Basic information

2002/2261(INI) INI - Own-initiative procedure	Procedure completed
Corporate social responsibility, contribution to sustainable development **Subject** 3.45 Enterprise policy, inter-company cooperation 3.70 Environmental policy 4 Economic, social and territorial cohesion 5.05 Economic growth	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
EMPL Employment and Social Affairs	BUSHILL-MATTHEWS Philip (PPE-DE)	04/09/2002

Committee for opinion	Rapporteur for opinion	Appointed
ITRE Industry, External Trade, Research, Energy	MARTIN Hans-Peter (PSE)	08/10/2002
ENVI Environment, Public Health, Consumer Policy	DE ROO Alexander (V/ALE)	27/11/2002
DEVE Development and Cooperation	SCARBONCHI Michel-Ange (GUE/NGL)	02/10/2002
FEMM Women's Rights and Equal Opportunities	KARAMANOU Anna (PSE)	05/11/2002

European Commission

Commission DG	Commissioner
Employment, Social Affairs and Inclusion	

Key events

Date	Event	Reference	Summary
02/07/2002	Non-legislative basic document published	COM(2002)0347	Summary
16/01/2003	Committee referral announced in Parliament		
24/04/2003	Vote in committee		

24/04/2003	Committee report tabled for plenary	A5-0133/2003	
13/05/2003	Decision by Parliament	T5-0200/2003	Summary
13/05/2003	End of procedure in Parliament		
17/03/2004	Final act published in Official Journal		

Technical information	
Procedure reference	2002/2261(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	EMPL/5/16959

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A5-0133/2003	24/04/2003	
Text adopted by Parliament, single reading		T5-0200/2003 OJ C 067 17.03.2004, p. 0028-0073 E	13/05/2003	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2002)0347	02/07/2002	Summary

Corporate social responsibility, contribution to sustainable development

2002/2261(INI) - 02/07/2002 - Non-legislative basic document

PURPOSE : to propose a new Commission strategy to promote business contribution to sustainable development. CONTENT : in July 2001, the Commission presented a Green Paper "promoting a European Framework for Corporate Social Responsibility". The aims of this document were, firstly, to launch a debate about the concept of corporate social responsibility (CSR) and, secondly, to identify how to build a partnership for the development of a European framework for the promotion of CSR. This policy paper calls for a new social and environmental r·le for business in a global economy and sets up a 'European Multi-Stakeholder Forum' for all players social partners, business networks, civil society, consumers and investors to exchange best practice, to establish principles for codes of conduct and to seek consensus on objective evaluation methods and validation tools such as 'social labels'. The strategy seeks to complement existing initiatives by companies themselves and by public organisations such as the OECD and the UN. CSR is defined as voluntary social and environmental practices of business, linked to their core activities, which go beyond companies' existing legal obligations. The strategy will also support CSR in small and medium-size undertakings ('SMEs'), in particular by identifying the business case for CSR and by awareness raising of SMEs. The Commission proposes to build its strategy to promote CSR on a number of principles. These are as follows: - recognition of voluntary nature of CSR; - need for credibility and transparency of CSR practices; - focus on activities where Community involvement adds value; - balanced and all-encompassing approach to CSR, including economic, social and environmental issues as well as consumer interests; - attention to the needs and characteristics of SMEs; - support and compatibility with existing international agreements and instruments (ILO core labour standards, OECD guidelines for multinational enterprises). The Commission has an important role to play in CSR, bringing together businesses across Europe to share best practice and to establish common principles for evaluation. Finally, the Commission will work towards building

CSR principles into all other EU policies, for example by promoting better understanding of CSR in developing countries. The Commission will publish a report on the work of the European Multistakeholder Forum in 2004.

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.