



Outcomes of CSR Workshops held in July 2010 in China: **Overview**

Purpose and nature of this article

4 worskshops focused on CSR:

S39a- Responsible management of executives:

S39b- Corporate social responsibility: a way for a better dialogue between China and Europe:

S39c-Companies ecological responsibility: for an environmental friendly industry & policy;

International regulations applicable to multinational companies.

Their outputs are available Outputs have also been included in thematic groups results. Consult the following groups:

- New Models of Economy and Corporate Social Responsibility
- Technology Science, and Responsibility toward the Society
- Law and Justice

The speech delivered at the plenary session by Michel Doucin, French Ambassador for CSR and Bioethics and Yang Peng and the minutes prepared by provide Michel Doucin additional insights.

To complement these documents, the article hereunder identifies common views and topics expressed and identified in the different **CSR** Workshops.

I wrote it. Please note that I did not attend the workshops. This brings an external view on the workshops, but

may also induce misunderstandings: Would this occur, please let me know. I welcome all comments too.

Conclusions

It is striking that though focussing on various topics, the four workshops expressed similar views on a number of topics: these topics are listed hereunder.

Analysing the aspects detailed hereafter, it is also worth noting that while public policies and stakeholder participation seem to be clearly established management aspects. processes and measurement and assessment seem more prospective aspects, for which more research and discussion remain to be undertaken to develop new paradigms.

Business and the merchant society question traditional values - CSR can contribute to bring answers

S39a recommends focusing on the 'transformation of spiritual and cultural aspects' in the company and reminds that we should 'distinguish between different types of companies bearing different values'. S39b stresses that 'the merchant society' is weakening the values of all societies'. S39c points out our 'material consumerism' and its impacts: over-packaging... T44c calls for 'rethinking value systems' and puts it that CSR 'challenges the balance between financial and extra-financial corporate performances'.

For S39b, CSR is a way for companies contribute to sustainable to development. T44c points that CSR is a 'process redesigning economy in line sustainable development with challenges'. S39b adds that in China, poverty alleviation is 'part of social

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obligations'. However, CSR should be regulated by governments to 'ensure a balance between individual private interest and the interests of the society and of stakeholders different models'.

Actors and processes of change

Public policy, including law and taxes

All workshops agreed on the need for strong public policies including various types of tools such as 'guidelines, ratings, reporting, procurements with specific provisions' (S39b).

S39a proposes to <u>'enhance the strength</u> <u>of existing regulations, institutions and</u> systems'.

S39b states that 'more and more governments in Europe as well as in China consider they have to push [companies] to do [CSR]'.

T44c says that, due to its increasing role, 'China should become an influent laboratory to elaborate legal CSR tools' and recommends that 'a common EU/Chinese CSR legal framework in respect of Chinese specificities' should be encouraged.

S39c names various original public policies activities: quotas for energy and water consumption at the individual level with the possibility of trading them, environmental indicators to be included in the performance and evaluation management system of governmental officials, environmental taxes.

Building on participation of all stakeholders

S39b believes that we should consider 'stakeholders of companies as partners of the companies helping them to better integrate all their responsibilities'. A broad range of stakeholders should be

involved. such as: 'NGOs, local communities, trade unions, consumers, shareholders, supply chain'. S39b points out that 'some companies, in Europe and China, integrate such concerns in their CSR policies through a modernized and participative management'. recommends 'collective business initiatives of dialogue regarding the supply chain'.

S39c suggests possible innovative practices: 'citizen councils', 'consultation in decision making at different level of governance', 'NGO and entrepreneurs participation in law making'.

Development of innovative management processes and understanding of managers' responsibilities

S39a is wondering how we could build on the <u>'sense of duty of managers'</u>, while T44c proposes to implement the concept of 'sustainable contracts'.

S39c proposes different steps that companies can take for better environmental management: purchase directly from producers, include environmental design at the product's conception stage.

S39a stresses that pushing corporate internal innovation would help implementing the right to education and questions how to build 'a responsible management system'.

At last, S39a wonders: 'How do we encourage the enterprises to be engaged in long term charity activities and fulfil their social responsibilities?'

S39b includes stakeholder management in management processes (see above).

Measure and assess performance

S39a wonders how to assess the value of CSR activities of companies. For

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example, 'should we relate the sum of donations of enterprises to their scale?' It also recommends building 'an effective evaluation system on the social influences of the responsible management'.

S39c recognises that 'developing the capacity of measure sustainability indicators' is a challenge.

T44c stresses the <u>'need to provide</u> companies and stakeholders with legal tools to feed assessment process of extra-financial corporate performances'.

Implement accountability mechanisms

S39a proposes three accountability mechanisms: 'an arbitrary institution similar to the international court' to enforce international labour law; 'an inspection system to prevent faithless citizens to take advantages of the imperfections of the system to get social subsidies illegally'; 'institutions for Chinese employees to claim against [European] employers that have violated the labour law'.

Developing the role of consumerscitizens

S39a wonders 'how do we invoke the sense of duty among the society?', while s39c showcased 'the proactive actions from grassroot consumers'.

Recommended actions

In their speech, Michel Doucin and Yang Peng proposed the following steps:

1. Sino-European CSR annual Forum (business, NGOs, trade unions, academics, governments) focused on practices;

- 2. Sino-European CSR information center organized as a network by universities:
- 3. Set up exchanges and placement program between enterprises managers (including SMEs) of China and Europe in order to share their experiences;
- 4. Organize exchanges of experiences regarding CSR and social enterprise training and education between academic institutions.

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