Corporate social responsibility, contribution to sustainable development

2002/2261(INI) - 13/05/2003 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution drafted by Philip BUSHILL-MATTHEWS (EPP-ED, UK) based on its own-initiative report on corporate social responsibility (CSR.) Parliament stated that CSR can contribute to achieving the objectives defined in the European Strategy for Sustainable Development, provided that companies go beyond aspirational commitments and do not just use it as a mere public relations exercise. CSR can be valuable in terms of promoting a proactive attitude by companies towards improving their environmental and social records. CSR should not be seen as supplanting legal obligations but as supplementing them. Parliament welcomed the Commission's Communication as well as the successful setting up of the EU Multi-Stakeholder Forum on CSR as an autonomous group run by its members. It specifically welcomed the acknowledgement by the Forum of the need to recognise the diversity of CSR approaches when considering how to facilitate, rather than force-fit, convergence and called for the Forum to address potential confusion arising from the proliferation of different CSR tools and instruments. Whilst Parliament endorsed the Multi-Stakeholder approach, it accepted the need for CSR to be business-driven. Transparency, accountability and verifiability should be accepted by business as being in its strategic interest, and therefore business should be responsible for the promotion and development of CSR. The purpose of CSR should be to add value to an enterprise, and to its sustainability. Parliament emphasised that socially responsible business can protect and promote the long-term profitability of the enterprise. It also emphasised the importance of respecting the needs of the SMEs. Parliament went on to point out that t Commission does not pay much attention to the gender impact of, or gender policy issues in relation to, CSR principles, and called for active promotion of women's business development, workforce diversity and work-life balance. CSR should be promoted at international level also, by integrating its principles in external relations, development and trade policies. The concept of CSR should particularly be promoted among export credit and development finance agencies and other institutions involved in foreign direct investment. Parliament commended the fact that the forthcoming Italian Presidency will dedicate four important initiatives to promoting, comparing and developing CSR, in line with the priorities set by the Commission. Parliament underlined the desirability of transparency with regard to companies' environmental and social performance. It stressed the important role of CSR in terms of the positioning of European companies in the context of global competition. CSR can best fulfil its objective if there is improved communication between companies and consumers on the basis of comparable information. Companies should indicate in their reports the environmental standards they apply when they operate and invest in third countries and illustrate how these standards relate to relevant pieces of EU environmental legislation. The Commission is asked for proposals aimed at giving the public access to environmental, health and safety-related and human rights-based information held by companies with a view to facilitating external scrutiny of society.