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# The Current Landscape of Corporate Social Responsibility





## Quick Scan About the Current Landscape of Corporate Social Responsibility

This is a "mapping exercise" on the definitions, current concepts and practices of Corporate Social Responsibility (CSR) worldwide. It aims to serve as a reference material for grantmaker associations and philanthropic support organizations that promote and support corporate giving. It also aims to provide an overview to those who intend to engage in the support of corporate giving.

Introduction and Purpose

Initial information was gathered through Internet-based research done in 2007, the limitations of which may include the following:

- uncertainty about how updated the information retrieved is
- access only to publicly available information; not including "subscriber/member only" information
- difficulty in managing the wide range of information gathered to produce a cohesive report

The preliminary output looks like a glossary of terms including CSR, corporate social and environmental responsibility, corporate responsibility, social responsibility, corporate citizenship, corporate philanthropy, socially responsible investment, corporate accountability, corporate giving, corporate community partnerships, and others. The definitions of these terms could have been picked up solely from the body of knowledge of leading CSR practitioners, but WINGS was more interested in capturing the definitions according to actual practice of CSR worldwide. Thus, a geographically-determined profile of CSR was attempted. The resulting profile is by no means complete, but hopefully useful nonetheless.

Organization of the Paper

Three brief sections precede the annexes that contain the bulk of information:

- Section 1: Synthesis about definitions/concepts of CSR
- Section 2: CSR-related issues about regulatory practices, compliance, reporting
- Section 3: Overview of how CSR concepts translate into practice
  - 3A CSR practices on the ground: Latin America and the Caribbean
  - 3B Broad views of practices by global business networks and others
  - 3C CSR practices at the national level: CSR in the U.S.

The following annexes provide a quick glance at definitions, key actors and practitioners in the categories of:

Annexes

- 1 Corporate Responsibility/ Corporate Social Responsibility/ Corporate Social and Environmental Responsibility/Corporate Citizenship/ Sustainability
- 2 Corporate Philanthropy
- 3 Socially Responsible Investing/ Social Investment
- 4 Profiles of Legal Environment and Reporting of CSR
- 5 Summary of Global Business Networks and other Networks, in RBI Serbia newsletter, special edition on CSR, July 2007

### Section 1 Synthesis about CSR definitions/concepts

There is general acceptance that there is no one formal, authoritative definition and concept of corporate social responsibility. Concepts differ between countries, reflecting different national, social and economic priorities—which are themselves influenced by historical, social and cultural factors.<sup>2</sup> CSR Europe gives some examples: Countries that have a strong welfare state, such as Germany or Finland, may already have a number of governmental measures in place to protect employee contracts and working hours, while countries with strong green movements such as Denmark consider environmental reporting an industry standard. On the other hand, countries where financial markets are deregulated and there is more private involvement in education and health care, such as the U.K., often have a longstanding tradition of developing innovative employee volunteering programs with schools and charities.<sup>3</sup>

Beyond the concern for using the right terminology ("corporate citizenship" or "CSR"? "sustainability," "corporate responsibility" or "accountability"?), it is recognized that people use the terms interchangeably to refer to one and the same phenomenon.<sup>4</sup> Nonetheless, terminology is very important as determined by what is used in specific locations and constituencies.<sup>5</sup>

CSR is an evolving concept. It has increasing relevance and increasing value to different businesses and their stakeholders around the world today. One international survey, GlobeScan of Canada, may summarize this view:

"Global public expectations for business are rising, but vary by region. [For example, the survey] reveals that the most important practice in Turkey is seen as philanthropic giving; whereas in Australia, Canada, Indonesia and the US, it is environmental protection; and in China, India and Russia, product quality is considered most important. It also found that consumers are more likely to punish companies seen as performing poorly on the operational front than reward those that exceed their expectations on the citizenship front. <sup>6</sup>

The increasing relevance of CSR is also seen in "CSR Laboratories" being put up by the European Alliance for CSR. These CSR laboratories are about business-driven initiatives of companies engaging with stakeholders to address CSR solutions to business challenges.<sup>7</sup>

<sup>&</sup>lt;sup>2</sup> Issue Briefing Note: Perceptions and Definitions of Social Responsibility, International Institute for Sustainable Development, May 2004

<sup>3</sup> http://www.csreurope.org/aboutus/FAQ/

<sup>4 &</sup>quot;Defining corporate citizenship and social responsibility", Boston College Center for Corporate Citizenship, accessed from http://www.bcccc.net/index.cfm?fuseaction=page.viewPage&PageID=596

<sup>5</sup> Issue Briefing Note: Perceptions and Definitions of Social Responsibility, International Institute for Sustainable Development, May 2004

<sup>6</sup> http://www.globescan.com

<sup>&</sup>lt;sup>7</sup> http://www.csreurope.org/whatwedo/alliance/CompaniesandEUAlliance/Laboratories/

Most CSR definitions emphasize the role played by business in the society, and the manner by which it conducts its responsibilities so that it ensures "minimizing harm, maximizing benefit, and being accountable and responsive to stakeholders.<sup>8</sup>" Building on this concept of CSR, the International Business Leaders Forum focuses on encouraging leaders to catalyze efforts for companies to contribute to sustainable development through multi-sectoral partnerships. (See box 1 below on IBLF reports on "Change in Practice" from its 2006-2007 Review, "Making Change.")

How IBLF has acted as a catalyst to provide the impetus, platform, or methodology for companies to contribute to sustainable development:

In Mexico: How IBLF helped facilitate Tetra Pak's collaboration with Sesame Workshop to deliver health messages to children;

In Ghana: How IBLF's Crossing Borders programme took a senior representative from Cadbury Schweppes to highlight the importance of supporting cocoa projects;

In the Middle East: How IBLF is raising awareness of the crisis of youth unemployment; and

In Vietnam: How IBLF has been involved in the government adopting sustainable development as a central economic strategy.

While CSR definitions show many similarities in concepts, it is "contrary to the charity concept, which comes with the notion of providing assistance..." This is according to GIFE (Brazil) which implements CSR as "private social investment." Chris Marsden, Chair of Amnesty International Business Group further explains that "... CSR is not an optional add on nor is it an act of philanthropy. A socially responsible corporation is one that runs a profitable business that takes account of all the positive and negative environmental, social and economic effects it has on society."

In a global survey done for the Boston College Center for Corporate Citizenship (BCCC)<sup>12</sup>, one finding was "CSR is not about Charity." As the following chart shows, countries were surveyed according to the "best way for companies to make a positive contribution to society." Ranked highest was "developing healthier, safer products/services", followed by "working to solve a specific, social problem." Ranked lowest was "donating money to charities."

Box 1

<sup>8 &</sup>quot;Defining corporate citizenship and social responsibility", Boston College Center for Corporate Citizenship, accessed from http://www.bcccc.net/index.cfm?fuseaction=page.viewPage&PageID=596

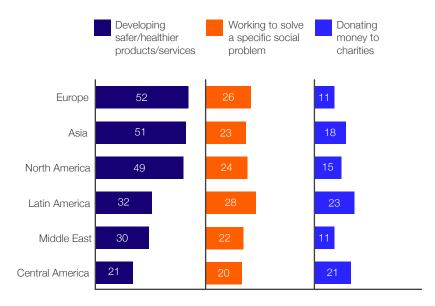
http://www.iblf.org/resources/general.jsp?id=123942 10 From the website of GIFE, http://www.gife.org. br/english\_pg2.php

<sup>11</sup> http://www.csreurope.org/aboutus/FAQ/

<sup>&</sup>lt;sup>12</sup> Bradley Googins, Managing and Integrating the Challenges of Corporate Citizenship, Presentation at the Conference of the League of Corporate Foundations, July 2007, Manila, Philippines.

Table 1:
Best Way for Companies
to Make Positive
Contribution to Society

Best Way for Companies to Make Positive Contribution to Society



Still, there are businesses who consider charity to be part of its "broader social responsibility [which] includes cash gifts, product donations..."<sup>13</sup> In the U.K., the Prince's Trust has a charity partnership with British Energy to help change young lives across the U.K. through activities like fun runs, a clay pigeon shoot, a British-themed dinner, etc. In Namibia, according to the African Institute for Corporate Citizenship, what is practiced is traditional philanthropy or charity. It showcases the relative lack of participation of local communities in the CSR agenda compared to the powerful influence of multi-national corporations, consumers, investors and governments based in developed countries.<sup>14</sup> In Egypt, "most of the businessmen's efforts are directed towards charitable non-developmental work such as food, clothes and services for the poor, disregarding developmental projects that can change people's standards of living in a sustainable manner," according to a study of philanthropy in the country by the Near East Foundation.<sup>15</sup>

There is a trend for charitable giving programs however, to evolve into something more strategic, and into something that demands results. Strategic corporate philanthropy refers to the phenomenon where corporations making donations to the non-profit sector look for return on social investments due to pressures to increase bottom-line results. <sup>16</sup> In Latin America, most businesses practice traditional giving, but awareness of corporate citizenship is growing as promoted in business-civil society partnerships by CEMEFI, GIFE, EMPRESA, Columbia's Center on Philanthropy and Peru 2021. <sup>17</sup> There is also continuing introspection by the Latin American private sector itself about the need to create more strategic ways to act for common welfare. "Latin America does not enjoy a grant making culture. Mexico is an example: only 250 grantmakers exist in [such a large] country," stated Jorge Villalobos, President of Centro Mexicano para la Filantropia (CEMEFI). <sup>18</sup>

<sup>13</sup> http://www.creatingloyalty.com/story.cfm?article\_id=775

<sup>14</sup> http://www.aiccafrica.org/

<sup>15</sup> http://www.neareast.org/phil/en/page.asp?pn=22#footnotes

<sup>16</sup> http://www.corporate-communities.com/ccc\_glossary.htm and http://www.corporatephilanthropy.org/ncp/pubs/CECPSpring2003.pdf

<sup>&</sup>lt;sup>17</sup> Marisol Pages and Nelson Stratta, Capturing the Lessons of Partnership and Practice, Promoting Corporate Citizenship, by CIVICUS 1999

<sup>&</sup>lt;sup>18</sup> Nota, "The Evolution of Social Investment is Continuous," email from WINGS CI member. 2007

In Korea, The Beautiful Foundation reports that while businesses mostly give to charitable causes, there are a number of partnerships with not-for-profits started by Korean companies – notably Cheil Industries, LG Evergreen FD, Yuhan Kimberly, AmorePacific, CJ, Kyobo and Hanwha. Hyundai and Samsung.<sup>19</sup>

CSR has also evolved into Socially Responsible Investing (SRI), describing an investment strategy which combines the intentions to maximize both financial return and social good.<sup>20</sup> In general, socially responsible investors favor corporate practices which are environmentally responsible, support workplace diversity, and increase product safety and quality. Triple bottom line investing is a related term— defined by the Center for Social Markets (India), referring to social, environmental and financial factors given comparable weighting in reaching an investment decision.

- Shareholder action is a powerful tool used in SRI for encouraging corporations to improve their social and environmental records.<sup>21</sup> Between 2001 and 2003, shareholder advocacy activity increased by 15 percent.
- Of the total \$2.15 trillion in all socially screened portfolios, \$441 billion are in portfolios controlled by investors who are also involved in shareholder advocacy on various social issues

The above paragraphs identify the three broad categories of CSR definitions that resulted from the mapping exercise done for this paper (see Annexes for details). In summary, the three broad categories are:

- 1 Corporate Responsibility/ Corporate Social Responsibility/ Corporate Social and Environmental Responsibility/Corporate Citizenship/ Sustainability
- 2 Corporate Philanthropy
- 3 Socially Responsible Investing/ Social Investment

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Corporate Responsibility/ Corporate Social Responsibility/ Corporate Social and Environmental Responsibility/Corporate Citizenship/ Sustainability

2 Corporate Philanthropy

3
Socially Responsible
Investing/ Social
Investment

<sup>&</sup>lt;sup>19</sup> Article by Mallen Baker from Business Respect, Issue Number 67, dated 30 Nov 2003

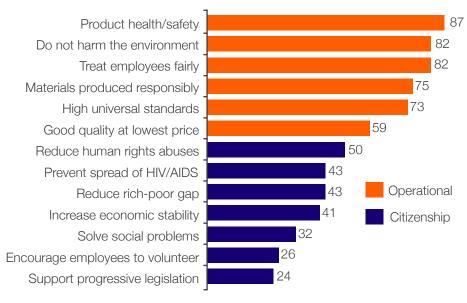
<sup>&</sup>lt;sup>20</sup> http://en.wikipedia.org/wiki/Socially\_responsible\_investing

<sup>&</sup>lt;sup>21</sup> http://www.coopamerica.org/socialinvesting/shareholderaction/whattoknow.cfm

## Section 2 Synthesis of CSR-related issues about regulatory practices, compliance, reporting

"First, make sure you do no harm. Pay workers fairly for the wealth they help you accumulate, and don't create and contribute to enormous environmental messes." This sentiment was expressed by a reader of the Chronicle of Philanthropy reacting to the billions of philanthropic giving by businesses. It summarizes the point that compliance with agreed standards is the basic expectation by the public of a responsible business. The BCCC's global scan shows this same expectation by the countries surveyed. In 2005, more companies were held responsible for the operational aspects of the business than expressions of corporate citizenship.<sup>22</sup>

Table 2: Companies Held Responsible for 2005 Companies Held Responsible for 2005



To clarify, mere compliance with government regulations does not equate to CSR, for many practitioners. CSR emphasizes a voluntary commitment to go above and beyond the minimum standards set by government regulations to make sure that the harm it brings to stakeholders is minimized and the advantages maximized. "Beyond monitoring", Business for Social Responsibility (BSR) and its member companies have developed a project to "create

<sup>&</sup>lt;sup>22</sup> Bradley Googins, Managing and Integrating the Challenges of Corporate Citizenship, Presentation at the Conference of the League of Corporate Foundations, July 2007, Manila, Philippines.

systemic change in supply chains and materially improve the well-being of workers and communities globally....Its goal is to collaborate on multi-stakeholder initiatives that tackle the root causes of non-compliance with company codes of conduct and regulations at supplier facilities."<sup>23</sup>

Philippine Business for Social Progress (PBSP) and Indonesia Business Links have also campaigned among their member companies to use the "benchmarking corporate citizenship" tools to improve compliance with standards and to improve CSR practices as well. The tool was originally developed by PBSP with the support of the Prince of Wales Business Leaders Forum.<sup>24</sup>

Over time, CSR has developed its own set of measurement mechanisms, such as AccountAbility's AA1000 standard, Social Accountability International's SA8000, and the ISO 14000 environmental management standard. A comprehensive "comparison of selected standards for CSR-related issues" was drawn up by BSR, and cited in the Global Civil Society Report (2002)<sup>25</sup>. It includes among the major CSR-related issues the following:

- Accountability
- Environment
- Business Conduct
- Human rights
- Community Involvement
- Marketplace/Consumers
- Corporate Governance
- Workplace/Employees

The selected standards include the UN Global Compact, Global Reporting Initiative, SA8000, OECD Guidelines for Multinational Enterprises, APEC Business Code of Conduct, and others.

In 2009, ISO 26000 (International Standards for Social Responsibility) is expected to be published as a set of voluntary guidelines for industry, government, labor, consumers, non-government organizations (NGOs) and others. It will not include requirements, and thus will not be a certification standard. The Working Group on Social Responsibility is led by the Swedish Standards Institute and the Brazilian Association of Technical Standards.<sup>26</sup>

<sup>&</sup>lt;sup>23</sup> www.bsr.org/CSRResources/WGO/BeMo/index.cfm

<sup>&</sup>lt;sup>24</sup> Benchmarking Corporate Citizenship, Philippine Business for Social Progress, 2002

<sup>25</sup> Global Civil Society 2002, Centre for Civil Society and Centre for the Study of Global Governance, London School of Economics, pp.95-97

<sup>26</sup> http://isotc.iso.org/livelink/livelink/fetch/2000/2122/830949/3934883/3935 096/home.html?nodeid=4451259&vernum=0

### Case Study

China: In a globalised world where businesses may operate in new locations such as China, there is heightened concern to show social responsibility through compliance with laws protecting human rights, for example, workers' health and safety. China has been pictured as representing "all that is problematic about globalisation. Its vast supply of cheap labour, lax enforcement of regulations, and suppression of labour and human rights make it a magnet for socially irresponsible multinationals and a troubling model for developing countries seeking to attract foreign investors..."<sup>27</sup> In recent years, a range of stakeholders have come together to work out systems of monitoring and corporate accountability, involving local participation in identifying and resolving problems inside China's factories. Among these stakeholders were Asia Monitor Resource Center, Chinese Working Women Network, Hong Kong Christian Industrial Committee, Hong Kong Confederation of Trade Unions, and representatives of Adidas, Nike, Reebok, and Taiwanese contract factories.

Another impetus for CSR development in China may come from the philanthropic side, energized by the country's increasing pool of wealthy individuals. "From 2003 to 2006, mainland China's five most-generous individuals gave at least \$640-million to charitable causes, says the Hurun Report, an Asian personal-finance magazine that creates an annual list of the country's biggest donors...Perhaps the best-known philanthropist is East Asia's wealthiest man, Li Ka-shing who lives in Hong Kong."<sup>28</sup>

<sup>&</sup>lt;sup>27</sup> Ibid, p. 100

<sup>28 &</sup>quot;Philanthropy's New Frontier" by Ian Wilhelm, The Chronicle of Philanthropy, http://philanthropy.com/premium/articles/v19/i23/23001601.htm

### Section 3 Overview of how CSR concepts translate into practice

This section relies on some information received from WINGS CI members that provide a close look at practices on the ground, as well as a few consolidated studies that provide the broad view of CSR practices. Section 3 is thus presented in three sub-sections:

3A – CSR practices on the ground: Latin America and the Carribean

3B – Broad views of practices by global business networks and others.

3C - CSR Practices at the national level: CSR in the U.S.

What is the context of private social investment in the region? What are the major challenges and new directions for philanthropy? At a leadership forum about social funding in Latin America (September 2006, São Paulo), leaders analyzed the current framework and implementation of CSR.

"What one observes is that Latin Americans are fully aware of the importance of private social investment, both from the point of view of society, which demands better results, and investors, who begin to concentrate their efforts on the causes of social issues rather than on their effects, and to work across sectors," argued the sociologist G. Carvajalino, Director of Fundação Empresários pela Educação, Mexico. However, the strengths identified by the group were counterbalanced by the weaknesses diagnosed in the discussions. According to M. Goldenberg, coordinator of the Cátedra Unesco-Instituto Ayrton Senna de Educação e Desenvolvimento Humano, what she calls "institutional corporatism" still prevails. In other words, the little disposition of major social investors to work in networks which results in the overlapping and spraying of social projects. "Most grantmakers support their own projects. The absence of a partnership and collaboration culture hinders a clear perception of how favorable working in networks can be..."

Among the opportunities identified was to incorporate a systemic view in planning to result in "broader projects which do not focus on a local view" (M. Carvajal, of Fundação Carvajal, Colombia). Another opportunity was to increase interaction among the first, second and third sectors, given the environment of increasing openness. "The space for each sector must be clearly defined, specially when we talk about working across sectors" (Alicia Pimentel, of the Fundação Empresas Polar, Venezuela.)

In the context of the above, the challenge was to turn motivation into permanent commitment (Marcos Kisil, President-Director of IDIS)... "It is vital to focus on domestic donations (from local investors) for fair, innovative, strategic and transforming development of the country. Everyone is responsible for this issue." ... "What we seek is a more sophisticated and professional sector, with more innovative funding options. Focusing on the causes rather than on the effects of social issues has become a main challenge for grantmakers who expect returns from their donations." (Russel Prior, of Charities Aid Foundation (CAF)

Observations from Latin America and the Caribbean

<sup>&</sup>lt;sup>29</sup> Rodrigo Zavala, Group Assesses Social Investment in Latin America, "Nota" from email of WINGS CI.

A less than positive observation is made of current CSR practices in Jamaica, where in the last five years, there has been a "rebirth" of foundations both corporate and public.

"Many of the corporates are Caribbean or international companies. We are now seeing different operational behaviour to what existed (before the financial meltdown in the 1990s). [There is] less cooperation and a more aggressive rivalry. It is also true to say that most of these foundations are managed by their company's marketing department; newly recruited staff seem to have had little or no exposure to the work of foundations and seem to place more emphasis on the amount of the spend and not the outcome. There is also a lot of press advertising on projects undertaken [because] companies need to be seen as good corporate citizens. JFCD has tried to engage them through workshops and seminars...but there is little commitment..."

Broad Views of Practices by Global Businesses Networks and Others What are global, regional and national CSR players doing or exploring? The following information is presented per source or reference, citing firstly the more recent scan done by Responsible Business Initiatives – Serbia, Special Issue of the CSR Newsletter (2007); secondly, the 1999 CIVICUS/Imagine of Canadian Centre for Philanthropy study, "Mapping Corporate Citizenship: A Survey of Global, National and Local Initiatives" by Maxwell Brem; thirdly, "a Mapping of giving and volunteering in Asian countries" done by the Asia Pacific Philanthropy Consortium. Information overlaps occur in the three documents.

### Summary of Global Business Networks and Other Networks

Source:
Responsible Business
Initiatives Serbia,
newsletter, special edition
on CSR, July 2007<sup>31</sup>

Name of Global Network	When and Where Established	Who They Are	What They Do
Business in the Community	1982	750 companies including 80 of FTSE Top 100 promoting integration of responsible business practices in operations and undertaking collaborative action to tackle issues of disadvantaged	Supports education and environment programs, including benchmarking about environmental practices; promotes cause-related marketing; campaigns for support to the homeless, community investment, diversity, health and well-being.
CSR Europe	1995	Over 60 multinationals and 18 national partner organizations (reaching 1,400 companies in Europe) existing to promote CSR solutions, shape business and political agenda on sustainability and competitiveness	Provides stakeholder engagement services thru services with leading European institutions; help-desk for daily assistance and information; business exchange and seminars

<sup>30</sup> Notes emailed by JFCD to WINGS, October 2007.

<sup>31</sup> http://www.smartkolektiv.org/admin/article/download/files/RBI%20newsletter-special%20edition.pdf?id=33

Name of Global Network	When and Where Established	Who They Are	What They Do
Global Compact	2000	Hundreds of companies worldwide, interrelating with international labour and civil society organizations to advance the 10 universal principles on human rights, labour, environment and anticorruption	Promotes corporate citizenship to tackle challenges of globalization through practical solutions; demonstrates leadership in corporate citizenship using the convening power of the UN with governments, business and civil society
International Business Leaders Forum  Example of affiliates: - Bulgaria Business Leaders Forum (1998)  - Business Leaders Forum of Slovakia (2004)	1990	80 companies promoting responsible business practice and sustainability, with focus on developing and transitional countries	Promotes values-based leadership to improve business practices while working with company managers on implementation; works through innovative cross sector partnerships with business, international agencies and governments on tackling social, economic and environmental issues

### Other Business Networks

Name of Global Network/ Platform	When and Where Established	Who They Are	What They Do	
		Africa		
Business Action for Africa	2005	150 businesses influencing policy for growth and poverty reduction, promote more balanced view of Africa, develop good business practice	Promotes governance and transparency, trade campaigns, enterprise & employment, human development	
	Asia Pacific			
Association for Responsible and Social Investment in Asia (ASrIA)	2001	57 companies (investment institutions and the like) promoting sustainable, responsible investment practice, to "build market capacity for SRI within the community"	Manages information- Resource Centers, Training and Seminars, Conferences	
Europe				
respACT (Austria)	2005	83 companies affiliated with CSR Europe and cooperating with its goals	Conducts communication and marketing; exchange of experiences information; training	

Name of Global Network/ Platform	When and Where Established	Who They Are	What They Do
econsense Forum for Sustainable Development of German Business (Germany)	2000	23 companies affiliated with CSR Europe and cooperating with its goals	Allows members to dialogue and exchange experiences; discuss specific CSR and sustainability issues; share good practice and promote synergistic partnerships
Hellenic Network for Corporate Social Responsibility (Greece)	2000	85 companies affiliated with CSR Europe and cooperating with its goals	Promotes information sharing, advice and training, CSR tools re benchmarking
IMS Entreprende pour la Cite (France)	1986	130 companies affiliated with CSR Europe and Business in the Community and cooperating with their goals	Undertakes programs in corporate citizenship (support of NGOs, cause-related marketing), diversity in the workplace, development of disadvantaged urban areas; societal innovation
Sodalitas (Italy)	1995	64 companies affiliated with CSR Europe and cooperating with its goals	Provides research and monitoring of CSR developments through a resource centre; Benchmarking corporate governance and management systems, and grantmaking corporate foundations
Russia Partnership for Responsible Business Practices (Russia)	2004	18 members affiliated with Prince of Wales Business Leadership Forum and cooperating with its goals	Consultancy and advice on CSR strategy and process; implementation of projects that mutually benefit companies and stakeholders; training; public information
Philias (Switzerland)	2000	22 companies that believe profits and social responsibility go hand in hand; affiliated with CSR Europe	Conducts awareness raising events; provides consultancy on stakeholder dialogue, community investment, CSR training
		Latin America	
EMpresa Privada y Responisbilidad Social en las Americas	1997	Members in 20 countries in North and South America that strengthen national and regional business coalitions promoting social responsibility	Conducts activites for information exchange, training and conference sponsorships
		North America	
Business for Social Responsibility	1992	89 companies that strive for commercial success while respecting ethical values, people, environment	Undertakes CSR reporting, implementation of policies addressing human rights, environment and economic development; Promotes stakeholder engagement

The CIVICUS/Imagine study reported on the activities of CSR players, classified according to:

- 1. Intermediary groups and networks working to expand corporate citizenship at global, regional and national levels;
- 2. Corporate participation in policy dialogue on social and other issues that affect civil society;
- 3. Multilateral programs that promote corporate citizenship and corporate engagement;
- 4. Membership-based, capacity-building business organizations with a focus on developing CSR and corporate citizenship;
- 5. Research and teaching institutions that specialize in corporate citizenship and related issues:
- 6. Selected private consultancies supporting leadership initiatives in corporate engagement; and others.

The study identified the following key players and their programs:

<u>Intermediary groups and networks</u> working to expand corporate citizenship at global, regional and national levels

- Global initiatives include the Prince of Wales Business Leaders Forum (UK) and the Business Partners for Development. Both initiatives use cross-sector partnerships to promote CSR advocacy, brokerage, capacity and institution building, and support for international development projects.
- Sectoral initiatives include the World Business Council for Sustainable Development and its coalition of business leaders in 34 countries and 20 major industrial sectors. WBCSD advocates for issues connected with the environment and sustainable development. Another sectoral initiative is the Global Business Council on HIV/AIDS, that works together with the UNAIDS organization.
- Regional initiatives include the European Foundation Centre-Corporate Citizenship Europe, European Business Network for Social Cohesion, The European Baha i Business Forum, the Asia Pacific Philanthropy Consortium, EMPRESA-Forum on Business and Social Responsibility in the Americas.
- National level intermediate initiatives include a wider range of CSR practice, reflecting the characteristics of the country and experience with CSR or corporate citizenship. These are: BSR-Argentina, Philanthropy Australia, Instituto Ethos in Brazil, Abrinq Foundation for the Rights of the Child, Imagine/Canadian Center for Philanthropy, Chilean Benchmarking Group, Partners in Change (India), Confederation of Indian Industry (India), Friends of the Environment (Indonesia), Keidanren (Japan), Mexican Centre for Philanthropy, Chihuahua Business Social Fund (Mexico), Rossing Foundation (Namibia), New Zealand BSR, Empresa Privada para Responsibilidad (Panama), Philippine Business for Social Progress, Business Leaders Forum in Poland, Thai Business Initiative in Rural Development, Business in the Community (UK), American Leadership Forum (ALF).

### Corporate participation in policy dialogue on social and other issues that affect civil society

At the international level, key players include the Caux Round Table (100 senior business leaders in North America, Europe and Japan that has developed an international code of ethics for business and other declarations); the International Chamber of Commerce, whose principles for environmental management were codified as the Business Charter for Sustainable Development; and WBCSD as mentioned earlier.

At the national level, policy dialogue focuses on thematic issues like sustainable development, HIV/AIDS (in Thailand, Zimbabwe and India), welfare-to-work government and business task forces (in the UK and US), and employment policies (China Employee Benefits Forum).

Other national initiatives going beyond themes include the Private Enterprise Foundation (Ghana), Peru 2021 (promoting a new vision of business leadership working in partnership with government), the National Business Initiative for Growth, Development and Democracy in South Africa (175 leading companies implementing programs such as Business Against Crime), the Shanghai Business Leadership 2000 Program (capacity building about CSR for corporate employees)

### Multilateral programs that promote corporate citizenship and corporate engagement

The World Bank Group has organized the Business Partners for Development promoting partnerships among business, civil society organizations and relevant government agencies, with WB as an equal partner. Its "clusters" work in areas like natural resources, water and sanitation, youth development, safety partnership and knowledge resource.

The UNDP through its Private Sector Development Program promotes sustainable livelihoods. Its program includes the Global Sustainable Development Facility which aims to bring 2 billion people to the global market economy by 2020. The UNDP also implements programs like the Growing Inclusive Markets (GIM) which is set for launching end of 2007 starting in Africa, then Asia and other regions by early 2008 to bring awareness of how the "bottom of the pyramid" business model can provide a win-win solution to companies and social problems.

### Membership-based, capacity-building business organizations with a focus on developing CSR and corporate citizenship

In Europe, the US and Canada, these organizations offer their members services to help companies develop, manage and evaluate corporate citizenship activities and to provide networking opportunities. A few examples are:

- Business for Social Responsibility (USA) has more than 1,400 members and affiliated members—many of them are medium and small-scale companies. BSR operates the BSR Education Fund, implements a Human Rights Program as well as programs on environment, workplace policies and practices and community involvement and affirmative action. BSR has inspired counterparts in Canada, Panama, Chile and assisted in the creation of EMPRESA.
- The Centre for Tomorrow's Company (UK) assists members to develop stakeholder management skills. It has set up an investment fund to invest in companies that subscribe to the Tomorrow's Company management model.

- The Conference Board (USA and Canada) provide research, networking and professional development services in corporate community involvement for members. They also track corporate performance. High performers are recognized with the Ron Brown Award for Corporate Citizenship, awarded annually by the US President.
- Council on Foundations (USA), a nonprofit membership association of grantmaking foundations promotes responsible and effective philanthropy. Its corporate citizenship project has developed a comprehensive framework for measuring the impact of corporate citizenship on business performance.
- Social Venture Network (USA and Europe) has a membership of more than 450 business owners, investors and social activists, focusing on issues of business and sustainable development, public policy, social equity. SVN has created BSR, the Investors' Circle, Students for Responsible Business and a Latin American Network.

### Research and teaching institutions that specialize in corporate citizenship and related issues

Among these institutions are the Boston College Center for Corporate Citizenship Relations (of the Wallace Caroll School of Management), the Corporate Citizenship Unit of the Centre for Corporate Strategy and Change at Warwick Business School in the UK, The Institute for Social Responsibility (San Jose State University in Northern California), The New Business Academy (founded by the Body Shop International), Deakin University in Victoria, Australia, the Norwegian School of Economics and Business Administration at Bergen, Norway, and Maastricht University in the Netherlands.

### <u>Selected private consultancies</u> supporting leadership initiatives in corporate engagement; and others

To cite a number of these consultancies:

- London Benchmarking Group that has worked on creating templates and methodologies for classifying and measuring the value of corporate community contributions and evaluating these.
- The Corporate Citizenship Company (London) helps global companies manage their social responsibility and community involvement activities through advice on policy, management, evaluation and benchmarks. One of its reports is the Global Corporate Citizenship—Rationale and Strategies (1997).
- SustainAbility (UK) is a think tank and consultancy group that works with companies around the world to realign corporate strategy to the sustainable development agenda; promoting the triple bottomline concept ("economic, environmental and social"). It began in 1995, its program on "Engaging Stakeholders."
- Council on Economic Priorities (USA) rates companies on issues like environmental stewardship and treatment of employees and operates the CEP Priorities
   Accreditation Agency, which aims to promote a universal standard for labor practices of companies worldwide.

The **Asia Pacific Philanthropy Consortium** provided "a mapping of giving, volunteering and social responsibility patterns in the region:<sup>32</sup>

- Australia Business (67% of total businesses in Australia) provided in 2003-2004, \$3.3. billion for various sponsorships and community projects, according to the Prime Minister's Community Business Partnership. This was mostly cash donations, rather than goods and services.
- 2. India CSR is implemented through cash donations (81%), company facilities (25%), staff deputation (24%), staff volunteering (20%), company products (19%), and enabling employment (17%), according to the Partners in Change India survey in 2003. Health, education, schools and relief camps were popular recipients.
- 3. Indonesia 93% of companies surveyed said they gave a donation the last 3 years; 61% reported they gave in an "incidental manner;" 18% said they have a written policy on donations. This was according to a study of the PIRAC.
- 4. Japan In 2002, the Keidanren survey of 2002 reported that companies gave 119 billion Yen, a 9.9% increase from 2001. Companies gave an average of 2.39% of current profit to philanthropy, versus 2.03% in 2001.
- 5. Korea Giving Korea 2005, the annual survey by The Beautiful Foundation, reported giving at 39.1% of companies donated less than 100 million Won, and 6% donated more than 10 billion. The top causes for support were social welfare (37.8%), education (18.5%), disaster relief (8.2%), cultural programs (5.1%).
- 6. Pakistan A 2005 study in selected cities showed 25 top "PLC" giving PKR 842.7 million. Health (30%), education (29.5%), basic services (6.6%) (water, housing, child welfare), disaster relief (6.5%), religious causes (5.2%), culture (4.5%), and the environment (3.1%) and others were the causes supported. Giving directly to beneficiaries was the most preferred way to give (51%) and the most satisfactory for 78% of companies.
- Singapore The National Volunteer and Philanthropy Centre (NVPC) reported in the 2005 State of Giving that 28,500 companies made cash donations of \$111million in 2003-2004. The main reasons given were "social responsibility" and to "help the underprivileged."
- 8. Malaysia A 2005 survey of 200 publicly listed companies conducted by a business magazine reported that 82.5 million Ringgit was donated by 65 companies for the period July 2003 to December 2004. This was given to charitable societies, programs and orphanages. The top 3 donors gave 34.3% of the total contributions.
- 9. Pakistan The Pakistan Centre for Philanthropy reported that total giving by 568 PLCs for 2000-2003 was PKR 1336.2. Giving as a percentage of pre-tax profit was higher among listed (0.33%) than unlisted companies (0.21%).
- 10. Philippines The League of Corporate Foundations and the Philippine Business for Social Progress provide information to the AIM-RVR Center for the periodic giving survey. LCF figures provided the latest—as of 2006, PHP 3 billion was provided in 2005 by companies for various causes, mainly education, health, livelihood and entrepreneurship.

<sup>&</sup>lt;sup>32</sup> Brief report, "A Mapping of Giving, Volunteering and Social Responsibility Patterns in the region," Asia Pacific Philanthropy Consortium, 2006.

This section is based on findings from the 2005 State of Corporate Citizenship by the Boston College Center for Corporate Citizenship and the U.S. Chamber of Commerce Center for Corporate Citizenship.

3C
CSR Practices at the national level:
CSR in the U.S.

In the U.S., <u>corporate citizenship</u> is a priority of business. Large companies implement corporate citizenship as part of their business strategy. In the 2005 survey on the *State of Corporate Citizenship*, it was revealed that:<sup>33</sup>

- 98% believe that corporate citizenship needs to be a priority for companies
- 91% believe the public has a right to expect good corporate citizenship
- 84% believe that corporate citizenship makes a tangible contribution to the company's bottom line

...While all companies engage in similar corporate citizenship activities, large companies have a more expansive definition of their role in society. Among large companies:

- · 64% indicate the corporate citizenship is part of their business strategy
- · 68% have increased investment in corporate citizenship over the past two years

According to the survey of the Chronicle of Philanthropy: For 81 businesses, the total dollar amount of cash donations rose to \$3.8-billion in 2006 from \$3.5-billion the previous year. The companies' cash giving increased by a median of 6 percent, meaning that half of them increased their giving by a higher percentage and half by less. Companies are giving to "greening projects" and to improving education.

Giving Profile in the US

A less rosy picture of corporate giving is reported by the Giving USA annual survey, finding that "corporations of all sizes gave 10.5 percent less last year than in 2005.

(Details about some of these organizations are captured in the Annexes.)

In a "timeline of corporate citizenship" from 1900 to 2005 onwards, Dr. Googins captured the development of business involvement in society from charitable activities (reputation driven) to activities that leverage capacity (compliance driven) to business innovation (value driven) and to business creation (market driven).<sup>34</sup> This paper showed how, within the timeline, current CSR practices are widely scattered. The trend, however, is clearly in one major direction, that is, for increased business contribution to a sustainable world.

Closing

<sup>&</sup>lt;sup>33</sup> The State of Corporate Citizenship in the US: Business Perspectives in 2005, by the Boston College Center for Corporate Citizenship and the U.S. Chamber of Commerce Center for Corporate Citizenship

<sup>&</sup>lt;sup>34</sup> Bradley Googins, Managing and Integrating the Challenges of Corporate Citizenship, Presentation at the Conference of the League of Corporate Foundations, July 2007, Manila, Philippines.

ANNEX 1

### Some Definitions and Movers of Corporate Social Responsibility **Key Actor** Geographic Area Forms of CSR Corporate Responsibility/ Corporate Social Responsibility/ Corporate Social and Environmental Responsibility/ Corporate Citizenship/ Sustainability International International Institute for Social responsibility **Sustainable Development** is taken to mean a balanced approach for www.iisd.org organizations to address economic, social and environmental issues in a way that benefits people, communities and society." - ISO Strategic Advisory Group on Social Responsibility Corporate citizenship - Business can be part of **UN Global Compact** the solution to the challenges of globalization; http://www.unglobalcompact. works toward a more sustainable and inclusive org/AboutTheGC/index.html alobal economy. CSR practices documented in new publication -"Enhancing Partnership Value: A Tool for Assessing Sustainability and Impact" http://www.syntao.com/Uploads/{6A327AFCC-81CB-49BF-8EBF--55D0592D2EF5}\_Enhancing%20Partnership%2 0Value.pdf Published by Global Compact, UN Partnerships Office (tools developed by Boston Consulting Group) The Responsible Corporate responsibility practices impact on the Competitiveness international competitiveness of nations and Consortium regions and the resulting potential for reshaping the activities of sectors, markets and ultimately (Established by AccountAbility the global economy in ways that support and The Copenhagen Centre sustainable development. in 2003) Members: Institute for Social and Ethical Accountability (AccountAbility, UK), Instituto Ethos (Brazil), Fundacio Dom Cabral (Brazil), ProHumana (Chile), African Institute for Corporate Citizenship (AICC), PALTrade (Palestine), Business for Social Responsibility (BSR, USA) http://www.copenhagencenter .org/sw1035.asp

By Tina Pavia and Cecille Lao, October 31, 2007, Drafted for the Meeting of WINGS Corporate Initiatives Committee.

Some Definitio	ns and Movers of Corpor	ate Social Responsibility
Geographic Area	Key Actor	Forms of CSR
	World Business Council for Sustainable Development http://www.wbcsd.ch/DocRo ot/hbdf19Txhmk3kDxBQDW W/CSRmeeting.pdf  a CEO-led, global association of some 200 companies dealing exclusively with business and sustainable development.	Corporate social responsibility is the continuing commitment by business to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community and society at large.
	Asia Pacific	Region
Australia	The Prime Minister's Community Business Partnership http://www.partnerships.gov.au	The Partnership's role is advocacy, facilitation and recognition of corporate social responsibility and partnerships between business and community. Its Corporations and Markets Advisory Committee (CAMAC) released a report about the wider CSR debate and includes summaries of the main schools of thought for and against CSR regulation, developments in overseas jurisdictions, main sources of standards for CSR decision making and reporting, sustainability guidelines and reporting, and connections between CSR and corporate accountability, risk management, directors' duties, and other regulatory guidelines and requirements.
China	United Nations Development Programme and the China Enterprise Confederation www.csrchina.net	CSR as a tool for enhanced business performance and competitiveness, CSR from a branding perspective, how to integrate CSR into corporate strategies, and the practical meaning of responsible corporate citizenship. These are the themes of a 2007 conference held in Beijing. The event provided domestic and multinational companies operating in China with an opportunity for peer-to-peer interactions and exchanges on pragmatic solutions and operational toolkits.
Hong Kong SAR	CSR Asia http://www.csr-asia.com http://www.csrr- asia.com/summit07/summit07. pdf  Email: summit@csr-asia.com	CSR trends identified as (1) shareholder activism, tackling transparency in business reporting, corruption as a business issue; (2) supply chain issues, including human trafficking/forced labor issues, product responsibility and food safety, ethical sourcing; (3) social and environmental risks, including discrimination and diversity issues, climate change and carbon footprinting, biodiversity protection—these concepts to be covered in CSR Asia Summit (Nov 2007)

Some Definitio	ons and Movers of Corpor	ate Social Responsibility
Geographic Area	Key Actor	Forms of CSR
India	Center for Social Markets (Kolkata and London offices)  http://www.csmworld.org/public /PDF/Malini's%202006%20RS G%20Introduction.pdf  http://www.csmworld.org/public /PDF/SRI%20in%20India.pdf	Corporate citizenship or corporate social and environmental responsibility - it is no longer enough for businesses to simply employ people, make a profit and pay taxes; they must act responsibly, be accountable and benefit society as a whole.  Triple bottom line: people, planet, profit.  CSR – private sector plays a fundamental role in generating environmentally sustainable, socially responsible, pro-poor growth and development.
Japan	CSR Archives set up by Japan Research Institute (JRI) http://www.csrjapan.jp/index_e. html E-mail: csr@ird.jri.co.jp	Japanese companies contribute to society through customer-oriented products and services, stable employment, philanthropy, community involvement, and so on so forth.  CSR as strengthening compliance and building trust from consumers – E.g., "The Keidanren Charter for Good Corporate Behavior" by the Nippon Keidanren; "'Market Evolution and CSR Management: Toward Building Integrity and Creating Stakeholder Value" by the Association of Corporate Executives (2003)
Philippines	League of Corporate Foundations www.lcf.org.ph (definition from CSR Expo 2007 Rationale)	CSR practice integrates business and society using the triple bottomline approach—meeting economic, social and environmental objectives. CSR can benefit the company as a source of opportunity, innovation and competitive advantage thru strategic identification, implementation and integration of responses to social issues with the business.
Singapore	National Tripartite Initiative (NTI) http://www.csrsingapore.org/	The NTI on CSR serves as a steering committee to review and formulate broad CSR strategies, taking a tripartite approach to include the key stakeholders including business, unions and the government. Founded the Singapore Compact for CSR as a platform for fostering dialogue and collaboration among various CSR stakeholders.
	Europe	
European Union	CSR Europe http://www.csreurope.org/what wedo/Stakeholderdialogue/EUa ndCSR/  European Alliance for CSR http://www.csreurope.org	CSR is about companies taking action beyond their legal obligations.  The European Commission's strategy on CSR focuses on four key aspects:  1. Promoting the business case for CSR (especially to SMEs)  2. Promoting external evaluation and bench marking of companies' social and environmental performance in order to make CSR credible (social reporting)  3. The creation of a European multi-stakeholder forum to generate agreement on approaches and tools for CSR

Some Definition	ons and Movers of Corpor	ate Social Responsibility
Geographic Area	Key Actor	Forms of CSR
		Integrating CSR considerations into all areas of EU policies and programmes
		The European Alliance, and the wider stakeholder partnership in which it is embedded, aims to better harness the innovation of enterprises and stakeholders in support of sustainable development and the European strategy for growth and jobs.
	Swiss Consulting Group http://www.swissconsultinggrou p.com/docs/2003-04-28 CSRCoursework.pdf	CSR uses triple bottomline management within a business sustainability framework
	European Commission's Directorate-General for Enterprise and Industry http://ec.europa.eu/enterprise/c sr/index_en.htm	CSR is about integrating social and environmental concerns into business strategy and operations; Related to how enterprises interact with their internal and external stakeholders (employees, customers, neighbors, non-governmental organizations, public authorities, etc.)
Denmark	The Copenhagen Centre / Danish Ministry of Economic and Business Affairs – Danish Commerce and Companies Agency	CSR, a strategic tool to enhance the company's overall business strategy. CSR is pressured locally and internationally to develop sustainable business strategies and sustainable company behavior within the supply chain.
	http://www.copenhagencentre. org http://www.copenhagencentre. org/graphics/CopenhagenCentr e/Publications/The%20governm ent%20is%20strengthening%20 CS1.pdf	
United Kingdom	AccountAbility and CSRnetwork  From the article "Separating Smart from Great: Embedding Accountability into Business Practices" by Simon Zadek, FORTUNE magazine, November 2006  Email: simon@accountability21.net	The 2006 Accountability Rating ranks the world's companies by their effectiveness as managers of CSR issues. Scoring categories are: stakeholder engagement, governance, strategy, performance management, public disclosure, assurance. Scoring is based on not only declared intentions but also corporate actions to address material non-financial issues. The 2006 Rating analyzed 64 companies, including 50 companies on the FORTUNE Global 500 plus 14 other large companies in 5 industry sectors.
	Prince of Wales International Business Leaders Forum  From a meeting report on Business and the MDG, held in conjunction with the Philippine Business for Social Progress, Manila	CSR framework shows a strategy mix for business contribution to development: 1) Core Business Initiatives 2) Social Investment 3) Policy Advocacy/Dialogue

Some Definitio	ns and Movers of Corpor	ate Social Responsibility	
Geographic Area	Key Actor	Forms of CSR	
France	(see Social Investing Forum, SRI - Annex 3)		
	Africa		
South Africa (with CSR programs in Lesotho, Mozambique, Namibia, Zimbabwe)	African Institute for Corporate Citizenship http://www.aiccafrica.org/CSRC oursework.pdf	Improved corporate responsibility in areas such as labour relations, community engagement, environmental management, and human rights can contribute to various aspects of competitiveness including improved productivity, market access, and reputation.  AICC corporate citizenship programme is a capacity building and advocacy project. The overall aim of this initiative is to provide a platform that brings business, government and civil society together in a manner that facilitates and promotes the development of best practice in the field of corporate citizenship focusing on Southern Africa.	
	AICC CSR Programme in Lesotho http://www.aiccafrica.org/ Partner: Lesotho Community Development Foundation (LCD)	CSR Programme explored: - the vitality of investments and growth of community development funds and projects; Job losses – crises and possible replacements – in the textile sector; Strain of HIV/AIDS on women and men after being retrenched from work	
	AICC CSR Programme in Mozambique http://www.aiccafrica.org/ Partner: Mozambique Global Compact Forum	The definition of CSR in the country should consider the question of ownership of natural resources. Mozambique Global Compact Forum to take a pivotal role.	
	AICC CSR Programme in Namibia http://www.aiccafrica.org/ Partner: Rossing Foundation	(see corporate philanthropy – Annex 2)	
	AICC CSR Programme in Zimbabwe http://www.aiccafrica.org/ Partner: Environment Africa and MWENGO	Corporate involvement linked up with NGO activities would spur both accountability and CSR in accordance with mainstream economic activity.	
	Middle East		
See Worksheets 2 and 3			
	Peru 2021 Inter-American Development Bank, Multilateral Investment Fund-IFC http://idbdocs.iadb.org/wsdocs /getdocument.aspx?docnum=1 011225	CSR as a strategy for competitiveness. CSR measures can be promoted in Small and Medium Enterprises (SMEs) in the value chain of large socially responsible companies, to enhance competitiveness.	

Some Definitio	ns and Movers of Corpor	ate Social Responsibility
Geographic Area	Key Actor	Forms of CSR
		CSR defined as business behavior based on ethical values and principles of transparency that include a strategy for continuous improvement between a company and its stakeholders.
	Colombia  http://www.iblf.org/resources/e bulletinnov06.htm  Programme of the International Business Leaders Forum – with Fundación Ideas para la Paz, the UN Global Compact	Business working with civil society to overcome long-rooted mistrust, promote poverty reduction, tackle discrimination and assist vulnerable populations. Business to contribute to human rights and development in Colombia.
	North Amer	ica .
Canada	Industry Canada (IC) http://strategis.ic.gc.ca/epic/site /csr-rse.nsf/en/h_rs00070e.html	IC has addressed CSR-related challenges such as corporate governance and marketplace climate, environmental protection and sustainable development, human resource management practices, community development, consumer protection, innovation, and smart regulation through a continuing and further use of its wide range of policy levers.
United States of America	Business for Social Responsibility http://www.bsr.org/AdvisorySer vices/CSR.cfm  With global offices based in Guangzhou, China and Paris, France	CSR as "achieving commercial success in ways that honor ethical values and respect people, communities, and the natural environment." CSR means addressing the legal, ethical, commercial and other expectations society has for business, and making decisions that fairly balance the claims of all key stakeholders.  CSR viewed as a comprehensive set of policies, practices and programs that are integrated into business operations, supply chains, and decision-making processes throughout the company wherever the company does business and includes responsibility for current and past actions as well as future impacts. The issues that represent a company's CSR focus vary by business, by size, by sector and even by geographic region. In its broadest categories, CSR typically includes issues related to: business ethics, community investment, environment, governance, human rights, marketplace and workplace.
	Center for Corporate Citizenship The Boston College http://www.bcccc.net/index.cfm ?fuseaction=page.viewPage&Pa geID=596	Corporate citizenship is the business strategy that shapes the values underpinning a company's mission and the choices made each day by its executives, managers and employees as they engage with society. We believe that three core principles define the essence of corporate citizenship, and that every company should apply them in a manner appropriate to its distinct needs: minimizing harm, maximizing benefit, and being accountable and responsive to stakeholders.

ANNEX 2

### Some Definitions and Movers of Corporate Philanthropy **Key Actor** Geographic Area Forms of CSR Corporate Philanthropy Asia Korea The Beautiful Foundation Majority of this activity is sponsorship. Many donate to charitable institutions. By and large, Article from Business the support given is quite short term - under one month. Strategic partnerships with commu-Respect, Issue Number 67, dated 30 Nov 2003 nity organisations are the exception rather than By Mallen Baker the rule. Ongoing partnerships with not-forprofits have been formed by a number of Korean companies - notably Cheil Industries, LG Evergreen FD, Yuhan Kimberly, AmorePacific, CJ, Kyobo and Hanwha. Hyundai and Samsung. Europe The Committee CECP is the only international forum of 165 business CEOs and Chairpersons pursuing a **Encouraging Corporate** mission focused exclusively on corporate Philanthropy (CECP) philanthropy. http://www.corporatephilanthr opy.org/ Engaging with the public, private, and independent sectors, CECP members seek and create opportunities to serve as corporate giving advocates, practitioners, educators, and spokespersons to advance the case for philanthropy and to inspire other business leaders to make a lasting commitment to community giving. **Swiss Consulting Group** Strategic corporate philanthropy has 3 main http://www.swissconsultinggr features: (a) communal obligation tax deductible oup.com/docs/2003-04-28-charity donations) (b) goodwill building (employee CSRCoursework.pdf matching grants), (c) strategic giving (focused on enhancing competitive context) United Kingdom The Prince's Trust Charity partnership with British Energy to help change young lives across the UK. Example of http://www.princesstrust.org.uk/Main%20Site%20 activities--from cook books to fun runs, a clay v2/supporters/corporate%20s pigeon shoot to Las Vegas themed dinner. British upporters/our%20partners/bri Energy staff have shown an inspirational and tish%20energy.asp innovative approach to fundraising. With corporate partners like British Energy Middle East Egypt **Near East Foundation** "Philanthropy for Social Development" links local http://www.neareast.org/main philanthropy in Egypt--whether material giving or /cds/websites.aspx volunteer effort--and social development.

<sup>&</sup>lt;sup>1</sup> By Tina Pavia and Cecille Lao, October 31, 2007, Drafted for the Meeting of WINGS Corporate Initiatives Committee.

Some Definitio	ns and Movers of Corpor	ate Philanthropy
Geographic Area	Key Actor	Forms of CSR
	North Africa	a
South Africa (with CSR programs in Lesotho, Mozambique, Namibia, Zimbabwe)	African Institute for Corporate Citizenship  http://www.aiccafrica.org/  AICC CSR Programme in Namibia Partner: Rossing Foundation	CSR as traditional philanthropy or charity. It showcased the relative lack of participation of local communities in the CSR agenda compared to the powerful influence of multi-national corporations, consumers, investors and governments based in developed countries.
	Latin America and	Caribbean
Various Countries	Chilean Benchmarking Group, Fundacion Esquel Ecuador, Fundacao Grupo Esquel Brasil, Inter-American Democracy Network, Inter-American Foundation, Prince of Wales Business Leaders Forum (representatives in Latin America)  From the book article by Marisol Pages and Nelson Stratta, Capturing the Lessons of Partnership and Practice in CIVICUS book, Promoting Corporate Citizenship 1999	Philanthropy practiced by most businesses in Latin America – still based on traditional patterns of giving based on religious convictions versus philanthropy undertaken in a professional and strategic manner (with clear goals and priorities determined by partnership with other societal actors).  Corporate Citizenship awareness is growing through efforts to forge partnerships. Various organizations are undertaking these partnerships—CEMEFI, GIFE, EMPRESA, Columbia's Center on Philanthropy and Peru 2021. Uruguay is implementing IPES (Institute for the Promotion of Social Enterprise) to promote partnerships between citizens and enterprises in addressing social problems.

### ANNEX 3

### Some Definitions and Movers of Socially Responsible Investmen t

Geographic Area	Key Actor	Forms of CSR
		Social Investment/ Socially Responsible Investment/ Sustainable and Responsible Investment
	Internation	nal
	International Finance Corporation (IFC) Sustainable Financial Markets Facility http://www.csmworld.org/publi c/PDF/SRI%20in%20India.pdf	Good investment returns are compatible with creating employment, a healthy environment and an improved quality of life in developing countries.  Business benefits from initiatives that work towards sustainable development.  The Facility funds, for example, the Centre for Sustainability Investing by the African Institute of Corporate Citizenship (AICC). The Centre's mandate is to drive finance sector innovation for sustainable development in Africa.
	Regiona	
	Social Investment Forum http://www.socialinvest.org/  Eurosif http://www.eurosif.org/  UK Social Investment Forum http://www.uksif.org  Association for Sustainable & Responsible Investment in Asia (ASrIA) http://www.asria.org/  Social Investment Organization http://www.socialinvestment.c a/  Ethical Investment Association http://www.eia.org.au/html/s0 1_home/home.asp	A Social Investment Forum (SIF) is an association that works to promote socially responsible investment in a specific area of the world.  Five national SIFs (France, Germany, Italy, the Netherlands, and the United Kingdom) founded the Eurosif, a pan-European SIF created in 2001 to serve as an umbrella association to cover socially responsible investment issues at the European level.  (see ASRrIA under Asia Pacific Region)  In addition, the USA, Canada, and Australia each have their own SIFs.
	Asia Pacific R	egion
	The Association for Sustainable & Responsible Investment in Asia  http://www.asria.org/asria/intro  http://www.asria.org/events/singapore/july04/sri	Sustainable and Responsible Investment (SRI), also known as Socially Responsible Investment, takes account of wider concerns, such as social justice, economic development, peace or a healthy environment, as well as the usual financial considerations.  SRI strategies include mutual funds investing in stock markets, bond funds, private equity funds, insurance products and community investment optionsstrategies that provide investors with Triple Bottom Line returns

<sup>&</sup>lt;sup>1</sup> By Tina Pavia and Cecille Lao, October 31, 2007, Drafted for the Meeting of WINGS Corporate Initiatives Committee.

Some Definitions and Movers of Socially Responsible Investmen t			
Geographic Area	Key Actor	Forms of CSR	
India	Center for Social Markets (Kolkata and London offices)  http://www.csmworld.org/public /PDF/Malini's%202006%20RS G%20Introduction.pdf  http://www.csmworld.org/public /PDF/SRI%20in%20India.pdf	Triple bottom line investing – means that social, environmental and financial factors are given comparable weighting in reaching an investment decision.  SRI is an investment approach that integrates social and environmental considerations in the investment process.	
Japan	CSR Archives set up by Japan Research Institute (JRI) http://www.csrjapan.jp/index_e. html E-mail: csr@ird.jri.co.jp	Socially Responsible Investment - Fund managers include environmental and social criteria in their investment decisions. E.g. Sumitomo Trust and Banking Co.	

### ANNEX 4

### Legal Environment/Reporting of Corporate Social Responsibility

Regulation and Compliance in some countries:

### Canada<sup>2</sup>

- As part of its mandate to create the foundation for a more productive, competitive, knowledge-based economy, Industry Canada (IC) promotes sustainable development and the integration of economic, social and environmental objectives
- In the past, the department's CSR and SD mandate has been implemented through the use of a range of policy levers including:
  - Legislation and regulation, such as the Canada Business Corporations Act in the area of corporate governance
  - Economic instruments, such as Technology Partnerships Canada, a technology investment fund that supports industrial research and pre-competitive development in environmental technologies
  - Information instruments to build knowledge-capacity, e.g. Strategis as a broadbased web site that provides CSR-related information to corporations and consumers
  - Voluntary codes, standards and other initiatives to encourage corporate performance beyond legal necessity
- During the last few years, IC has addressed CSR-related challenges on responsibilities such as those respecting corporate governance and marketplace climate, environmental protection and sustainable development, human resource management practices, community development, consumer protection, innovation, and smart regulation through a continuing and further use of its wide range of policy levers

### Singapore<sup>3</sup>

- As a holistic and sustainable approach to bring forward the CSR movement in Singapore, the National Tripartite Initiative (NTI) on CSR was launched in May 2004 by Cedric Foo, Chairman of SPRING Singapore and Minister of State for Defence; the NTI on CSR serves as a steering committee to review and formulate broad CSR strategies, taking a tripartite approach to include the key stakeholders including business, unions and the government
- The national steering committee has since founded a society known as Singapore Compact for CSR, in bringing the CSR movement forward
  - The national society will be a platform in fostering dialogue and collaboration among various CSR stakeholders
  - It will play a pivotal role in defining the direction and landscape of CSR in Singapore, and help Singapore embrace CSR as a coordinated national initiative

By Tina Pavia and Cecille Lao, October 31, 2007, Drafted for the Meeting of WINGS Corporate Initiatives Committee.

<sup>&</sup>lt;sup>2</sup> http://strategis.ic.gc.ca/epic/site/csr-rse.nsf/en/h\_rs00070e.html

http://www.csrsingapore.org/roadmap.php

### United Kingdom<sup>4</sup>

- The government believes that CSR is essentially about companies moving beyond a
  base of legal compliance to integrating socially responsible behavior into their core
  values, in recognition of the sound business benefits in doing so
- The Government's approach is to encourage and incentivise the adoption and reporting of CSR through best practice guidance, and, where appropriate, intelligent regulation and fiscal incentives
- Pensions Act Amendment this legislation came into effect in July 2001 and requires trustees of occupational pension schemes to state their policy regarding the extent to which social, environmental or ethical considerations are taken into account in the selection, retention and realization of investments
- Transparency
  - UK businesses are consistently among leaders in surveys of CSR reporting: in the Global Reporters 2006 Survey
  - The Government encourages companies to report on their CSR performance in a number of ways:
    - Issued guidance on environmental reporting
    - Supported initiatives promoting company reporting including the Forge I & II guidance for the financial services sector and the ACCA sustainability reporting awards
    - Supported the Global Reporting Initiative
    - The enhanced business review requirements of the Companies Act

### Companies Act 2006

- The Companies Act 2006 brings the regulatory framework up to date to reflect the
  modern business environment; it enshrines in statute the concept of Enlightened
  Shareholder value which recognizes that directors will be more likely to achieve
  long term sustainable success for the benefit of their shareholders if their
  companies pay appropriate regard to wider matters such as the environment and
  their employees
- All companies, other than small, must already prepare a Business Review as part of the director's annual report
- From October 2007, quoted companies must also to the extent necessary for an
  understanding of the company's business disclose information on environmental,
  employee, social and community matters, as well as on contractual and other
  arrangements essential to the business

<sup>4</sup> http://www.csr.gov.uk/ukpolicy.shtml

### The European Union

The European Union Alliance for CSR was launched by the European Commission in March 2006, as part of its strategy to give a new impulse to "make Europe a pole of excellence on CSR"<sup>5</sup>

- The Alliance, and the wider stakeholder partnership in which it is embedded, aims to better harness the innovation of enterprises and stakeholders in support of sustainable development and the European strategy for growth and jobs<sup>6</sup>
- As part of their engagement in the European Alliance for CSR, companies throughout Europe are engaging in CSR Laboratories, business-driven initiatives engaging with stakeholders to address CSR solutions to business challenges<sup>7</sup>
  - Business-driven and action oriented CSR Laboratories aim to address CSR challenges in and around the nine priority areas of the Alliance
  - The objective of the CSR Laboratories is to bring together business practitioners, stakeholders and representatives of the European Union to share experience and explore joint operational projects
  - They will facilitate engagement between businesses and the European Commission by allowing for constructive discussion about new approaches towards EU policy initiatives, based on practical experience
  - Engaging in a Laboratory can enable a company to improve management of specific CSR issues and achieve efficiency gains, enlarge and possibly scale up existing initiatives through collaborative action and/or pooling of resources
- National CSR-related Policies in the European Union: On Transparency<sup>8</sup>
  - Austria: The Guidelines for sustainability reporting in Austria, meant to standardize
    and facilitate the reporting on sustainable management issues and addressed
    to all enterprises in the country, were developed by the Austrian institute for
    sustainability, the Federal Ministry for Economic Affairs and Labour, the Federal
    Ministry of Agriculture, Forestry, Environment and Water Management, the Austrian
    Business Council for Sustainable Development, the Austrian Federal Economic
    Chamber and the Federation of Austrian Industries

### Denmark

- The Ministry of Environment and Energy issued in December 1995 a Statutory Order on the duty of certain activities (the most polluting) to draw up green accounts, mandating environmental reporting on more than 3000 companies
- The categories of listed activities are required to submit a statement of green accounts to the Danish Commerce and Companies Agency each year. The statement of green accounts shall include information on aspects relating to the occupational environment, e.g. concerning polluting substances used in the production processes and the extent to which they present a risk to the safety and health of the company staff

<sup>&</sup>lt;sup>5</sup> http://www.csreurope.org/whatwedo/alliance/

<sup>6</sup> http://www.csreurope.org/whatwedo/alliance/

<sup>&</sup>lt;sup>7</sup> http://www.csreurope.org/whatwedo/alliance/CompaniesandEUAlliance/Laboratories/

<sup>8</sup> http://ec.europa.eu/employment\_social/emplweb/csr-matrix/csr\_matrix\_en.cfm

- The statement shall be followed by a presentation of data on the major consumption by the company of energy, water and raw material in the accounting period and of significant types and volumes of pollutants that form part of the production processes, company's products or wastes from the company and how the pollutants are discharged into air, water and soil
- The Annual Accounts Act was changed in 2001, and now companies can present supplementary reports on, for example, the enterprise's social responsibility, knowledge and know-how, environmental issues and follow-up on such matters
- In August 2001, the Ministry of Social Affairs released a set of guidelines for social and ethical reporting aimed at both private and public organizations who wish to report on the social impact of their activities
- The Ministry of Employment has also participated, together with Danish employers' organizations and trade unions, in the production of a guide on social reporting for small and medium-sized enterprises. This guide provides businesses with information on what a social report is, what the benefits of reporting are, past reporting experiences of other Danish companies and instructions on how to get started with reporting

### France

- In May 2001 with the adoption of the law on the New Economic Regulations,
   France became the first country to mandate triple bottom line reporting for publicly listed companies
- According to the new law, the annual report of a listed company shall 'contain information ...on how the company takes into account the social and environmental consequences of its activities'
- The law applies to French quoted companies at group level and internationally: it obliges companies to report on a set qualitative and quantitative of social indicators which have been specified by a decree- but does not provide guidelines for reporting
- Moreover, corporations are required to report on community issues, specifically on the way they take into account the impact of their activities on local development and local populations and on how they engage with local stakeholder groups
- As for labor standards, corporations have to report on the way in which their international subsidiaries respect the ILO core labor conventions and the way in which they promote the ILO conventions with regard to their international sub-contractors

### Portugal

- Law no. 141/85 and decree-law no. 9/92 require companies with 100 or more employees to issue a social balance report every year and forward it to the Labour Ministry
- The social balance report provides essential information on the organization's human resources management and the effectiveness of social investments and of actions to improve employees' quality of life

### Sweden

- Since 1999, companies of a certain size are required to include in their annual financial accounts information on their environmental impact; this provision applies to more than 20,000 sites

 Since 1997, government agencies have to integrate environmental management systems and report annually on their progress

### · The Netherlands

- Around 300 Dutch companies (belonging to the most polluting sectors) are required to report to the government and the general public on their environmental performance
- Following the Social and Economic Council recommendations on CSR, the
  Dutch government has requested advice from the Council for Annual Reporting
  on how social aspects can be integrated into corporate annual reports
- A multi-stakeholder taskforce on CSR was then set up under the Council for Annual Reporting to develop a set of Dutch reporting guidelines which was released in 2003 after extensive stakeholder consultations
- The guidelines focus on a number of key general issues and are meant as a kind of introduction to social reporting for interested companies in the Netherlands

### United Kingdom

- Under the Operating and Financial Review (OFR) proposal a company would be required to provide more qualitative and forward looking information on a wider range of issues than have traditionally been covered by company reporting
  - This would include information about a company's relationships with its employees, its impact on the environment and on the wider community, where such information is relevant to an assessment of the company/business
  - The requirement to publish an OFR would be limited to large companies or groups, though it was estimated that they account for a quarter of corporate economic activity in the UK
- In October 2001, the UK government issued a set of guidelines on corporate environmental reporting (e.g. greenhouse gas emissions, waste and water use), following a call by then Prime Minister Tony Blair for all top firms to start issuing environmental reports
- National CSR-related Policies in the European Union: On SRIs<sup>9</sup>

### Austria

- A platform for SRIs was founded in 2001 by the Austrian Society for Environment and Technology with the support of the Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management
  - The platform aims at strengthening the market for socially responsible investments in Austria
  - It constitutes a network and source of information about SRI activities in Austria and Europe and is working on the development of a medium-term strategy to support supply and demand within the area of SRI

<sup>9</sup> http://ec.europa.eu/employment\_social/emplweb/csr-matrix/csr\_topic\_allcountries\_en.cfm?field=9

### Belgium

- The new occupational pension law of May 15 2003 requires pension fund managers to disclose in their annual reports to what extent they take into account ethical, social and/or environmental criteria in their investment policies
- These annual reports are public documents

### France

- The law on public pension reserve fund adopted in July 2001 requires disclosure of social, environmental & ethical criteria used for investment
- The Law on the generalization of Employee Savings Plans adopted in February 2001 requires that the employees' saving funds "specify the social, environmental or ethical considerations the fund management company must take into account when buying or selling stocks and securities. The fund's annual report indicates on how these considerations have been taken into account."
- A cross trade-union Committee for Employees' Savings was set up in January 2002 by four trade unions with the aim to control the way employee salary savings schemes are invested and guide fund managers towards secure and socially responsible funds
- Germany: From August 1 2001, certified private and occupational pension schemes are required to report whether they take into account ethical, ecological and social aspects in their investment policies
- Hungary: In the framework of privatization of public propriety, several standards

   such as employment obligations, defense of the environment, and labor
   standards were set to investors by the Ministry of Employment, Policy and Labour
   and the Ministry of Economy in close cooperation with the investors' community

### Spain

- The Parliament opened a debate in early 2003 to modify the law on institutional investors and the law on pension funds, introducing a requirement for the pension funds managers and institutional investors to disclose whether they are using ethical, social or environmental criteria for their investment decisions.
- The National Stock Market Committee adopted a document elaborated by INVERCO, the Spanish Association of Institutional Investors and Pension Funds, on requirements that investment funds have to follow if they want to be referred as 'ethic', 'social' or 'green' funds.
- The objective of this initiative is to increase transparency of information on the characteristics of a financial product and avoid misleading advertising
- Among the requirements is the need to disclose the ethical, social and environmental principles of the fund and the criteria used for the investment decisions

### Sweden

- Under the Public Pension Funds Act, National Pension Funds are required to draw up an annual business plan, which must describe how environmental and ethical considerations are taken into account in investment activities, the impact of such considerations on the management of funds

 According to the law, funds shall not own shares in companies that violate the funds' own policies on environment and ethics

### · The Netherlands

- The 1995 Green Investment Directive promotes the access to finance for environmentally sound projects. This directive foresees that the returns from Green financial intermediaries are exempted from income taxes
- A Green intermediary is a financial intermediary that originates loans and investments in Green projects that comply with a host of criteria as put up by the government
- For asset and liability risk management reasons, Green Intermediaries are allowed to allocate at most 30% of their assets in non-green projects, so at least 70% of their money must be invested in approved "green" projects

### United Kingdom

- July 2000 saw the enactment of the UK's Pensions Disclosure Regulation
- The regulation requires that trustees of occupational pension funds disclose in the Statement of Investment Principles the extent to which social, environmental or ethical considerations are taken into account in their investment strategies and their policy (if any) in relation to the exercise of rights (including voting rights) attached to investments
- As a result, pension funds started to require more information from the firms they invested in, which forced greater numbers of these firms to publicize information on their social and environmental performance
- The new Pensions Act of 2003 further required that pension funds disclose annually a record of what they have achieved in pursuit of their SRI policy statements

### Comparisons between Approaches to Transparency and Social Responsibility

- According to the Swiss Consulting Group, US-based companies take a more rulesoriented approach to transparency and social responsibility: In October 2002, the US Congress passed the Sarbanes-Oxley Act to address corporate fraud and overhaul accounting and securities laws in response to a string of scandals that rocked Wall Street<sup>10</sup>
- In relation, CSR in the US has been defined much more in terms of a strictly philanthropic model, where companies make profits, unhindered except by fulfilling their duty to pay taxes, and then donate a certain share of the profits to charitable causes<sup>11</sup>
- On the other hand, EU-based companies adopt a more principle-based approach to CSR<sup>12</sup>
  - The European model is much more focused on operating core businesses in a

 $<sup>^{\</sup>rm 10}~{\rm http://www.swissconsultinggroup.com/docs/2003-04-28-CSRCoursework.pdf}$ 

<sup>11</sup> http://www.mallenbaker.net/csr/CSRfiles/definition.html

<sup>12</sup> http://www.swissconsultinggroup.com/docs/2003-04-28-CSRCoursework.pdf

socially responsible way, complemented by investment in communities for solid business case reasons<sup>13</sup>

- This seems to be more sustainable since:
  - Social responsibility becomes an integral part of the wealth creation process
     which if managed properly should enhance the competitiveness of business and maximize the value of wealth creation to society
  - When times get hard, there is the incentive to practice CSR more and better
     if it is a philanthropic exercise which is peripheral to the main business, it
     will always be the first thing to go when push comes to shove

### CSR and Government Regulation: Overlaps and Differences

- One of the key characteristics of CSR is that it is a voluntary commitment to go above and beyond the minimum standards set by government regulations to make sure that the harm it brings to stakeholders is minimized and the advantages maximized
- Thus, by definition, while government regulations influence and set a baseline for CSR activities, mere compliance does not equate to CSR
- This is further supported by the fact that CSR has its own set of measurement mechanisms, such as AccountAbility's AA1000 standard, Social Accountability International's SA8000 standard, and the ISO 14000 environmental management standard

 $<sup>^{\</sup>rm 13}$  http://www.mallenbaker.net/csr/CSRfiles/definition.html

<sup>14</sup> http://www.mallenbaker.net/csr/CSRfiles/definition.html



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#### **INTRODUCTION**

Dear readers,

This special edition of RBI newsletter is dedicated to the business networks world wide that promotes responsible business practices.

In our knowledge-based economy, business, government and civil society organisations consider that networking for Corporate Social Responsibility (CSR) is critical for innovation and profitability. In fact, networking consent them to share or obtain information and training opportunities, develop and implement joint strategies to develop a particular sector of society or industry, and to grow along with socially responsible partners. Namely, UN Global Compact, CSR Europe, and Business in the Community or International Business Leaders Forum are able to place the discussion of global issues in a specific local and regional context. Their presence enables more frequent dialogues between companies and other stakeholders and facilitates the sharing of good practices.

In this current Newsletter, we are delighted to introduce you to some of the global and national CSR networks. Why they have been established and by whom and how they promote and implement the CSR principles. Moreover, you will find out about the creation of the Business Leader Forum Serbia which is expected to be an association of major domestic and international companies representing all economic sectors. The latter will lead the way of networking for CSR in Serbia.

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# NETWORKING FOR CORPORATE SOCIAL RESPONSIBILITY

# an ever growing business precondition

CSR has become a pressing strategic issue for the leaders of large corporations. On one side, globalisation has consent to many NGOs to emerge and to gain power and legitimacy in order to advocate for fair trade, fight any form of workers exploitation, protect consumers and preserve the natural resources. On the other, CEO themselves recognize that networking for CSR can increase company's profits. By reducing the usage of energy and other inputs, companies can promote their commitment to sustainable development as well as reduce costs. Moreover, they are increasingly aware that better working conditions for employees can help reduce turnover and absenteeism. And finally, rating financial institutions are increasingly integrating CSR criteria into investment decisions, satisfying a demand ever more growing for responsible placement.

Companies recognise they cannot act alone to generate solutions and integrate CSR in their daily activities. They are gravitating towards more collaborative and engaged relationships because they realize that to deal effectively with corporate social responsibility issue, the support of their stakeholders is essential. Therefore, the growing demand of multi-lateral cooperation for CSR around the world has brought the development of intermediary organisations which creatively combine the resources of government, the market knowledge of corporations and the social connection of Civil Society Organisations.

These intermediary organisations are generally established as business networks running their own website, offering news, surveys and create outstanding cross-sector partnerships with positive effects on the community. They operate as honest brokers facilitating dialogue between business, government and civil society. Such networks are usually directed by a governing committee consisting of a group of leader companies and other stakeholders. Several small

network administrators in developed countries are primarily financed by participants; other administrators in EU candidate countries are often supported by UNDP. This process is central to the creation of partnerships that can reduce the risk, build trust and develop innovative approaches to meeting local consumers demand in a, henceforward, global market economy.

"Corporate social responsibility is a hard-edged business decision.
Not because it is a nice thing to do or because people are forcing us to do it... because it is good for our business"

Niall Fitzerald, Former CEO, Unilever

# BUSINESS NETWORKS IN CENTRAL AND EASTERN EUROPE - part of the economic transition

In transition economies, the conception that companies have a societal contribution is not that recent. Under socialism, the companies maintained social, cultural, sporting, housing, and recreational facilities, and provided hot water and electricity at symbolic rates for local communities, without commercial cost-benefit analysis. Obviously, these activities were in line with the communist ideology of guaranteed welfare and social protection. However, when the market's liberalization began in the 1990s, many companies dissociate themselves from these societal obligations in order to decrease their costs and to ensure their competitiveness in the market economy.

The materialization of CSR in Central and Eastern Europe came from foreign investors seeking to align their daily operations in their new business environment with CSR principles at home. EU integration processes also helped the emergence of CSR, by encouraging local companies to distinguish themselves as progressive and able to compete on the more brand-conscious, consumer-driven—and often more socially aware—single market. Besides, some local NGOs are starting to invite companies to go beyond what is required by law to promote social and environmental goals. And some business leaders see the pursuit of CSR as a way of strengthening popular trust in post-communist companies.

Networking for CSR in new market economies offer therefore a remarkable opportunity for companies disposed to develop and integrate CSR principles, even where government regulations have not yet been modernized, or where the government has not the resources to reform national laws. Post-communist CSR Networks are generally set up by a number of major international companies. Domestic companies are also eager to participate with the network because they want to be viewed, by the government as well as by the population, as a driving force for modernization and development in their country. But above all, because of corruption that emerged inevitability along with the privatization process, citizens may judge private business illegitimate. Businesses are aware of this lack of legitimacy and try to improve the state of affairs by choosing an ethical approach through participation with CSR national coalition.

# BUSINESS LEADER FORUM SERBIA - on the road to European business standards

In Serbia, CSR has been imported simultaneously with market reforms, democratic institutions, and largely driven by private foreign investors which value transparency and healthy relation with stakeholders. In 2006, Serbia entered one of the most relevant global CSR initiatives by establishing the Serbian Working Group for creation of the Standard ISO 26000. The latter was formed in order to design CSR management guidelines as a means of encouraging responsible business practices and, at same time, enhancing companies' competitiveness. On the other hand and unlike the majority of European countries, Serbia is characterized by a lack of institutionalized multi-stakeholder coalition that fosters CSR in a pragmatic and shared approach. Thus, many companies operating in Serbia will have difficulty in the future competing at the national or international level without implementing a CSR strategy adapted to their business environment. Nevertheless and according to several surveys<sup>1</sup> on the topic, there is awareness:

- of the CSR's low level of integration in Serbia and the lack of a National CSR Platform
- of the internal and external benefits generated if CSR is integrated into business activities
- of the necessity of CSR general education and especially education of own managers
- that successful and sustainable CSR depends on the leadership of a company, particularly the CEO
- that cooperation of all stakeholders is necessary to promote and integrate CSR as a permanent practice

Therefore and as stressed by the 2007 Foreign Investment Council's White Book, CSR is indubitably in its infancy in Serbia. However, it is encouraging that each sector recognizes the need to build tighter links and thinks that there is a room for new, strategic and long-term CSR alliance. For this reason, Smart Kolektiv, as a major organisation dealing with CSR in Serbia, pushes forward the frontiers of CSR by laying the foundations of new cooperation opportunities and suggests the creation of the Business Leader Forum Serbia. This is expected to be an association of major domestic and international companies representing all economic sectors in Serbia and aims to develop a CSR methodology of increasingly complex issues and to resolve them in ways that meet stakeholder expectations, benefit the company, and generate pioneering values-based relationships.

1 CSR in Serbia, attitudes of the general public, profit and public sector leaders in Serbia towards the concept of Corporate Social Responsibility, RBI Serbia, 5mart Kolektiv, 2005 / Business Perspective about Corporate Social Responsibility, Attitudes and practices in Serbia and Montenegro DevComm, World Bank, CESSR IFC, October 2006

Institutionalization of CSR	year
Business in the Community (BITC)	1983/4
SustainAbility	1987
The Prince of Wales International Business Leaders Forum (IBLF)	1990
World Business Council for Sustainable Development (WBCSD) and Business for Social Responsibility (BSR)	1992
CSR Europe	1995
ISO 14000	1996
SA 8000, Ethical Trading Initiative (ETI), Global Reporting Initiative (GRI)	1997
Great Britain Government - Minister for CSR inaugurated	1998
UN Global Compact	2000
World Economic Forum – Global Corporate Citizenship Initiative (GCCI)	2001
European Multi-Stakeholder Forum on Corporate Social Responsibility	2002
Development of ISO 26000 guidelines for social responsibility (SR) is expected to be released in 2009	

# **CSR EUROPE**

CSR Europe began as the European Business Network for Social Cohesion and was founded as a result of the European Declaration of businesses against social exclusion, approved by a group of European business managers in the presence of President Jacques Delors and European Commissioner Pýdraig Flynn in January 1996

A manifesto that laid the groundwork for the foundation was officially signed at a conference in London on 11 and 12 May 1995. It was a voluntary initiative taken by the corporate sector to look for ways to enhance their social responsibility and one of the ways decided upon was the creation of a European network - the European Business Network for Social Cohesion.

Since then the manifesto has been used by a range of large companies and national business organisations, and by government as a point of departure for business involvement on social cohesion.

CSR Europe is a non-profit organisation that promotes corporate social responsibility. Mission of CSR Europe is to help companies achieve profitability, sustainable growth and human progress by placing corporate social responsibility in the mainstream of business practice.

#### What is CSR Europe?

CSR Europe is a European business network of CSR professionals based upon the sharing of CSR solutions and shaping the modern day business and political agenda on sustainability and competitiveness.

- Consists of over 60 leading multinationals
- Reaches out to a further 1400 companies through 18 National Partner Organisations
- Began as an initiative in 1995 by the European Commission President Jacques Delors and Senior European Business Leaders

#### **How does CSR Europe engage companies?**

- CSR Europe has launched a European Roadmap for a sustainable and competitive enterprise. This Roadmap serves as a set of goals and strategies to integrate corporate responsibility in daily business practices. The European Roadmap for Businesses includes key points on: integrating CSR across business functions, respect for human rights, developing employees, preserving the environment, engaging with stakeholders.
- The Roadmap is actively supported by CSR Europe's senior business leaders

• The Roadmap acts as a business appeal towards the European Institutions and the wider stakeholder community

By sharing experience and enhancing the capacity of current and future managers, CSR Europe member companies are committed to promote the following principles as part of achieving business success:

- Conduct business responsibly by contributing to the economic health and sustainable development of the communities in which we operate.
- Offer employees healthy and safe working conditions, ensure fair compensation, good communication as well as equal opportunity for employment and development.
- Offer quality, safe products and services at competitive prices, meet customers' needs promptly and accurately and work responsibly with our business partners.
- Minimise the negative impacts that activities can have on the environment and its resources, while striving to provide customers with products and services that take sustainable consumption into account.
- Be accountable to key stakeholders through dialogue and transparency regarding the economic, social and environmental impacts of our business activities.
- Operate a good governance structure and upholds the highest standards in business ethics.
- Provide a fair return to our shareholders while fulfilling the above principles.

CSR Europe is responding to European heads of state and government who, at the Lisbon summit 2000, set the goal of making "Europe the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth, with more and better jobs and greater social cohesion" by 2010.

#### **CSR Europe objectives**

- To help companies integrate CSR into the way they do business everyday.
- To offer business managers learning, benchmarking, and capacity building opportunities.
- To energise a broader stakeholder dialogue between businesses, European policy makers, governments,

investors, social partners, civil society and academics. What services does CSR Europe offer?

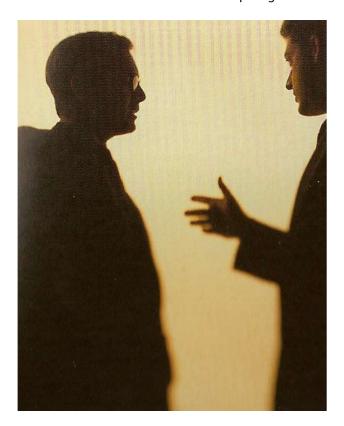
CSR Europe has a practical approach towards servicing its members. It offers:

- Helpdesk services: daily practical assistance and information on demand in addition to more in depth-services
- Business exchanges and seminars: confidential B2B setting in order to exchange practical solutions on issues such as diversity
- exchange practical solutions on issues such as diversity and employability
- Information services: access to over 250 company CSR best practices online
- and biweekly newsletters on the latest CSR and EU related news
- Engaging with stakeholders: practical and high level services for members

with the European institutions and leading stakeholders

Through 60 plus company members and 18 national partner organisations, CSR Europe has become the major European reference point on corporate social responsibility strategies and practices for companies. Through national partner organisations, they reach out to more than 1400 companies around Europe.

For more information visit: www.csreurope.org



# BUSINESS IN THE COMMUNITY (BITC)

"Over 300 Chief Executives told us that it is the need to be constantly innovative, to attract and retain diverse talent and constantly manage the challenge of reputation risk that shapes business leadership", commented Julia Cleverdon, Chief Executive of the UK NGO Business in the Community on the occasion of its 20<sup>th</sup> birthday.

Founded in 1982, Business in the Community is a unique movement of companies committed to integrating responsible business practice throughout their operations, and through collaborative action to tackle disadvantage. Part of this commitment is to inspire, innovate and lead by sharing learning and experience through the various campaigns, processes and events which BiTC has developed in the 20 years.

With a corporate membership of more than 750 prominent companies, including 80 of the FTSE Top 100, BiTC offers a range of services through the innovative campaigns which it develops in collaboration with its member companies, among which are:

- Business in Education which seeks to help raise standards in educational attainment and in the organisational management of schools in the UK;
- Business in the Environment which provides a comprehensive benchmarking service to companies enabling them to measure and improve their environmental impact and performance;
- Cause Related Marketing, which associates revenues from products and services with good causes;
- Business Action on Homelessness, with the support of over 100 member companies, seeking to help reduce homelessness and to improve employability chances for people affected;
- Diversity, encouraging business to improve its performance in the recruitment and promotion of both women and people from black and ethnic minorities;
- Regeneration, working in partnership with other community stakeholders to rebuild communities affected by recession and loss of traditional industry, in both the urban and rural contexts.
- Health and Wellbeing, a new campaign focussed on work-related health and work-life balance issues.
- Community Investment, bringing the skills and time

of employees to community need through volunteering, mentoring, team projects and the application of professional skills.

Critical to all these processes is the leadership which Directors of BiTC member companies give in not only demonstrating their commitment but in leading company action by personal example.

The chain of events begins with **Seeing is Believing**, a programme initiated by HRH The Prince of Wales, the President of Business in The Community.

Led by a senior company director, Seeing is Believing participants give a day of their time to visit community projects and schools where other companies have already been active. They are then challenged to identify issues of social and environmental need which it would be appropriate for their own company to be involved in, to secure the commitment of the company as a whole, and to ensure that resources are put in place to support programmes as they develop.

In addition to encouraging Directors' personal involvement in the community, BiTC offers the opportunity to belong to one of the Leadership Teams which provide strategic guidance and support to each of the above mentioned campaigns. It is not unusual for companies to identify campaigns which have a relevance to their business, and where they can encourage other companies in their industry to take up membership.

A major programme run by Business in The Community over the last four years, which demonstrates how business leaders can personally get involved and set the example to their staff, is Partners in Leadership. The programme brings together business leaders and Head teachers to work together on issues of management and self-development.

Since the start of the programme, over 3000 schools and 800 businesses have been involved, with more than 2500 sets of partners active.

A new Leadership team has been created by BiTC. It encourages its member companies who have substantial operations in continental Europe to develop their programmes of active community investment across the Union, in ways which are suited to local cultural contexts, but at the same time focus employee skills and resources on community need. The Campaign is called Engage in Europe and the Leadership Team includes senior executives from IBM, GE, Freshfields, Allen and Overy, Linklaters, Serco, and Westpac Bank.

The Leadership Team is chaired by Francesco Vanni d'Archirafi, Chairman and CEO of Citigroup Global Transaction Servcies EMEA and Mike Wareing, Global CEO of KPMG.

For further information: www.bitc.org.uk

# THE INTERNATIONAL BUSINESS LEADERS FORUM (IBLF)

IBLF is a not-for-profit organisation established in 1990 to promote responsible business practices that benefit business and society and that contribute to sustainable development. With a membership of over 80 member companies from around the world, the focus of IBLF work is primarily, although not exclusively, in developing and transitional countries.

#### The IBLF:

- Promotes values-based leadership amongst the business community to improve responsible business practices in all aspects of a company's operations.
- Works with public and private organisations to develop cross-sector partnerships between governments and NGOs to stimulate collective action on social, economic and environmental issues.
- Provides practical assistance to company managers to implement responsible business practices throughout their operations.

The IBLF helps companies define and build a leadership role in responsible business practice by providing solutions, research and analysis on approaches and trends, contributing to policy dialogues and pioneering new approaches to changing business and development agendas.

Over 12 years the IBLF has developed innovative crosssector partnerships between businesses, international agencies and government. The IBLF helped to develop and establish international initiatives such as the Global Compact. It works with intergovernmental and aid agencies and international and national NGOs to provide a network of partner organisations with shared visions and goals.

The IBLF has established new institutions around the world with an understanding of the specific challenges of particular regions. It has trained affiliates, partner NGOs, multilateral agencies and operational mangers from business to develop the knowledge, skills and experience needed to work together.

For more information: www.iblf.org

## **GLOBAL COMPACT**

In an address to the World Economic Forum on 31 January 1999, United Nation Secretary-General Kofi Annan challenged business leaders to join an international initiative – the Global Compact – that would bring companies together with UN agencies, labour and civil society to support universal environmental and social principles. The Global Compact's operational phase was launched at UN Headquarters in New York on 26 July 2000. Today, many hundreds of companies from all regions of the world, international labour and civil society organizations are engaged in the Global Compact, working to advance ten universal principles in the areas of human rights, labour, the environment and anti-corruption. The Global Compact is a direct initiative of the Secretary-General.

Through the power of collective action, the Global Compact seeks to promote responsible corporate citizenship so that business can be part of the solution to the challenges of globalization. In this way, the private sector – in partnership with other social actors – can help realize the Secretary-General's vision: a more sustainable and inclusive global economy.

The Global Compact is a purely voluntary initiative with two objectives:

- Mainstream the ten principles in business activities around the world
- Catalyse actions in support of UN goals

To achieve these objectives, the Global Compact offers facilitation and engagement through several mechanisms: Policy Dialogues, Learning, Country/Regional Networks, and Projects.

The Global Compact is not a regulatory instrument – it does not "police", enforce or measure the behavior

or actions of companies. Rather, the Global Compact relies on public accountability, transparency and the enlightened self-interest of companies, labour and civil society to initiate and share substantive action in pursuing the principles upon which the Global Compact is based.

The Global Compact involves all the relevant social actors: governments, who defined the principles on which the initiative is based; companies, whose actions it seeks to influence; labour, in whose hands the concrete process of global production takes place; civil society organizations, representing the wider community of stakeholders; and The United Nations, the world's only truly global political forum, as an authoritative convener and facilitator.

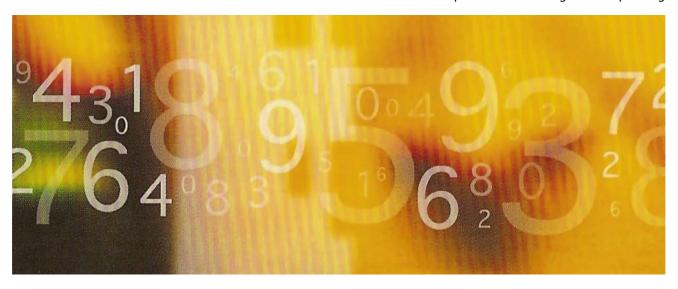
The Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment, and anti-corruption.

There are numerous benefits to participating in the Global Compact.

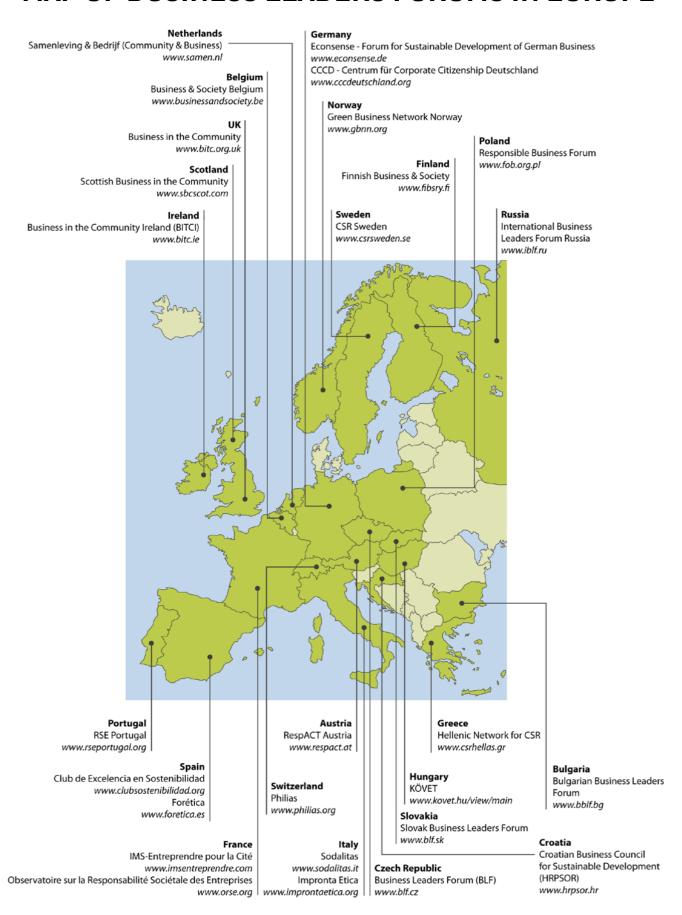
These include:

- Demonstrating leadership by advancing responsible corporate citizenship.
- Producing practical solutions to contemporary problems related to globalisation, sustainable development and corporate responsibility in a multi-stakeholder context.
- Managing risks by taking a proactive stance on critical issues.
- Leveraging the UN's global reach and convening power with governments, business, civil society and other stakeholders.
- Sharing good practices and learning.
- Accessing the UN's broad knowledge in development issues.
- Improving corporate/brand management, employee morale and productivity, and operational efficiencies.

adapted from www.unglobalcompact.org



## MAP OF BUSINESS LEADERS FORUMS IN EUROPE



#### BUSINESS NETWORKS FOR CSR THROUGHOUT THE GLOBE

#### **GREECE**

#### Name of the platform and year of creation:

The Hellenic Network for Corporate Social Responsibility (HNCSR), 2000

#### **Portrait:**

The Network of companies aims to disseminate the value of CSR in order to minimise the businesses' negative effects on the environment, create healthy and safe working conditions for employees, guarantee them equal development opportunities and ensure shareholders responsible investment opportunities.

#### **Activities:**

**Information:** website, newsletter, conferences, debates

**Advice and Training:** implementation of CSR strategies

**CSR tools:** benchmarking and evaluation opportunities

**Promotional opportunities**: Media recognition **Creation of Synergies**: partnerships with relevant stakeholders

#### **Members:**

**85 companies among which:** BP Hellas, British American Tobacco Hellas, Coca-Cola HBC, DHL International Hellas, EFG Eurobank Ergasias, GlaxoSmithKline Pharmaceuticals, Johnson & Johnson, Laiki Bank, Microsoft, Novartis, Procter & Gamble, PricewaterhouseCoopers, Shell, IBM, Nestle

#### **Global Network affiliation:**

**CSR Europe** 

#### **AUSTRIA**

#### Name of the platform and year of creation:

respACT austria, 2005

#### **Portrait:**

A platform created for companies which promotes social responsibility in businesses. The platform aims the implementation of sustainable practices, Corporate Social Responsibility (CSR) and business ethics. It gives companies the opportunity to exchange ideas amongst each other and to collectively speak out about common aspirations.

#### **Activities:**

**Communication and marketing:** dialogue among companies and CSR promotion to a broad public

**Exchange of experiences:** exchange of know-how among companies and national and international networks

**Know how transfer and training:** implementation of CSR strategy with the support of dedicated stakeholders

#### **Members:**

**83** companies among which: H&M Hennes&Mauritz, IBM, McDonald's, Microsoft, Pfizer Corporation Austria, Philips Austria, Alcatel Austria AG, Ernst and Young, Erste Bank der Österr. Sparkassen, General Motors Austria, Generali Holding Vienna, Lafarge Perlmooser, Novartis Austria, Raiffeisen Holding, Roche, Shell

#### **Global Network affiliation:**

**CSR Europe** 

#### **ITALY**

#### Name of the platform and year of creation:

Sodalitas, 1995

#### **Portrait:**

Intermediary organisation which aims to act as a bridge between responsible business and civil society by promoting a culture of corporate responsibility, sustainable development and social cohesion; and by fostering partnerships between companies and NGOs in addressing community problems.

#### Activities:

**Resource centre:** Monitoring and researching new CSR developments, publishing a monthly newsletter and providing databases of best practices.

**Benchmarking:** groups (grant making corporate foundations, CSR governance and management systems)

**Sodalitas Social Award prizes 6 categories:** internal processes, partnerships, cause-related marketing, socially responsible finance, SMEs, sustainable innovation in products/services

**Providing tailored assistance** to the needs of each company in mainstreaming CSR in the following issues: codes of conduct, accountability and reporting, employee community involvement,

partnerships with stakeholders

#### **Members:**

**64 companies among which:** ABB, Alcatel, BNL, Citigroup, Cocal HBC, Deutsche Bank, Enel, IBM Italia Foundation, Johnson & Johnson Foundation, Henkel, Holcim, Banca Intesa, KPMG, L'Oréal, Manpower, Nestlé, Novartis, Philips, Randstad, Roche, Siemens, Telecom Italia, Unicredit Group, Unilever

#### **Global Network affiliation:**

**CSR** Europe

#### **GERMANY**

#### Name of the platform and year of creation:

econsense – Forum for Sustainable Development of German Business, 2000

#### **Portrait:**

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

#### **Activities:**

**Expanding expertise:** allowing members to engage in external dialogue and also to actively exchange know-how.

**Discussing solutions:** discussing specific CSR and sustainability issues with experts and the general public in workshops.

"Good practice": documenting numerous examples of good practice on CSR implemented by members.

**Nurturing partnerships:** creating synergy effects by co-operating closely with our national and international partners

**"in Dialogue":** conferences and meetings on ongoing topics.

#### **Members:**

**23 companies among which:** Allianz, BASF, Bayer, BMW, Bosch, DaimlerChrysler, Deutsche Bank, Deutsche Telekom, Lufthansa, HeidelbergCement, Siemens, Tetra Pak, ThyssenKrupp, Volkswagen,

#### **Global Network affiliation:**

**CSR Europe** 

#### **FRANCE**

#### Name of the platform and year of creation:

IMS-Entreprendre pour la Cité, 1986

#### **Portrait:**

The Network encourages and helps companies implement societal practices which create value for the communities in which they operate and contribute to better social equity, as part of Corporate Social Responsibility policies.

#### **Activities:**

**Corporate Citizenship:** partnerships with NGOs, corporate volunteering, cause-related marketing, awareness-raising campaigns and setting up of a foundation

**Diversity and inclusiveness in the workplace:** diversity audit, interactive training units, tools to raise awareness on diversity issues and practices

**Development of disadvantaged urban areas:** increasing companies' involvement in the placement of excluded people and supporting entrepreneurship.

**Societal innovation:** identifying and anticipating emerging societal issues.

#### Members:

**130 companies among which:** Adecco France, Air France, Axa, BNP Paribas, Carrefour, Coca-Cola France, Crédit Agricole Centre Est, Danone, Deloitte France, Ernst & Young, France Télécom, GlaxoSmithKline, HSBC, IBM, Ikea, L'Oréal, Lafarge, Manpower, McDonald's, Microsoft, Nestlé, Nokia, Novartis, Orange, Philip Morris France S.A, Procter & Gamble, PSA Peugeot Citroën, Sodexho Alliance, Société Générale, Total, Unilever

#### Global Network affiliation:

CSR Europe / Business in the Community

#### RUSSIA

#### Name of the platform and year of creation:

The Russia Partnership for Responsible Business Practices, 2004.

#### Portrait:

The Russia Partnership provide a range of practical programmes to engage the business community and put corporate social responsibility into practice. Its mission is to promote ethical and responsible business practices for sustainable social and

economic development for Russian society by initiating partnering project beneficial for both business, and society.

#### **Activities:**

**Consultancy and Advice:** advice on corporate social strategy and process using a combination of advisors from London's headquarters and local experts.

**Projects:** designing and implementing successful projects to the mutual benefit of the participating companies, their stakeholders and society.

**Training and capacity-building:** providing inhouse training for corporate public or community affairs executives and NGO managers on social project design and management.

**Informing the public:** spreading corporate social responsibility on the agenda of the media, government, and businesses.

#### **Members:**

Alfa-Bank, Johnson & Johnson, Interros, Nestle, Philips, TNK-BP, UralSib, Unilever, Coca-Cola, KPMG, GlaxoSmithKline, KPMG, PriceWaterhouseCoopers, Visa, Cisco, Ernst & Young, Baker & McKenzie, Rusal

#### **Global Network affiliation:**

The Prince of Wales International Business Leaders Forum

#### UNITED STATES OF AMERICA

#### Name of the platform and year of creation:

Business for Social Responsibility (BSR), 1992

#### **Portrait:**

Organization that helps member companies achieve commercial success in ways that respect for ethical values, people, communities and the environment by providing tools, training and custom advisory services. BSR equips its member companies with the expertise to design, implement and evaluate successful, socially responsible business practices.

#### **Activities:**

**CSR Reporting:** determining companies approach to reporting in areas such as frequency and scope (geographic, supply chain...)

**Implementation:** developing policies and practices to address issues such as Human Rights, environment and economic development.

**Stakeholder Engagement:** mapping and prioritizing key stakeholders, their relevance to the company, and their relationship to priority CSR issues.

**Supply Chain Management:** establishing implementation approaches that address labor, environmental, transparency and other issues in their global supply chains.

#### **Members:**

**89 companies among which:** Cisco Systems, Coca-Cola, Deloitte & Touch, Exxon Mobil, Ford Motor, GlaxoSmithKline, H&M Hennes & Mauritz, Hewlett-Packard Company, IBM, Johnson & Johnson, Levi Strauss & Co., Mattel, McDonald's, Microsoft, Nike, Pfizer, Procter & Gamble, Reebok, Shell, Sony, Starbucks Coffee, Wal-Mart

#### Global Network affiliation:

**UN Global Compact** 

#### LATIN AMERICA

#### Name of the platform and year of creation:

EMpresa Privada y Responsabilidad Social en las Américas, 1997

#### **Portrait:**

EMPRESA is a coalition of business organizations whose mission is to strengthen and establish national and regional business organizations committed to social responsibility in Latin America by promoting information exchange, collaboration, education,

networking and partnerships among these groups, their members and other sectors.

#### **Activities:**

**Establishing new business networks** throughout South America

**Gathering and sharing information** about leadership business practices, promoting the exchange of research findings

**Training** the staff of member organizations and identifying and recruiting speakers for national and international meetings of business leaders.

**Sponsoring** conferences on corporate social responsibility in the Americas

#### **Members:**

Argentina: Fundación del Tucumán, Bolivia: COBORSE, Brasil: Instituto ETHOS, Canadá: CBSR, Chile: Acción RSE, Colombia: CCRE, Costa Rica: AED, Ecuador: CERES, El Salvador: FUNDEMAS, USA: BSR, Guatemala: CentraRSE, Honduras: FUNDAHRSE, México: CEMEFI, Nicaragua: uniRSE, Panamá: Integrarse, Paraguay: ADEC, Perú: Perú 2021, Puerto Rico: conectaRSE, Uruguay: DERES, Venezuela: CEDICE

Global Network affiliation: None

#### **ASIA PACIFIC REGION**

#### Name of the platform and year of creation:

Association for Sustainable & Responsible Investment in Asia (ASrIA), 2001

#### **Portrait:**

ASrIA is an association dedicated to promoting corporate responsibility and sustainable investment practice in the Asia Pacific region. ASrIA's members include investment institutions and any organisations which have an interest in sustainable investment. The platform of different sectors aims to build market capacity for SRI within the community, exchange information and perspectives on SRI, and to take practice forward.

#### **Activities:**

**Information Resource:** providing information on SRI funds in the region and globally, looking out for trends especially relevant to Asia.

**Conferences, Seminars and Forums:** debating on SRI within the region, raising awareness and facilitating discourse and networking on SRI issues.

**Training Services:** developing comprehensive and leading-edge training modules

Web-based Services

#### Members:

**57 companies among which:** Bank Sarasin & Co. Ltd, BASF East Asia Regional Headquarters, Citigroup, Credit Suisse Group, Deloitte & Touch, Deutsche Asset Management (Asia), Hermes & Hermes Co., Hewlett Packard, HSBC Investments, PricewaterhouseCoopers, Zurich Insurance Group (Hong Kong),

**Global Network affiliation:** None

#### **AFRICA**

#### Name of the platform and year of creation:

Business Action for Africa, 2005

#### Portrait:

International network of businesses and business organisations from Africa and elsewhere, coming together to positively influence policies needed for growth and poverty reduction, to promote more balanced view of Africa, to develop and showcase good business practice.

#### **Activities:**

**Governance & transparency:** strengthening the capacity of the public and private sectors to tackle corruption.

**Trade:** campaigning for a more favourable trade regime for Africa.

**The climate for business** working to generate an environment with the right conditions to attract sustainable investment.

**Enterprise & employment** exploring the possibilities for an economic growth that will lift millions out of poverty

**Human development** taking forward specific actions to complement existing initiatives, including in the area of HIV and capacity building in the health sector.

**Perceptions of Africa:** exploring how the complex challenges, risks, opportunities and diversity of Africa can be communicated through more balanced reporting

#### **Members:**

**150 companies among which:** Anglo American, British American Tobacco, De Beers, Diageo, Merck & Co, Royal Dutch Shell, SABMiller, Unilever and Visa International, BP, Cisco Systems, Citigroup, Deloitte, GlaxoSmithKline, KPMG, Microsoft.

#### **Global Network affiliation:**

The Prince of Wales International Business Leaders Forum

# THE BUSINESS LEADERS FORUM IN SLOVAKIA

Corporate social responsibility is an approach to management whose objective is to secure economic growth of the country with respect to the idea of sustainable development

The Business Leaders Forum (BLF) Slovakia is an informal association of companies established in April 2004. Its members have agreed to be leaders in promoting the principles of corporate social responsibility in Slovakia. The establishment of the Business Leaders Forum in Slovakia gave birth to a new partner for international institutions in the European and transatlantic dialog on the topic. In its initial phases, the BLF was supported by 11 companies and the Pontis Foundation, which serves as the association's administrator

#### Positive changes in four key areas

Based on its own experience and research, the Business Leaders Forum Slovakia has identified four priority areas of interest in the upcoming process of changing the social climate with regard to issues of corporate responsibility. Our vision is a society that pays attention to values of fair business conduct and is able to recognise companies that perform above their obligations. It is for this reason that we will pay extensive attention to four topic areas in which evolution is necessary for further positive development in the perception of CSR by Slovak companies:

- 1. The role of media in the process of change in corporate behaviour
- 2. Corporate volunteer work as an opportunity for the company, individual, and community
- 3. Co-operation between the corporate and nongovernmental sectors
- 4. Annual reports on CSR and sustainable development

# Principles of the business leaders forum

Member companies and their executives are obliged:
- To integrate a collection of principles of social, ethical,

and environmental aspects of business conduct in the life of their companies,,

- To build a relationship with its employees, customers, business partners, and others based on these procedures,
- To inspire other companies doing business marketing Slovakia to socially responsible business conduct,
- To maintain its leadership position in the area of corporate social responsibility,
- To cooperate with organisations that bring together companies on the national and international level and to engage in a dialog about benefits arising from socially responsible business conduct.

Mission of BLF Slovakia is to improve general awareness and to provide the knowledge and motivation necessary for companies in the Slovak market to act according to the fundamental principles of corporate social responsibility

#### **Members:**

- ♦ Citibank Slovakia
- ♦ DELL
- ♦ DaimlerChrysler Automotive Slovakia
- ♦ Hewlett-Packard Slovakia
- ♦ Orange Slovensko
- ♦ Pfizer Luxembourg
- ♦ Philip Morris Slovakia
- ♦ Provident Financial
- ♦ Skanska SK
- ♦ Slovak Telekom
- ♦ Tesco Stores SR
- **◊ T-Mobile Slovensko**
- ♦ U. S. Steel Košice
- ◊ Všeobecná úverová banka
- ◊ Východoslovenská energetika
- ◊ Západoslovenská energetika

### Via Bona Slovakia Award

The award (since 1998) honors outstanding examples of corporate citizenship of Slovak entrepreneurs and companies. The Via Bona Slovakia project expresses appreciation of corporate philanthropy and provides public recognition to business people who are reliable corporate citizens. This award also provides an opportunity to share various corporate responsibility strategies and efforts of leading companies.

The sixth Via Bona Slovakia was presented in 2006 in six categories:

♦ Main Award for Large Corporations

♦ Main Award for SMEs

- ♦ Award for Long-Term Partnership
- ♦ Award for Support of Public-Benefit Activities in a Region
- ♦ Award for Courage to Support Innovative Projects
- ♦ Honorable Mention for Media Contribution

Via Bona corporate presents citizenship award to Slovak firms that have supported public benefit activities in communities in which they operate. Even though corporate philanthropy might sometimes be understood as any support to the non-profit sector and individuals from the business sphere, regardless of what form this takes, the Via Bona Award searches for examples of cooperation where partnership with a non-profit organization was the main driving force. One of the main criteria the selection committee uses is whether a company thinks of its giving strategically, i.e. whether its business interests match its philanthropy interests and giving is understood as a form of the company's commitment to the community and investment in its future.

In 2003 the Via Bona award was presented for the third time. The award itself has undergone many changes reflecting the progress made in the sphere of corporate giving. Multinational investing in Slovakia companies brought with them the philosophy of social responsibility from their mother countries. For these companies, values such as corporate citizenship, social investment, social venture ethics and transparency in business are part and parcel of their corporate culture and identity. Many of them have their own codes of ethics embodying the values which they espouse. They give support for a wide range of goals – for example, US Steel Košice provides comprehensive assistance to the development of the City of Košice and the region of Eastern Slovakia, from health service, through culture, sports, and education, to support for talented young people. Citibank Slovakia, the principal sponsor of the Via Bona Award in Slovakia and one of the prominent and long-time promoters of the idea of corporate citizenship, has strategically defined areas of support, such as stakeholder engagement, supporting community projects and financial education.



# PHILIAS NETWORK SWITZERLAND

The first Corporate Citizenship network was launched by Bettina Ferdman in April 2000 in Geneva. Called "Philias" Foundation from the Greek word meaning solidarity, the network consists of 22 companies who are convinced that profits and social responsibility go hand in hand. The Network is headed by Philippe Nordmann, President of Maus Frères (a holding company of Manor SA, a Philias member)

Philias encourages and supports companies in developing and raising awareness of their social responsibility. The Foundation employs 8 collaborators who advise companies that want to adopt the principles of sustainable development. Philias is involved in both one-off projects and long-term cooperative ventures with an active network of companies that employ together more than 50'000 employees in Switzerland. Moreover, Philias is also member of CSR Europe. The following activities are provided to its members:

Raising awareness of CSR in Switzerland

**Philias CSR Award** – raising awareness among the next generation of managers. The award is organized in partnership with Swiss Universities and rewards students of business administration for research in the field of CSR.

Awareness raising events – Philias raises awareness on specific topics: organizing a major event on the professional integration of disabled people and "Humagora", the first marketplace on corporate philanthropy in Switzerland. (see below).

Providing consulting services

Community investment – Donation programmes: identifying strategies to support local communities, charities and their target audience, be it through financial support, in-kind donations or the employees' competences (corporate volunteering).

**Stakeholder dialogue** – providing tools to strengthen dialogue with all the company's stakeholders: employees, shareholders, suppliers and NGOs.

**CSR training** – trainings to raise awareness of CSR among staff and tailored-made trainings for managers.

**Research and Market Studies** – benchmarking with CSR policies implemented in similar sectors, market studies and thematic research on social issues, and internal assessments to measure the consistency of CSR actions

## Philias encourages cross-sector partnerships:

The Humagora conference brings firms and associations together in order to explore new forms of partnerships and discuss the issue of social responsibility. Organized by the Philias Foundation and sponsored by the Swiss Bank Lombard Odier Darier Hentsch, the conference focuses on corporate philanthropy and, using interactive exhibitions, discussions, and meetings, puts forward various ways in which the private sector can work with social, humanitarian, and environmental associations.

During the event, Lombard Odier Darier Hentsch underscored its commitment in this area by providing details of some concrete measures in the area of social responsibility and by presenting an award to the association with the most innovative partnership project. The winner of this Humagora award is chosen by the public, and the first-ever winner selected was the Make-A-Wish Foundation, an organization that makes dreams come true for severely ill children by means of partnerships with companies.

As part of this prize, Lombard Odier Darier Hentsch offers the winning association the services of its employees in order to help develop the project chosen.

#### Some of Philias members:

Holcim, Microsoft, Orange, KPMG, Nestle, Manpower, Novartis, BCV, Firmenich, Synegenta

# BULGARIAN BUSINESS LEADERS FORUM

The Bulgarian Business Leaders Forum is the business association in Bulgaria promoting the values of corporate social responsibility (CSR).

Less than ten years ago, CSR was unknown as a term in Bulgaria. It was in 1998 when 12 multinational companies and NGOs, inspired by the dream of business ethics, created the Bulgarian Business Leaders Forum.

They promised the Prince of Wales and his team at the International Business Leaders Forum (IBLF) they would put ethics in the spotlight and would spread the word about transparent profits and long-term vision and sustainability.

Now, BBLF has over 160 members - both Bulgarian and international companies. The BBLF Business Ethics Standard has been accepted by over 500 companies, and the Anti-Corruption and Education statements of the Forum have found their right place on the agendas of politicians, businesses and civic society.

It is BBLF's utmost goal to:

- Promote socially responsible business practices that benefit business and society;
- Develop projects and programmes to show how business, government and civil society work together and can successfully tackle a wide range of local issues;
- Help leverage resources to bring partnership projects to scale and maximise impact;
- Share ideas, information and experience of socially responsible business practice and partnership action at local and international levels to encourage replication;
- Build leadership and management skills in these areas.

#### **BBLF Founding Members**

AIG Bulgaria
Fujitsu Services (former ICL Bulgaria)
GlaxoSmithKline
Honeywell Bulgaria
KPMG Bulgaria
National Partnership Forum
Oresa Ventures Bulgaria

Oriflame Bulgaria
PricewaterhouseCoopers
Sheraton Sofia Hotel Balkan
Unimasters Logistics
Union of Bulgarian Foundations & Associations (UBFA)

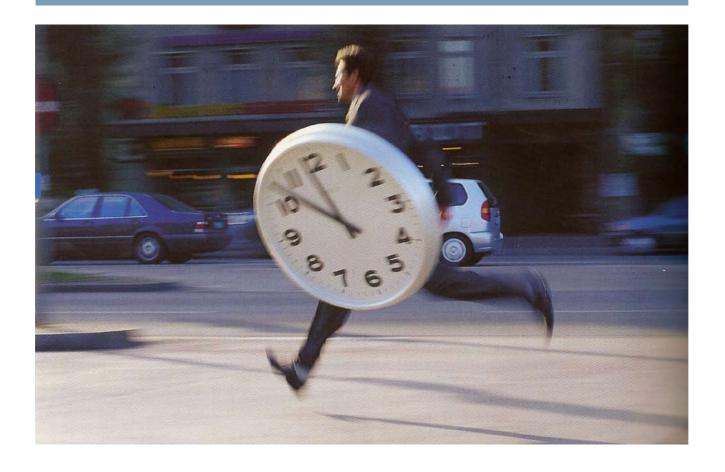
#### **BUSINESS HOUR**

With the beginning of the new school year in September, the Bulgarian Business Leaders Forum is launching its new initiative "Business hour". It is a part from the ENGAGE campaign of the International Business Leaders Forum of the Prince of Wales, which main aim is to increase the extent and quality of our member companies employees' involvement in the development of the sustainable community.

The project is called "Business hour" and its main objective is to meet the employees of BBLF membership companies with the students from the professional high schools, in order to provide them with information on the latest development of each business sector and quality advice on their future development. In a course of lectures the business professionals will share their expertise from day-to-day business and their own personal success stories. During the "business hours" the students shall be acquainted with the basic standards of business ethics, ways of conducting transparent business, with the general types of companies and NGOs, the basic requirements of the labor legislation, with the appropriate duties and behavior of a proper, correct businessman and taxpayer. We consider this a very gainful investment in the future of our young generation and we would like to ask for your support and active participation in its implementation.

# Now, it's time for Serbia to create business leaders network for CSR

For more info http://www.smartkolektiv.org/cms/item/csr/sr/Aktivnosti/BLF+Serbia.html



# www.smartkolektiv.org





U.S. Embassy, Serbia and Montenegro Democracy Commission Small Grants Program





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