as well as community investment can contribute positively to local development. Developed by Business in the Community, The CommunityMark, the national standard which publicly recognises community investment

excellence, encourages companies to take a strategic and integrated approach to how they maximise positive impact in the communities and to their business. Additionally, in the UK, employee volunteering is very common and widespread with employers incentivising employees to actively support their community investment efforts. Give & Gain Day, the UK's largest day of action for employee volunteers, mobilises employees to volunteer their expertise and time during work hours.

By working well with local community groups, business can have a very positive impact on the communities where they are located across a whole range of social issues. These include raising the achievement of young people and improving basic skills for employability; removing barriers to work and helping disadvantaged individuals and groups find employment.

Sustainable Products and Services: Sustainable products and services are designed to balance impact on people, planet and profit. While sales of 'ethical' and 'green' products have grown strongly in the UK over recent years, what is perhaps more significant is the growing acceptance within the business community of a need to build sustainability into mainstream brands as standard. A number have embraced sustainability as a new source of competitive advantage, and marketed themselves accordingly; however, too many disingenuous claims and the rise of 'greenwash' have created considerable confusion and skepticism among the public.

Company Best Practices: BITC's best practice database: www.bitc.org.uk/resources/case_studies/index.html

Main Challenges on CSR: Several CSR challenges still remain. These include achieving understanding in the business world that the focus is responsible business practice and not philanthropy. In the current context of 'austerity Britain', with cost saving and financial cuts being made by both the private and public sectors, it is important responsible business practice is not set aside.

Business in the

Community

About Business in the Community:

Business in the Community mobilises business for good. We work with business to build a sustainable future for people and planet. Being a member of Business in the Community means being part of an international network of responsible companies committed to building a sustainable future for people and planet. Our approach to responsible business provides a framework to support and challenge business to improve its performance and benefit society through our four areas of expertise – community, environment, workplace and marketplace.

Sue Adkins, International Director at Business in the Community, Sue.Adkins@bitc.org.uk

CSR Europe's National Partner Organisations



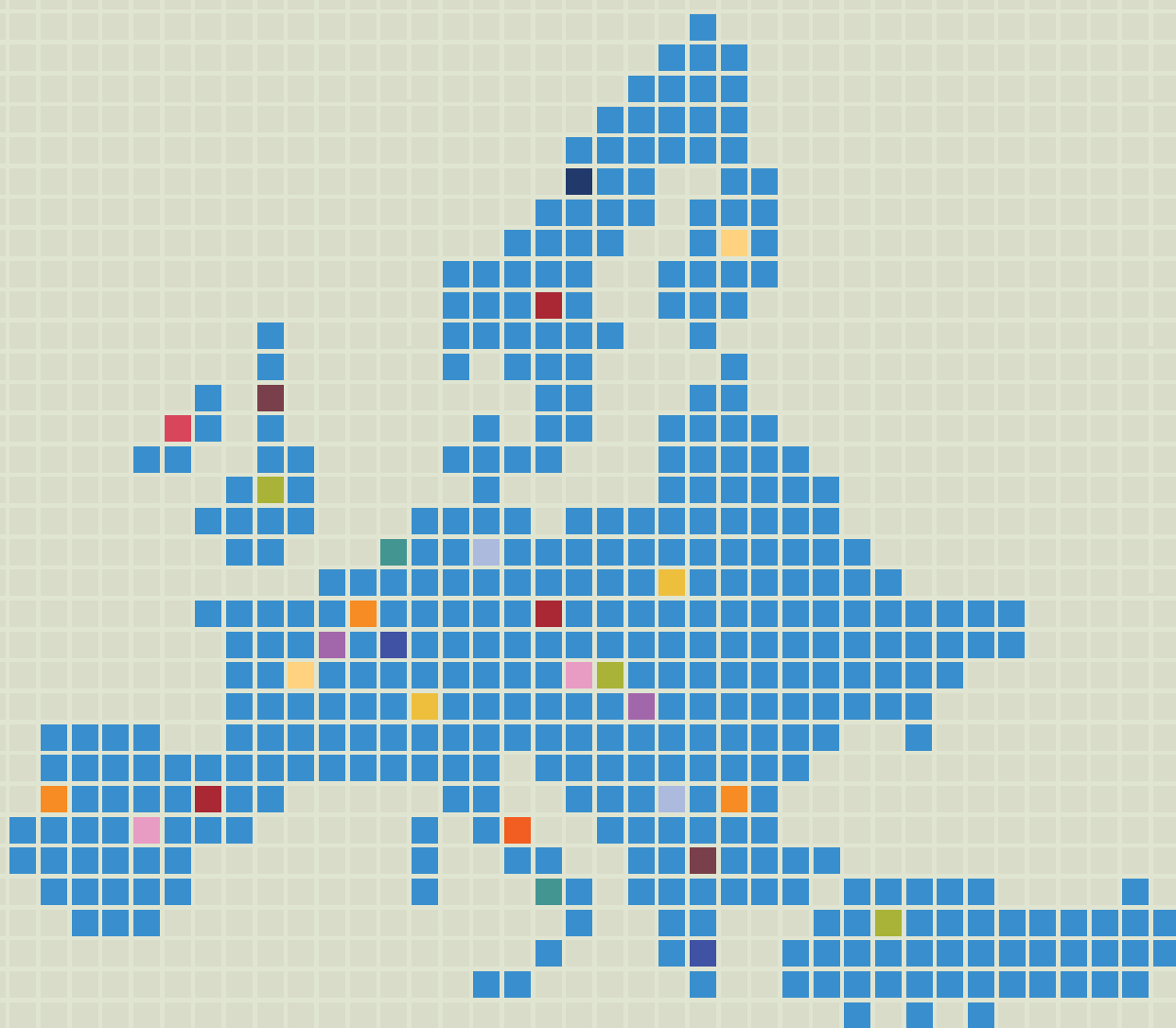
CSR Europe's Corporate Members



A Guide to CSR in Europe

Country Insights by CSR Europe's
National Partner Organisations

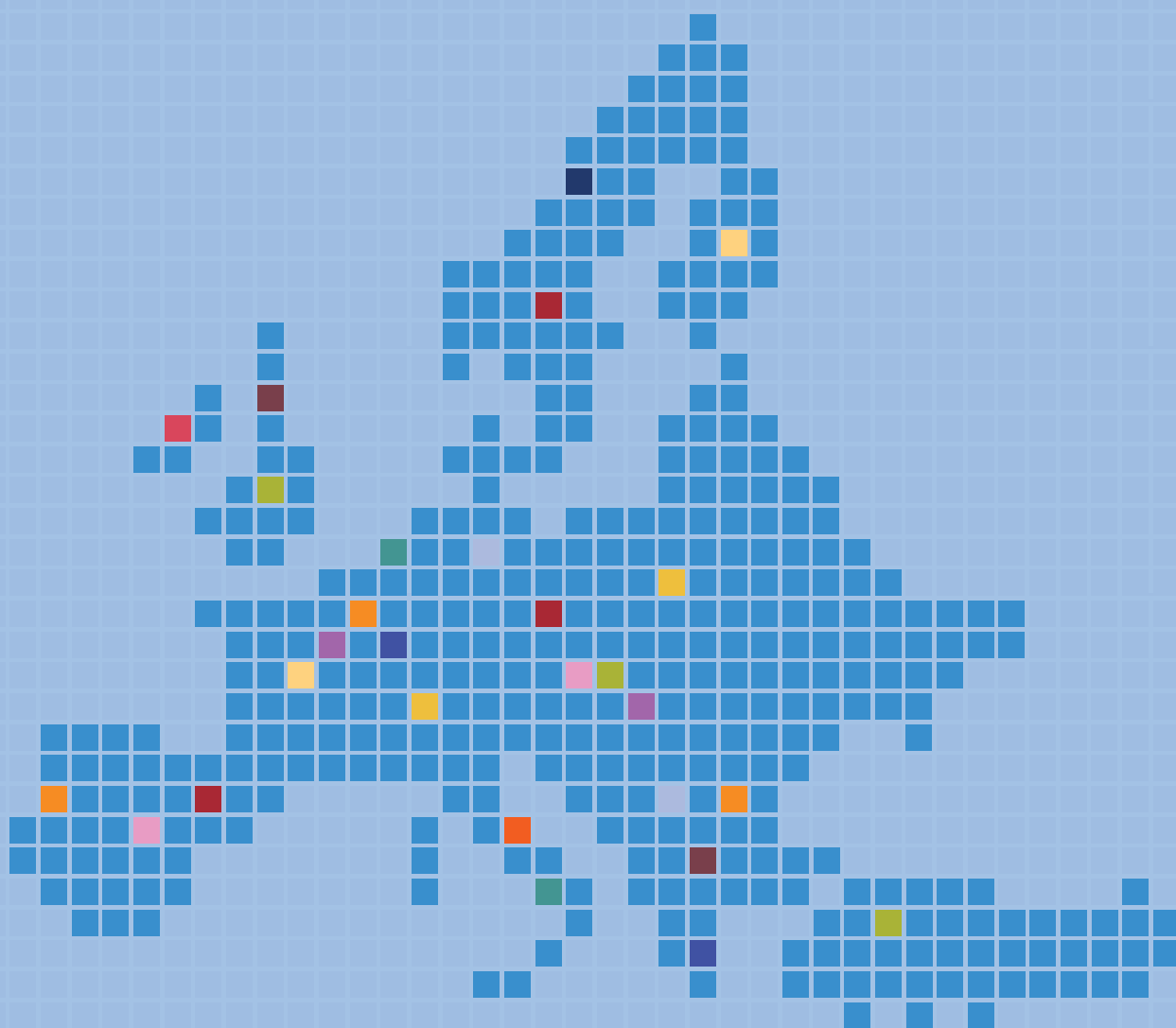
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