



The Corporate Social Responsibility Strategy of the European Commission:

Results of the Public Consultation
Carried out between 30 April and 15 August 2014

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1. Executive Summary

This public consultation provided feedback to the Commission's work in the area of Corporate Social Responsibility, specifically on its recent and on-going actions as set out in the agenda of action in its 2011-14 Strategy (COM (2011) 681).

The consultation generated significant feedback from a wide range of stakeholders from across the European Union and beyond, confirming that this issue is of substantial interest and importance to stakeholders.

The responses differed slightly according to the groups of stakeholders, although more extremely on a couple of issues. But overall there was little significant deviation in the responses for example between the responses of industry associations in comparison to individual companies. The same applies for civil society organisation and EU citizens.

The results themselves show the following notable outcomes:

1. **On the role of the Commission in CSR** and identifying the key actors in CSR

A large majority of respondents confirmed that the Commission should be an important actor in the field of CSR, and a clear majority of 4/5 wishes the Commission to engage in this policy field. About half of respondents believed that the Commission could do more in fulfilling its potential role on CSR. Civil society representatives saw this last point more negatively than other stakeholder groups. In rating who are the most important actors in the field of CSR, respondents placed the private sector at the highest position, followed by civil society organisation and then public authorities.

2. **On the Commission's agenda for action**, as set out in the 2011 CSR strategy

The overall impact of the Commission's policy was regarded by 2/3 of the respondents as generally useful or very useful. There was little deviation in the responses of stakeholders.

In listing the most important achievements in the implementation of the CSR strategy, stakeholders noted first and foremost the Commission's impact in emphasising the importance of CSR with companies and society as a whole, followed by provisions of the EU Directive on the disclosure of non-financial information and the new definition of CSR.

Stakeholders expressed a **high general approval rate for all action streams of the Commission's agenda** for action (71%-86%), indicating that the agenda for action was itself well-conceived. But in judging the success of its implementation the replies vary more widely, with stakeholders expressing mixed results, and an overall approval rate between 33%-70% (successful/very successful). The Directive on the **disclosure of non-financial information was considered by stakeholders as the most successful initiative (70% approval rate)**, followed by **enhancing the visibility of CSR and disseminating good practices (63%)** and **better aligning European with global approaches (60%)**. It should be noted, however, that those questions that received low approval ratings in terms of success showed a very high proportion of stakeholders who

had no opinion on this matter (around 1/3 of the respondents). The results should therefore be considered in perspective.

Almost half of the respondents believed that the CSR Communication showed **shortcomings**, with the most significant being: **(1) not enough focus on SMEs, (2) development of an action plan on the UN Guiding Principles on Business and Human Rights, and (3) addressing global supply chain matters** (due diligence, support in the field, access to justice).

Putting the **CSR policy in the wider context of other Commission initiatives**, respondents noted particularly the **strong cross-fertilisation with policies such as accounting measures, the conflict minerals proposal and the timber regulation**. Stakeholders mentioned particularly the importance of energy and environmental policies, the Social Business Initiative and the Unfair Commercial Practices Directive as initiatives with a positive impact on the CSR work. CSR is therefore considered as part of a broader policy context.

3. **On key future issues in the area of CSR**, the Commission's future role in CSR, the main challenges for an EU policy on CSR and the importance of CSR for the future of EU economy.

When it comes to future issues, stakeholders see three main lines of engagement for the Commission:

1. **Improving transparency** (reporting, sustainable responsible investment etc.)
2. Working on **international issues** (multilateral work, third country diplomacy, global level playing field) as well as
3. **Awareness raising** activities.

In terms of challenges, stakeholders mentioned amongst others, the **need to support SMEs**, to strike the **right balance between regulatory and voluntary measures** as well as working towards an international level playing field.

When asked about the **larger economic context**, stakeholders clearly reaffirmed that **CSR plays a critical role for the medium-/long-term competitiveness (79%) as well the sustainability (81%) of the EU economy**. Reasons that were mentioned on why CSR matters for companies ranged from fostering long-term strategies to a strengthened innovation capacity and better HR policy. As regards reasons why CSR matters for the society as a whole, respondents indicated that **CSR brings companies closer to citizens and empowers all stakeholders** as well as linking it to inclusive and sustainable economic growth.

Next Steps

This consultation is part of the review of actions under the CSR Strategy. It contains valuable feedback that will be used for the development of the successor strategy, to run from 2015 to 2020. The results of the consultation will be presented to the CSR Multi-Stakeholder Forum, on 3-4 February 2015, with a view to a well-informed discussion on the future direction of the European Commission's CSR actions in that period.

2. Background and scope

In 2011 the Commission set out its policy on Corporate Social Responsibility (CSR) in its Communication on "A renewed EU strategy 2011-14 for Corporate Social Responsibility"¹. As the strategy nears its end date, the Commission has conducted a review of activities of the last three years, to help prepare the next EU policy framework on CSR. This review process started with a comprehensive public consultation, which was open from 30 April until 15 August 2014, and will culminate in the plenary meeting of the CSR Multi-Stakeholder forum, which is scheduled for 3-4 February 2015.

This report sets out the results of the public consultation, whose specific objectives were three-fold:

1. To receive **feedback on the role of the Commission in CSR** and identify the key actors in CSR.
2. To receive **feedback on the Commission's agenda for action**, as set out in the Commission's 2011 CSR strategy, on whether the Commission's activities were successful and on whether policy initiatives had an important influence on CSR in line with that agenda.
3. To identify some of the **key future issues in the area of CSR**, including what stakeholders believe the future role of the Commission in CSR should be, what the main challenges for an EU policy on CSR are and how they would rank the importance of CSR for the future of EU economy.

The target audience was broad, ranging from public authorities in member states, international organisations, civil society organisations, individual companies, industry associations, citizens and other relevant stakeholders.

The public consultation took the form of an **online questionnaire**². The questionnaire was structured along the three objectives as outlined above, and focused in particular on the Commission's activities in the last three years. The questionnaire did **not address the key principles of the Commission's CSR policy**, such as the Commission's definition of CSR and the overall approach, as described in Chapter 3 of this report.

This technical report is structured as follows:

- General background information and overview of the key implementation activities of the Commission in relation to the 2011 CSR strategy;
- Detailed analysis of the results of the public consultation on Corporate Social Responsibility;
- List of organisations, which sent a written submission in the scope of the public consultation (Annexes I & II).
- A detailed implementation table of all the Commission activities in the area of CSR related to the 2011 strategy (Annex III);

¹ COM (2011) 681 of 25th October 2011.

² http://ec.europa.eu/enterprise/policies/sustainable-business/corporate-social-responsibility/public-consultation/index_en.htm.

The Commission announced in its 2011 CSR Communication that it would "publish a report on the implementation of the agenda for action set out in this communication". As this report includes the results of the public consultation with comprehensive and detailed stakeholder feedback on the agenda for action as well as a comprehensive implementation table of the respective activities, the Commission will not publish a further report on the matter.

The 2011-14 EU strategy for CSR

The 2011 CSR strategy was the third Commission Communication on the topic, following a green paper in 2001 and CSR Communications in 2002³ and 2006⁴. At the centre of the 2011 strategy stands the objective of helping enterprises to achieve their full potential to create wealth, jobs and innovative solutions to the many challenges that Europe's society is facing. It sets out how enterprises can benefit from CSR as well as contribute to society as a whole, by taking greater steps to meet their social responsibilities.

The Commission's CSR strategy is **built upon widely recognized international CSR principles and guidelines**, namely the ten principles of the UN Global Compact, ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, OECD Guidelines for Multinational Enterprises, ISO 26000 Guidance Standard on Social Responsibility and United Nations Guiding Principles on Business and Human Rights.

One of the key elements of the Commission's CSR Communication is a **modernised definition** of this concept, which should provide greater clarity for enterprises, and contributes to greater global consistency in the expectations on business, regardless of where they operate. The Commission defined **CSR as "the responsibility of enterprises for their impacts on society"**, which is **consistent with international instruments** (OECD Guidelines for Multinational Enterprises, ISO 26000 and the UN Guiding Principles on Business and Human Rights).

The implementation of the 2011 CSR strategy is structured around an **agenda for action**, which covers eight key areas. These areas, including the main Commission deliverables in the respective areas in 2011 – 2014, are:

1. **Enhancing the visibility of CSR and disseminating good practices:**
 - o In 2013, the European Commission sponsored the first European CSR awards⁵. The Commission also co-funded the first EU-Africa CSR awards, awarded in November 2014;
 - o The Commission launched three projects to establish sector-based multi-stakeholder platforms (see the projects in the Fruit Juice⁶, Machine tools⁷ and Social Housing⁸ sectors).
2. **Improving and tracking levels of trust in business:** the Commission published a Eurobarometer survey⁹ on this matter in 2013.

³ COM(2002) 347.

⁴ COM(2006) 136.

⁵ <http://www.europeancsrawards.eu/>.

⁶ <http://juicecsr.eu/>.

⁷ <http://www.csreurope.org/csr-and-sustainability-machine-tools-sector>.

⁸ <http://www.responsiblehousing.eu/en/>.

⁹ http://ec.europa.eu/public_opinion/flash/fl_363_en.pdf.

3. **Improving self- and co-regulation processes:** the Commission launched a Community of Practice platform¹⁰ to work with business and other organisations to develop a code of good practice.
4. **Enhancing market reward for CSR:** the Commission revised its public procurement Directives to take better account of environmental¹¹ and social¹² concerns. The Commission also co-sponsored a project¹³ on building the capacity of the European investment community to use and integrate environmental, social and governance (ESG) information.
5. **Improving company disclosure of social and environmental information:** the Commission revised the Accounting Directives¹⁴ to provide for disclosure of non-financial and diversity information by certain large companies and groups. The new rules were agreed between the European Parliament and the Council in April 2014 and will enter into force in mid-2016.
6. **Further integrating CSR into education, training and research:** the Commission sponsored a research project on Impact Measurement and Performance Analysis¹⁵ of CSR.
7. **Emphasising the importance of national and sub-national CSR policies:** the Commission launched a CSR peer review process¹⁶ with EU Member States.
8. **Better aligning European and global approaches to CSR:**
 - o The Commission published a first monitoring report¹⁷ of the commitments of large European enterprises to take account of internationally recognised CSR guidelines and principles.
 - o Implementing the UN Guiding Principles on Business and Human Rights: the Commission published guides for SMEs¹⁸ and for enterprises in three sectors¹⁹.

CSR is increasingly frequently on the agenda of political dialogues with third countries and trade negotiations²⁰.

¹⁰ <http://ec.europa.eu/digital-agenda/en/communities/better-self-and-co-regulation>.

¹¹ http://ec.europa.eu/internal_market/publicprocurement/docs/modernising_rules/reform/fact-sheets/fact-sheet-07-environmental_en.pdf.

¹² http://ec.europa.eu/internal_market/publicprocurement/docs/modernising_rules/reform/fact-sheets/fact-sheet-08-social_en.pdf.

¹³ http://ec.europa.eu/enterprise/policies/sustainable-business/files/reporting-disclosure/1-integrated-esg-analysis_en.pdf.

¹⁴ 78/660/EC & 83/349/EEC

¹⁵ <http://csr-impact.eu/documents.html>.

¹⁶ <http://ec.europa.eu/social/keyDocuments.jsp?advSearchKey=CSRprreport&mode=advancedSubmit&langId=en&policyArea=&type=0&country=0&year=0>.

¹⁷ http://ec.europa.eu/enterprise/policies/sustainable-business/files/csr/csr-guide-princ-2013_en.pdf.

¹⁸ <http://bit.ly/ZP98GY>.

¹⁹ http://ec.europa.eu/enterprise/policies/sustainable-business/corporate-social-responsibility/human-rights/index_en.htm.

²⁰ See:

1. EU-South Korean Free Trade Agreement, Art. 13.6 (2) and Annex 13 1. (d) at http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=OJ:JOL_2011_127_R_0001_01&from=EN.
2. FTA with Colombia and Peru, at Art. 271 <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2012:354:FULL&from=EN>.

3. Results of the public consultation

3.1. Overview of the respondents

The CSR public consultation received great interest and gathered a high number of responses. Overall, the Commission received 525 responses to the online questionnaire, of which the majority of responses came from France (139), Germany (135), Italy (109), Spain (103) and the United Kingdom (101). This high number of responses to this public consultation reaffirms the interest of stakeholders in the topic of Corporate Social Responsibility.

In terms of stakeholder audience, out of the 525 responses, the **biggest group of respondents was industry (44%)**, followed by civil society (30%) and public authorities (8%). The remaining 18% of replies came from not-for profit foundations, CSR Consultants, CSR lecturers and researchers at university as well as think tanks.

It is to be noted that the Commission received in addition 45 written contributions, most of them in the form of position papers, which were submitted separately to the public consultation. The Commission took note of all these contributions, which were studied and evaluated. A list of the organisations and individuals that sent written contributions is included in Annex I, and an overview of the respondents in Annex II.

In the analysis of the respective responses to the questions, the overall replies were presented in the following way:

- Overview of aggregated responses (525)
- Aggregated responses of the sub-groups
 - **"Industry"** (233, including industry associations, companies with more than 250 employees, companies with less than 250 employees)
 - **Civil Society** (157, including civil society organisations, EU citizens)
 - **Public authorities** (40, including international organisations, national and regional authorities)
 - **Other stakeholders** (95, academia, think tanks, not-for-profit foundations).

The reason for the presentation of sub-groups was to identify possible differences amongst stakeholder groups. Also, the Commission notes that contributions from associations and umbrella organisations, like civil society organisations, which per definition represent a larger number of interests, were to be treated in a different manner than individual responses. Whenever the response rate from associations substantially deviated from individual responses, this was noted.

3. FTA with Singapore Art. 13.11 (4), at
http://trade.ec.europa.eu/doclib/docs/2013/september/tradoc_151766.pdf

	Answers	Ratio
National authority (EU member state)	10	2 %
Regional authority (EU member state)	9	2 %
National authority (non-EU member state)	0	0 %
Industry association	70	13 %
Individual company (more than 250 employees)	95	18 %
Individual company (less than 250 employees)	68	13 %
International organisation	21	4 %
Civil Society representative	85	16 %
EU citizen	72	14 %
Other, please specify • Academia • Think Tanks • Not-for-profit foundation	95	18 %

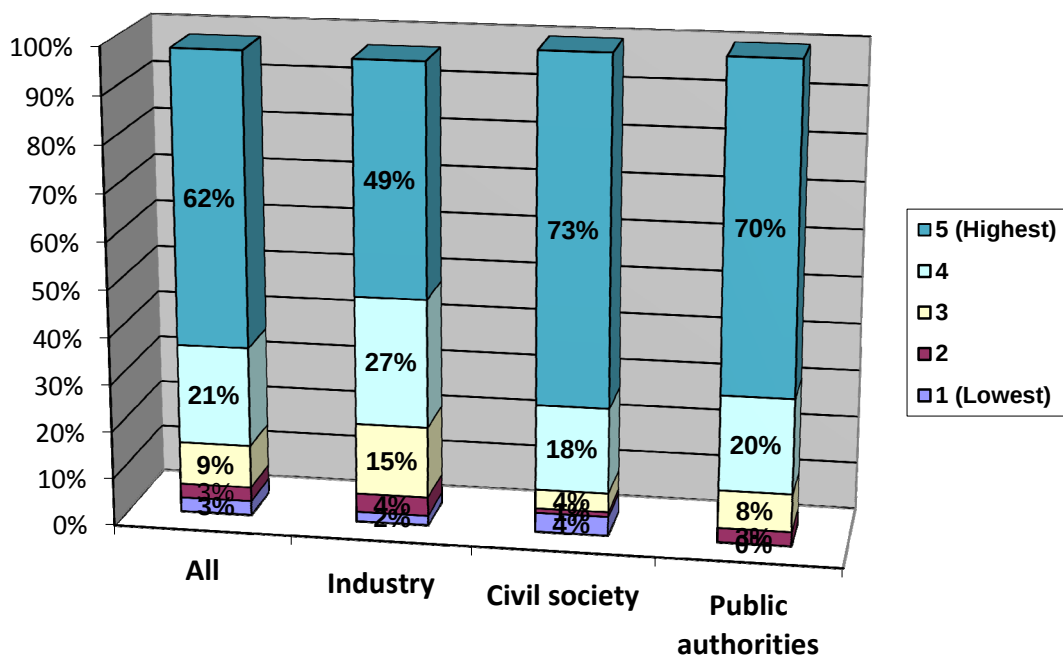
3.2. The role of the Commission in CSR

The purpose of this chapter in the questionnaire was to identify how stakeholders perceive the role of the Commission in the area of CSR and how this role was fulfilled in the past three years. Respondents were asked to give their opinion on whether the Commission should engage in a policy on CSR, whether the Commission puts adequate emphasis on CSR and what actors have been the most important in promoting CSR in the last three years.

As explained in Chapter 4.1, the responses to the questions are shown in addition to the overall response rates by sub-groups corresponding to industry, civil society and public authority stakeholder groups.

The questionnaire asked respondents to rank their replies according to a scale from 1-5, with 5 being the highest. For a number of questions, the replies were not compulsory and therefore some respondents left blanks. Consequently, for the concerned questions, the response rate is lower than 100%, which is mirrored in the graphs.

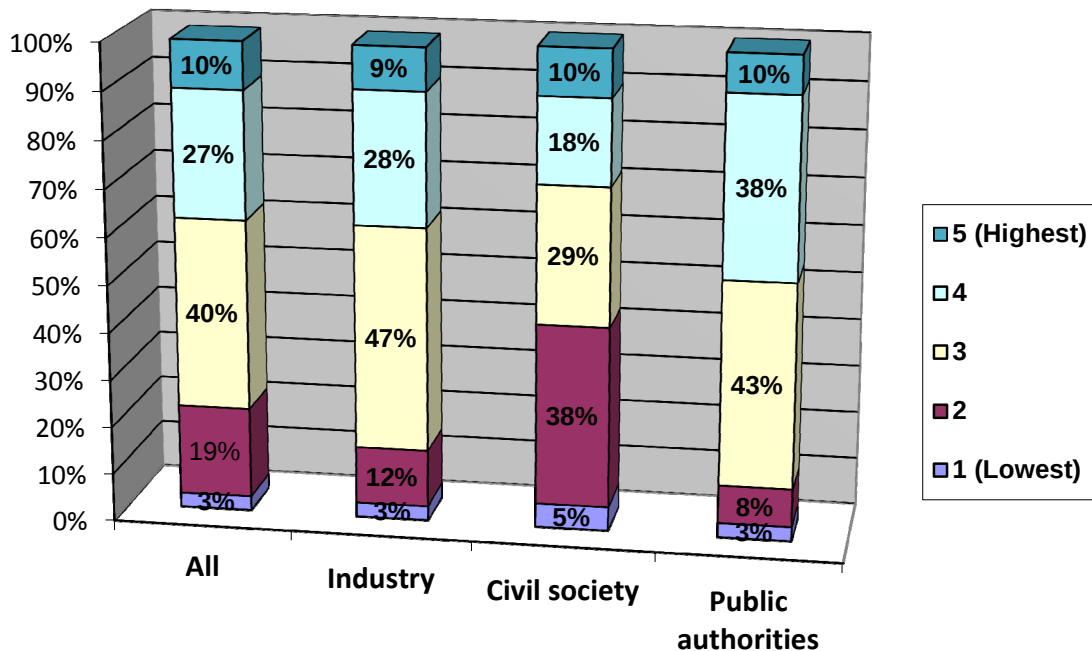
Question 3.1 – Should the Commission engage in a policy on CSR?



When asked to rate on a scale from 1 to 5 whether the Commission should engage in a policy on CSR, a clear majority of **83% of all respondents think that it should**, with civil society being the highest endorser (91%) and industry being the lowest endorser, but still with a big majority (76%). **Amongst industry stakeholders**, however, **small and medium sized enterprise (SME) respondents**, i.e. enterprises with less than 250 employees, **were the strongest endorsers with 93% accrediting the Commission an important role in CSR**.

This result provides the Commission with the important indication that a policy on CSR at EU level is of relevance to stakeholders and that the Commission should further engage in CSR.

Question 3.2 – Does the Commission put adequate emphasis on CSR?



The question of whether the Commission puts adequate focus on CSR is less clear. Most respondents credit the Commission an **"average" performance in CSR** over the last years, judging from the **40%** response rate for rank "3". Ca. **37% of the respondents would say that the Commission puts adequate emphasis on CSR** (based on the two higher rankings), and **22%** of respondents are of the opinion that the Commission **does not put adequate emphasis on CSR**.

The Commission further wanted to hear from stakeholders who they perceived as the most important actors in promoting CSR to date. Respondents were able to indicate in total **three important actors**. Based on all 525 contributions, the results indicate that the **private sector** (companies, social enterprises, business associations, investment communities) is perceived as the most influential actor (71%), followed by **civil society organisations** (53%) and **international organisations** (47%). **Public authorities**, including European, national and regional bodies, received a 41% approval rate, followed by **academia** (20%), **consumers** (14%) and **business customers** (7%). When asked about **other important actors**, which were not listed, respondents mentioned amongst other the media (including social media), trade unions, consulting groups or certification bodies.

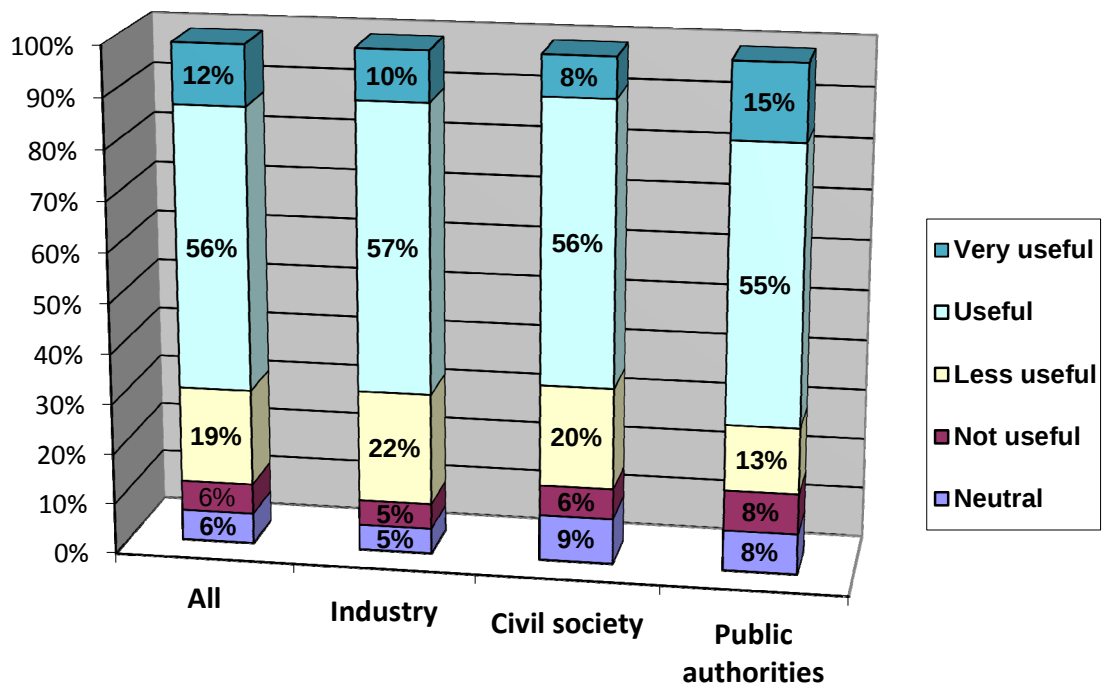
The results confirm the Commission's approach in its 2011 CSR strategy (COM (2011) 681) that concedes the **private sector** a key role in driving, implementing and benchmarking good practices in CSR. CSR should be led by enterprises themselves. CSR is about the individual performance of a company when it comes to responsible business conduct and this is why a company should have enough flexibility to innovate, design and implement its own CSR policies. The private sector therefore naturally becomes the most critical partner in implementing CSR. **Civil society organisations** have a critical role in terms of checks and balances, identifying and raising potential challenges and problems when it comes to responsible business conduct and constructively building solutions together with the private sector. As for **public authorities**, like the Commission, they play a supporting role in

promoting policies by establishing a framework that will set the right incentives for companies to behave responsibly, support them in doing so, benchmarking best practices, bringing stakeholders together and so forth. The fact that respondents believe that **business customers** have a less important role to play in CSR is somewhat different to the perception of EU citizens according to the results of the Commission's 2013 Eurobarometer survey on "How Companies Influence our Society", which found that European citizens believe that they should take the lead role in influencing the actions of companies, through the purchasing decisions they make, followed by company management and public authorities.

3.3. About the Commission's activities in CSR

In this chapter the questions addressed specifically the Commission's activities to promote responsible business conduct in the last three years. For the review of the current CSR strategy, the responses to these questions are important in order to learn and better assess the Commission's activities for 2015 – 2020. Based on this feedback, the Commission will have a better indication how to set priorities in the future CSR policy. The Commission's activities were based on the agenda for action as outlined in COM (2011) 681, and therefore the questions were structured along this agenda for action, asking whether the respective activity stream was (a) of importance and (b) successful.

Question 4.1 – How would you assess the overall impact of the Commission's policy on CSR?



Respondents from all target groups are **united in their answers** as concerns the overall impact of the Commission's policy on CSR (see the graph above). As many as **68% considered it useful and very useful**, whereas a mere **25% considered the impact less useful or not useful at all**.

This result represents overall a positive feedback on the Commission's 2011 CSR strategy and is in line with the high approval rate regarding the question whether the Commission should be engaged in CSR (question 3.1).

In question, 4.2 the Commission asked **what the most important contribution of the CSR Communication (COM (2011) 681) has been** amongst a set of 9 options of replies. Based on a total of 525 replies, the following ranking was generated

1. Emphasizing the importance of CSR with companies and the society as a whole (259 replies)
2. The proposal for a Directive on the disclosure of non-financial and diversity information by certain large companies and groups (233 replies)
3. A new definition of CSR (197 replies)

When it comes to more stakeholder group-related rankings, industry representatives particularly appreciated the "enhancement of visibility, CSR awards, Multi-Stakeholder platforms" (industry associations, large companies and SMEs). Public authorities as well as SMEs ranked "mainstreaming CSR in a wide range of policies" as one of the most important contributions of the CSR Communication (COM (2011) 681).

2.3.1 The importance and success of the Commission's "agenda for action"

In the 2011 CSR Communication (COM (2011) 681), the Commission outlined an agenda for action which includes eight priority work streams and which provided the basis for the Commission's CSR activities in the last three years. Questions 4.3 - 4.4 gave respondents the possibility to **assess each activity streams according to its importance and evaluate whether the Commission has been successful in their implementation**.

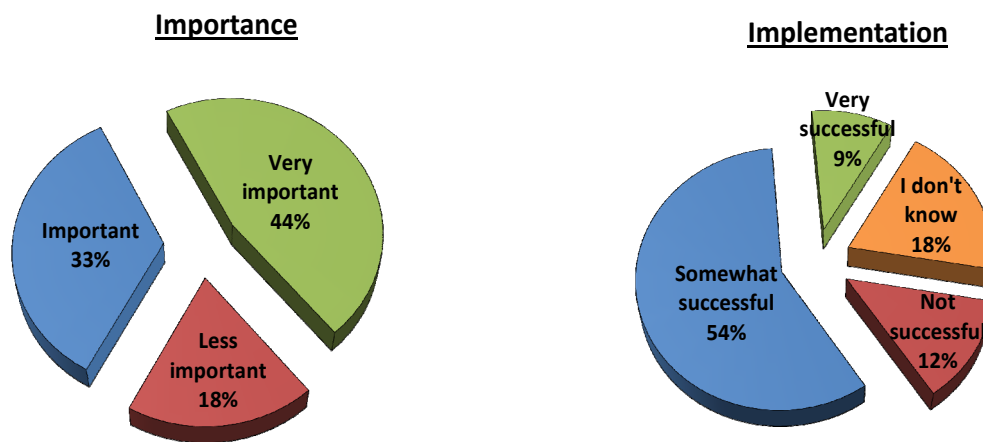
Overall, it can be assumed that while a large majority believes that the Commission's engagement in CSR was useful, a **significant percentage of respondents (between 18% - 30%) did not know enough about the Commission's activities** in order to provide substantiated feedback. Therefore, questions on the success/lack of success of Commission activities must be seen in the light of this deviation and in proportion to the response rate of those who were aware of the Commission activity.

Generally, it can be said that **respondents consider all work streams as important/very important** (71%-85% approval rate). As far as their **implementation** is concerned, replies vary per activity stream and range from a **33% - 70% approval rate** ("somewhat successful" or "very successful"). As regards the different respondent groups, all target groups provided similar replies with little deviations and agree that the Commission can improve its CSR activities.

Overview – Ranking of activities (ranked in terms of importance and benchmarked to its implementation success)

	Importance (very important + important)	Success of implementation (very successful + somewhat successful)	I don't know
Improving company disclosure of social and environmental information	86%	70%	15%
Better aligning European and global approaches to CSR: Focusing on recognised CSR principles and guidelines	85%	54%	26%
Enhancing market reward for CSR, Investment	84%	34%	30%
Further integrating CSR into education training and research	83%	38%	34%
Enhancing market reward for CSR, Public procurement	83%	47%	26%
Better aligning European and global approaches to CSR: Implementing the UN Guiding Principles on Business and Human Rights	81%	55%	23%
Better aligning European and global approaches to CSR: Emphasising CSR in relations with other countries and regions in the world	79%	60%	30%
Enhancing the visibility of CSR and disseminating good practices (see European CSR awards, multi-stakeholder platforms).	77%	63%	18%
Improving and tracking levels of trust in business	77%	35%	24%
Enhancing market reward for CSR, Consumption	77%	33%	32%
Emphasizing the importance of national and sub-national CSR policies	77%	53%	23%
Improving self- and co-regulation processes	71%	39%	31%

Question 4.3.1: Enhancing the visibility of CSR and disseminating good practices (see European CSR awards, multi-stakeholder platforms).



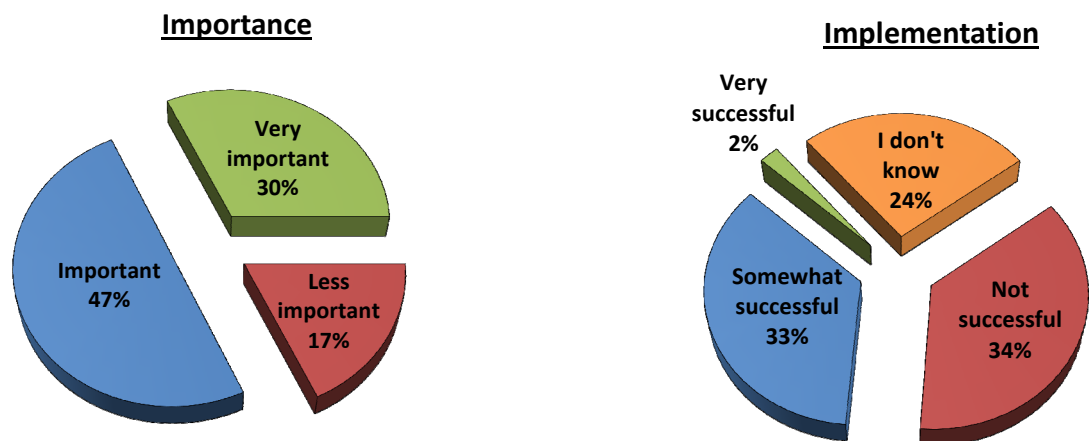
77% of respondents rated the aim to enhance visibility and foster the dissemination of good practices as important. However, it is notable that a relatively high proportion - **44%** - considered this activity as **very important**. Overall, only 18% considered this activity to be less important. Here, the **assessment differs between the different stakeholder groups**: 50% of industry representatives considered this activity stream as very important, whereas 36% of civil society representatives believe that this activity is less important.

When it comes to successful implementation, a clear majority of respondents believes that the implementation activities were very or somewhat successful (63%). Only 12% believe that this activity was not well done by the Commission.

Snapshots of the reasons why stakeholders don't believe that this is an important or successful initiative:

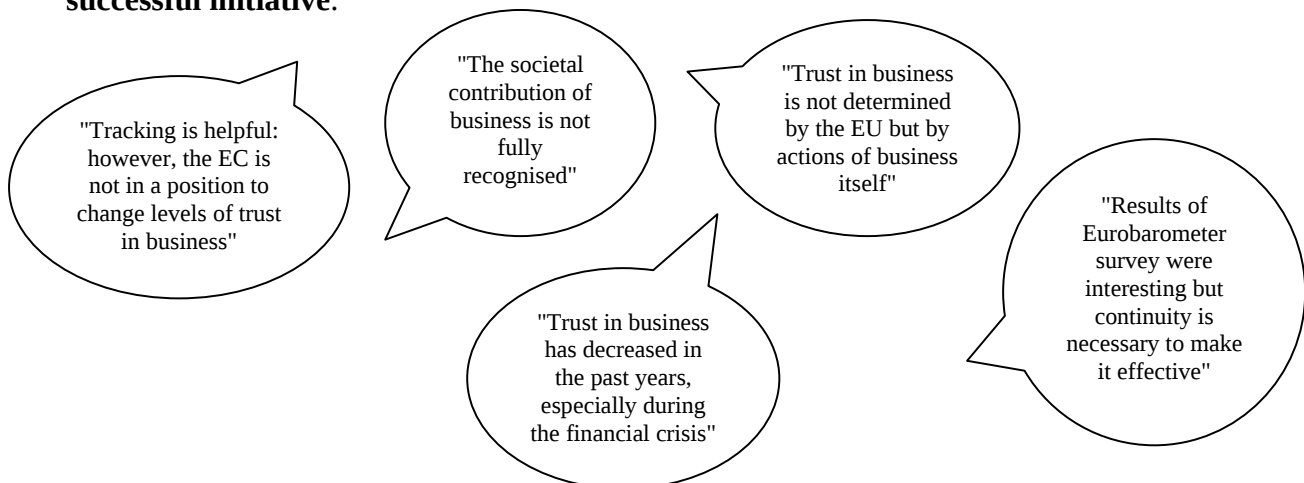


Question 4.3.2: Improving and tracking levels of trust in business

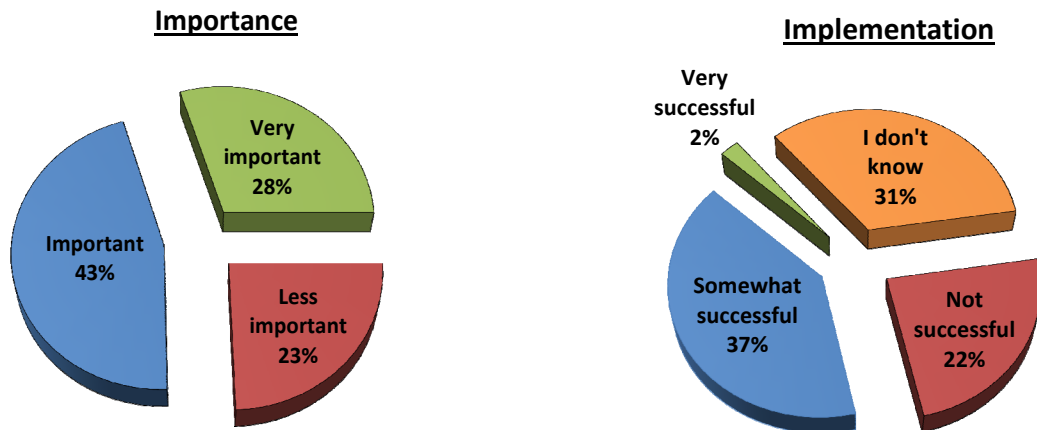


The Commission attaches importance to the level of trust of citizens in businesses, therefore this activity stream intended to track and improve these levels of trust. While this activity received a fairly **average rating** in terms of importance (77%), it was perceived as less successful than other initiatives (34% somewhat/very successful, 34% not successful). One of the reasons for this perceived lack of success is that the Commission is not seen to be the correct or competent organisation to improve the level of trust in companies, but that businesses should do so themselves.

Snapshots of the reasons why stakeholders don't believe that this is an important or successful initiative:



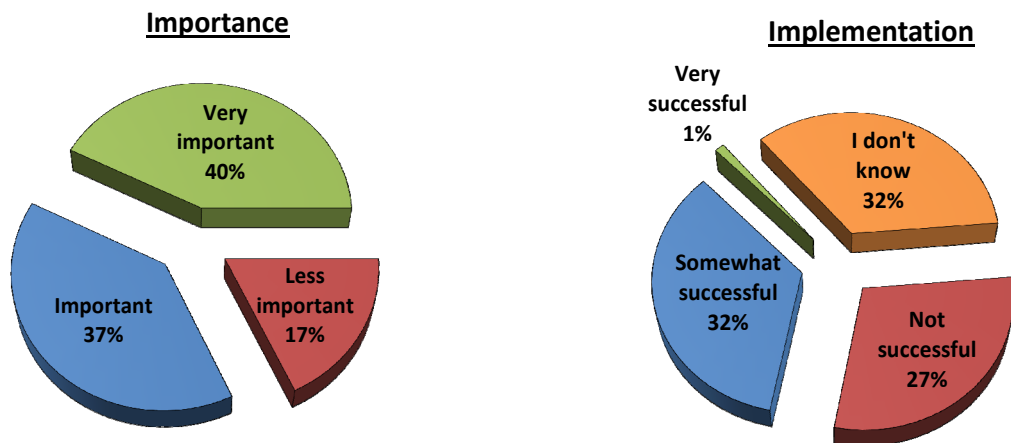
Question 4.3.3: Improving self- and co-regulation processes



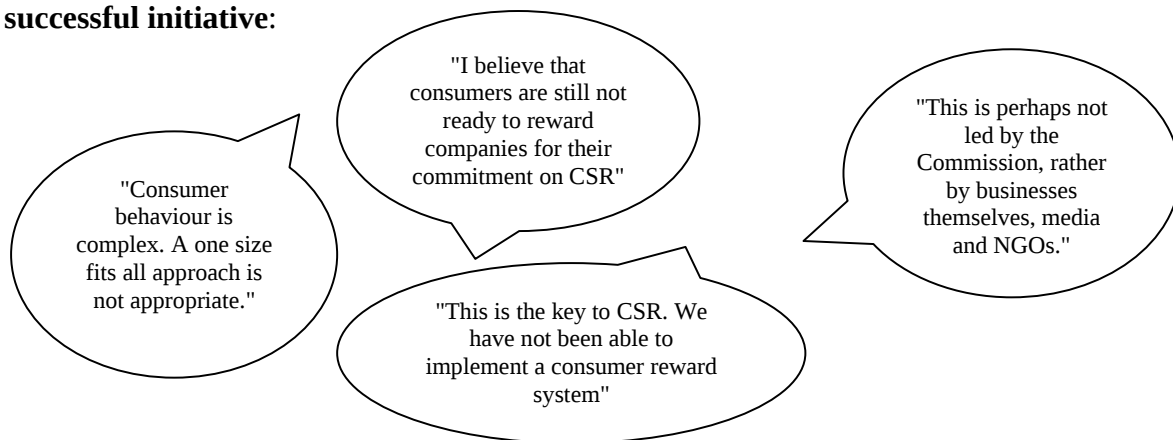
Improving self- and co-regulation processes can be an important means to promote responsible business conduct and has been regarded as such by 71% of the respondents. Again, the **assessment differs between the different stakeholder groups**: 62% of industry representatives considered this activity stream important, whereas 58% of civil society representatives believe that this activity is less important. The success rate of this activity has been ranked at 39% amongst all respondents.

Snapshots of the reasons why stakeholders don't believe that this is an important or successful initiative:

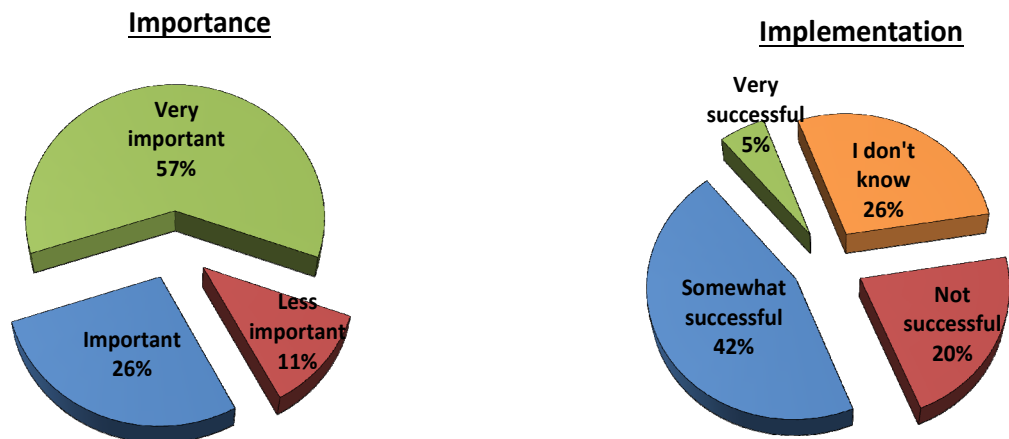


Question 4.3.4 A: Enhancing market reward for CSR, Consumption

Enhancing market reward for CSR through consumer attention to CSR-related issues was identified by the Commission as an important "pull-factor" to encourage companies to more responsible business conduct. 77% of respondents agreed on this approach. A high percentage deemed it even as very important (40%), amongst which are a high number of SMEs (48%) and a small number of civil society organisations (26%). 17% believed that it was less important. With regard to the success rate of implementation, a very high percentage did not know how to respond (32%), while 33% thought it was successful and 27% that it was not successful.

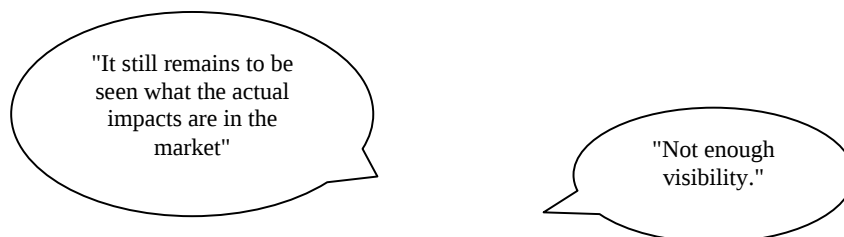
Snapshots of the reasons why stakeholders don't believe that this is an important or successful initiative:

4.3.4 B: Enhancing market reward for CSR, Public procurement

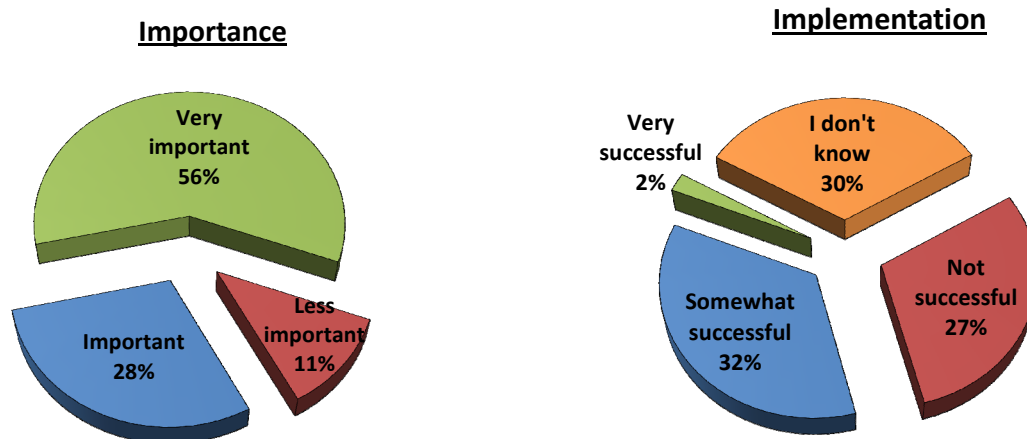


Providing a market reward through public procurement was perceived by respondents as one of the most important activities of the Commission in the last three years: **83%** thought that it is an **important or very important** activity, with even 87% of the SMEs endorsing this activity. In terms of success, 47% of the respondents considered it successfully implemented while 20% believe it was not well implemented.

Snapshots of the reasons why stakeholders don't believe that this is an important or successful initiative:

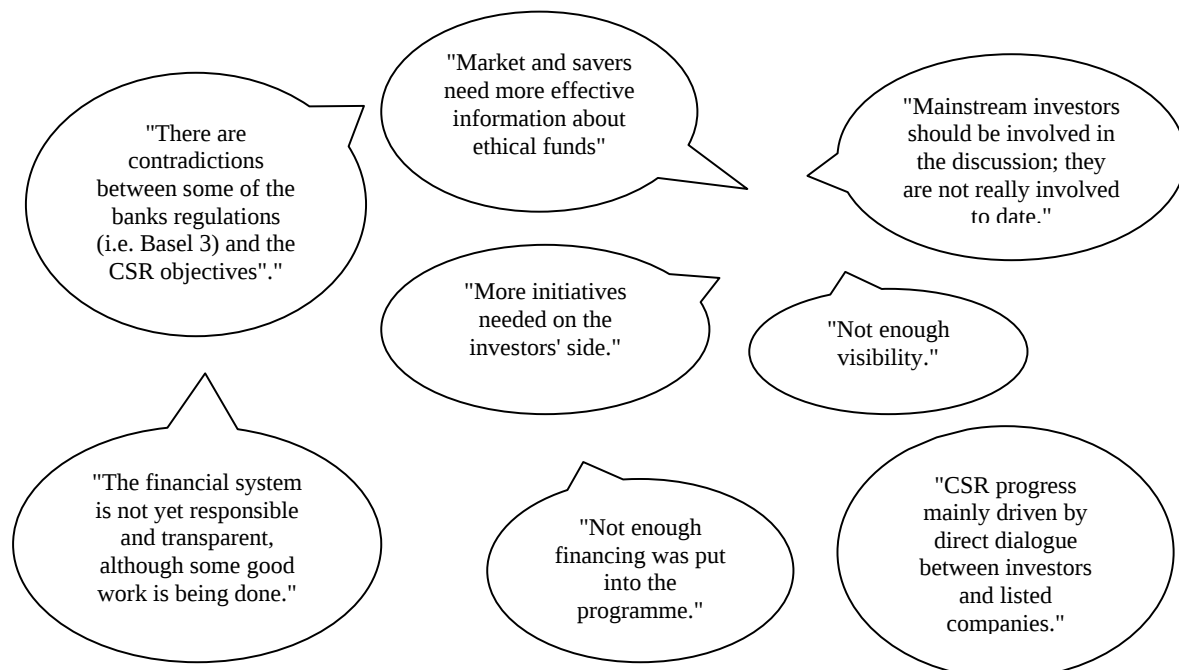


Question 3.4.3 C: Enhancing market reward for CSR, Investment

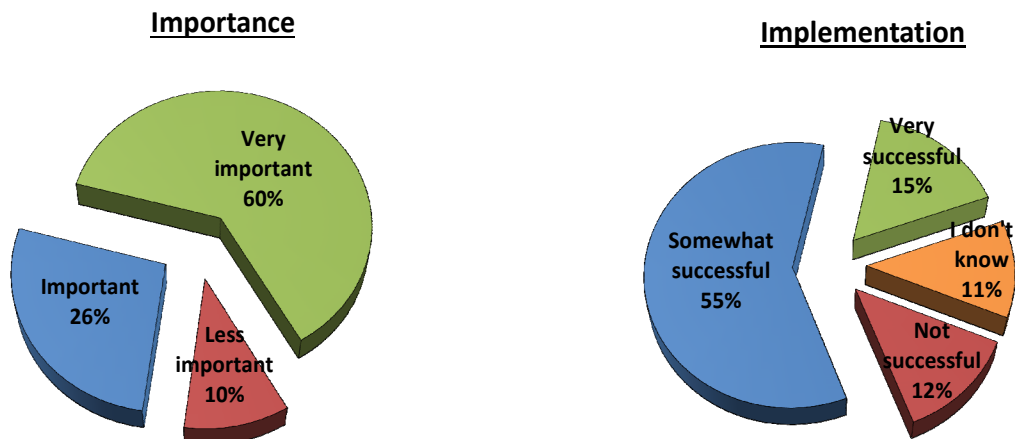


The Commission's objectives to support capacity-building for investors on how to integrate CSR-related information into investment decisions was considered as important by **84%** of all respondents. While a large proportion of respondents did not know whether the implementation was successful, 34% thought that it was successful and 27% thought that it was not successful.

Snapshots of the reasons why stakeholders don't believe that this is an important or successful initiative:



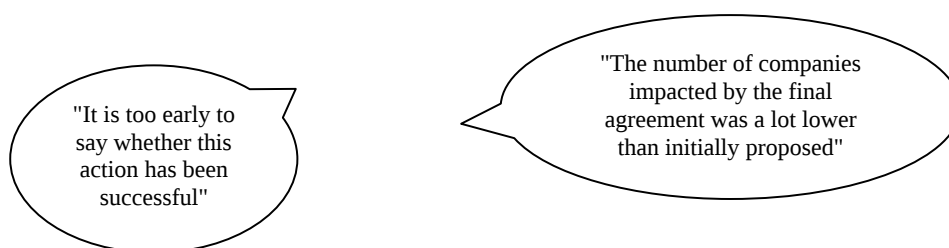
Question 4.3.5: Improving company disclosure of social and environmental information

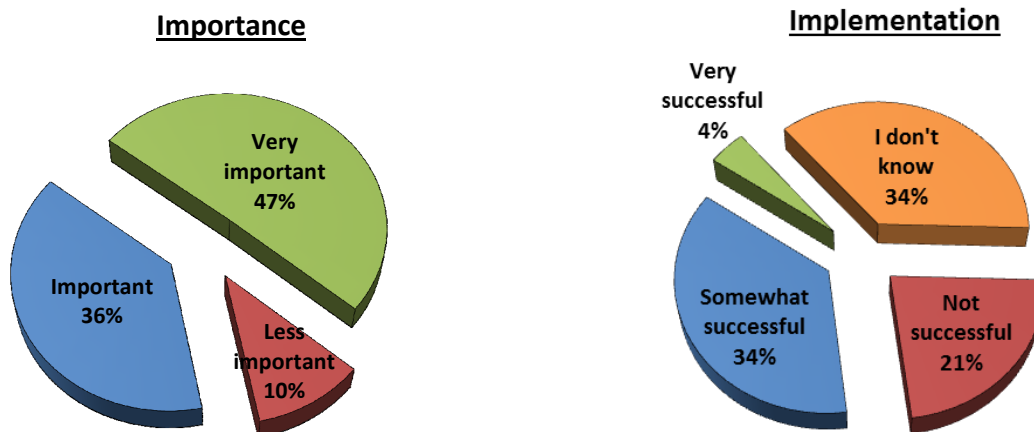


Of all the eight work streams of the Commission's agenda for action, improving company disclosure of social and environmental information received the highest importance ranking from respondents: **86%** replied that this initiative was important, with 60% indicating it as very important. As regards the different stakeholder groups, **80%** of **industry** representatives endorsed this initiative as important. Amongst the industry stakeholder group, SMEs were the highest endorser with 94%, while 60% of respondents from industry associations deemed this initiative as important/very important. **94%** of **civil society** organisation and **90%** of **public institutions** considered this initiative as important/very important.

In terms of the **success rate for implementation**, this initiative also received the highest rating amongst all actions with **70%**. Only 12% of respondents believe that this policy activity was not successful.

Snapshots of the reasons why stakeholders don't believe that this is an important or successful initiative:

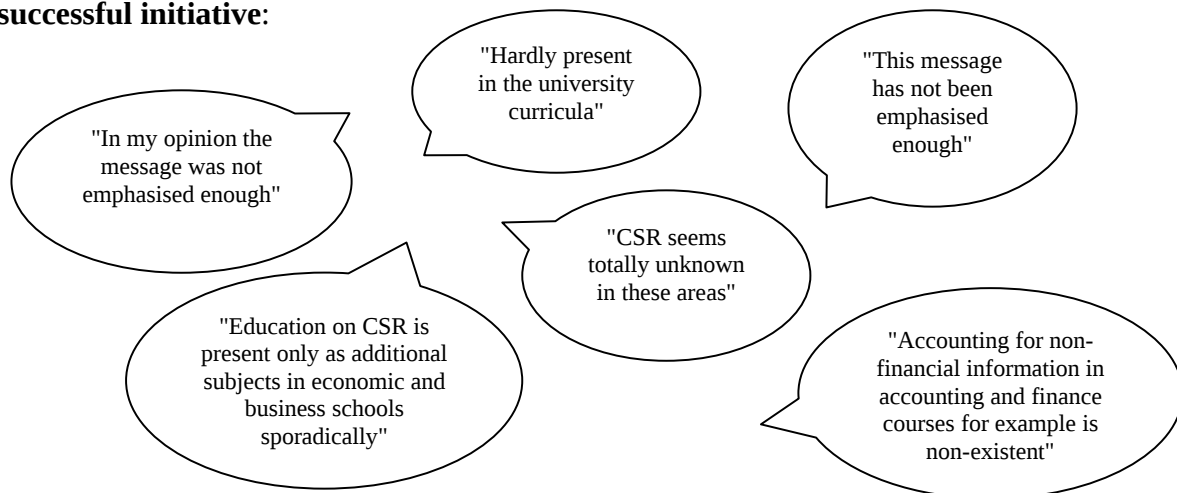


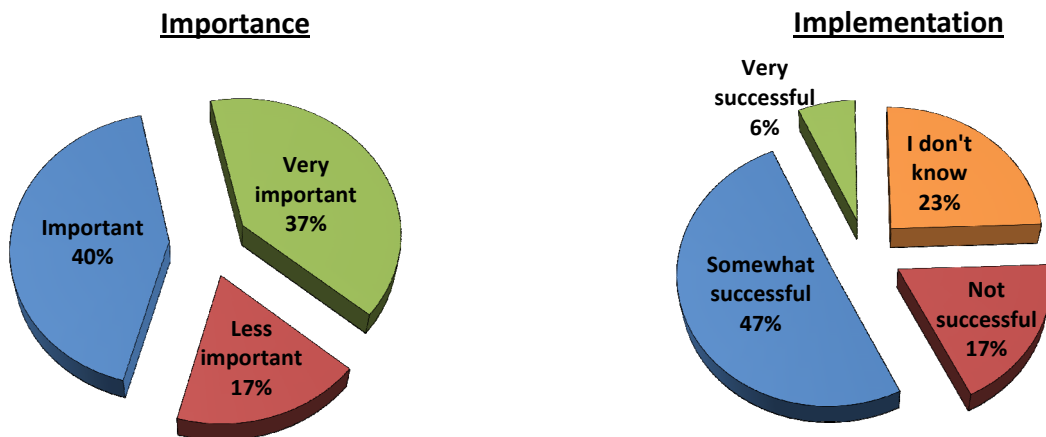
Question 4.3.6: Further integrating CSR into education, training and research

The role of education, training and research has been considered by the Commission as an important pillar to support the development of new skills that are required to promote responsible business conduct. **83%** of the respondents agreed with this and attributed this activity stream importance, 47% registering a high importance. This figure is even higher amongst public authorities and SMEs, amongst whom 60% think that education, training and research are very important.

In terms of implementation, 35% of respondents believed that this activity was done successfully, whereas 21% believed the contrary. A very high percentage of respondents, 34%, was undecided.

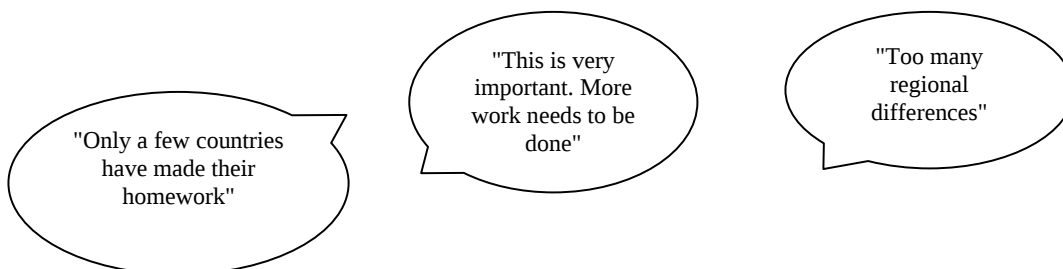
Snapshots of the reasons why stakeholders don't believe that this is an important or successful initiative:



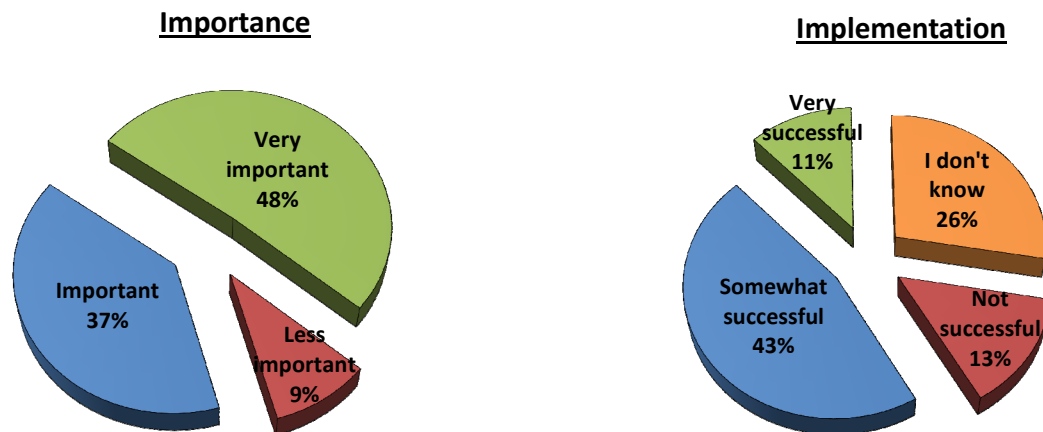
Question 4.3.7: Emphasizing the importance of national and sub-national CSR policies

The Commission attributes national, regional and local authorities a pronounced role in the promotion of CSR, which was agreed by 77% of the respondents. Here, replies amongst stakeholder groups diverged. While almost as many as half of the replies from civil society believed that this activity is very important, only 24% of industry respondents shared the same opinion. With view to the implementation, 53% of the respondents considered it as successful, while 17% though that it was not successful. Amongst public authority respondents, the figures were again different: 82% believed that this was very important, while 57% believed that this was done successfully, and 30% that it was not successful.

Snapshots of the reasons why stakeholders don't believe that this is an important or successful initiative:

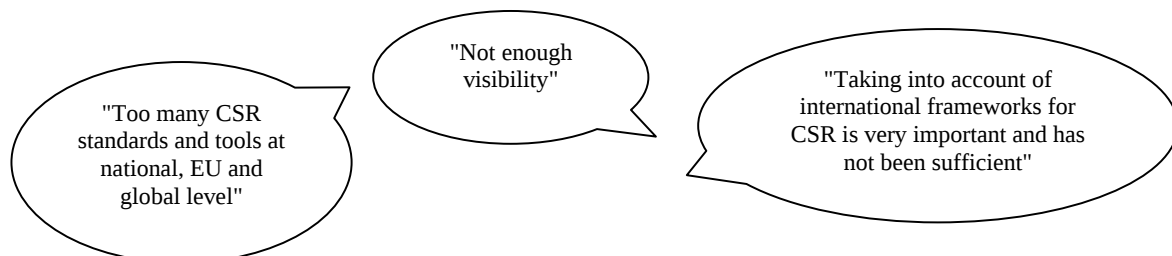


Question 4.3.8 A: Better aligning European and global approaches to CSR – Focusing on internationally recognised CSR principles and guidelines

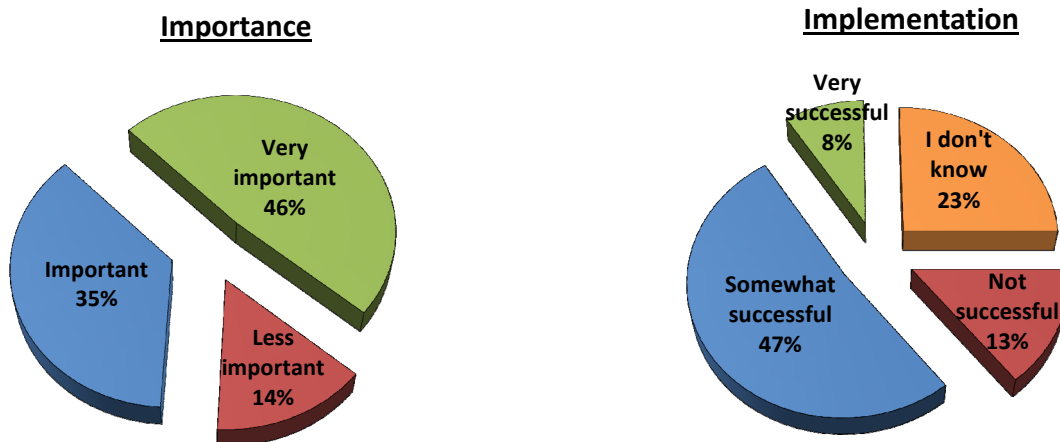


The Commission's CSR policy is built upon the existing framework at international level, namely the UN, OECD, ILO and ISO actions. This is why cooperation with these institutions and the promotion of their guidelines and principles amongst EU companies is a key priority. A very high rate amongst respondents, i.e. **85%**, agrees that this activity stream is important, only 9% of respondents accord it little importance. In terms of success, more than half of the respondents (54%) believe that the Commission did well in the last three years, 13% did not believe that this was done successfully, and a high percentage of 26% of respondents did not know.

Snapshots of the reasons why stakeholders don't believe that this is an important or successful initiative:



Question 4.3.8 B: Better aligning European and global approaches to CSR – Implementing the UN Guiding Principles on Business and Human Rights

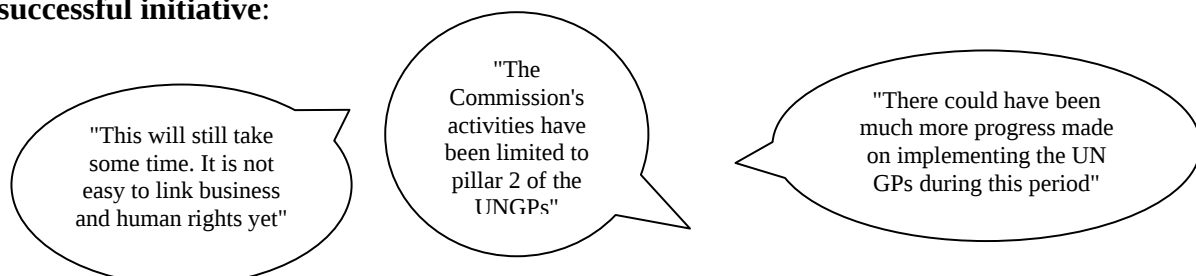


The UN Guiding Principles on Business and Human Rights were adopted by the UN Human Rights Council in June 2011 and represent a comprehensive set of principles to avoid corporate-related human rights violations. The Commission made a commitment in its agenda for action to foster their implementation at EU level. A high number of the respondents agreed with the importance of this activity stream, overall **81%**, amongst whom almost half believed that this activity is very important.

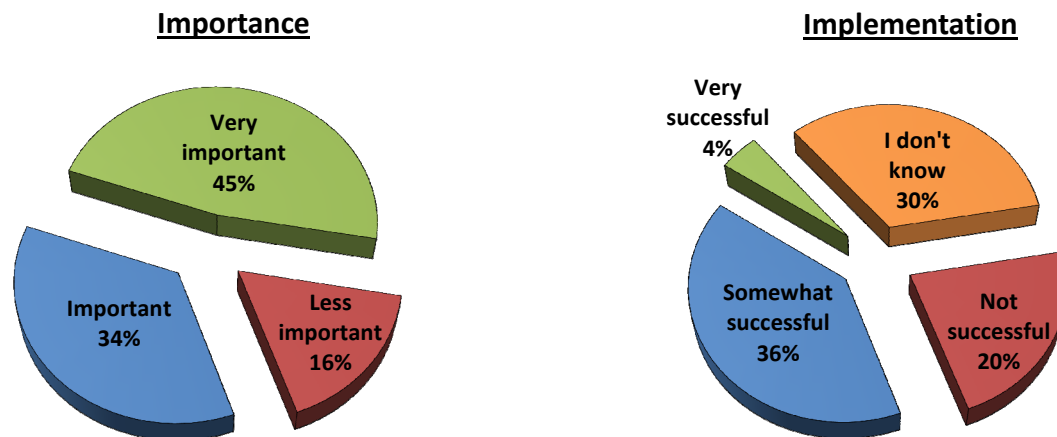
Results diverge in this area between stakeholder groups. Amongst industry representatives, 78% believe that this is an important/very important activity, amongst which 66% of industry associations and 83% of SMEs think so. Amongst civil society representatives, 87% believe that it is important, with even 56% indicating that it is very important. Civil society organisations (i.e. without EU citizens) are the highest endorsers for this activity, with 91% of the respondents believing that this is an important activity (70% of which deem it as very important).

In terms of successful implementation, **over half of the respondents (54%) believed that it had been well done**, whereas 13% believed that the Commission was not successful in promoting the UN Guiding Principles on Business and Human Rights.

Snapshots of the reasons why stakeholders don't believe that this is an important or successful initiative:



Question 4.3.8 C: Better aligning European and global approaches to CSR – Emphasising CSR in relations with other countries and regions in the world



The last action item of the 2011 CSR strategy regards the promotion of internationally recognised guidelines and principles on CSR through its external policies, through trade and development policies as well as political dialogues with third countries. **79%** of the respondents agreed that this was an important activity, while 16% believe that it is not important. Among those who think that it is an important activity, stakeholder groups diverge in their responses. Amongst the civil society group, 54% believe that this is very important; this figure differs with 75% amongst industry and 87% amongst public authorities. In terms of implementation, 40% of the respondents said that this was done successfully, while 20% believe that this was not done well.

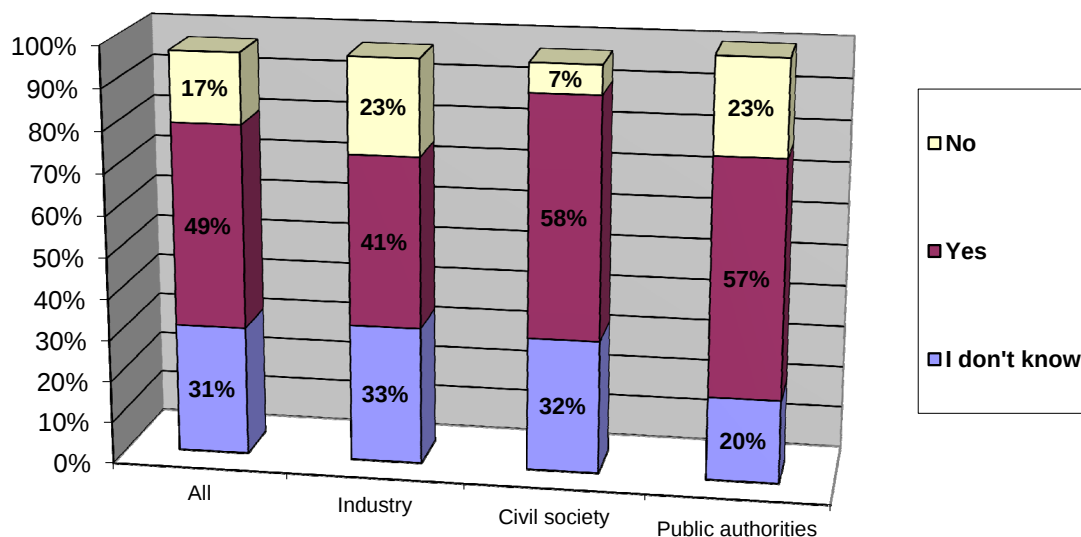
Snapshots of the reasons why stakeholders don't believe that this is an important or successful initiative:



3.4. Shortcomings of the 2011 CSR Communication

In addition to the feedback to its specific actions, the Commission also asked stakeholders about potential shortcomings in its CSR work over the last three years, which half of the respondents answered in an affirmative way (49% of all respondents), while around a third of respondents have no opinion on this question (31%) and 17% believe that there were no shortcomings. These figures vary between different stakeholder groups: while industry representatives believe to a lesser extent that there were shortcomings (41%), civil society and public authorities see shortcomings in the Commission's activities to a greater extent (58%/57% respectively).

Question 4.5 – Were there any shortcomings or activities missing in the 2011 CSR Communication Agenda for Action?



The stakeholders were further asked to specify in free text what they thought was missing in the Commission's 2011 agenda for action. Most of the respondents did not provide an explanation to the potential shortcomings. Issues that were raised in the questionnaire can be summarised as follows (these are ten most frequently raised suggestions, and it is a non-exhaustive list):

- The **creation of a website** with all available guidelines on CSR, best practices and reporting criteria.
- The need to work towards greater **coherence with other policies**, as for example in the areas of climate change or energy policy.
- The request to **focus more on SMEs** in terms of capacity building and support, by building for example a database with information on CSR-related issues in third countries. The use of European Social Funds, as e.g. in Germany, for SME-related projects on CSR was mentioned as good examples.

- The greater recognition and importance of **rating agencies** in CSR as a means of attracting sustainable investment, since an increasing number of investors use pertinent reporting tools when taking their own investment decisions.
- The need to enhance **collaboration with other relevant stakeholders** that work on the promotion of CSR, including in particular international organisations.
- The suggestion to work with EU Member States towards **better convergence in the national plans** regarding the implementation of the UN Guiding Principles on Business and Human Rights in order to ensure a greater level playing field.
- With regard to the development of CSR **national action** plans, the Commission's work could focus on their **assessment in terms of implementation at the national level**.
- To link CSR to the **fight against corruption** in the public and private sectors.
- The suggestion to **promote consumer education** and **incentives for consumers** towards sustainable consumption.
- The proposal to **work with EU Member States** on issues such as how to promote aspects of the UN Guiding Principles, including **due diligence and access to justice** matters, including extra-territorial application.

Many of the above-mentioned points were also raised in position papers, which the Commission received in addition to the public consultation and not officially as part thereof. The following additional points were raised in some of these position papers:

- The suggestion to enhance work on **global supply chain matters**. In this context, proposals ranged from promoting best practice examples, recognising the challenges of business in this context to promoting more due diligence requirements.
- The idea to **expand the scope of application of CSR** not only to business but **to all organisations**, including public institutions and civil society organisations.
- The recommendation to **link CSR more effectively to achieving the international development goals** and to contribute to creating a global level playing field by enhancing relations with third countries.
- The proposal to **highlight more prominently the innovation potential of applying CSR** and what associated market opportunities can be developed in this context.

3.5. Role of the CSR policy in the context of other EU policies

CSR is of transversal nature and therefore the Commission wanted to know how stakeholders perceived its overall role and impact on the EU agenda. This is why the Commission wanted to know first whether the 2011 CSR Strategy provided an impetus to other policy initiatives and whether, in turn, there were other policies which had an impact on the CSR policy.

When asked (question 4.6) **whether respondents believed that the 2011 CSR strategy provided an impetus for other Commission policy initiatives**, almost all respondents agreed that it did. 46% (i.e. 239 respondents) saw a positive connotation with the Commission's country-by-country reporting for the extractive and forestry sectors by revising the Accounting and Transparency Directives²¹. 40% of the respondents (i.e. 212 respondents) saw a positive link to the Commission proposal²² for a Regulation setting up a Union system for supply chain due diligence and self-certification of responsible importers of tin, tantalum and tungsten, their ores and gold originating in conflict affected and high-risk areas.

In addition, 78 respondents (= 15%) mentioned other initiatives in this context, including the following (non-exhaustive list):

- The revision of the EU's public procurement Directive²³
- The Directive on non-financial information reporting²⁴
- The EU Timber Regulation²⁵
- Commission Communication on strengthening the role of the private sector in achieving inclusive and sustainable growth in developing countries²⁶
- Generally the Commission work in the textiles sector following the accidents in Bangladesh

When it comes to other initiatives (**question 4.7**), that had a positive impact on the Commission's CSR strategy, a large majority of respondents stated that they did not have sufficient knowledge to answer this question (46%). 12% of respondents gave a negative answer, while 35% responded in an affirmative way and mentioned the following Commission policies (non-exhaustive list):

- The Commission's Social Business Initiative²⁷
- The Commission's policy on EMAS²⁸
- The Commission's energy and environmental policies
- EU Brussels I Regulation²⁹
- EU Unfair Commercial Practices Directive³⁰
- The Commission's Sustainable Consumption and Production Action Plan³¹

²¹ COM/2011/0684.

²² COM/2014/0111 and JOIN(2014) 8.

²³ Directive 2014/24/EU replacing directive 2004/18/EC and Directive 2014/25/EU replacing Directive 2004/17/EC

²⁴ COM/2013/0207.

²⁵ Regulation No 995/2010.

²⁶ COM/2014/0263.

²⁷ COM (2011) 682

²⁸ (EC) No 1221/2009

²⁹ (EC) No 44/2001

³⁰ (EC) No 29/2005

- The Commission's Communication on Greening the Single Market³²
- The EU's human rights action plan and strategic framework³³
- Influence by the European Commission on international developments, such as ISO 26000, UN Guiding Principles on Business and Human Rights, UN Global Compact and revision of OECD guidelines
- EU Member States' initiatives and regulations relating to CSR
- An increasing market demand for CSR policies and advocacy around the topic
- Resolutions on CSR from the European Parliament

The results of this chapter confirm that the Commission's CSR policy is part of larger policy context and that many policy initiatives are linked to each other in one way or another. What can be deducted from these results is that **policy coherence and coordination between Commission services are of utmost importance.**

³¹ COM(2008) 397

³² COM/2013/0196 final

³³ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/131181.pdf

3.6. Future issues on CSR

In the third part of the public consultation, the Commission wanted to get from the stakeholders an indication on the future role of the Commission in CSR, what the main challenges for an EU policy on CSR, are and how they would rank the importance of CSR for the future of the EU economy.

Stakeholders were asked (Question 5.1) what **the role of the Commission in CSR** should be. The question provided respondents with a choice of five possible scenarios, as well as the option of free text. A response to the question was not obligatory and respondents were able to provide multiple options. Therefore, the results are shown in terms of overall answers and as percentage of the overall replies (i.e. 525). The results are as follows:

	Answers	Ratio (as a percentage of 525 replies)
International standard setting/leadership in CSR	329	63%
Raising the awareness and visibility of CSR	328	62%
Bringing stakeholders together around key CSR issues	315	60%
Supporting companies in implementing CSR	287	55%
The EC should not be active at all	12	2%
Other (specified in free text)	155	30%

As for responses that were provided in the form of free text, the following activity fields were raised (non-exhaustive list):

- More focus on SMEs in terms of research, support and good practice promotion
- Enhanced guidance and monitoring of countries that promote CSR
- Develop a CSR award scheme for micro-enterprises
- Develop a policy and implementation plan regarding Business and Human Rights
- To mainstream CSR in university curricula
- To closely link CSR to the competitiveness and sustainability policy agendas
- To develop a clear legal framework on CSR
- No more regulation in any kind relating to CSR
- To provide incentives for companies to develop their CSR activities

These results are rather coherent with those of previous chapters, where stakeholders attached particular importance to the international aspects and awareness raising activities of the 2011 CSR strategy. They are also in line with stakeholders' views expressed in the section on the shortcomings. The respondents also provided a clear confirmation that the Commission should be active in the area of CSR.

Stakeholders were asked (question 5.2) what they would suggest as the main objectives for the future EU policy on CSR, and provided with eight possible options, to rank in terms of priority 1 – 5 (with one being the highest). They also had the possibility to make suggestions in the form of free text.

Based on the responses, the below results were retrieved by counting those objectives that received the highest absolute number in terms of responses for ranks 1 and 2:

1. To promote **transparency measures** on CSR (e.g. reporting, sustainable responsible investment etc.) (a total 157 replies in ranks 1 + 2)
2. To raise the **visibility and importance of CSR** amongst all societal actors (a total 131 replies in ranks 1 + 2)
3. To **achieve an international global level playing field**, through e.g. third country cooperation, engagement in international fora etc. (a total 129 replies in ranks 1 + 2)
4. To enhance **market reward for CSR** (through e.g. public procurement, investment or consumer policies (a total 110 replies in ranks 1 + 2)
5. To implement the **UN Guiding Principles on business and human rights** (a total 102 replies in ranks 1 + 2)
6. To strengthen the **cooperation with EU member states and regions** on CSR (a total 87 replies in ranks 1 + 2)
7. To work on better **education** on CSR (business schools, universities, etc.) (a total 85 replies in ranks 1 + 2)
8. To **support companies** in adhering to CSR principles, e.g. through guiding material (a total 68 replies in ranks 1 + 2)

82 respondents provided suggestions in the form of free text that contained issues such as (non-exhaustive list):

- To address "CSR"-washing (companies that claim to be responsible but their practices don't comply)
- To build-out the trust angle relating to business
- To address CSR-related aspects in existing EU regulations
- To include CSR aspects in the Commission's agenda on the internationalisation of businesses
- To include CSR-aspects in company law and financial market law policies

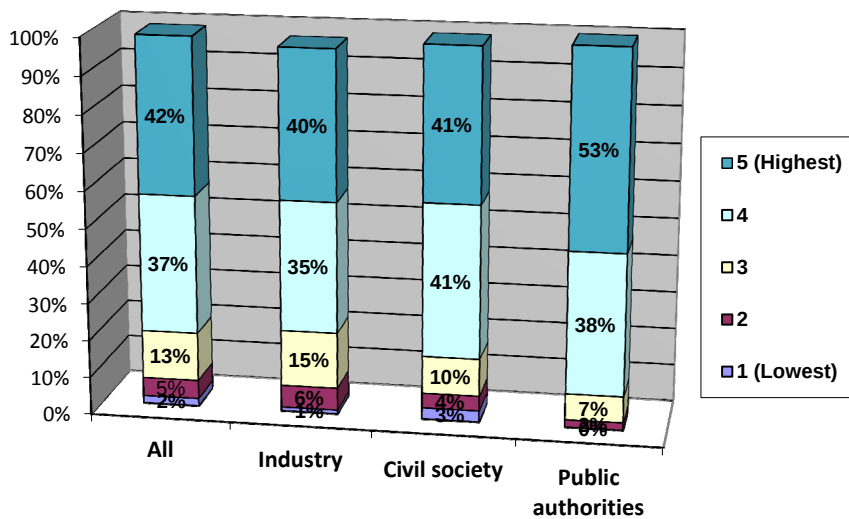
The Commission asked in **questions 5.3** what the **main challenges are for a future EU policy on CSR**. Respondents were asked to provide their input in the form of free text. Amongst the points made were noted (non-exhaustive list) the needs:

- To find the right **balance between voluntary and regulatory actions**;
- To **understand the needs of SMEs** and the specific challenges they face in CSR matters;
- To **raise visibility and importance of CSR** amongst all societal actors, **especially consumers and investors**;
- To **address the comprehensive CSR agenda with limited resources** at the European Commission, while **ensuring coherence** with other policies (trade, development, human rights, corporate governance...);
- To create an **international level playing field** in order to avoid responsible European companies being put at disadvantage by third country competitors, to avoid that companies can use regional or national loopholes in the globalised economy, and to make sure that third country governments promote adequate standards;
- To generate a **shift in business** thinking from short-term focused accounting to a broader vision that **takes into account all economic aspects** while convincing all stakeholders that a sustainable approach to consumption and monitoring a company's operations results is of greater benefit to all;
- To **link the role of CSR to other big policy challenges**, such as growing inequalities, population ageing, low fertility rates, gender equality and work-life balance.
- To **ensure that actors are engaged** and act in a true spirit of CSR, rather than just ticking boxes and "mechanically" following guidelines;
- To **encourage developing countries to create their own CSR policy**;
- To find a **balance between standardising and harmonizing CSR reporting**, while respecting country-specific specificities.

3.7. The role of CSR for the EU economy

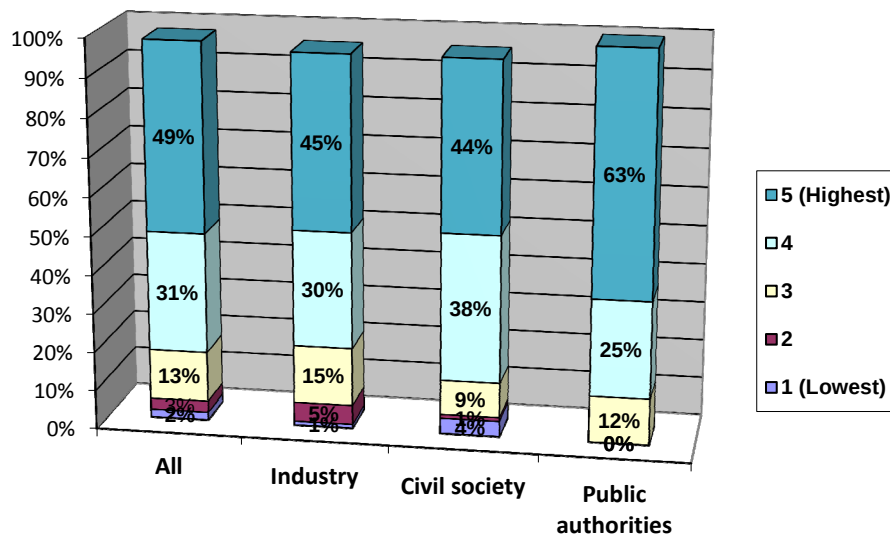
The last part of the questionnaire aimed at putting the Commission's CSR policy in the context of the overall Commission agenda of fostering long-term and sustainable growth and jobs. The questionnaire first asked stakeholders whether they thought that CSR was important for the competitiveness and sustainability of the EU economy and then asked them to provide examples on why they thought that CSR is important to companies and to society as a whole.

Question 5.4 – Would you say that CSR has an important impact on the medium/long-term competitiveness of the EU economy?



With a 79% positive response rate (based on counting ranks 4 and 5) there is clear majority amongst stakeholders that believe that CSR has an important impact on the medium/long-term competitiveness of the EU economy. This rate is rather consistent amongst industry and civil society stakeholders, with public authorities giving it even a higher importance with 92%.

Question 5.5 – Would you say that CSR has an important impact on the sustainability of the EU economy as a whole?



When it comes to the role of fostering the sustainability of the EU economy, a clear majority of **80%** of the respondents (result based on ranking 4 and 5) believe that CSR has an important impact. This result also only slightly differs between different stakeholder groups, with industry providing an approval rate of 75%, with SMEs even approving with 85%, and 88% of public authorities agreeing that CSR is important for the sustainability of the EU economy.

In Question 5.6 the Commission asked stakeholders **why they believe that CSR is important for companies**. For this question, the questionnaire asked respondents to provide free text. Based on these contributions, the main points raised can be summarised as follows:

- CSR forces companies to develop a long term strategy: Companies that engage in CSR adopt a long-term vision and are able to better **identify new risks and opportunities**, which can ultimately give them **access to new undiscovered markets**.
- CSR creates a mission and a vision for the company: When companies set clear guidelines on what to expect from their employees and what their contribution to society is, they create **a culture that employees can relate to**, helping them to **attract and retain talent**, and **improve overall productivity of the workforce**.
- CSR increases innovation: Gaining a better **understanding of stakeholders' expectations** and limited resources opens up **thinking about new products and services** from a perspective that contributes to **solving global problems**. CSR also **improves diversity** in the workforce, a major driver of innovation, as it allows businesses **to identify new social needs**.
- Long-term cost reduction: CSR helps companies better to **anticipate environmental and societal risks**, which can impact the company's cost structure, and therefore fosters **better risk management**.
- CSR improves company image and loyalty: Although business is better perceived than government, a significant number of citizens do not trust the business world and feel powerless. The role of a CSR strategy is crucial, since an effective CSR strategy **increases consumer confidence and trust**. Companies obtain through CSR a **"social" license to operate**.
- According to the respondents, these measures lead to **higher profitability** and **long-term growth in shareholder value**.

Stakeholders were asked (question 5.7) **why** they believed that **CSR would be important for the society**. Here again, respondents were asked to provide free text. Based on these contributions, the main points raised can be summarised as follows:

- CSR empowers all stakeholders: The role of a company is to fulfil consumers' tangible and intangible needs. CSR requires the active participation of societal actors and thus **encourages involvement from all societal groups**. This **makes society co-responsible** for choices made by all individuals either as consumers, shareholders or managers and business more aware of consumer needs.
- CSR ensures society's survival: If CSR is undertaken as part of a collaborative approach with all relevant stakeholders, it can lead to **value creation and inclusive economic growth** since it **forces long-term thinking**. Thorough implementation of CSR in companies can have a positive impact on the world around them as **drivers of job creation and skills development; it can help reduce inequalities and improve living standards** while taking into consideration the sustainability of natural resources.
- CSR creates a virtuous cycle: Companies that take sustainability into consideration are able to increase awareness of sustainability practices. This creates an increase in the supply of sustainable products and **raises consumer awareness**, which in turn **strengthens the demand for sustainable products**, creating a virtuous circle of societal improvement.

4. Annex I: Stakeholders that submitted written contributions

- Confédération Européenne des Syndicats
- Sociability APS
- CSR Network Lithuania
- Deloitte
- IOSH
- ILO
- EPHA
- Arbeitgeberverband Gesamtmetall
- Ministry of Economic Affairs, Energy and Industry of NorthRhine-Westphalia on behalf of 12 Economic Ministries and Senators for Economics of the German Federal States
- Chamber of trade and crafts for Munich and upper Bavaria
- Jukka Rannila (EU-citizen)
- Quoted Companies Alliance
- Financial Reporting Council
- Evonik
- Bundesverband der deutschen Arbeitgeber (BDA)
- Harting Technologiegruppe
- IKEA Group
- European Network of Social Integration Enterprises
- Forética
- Association Française des Juristes d'Entreprise (AFJE)
- UNICEF
- Econsense
- EuropeanIssuers
- Der Mittelstandsverbund e.V.
- European Banking Federation
- European Network for CSR and Disability (CSR+D)
- Eurochambres
- AGV - die Versicherer als Arbeitgeber
- Wirtschaftsvereinigung Stahl im Stahl-Zentrum
- Finnish Trade Union Central Organisations SAK, STTK and Akava
- Handwerkskammer Frankfurt-Rhein-Main
- CDP
- MGEN
- Foreign Trade Association
- ESBG (European Savings and Retail Banking Group)
- ONCE (Spanish National Organisation of the Blind)
- Verband der Chemischen Industrie e. V.
- ENRHI - European Network of national Human Rights Institutions
- UEAPME
- Business Europe
- Associazione Bancaria Italiana
- Polish CSR experts
- BDA - Bundesvereinigung der deutschen Arbeitgeberverbände
- Bundesarbeitgeberverband Chemie e.V

5. Annex II: Overview of respondents - statistics

RESPONDENTS PER STAKEHOLDER GROUP

	Answers	Ratio
National authority (EU member state)	10	2 %
Regional authority (EU member state)	9	2 %
National authority (non-EU member state)	0	0 %
Industry association	70	13 %
Individual company (more than 250 employees)	95	18 %
Individual company (less than 250 employees)	68	13 %
International organisation	21	4 %
Civil Society representative	85	16 %
EU citizen	72	14 %
Other, please specify • Academia • Think Tanks • Not-for-profit foundation • Etc.	95	18 %
TOTAL	525	100%

RESPONDENTS PER COUNTRY

(Associations and organisations that represented several countries were able to indicate as such, hence the total number of answers does not add up to 525 and ratios do not add up to 100%)

	Answers	Ratio
Austria	64	12 %
Belgium	75	14 %
Bulgaria	35	7 %
Croatia	35	7 %
Cyprus	20	4 %
Czech Republic	61	12 %
Denmark	59	11 %
Estonia	25	5 %
Finland	53	10 %
France	139	26 %
Germany	135	26 %
Greece	40	8 %
Hungary	45	9 %
Ireland	48	9 %
Italy	109	21 %
Latvia	25	5 %
Lithuania	24	5 %
Luxembourg	38	7%
Malta	21	4%
The Netherlands	77	15%
Poland	88	17%
Portugal	76	14%
Romania	76	8%
Slovakia	40	8%
Slovenia	36	7%
Spain	103	20%
Sweden	69	13%
United Kingdom	101	19%
Other	101	19%

6. Annex III: European Commission Communication on CSR 2011 – agenda for action: implementation table

		ACTION	COMMENTS AND CURRENT STATUS
Enhancing visibility and disseminating good practice			
PRIORITY	1	Create multistakeholder CSR platforms in a number of industrial sectors	Three projects - in the fruit juice, the machine tools and social housing sectors - were co-financed following the call for proposals for "European Multistakeholder platforms on corporate social responsibility in relevant business sectors". The projects started in summer 2013 and will run for 18 months. DG CONNECT will launch a thematic network/platform called ICT4Society, to ensure coherent and consistent coordination of CSR issues in the ICT sector, in order to encourage and enable enterprises across the EU to apply and promote CSR, through strategic partnerships with relevant stakeholders, based on good practices that show the societal benefits that can be delivered by ICT. The platform took off on 1st March, 2014
	2	Launch annual CSR awards	The first European CSR awards ceremony took place in June 2013 in Brussels, see http://www.europeancsrawards.eu/ The first EU-Africa CSR awards were launched at the 2013 European Development Days and the award ceremony was held in Brussels at the November 2014 European Development Days. http://www.eu-africa-cc.org/index.php/en/news/102-csr-business-law/393-csr-in-africa-awards-the-eu-africa-chamber-of-commerce-opens-applications

OTHER	a	Support initiative to build CSR capacity of SMEs	Networking event for people and organisations that advise SMEs on CSR was held in Berlin on 11-12 June 2012. Guidebook for SME advisers published in 6 languages March 2013: http://bit.ly/WQJuBV
	b	Dialogue with companies on issues such as employability and workforce evolutions, demographic change, the needs of young people, active ageing, employee health and well-being	Healthy Ageing: Conference on active ageing held in cooperation with CSR Europe, December 2011, and ongoing cooperation. Employee health: Joint Action on Mental Health and Well-being - a study was completed in May 2013 on the potential contribution of mental health promotion and mental disorder prevention programmes: it was found that it had a positive impact on the employment rate of the population and the productivity of the economy, bearing in absolute terms the net economic benefits (reduced costs and lost output) generated to range from -€3 billion to €135 billion. (http://tinyurl.com/czj23ho) Dialogues undertaken on Active Ageing with CSR Europe in 2013. Seminar in March 2014 on Public Employment Services and optimising their relationships with companies.
	c	Cooperate with CSR Europe to review the initial results of Enterprise 2020 and help define its next steps	Meeting held in September between services of European Commission and a delegation from CSR Europe. President Barroso attended the CSR Europe Enterprise 2020 event on 29 November 2012 and highlighted the importance of CSR as an inseparable part of rebuilding a globally competitive European economy on the basis of innovation, trust and European values.
	d	Encouraging enterprises to develop their own strategic approaches to CSR	Support to EU Social Partners' project: "Harmonisation Guidelines for Implementation/promotion of Corporate Social Responsibility in the European Textile and Clothing Industry". Steering Committee meeting held in October 2014. Final Conference in December 2014.

Improving and tracking trust in business			
PRIORITY	3	Address green-washing in Unfair Commercial Practices (UCP) Directive report	The European Commission published in March 2013 a Communication on the application of the UCP Directive (COM (2013) 138), see here: http://tinyurl.com/nkftg5o. The accompanying Report (COM (2013)139, http://tinyurl.com/q975dpf) provides a first assessment of the application of the Directive in the Member States as well as an outline of the actions needed to maximize its benefits. Further, the Commission is pursuing two initiatives relating to the issue: 1) Multi-stakeholder dialogue on environmental claims - a report on "Helping consumers make informed green choices and ensuring a level playing field for business" was published in March 2013 (http://tinyurl.com/ofk7omk) 2) SANCO consumer market study on environmental claims: as a follow up to the aforementioned dialogue, the Commission is conducting a dedicated study on EU consumer markets and environmental claims for non-food products, which is expected to be finalised in Q1 2015 and will provide a useful basis for further discussion on the different actions to be taken in the next years.
	4	Launch debate on role and potential of business and surveys of trust in business	1. Debate: Financing under the 2013 work programme of Enterprise and Innovation Programme. Operational start date beginning of 2014. 2. Survey: A Eurobarometer survey on CSR was carried out in late 2012 and its results published in April 2013 (see http://tinyurl.com/q4a2mt7), showing inter alia that EU citizens feel uninformed about company's social activities and that in general they believe that SMEs do a better job in CSR than large companies. 3. Survey: A Eurobarometer on perceptions of discrimination in the EU was published in November 2012 (http://tinyurl.com/bv2zpqc), showing that in particular in the employment sector EU citizens feel that there is need for improvement (training employees and employers on diversity issues, monitoring recruitment procedures and monitoring the composition of the workforce).

Improving self and co-regulation processes			
PRIORITY	5	Code of good practice for self- and co-regulation processes	A set of Principles for Better Self- and Co-Regulation was published in February 2013, further to a public consultation and an open meeting with stakeholders. A "Community of Practice" has been set up, with an online platform up and running. This is a place where companies, industry associations, NGOs, universities, researchers or other organisations can exchange ideas and best practices about better self- and co-regulation actions. The Community of Practice strives to own, promote and advance the Principles for Better Self- and Co- Regulation, which encapsulate current evidence-based best practice design principles for self and co-regulatory actions. The Community of Practice met in December 2013, June and November 2014.
Enhancing market reward - public procurement			
PRIORITY	6	Social and environmental issues in review of public procurement directives	The Commission proposal for revision of public procurement directives, including new provisions for use of social and environmental criteria, and on market access for SMEs, was adopted by the Parliament on 15 January 2014. See http://bit.ly/1m6R444
Enhancing market reward - consumption			
OTHER	e	Responsible consumption in review of Sustainable Consumption and Production Action Plan	The Commission Communication on "Building the Single Market for Green Products - Facilitating better information on the environmental performance of products and organisations " (COM(2013) 196) was published in April 2013 and can be accessed here: http://tinyurl.com/ngrxfxj . The Communication was published together with a Commission "Recommendation on the use of common methods to measure and communicate the life cycle environmental performance of products and organisations" (http://tinyurl.com/cebngkv), which is addressed to EU member states, public and private actors.
Enhancing market reward - investment			
PRIORITY	7	Consider proposals for requirement on investors to inform about responsible investment criteria applied	On 3 July 2012 the Commission adopted legislative proposals to improve disclosures for retail investment products which provide a basis for providing summary information about CSR and socially responsible investment matters. See http://bit.ly/RPIZSG

OTHER	f	All European asset managers invited to sign up to UNPRI	The Commission will explore possible cooperation with UNPRI as follow up.
	g	Support in 2012 capacity-building for investors on integration of social and environmental information into investment decisions	The Commission co-funded a capacity-building project on the integration of social and environmental information into investment decisions, which was published in February 2013 and can be accessed here: http://tinyurl.com/pgqbdds .
Disclosure of social and environmental information			
OTHER	h	New legislative proposal on non-financial disclosure	The Commission presented in April 2013 a proposal for a Directive amending Council Directives 78/660/EEC and 83/349/EEC as regards disclosure of non-financial and diversity information by certain large companies and groups, http://bit.ly/1bvjkts . The Council adopted the Directive on disclosure of non-financial and diversity information by certain large companies and groups on 29 September. Member States will have a two-year period to transpose it into national legislation. The European Parliament formally adopted the Directive on 15 April 2014, and a corrigendum on 16 July.
	i	Develop policy to encourage companies to measure and benchmark environmental performance using life-cycle-based methodology	Draft final methodology has been published, http://bit.ly/N3Z8rb . The proposal was adopted in April 2013 (Communication "Building the Single Market for Green Products" and Recommendation on the use of common methods, http://ec.europa.eu/environment/eussd/smgp/index.htm). The 3-year pilot phase involving the development of sector-specific rules, testing of reporting and of verification issues is launched. Selected pilots will be soon communicated on the http://ec.europa.eu/environment/eussd/smgp/organisation_footprint.htm website (now it contains statistics about the response to the call for volunteers).
CSR in education, training and research			
PRIORITY	8	Financial support for education and training projects on CSR under EU Lifelong Learning and Youth in Action Programmes, and action to raise the awareness of education professionals and enterprises	Seminar on youth, entrepreneurship, volunteering and CSR organised Sept 2012, concluding that more support is needed to encourage young people into voluntary activities that will better prepare them for the world of work. Examples of support for CSR in the Youth in Action Programme include the programme "Prince, Merchant and Citizen as one: CSR in Europe", and "PARTNERSHIP2020 (see http://bit.ly/TvNIQR).

OTHER	j	European Business Schools encouraged to sign UN Principles for Responsible Management Education (UNPRME)	The Commission will explore possible cooperation with UNPRME as follow up.
	k	Explore opportunities for financing further research on CSR still under the 7th European Research Programme and Horizon 2020	The Commission has funded a research project on Impact Measurement and Performance Analysis of CSR. The objective is to create new tools and develop existing ones further in order to measure the impacts goals of CSR at different levels. The output of this work, including research papers, can be found here: http://csr-impact.eu/documents.html
National and sub-national CSR policies			
PRIORITY	9	Create peer review mechanism with MS	7 peer review meetings involving all 28 Member States were held in 2013, with learning created for all. http://ec.europa.eu/social/keyDocuments.jsp?advSearchKey=CSRprreport&mode=advancedSubmit&langId=en&policyArea=&type=0&country=0&year=0
	INV 1	MS to develop or update CSR plans or national lists of priority actions	The Commission sent out a questionnaire to the 28 EU Member States and received 25 replies: 24 Member States will have or already have a plan; one Member State (LV) is not planning a national action plan; three MS have not replied (BE, GR, LU).

Aligning EU and global approaches - principles and guidelines			
PRIORITY	10	Monitor commitments of EU enterprises > 1,000 employees to take account of internationally recognised CSR principles and guidelines, and take account of ISO 26000 in Commission's own operations.	1. Monitor enterprise commitments: Analysis of the references that 200 randomly selected large enterprises make to certain CSR guidelines and principles was published in March 2013: http://tinyurl.com/p2ag7tb . 2. ISO 26000 in Commission operations: Analysis has been done comparing ISO 26000 with current internal Commission policies.
	INV 2	Large European enterprises make commitment to take account of UNGC, OECD GL or ISO 26000 in their CSR approaches	To be followed up through implementation of priority action 10 above.
	INV 3	European multinationals make commitment to respect ILO Tri-partite Declaration	To be followed up through implementation of priority action 10 above.
OTHER	I	Step up cooperation with MS, partner countries and relevant international fora to promote respect for internationally recognised CSR principles and guidelines and to foster greater consistency between them.	Examples of Commission action in 2012 include: Seminar with Latin American countries on EU CSR Policy and OECD Guidelines for MNEs; participation in training for Chinese enterprises organised by UN Global Compact Network China; relevant international organisations invited to Annual Review Meeting on 28 November 2012. On 11 October 2013 a special seminar on CSR took place between the EU and CELAC countries as a follow-up of the Santiago Declaration of the EU-CELAC summit in January 2013. A second senior officials meeting was organized in Brussels on 26 September. ☐ As a next step, a high-level officials meeting on CSR is planned in San José on 27 November, hosted by the CELAC presidency (Costa Rica).

Aligning EU and global approaches - UN business and human rights framework			
PRIORITY	11	Develop human rights guidance for SMEs and 3 industrial sectors	1. Sector guidance: selection of sectors announced February 2012 (employment and recruitment agencies, ICT, and oil & gas, published in June 2013. See http://tinyurl.com/36m3cwn . 2. SMEs: Introductory guide and other materials published in multiple language version March 2013 (EN version published Dec 2012): See http://bit.ly/ZP98GY
	12	Publish report on implementation on UNGPs in context of EU policies	Informal discussion paper published by Commission services as input for Danish Presidency Conference on implementation of the UN Guiding Principles, May 2012. Estimated publication date of report now 2nd quarter 2014.
	INV 4	All European enterprises to meet corporate responsibility to respect human rights as defined in UNGPs	Partial follow up (regarding policy commitments only) may be possible through priority action 10 above.
	INV 5	Member States to develop national plans for implementation of UNGPs	Ongoing discussions with Member States. One of the actions included in the EU Strategic Framework and Action Plan on Democracy and Human Rights, adopted by the Council of the EU in June 2012, is for Member States to develop national plans for the implementation of the UNGPs, with timing indicated for 2013. See http://bit.ly/KXgi8R 22 Member States have or will have business and human rights national action plans
OTHER	m	Process involving enterprises and EU Delegations to raise understanding of the challenges facing companies that operate in countries where the state fails to meet its duty to protect human rights	Discussions ongoing to decide on implementation plan.

Aligning EU and global approaches - CSR in relations with 3rd countries and regions			
PRIORITY	13	Identify ways to promote responsible business conduct in future policy initiatives for inclusive/sustainable growth in 3rd countries	(1) Commission adopted communication on Trade, Growth and Development in January 2012 (encourages responsible business conduct, promotes CSR instruments; see http://bit.ly/yv1MzO) and Council conclusions in March 2012 (see http://bit.ly/TH908H) ; (2) Commission communication on social protection in EU Development cooperation adopted August 2012 (see http://bit.ly/Swu9mH) and Council conclusions in October (see http://bit.ly/Qw099I). (3) The 2012 and the 2013 Action Programmes of the European Instrument for Democracy and Human Rights (EIDHR) supports amongst other things the development of trade unions and social dialogue in 3rd countries (see http://www.eidhr.eu/library). (4) The Commission has published its roadmap regarding its planned Communication on "Strengthening the Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries" (http://tinyurl.com/q5lgd4f). CSR also features highly in the post-2015 development goals debate at UN level, where the Commission advocates for a strong private sector engagement.
OTHER	n	Commission to make relevant proposals in the field of trade and development.	Commission communication on Trade, Growth and Development adopted in January 2012, encourages responsible business conduct and promotes CSR instruments.
	o	Propose to address CSR in established dialogues with 3rd countries and regions	Examples of progress include: discussing implementation of UN Guiding Principles on Business and Human Rights in EU-US Human Rights dialogue; addressing CSR in 1st and 2nd meeting of the EU-Korea Committee on Trade and Sustainable Development; addressing CSR in 1st meeting of the EU-Columbia-Peru Committee on Trade and Sustainable Development; and addressing CSR in EC-Turkey sub-committee on Industry and Trade, EU-Chile Association Committee meeting, EU-CELAC CSR Seminar with senior officials
General			
	p	Report on implementation	Aimed for November 2014
	q	Review meeting	Inter-departmental group meeting on CSR held on October 2014
	r	Open commitment to promote uptake of responsible business conduct by a much larger number of EU enterprises	Discussed with Forum CC in Feb 2012.

Other non-Communication related initiatives			
	s	Supply chain management initiatives	(1) The Commission is preparing "A comprehensive EU supply chain initiative for responsible sourcing of minerals originating in conflict-affected and high-risk areas", see the roadmap here: http://tinyurl.com/odjkpbk . (2) In April 2013, the Council and the EP agreed on a Commission proposal regarding disclosure requirements for the extractive industry and loggers of primary forests and on simpler accounting requirements for small companies (bit.ly/1ac4eGb).