Undertakings: corporate social responsibility, integration of social and environment. Green Paper

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PURPOSE: To launch a debate on the promotion of corporate social responsibility within the EU.
CONTENT: Regulations relating to social protection and health and safety at work are well established within EU legislation. This Green Paper, however, seeks to examine how the promotion of corporate social responsibility can be encouraged at a voluntary level without resorting to further regulations. It examines this not only at a European level but also at an international level. Further, it seeks to make the most of existing practices, to encourage the development of innovative practices, to introduce greater transparency and to offer greater credibility to evaluation and validation. Corporate social responsibility can be defined as a concept whereby companies decide voluntarily to contribute to a better society and cleaner environment. Initiatives in this area include, for example, improved recruiting policies (non-discrimination), better opportunities for racial minorities, greater involvement with local communities and offering supprt on changes at work. Other activities include a greater awareness of human rights and working condition abroad. Factors driving the move towards corporate social responsibility include: - new concerns and expectations from citizens, consumers, public authorities and investors in the context of globalisation and large scale industrial change; - social criteria influencing the investment decisions of individuals and institutions both as consumers and as investors; - increased concern about the damage caused by economic activity to the environment; - transparency of business activities brought about by the media. Bearing this in mind, the Green Paper suggests that the EU approach should be to provide an overall European framework to corporate social responsibility through the adoption of broad principles and promoting best practice. In addition, the EU could support best practice approaches to cost-effective evaluation and independent verification of corporate social responsibility practices. Such a departure could improve not only the effectiveness but also the credibility of voluntary activities relating to corporate social responsibility. Ultimately the Commission is hoping this initiative will offer a new European framework for the promotion of corporate social responsibility. The Green Paper is being given a wide circulation and it is hoped that it will be discussed at local, national and European level.