

CORPORATE SOCIAL RESPONSIBILITY IN THE EU

OLIVIER DE SCHUTTER
EUROPEAN PARLIAMENT

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OUTLINE

‘Regulatory framework for CSR’ - two questions to be clearly distinguished :

1. Improving the accountability of companies by regulations imposing legal obligations
2. Creating a regulatory environment in order to ensure that CSR practices (voluntary initiatives going beyond legal obligations) effectively pay, that the ‘best in the class’ are rewarded

IMPROVING ACCOUNTABILITY

- Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (the “Brussels I” Regulation)
- European Parliament resolution on the Commission Green Paper on Promoting a European framework for Corporate Social Responsibility (COM(2001) 366 – C5-0161/2002 – 2002/2069(COS)) (30 June 2002) : ‘Draws attention to the fact that the 1968 Brussels Convention as consolidated in Regulation 44/2001 enables jurisdiction within the courts of EU Member States for cases against companies registered or domiciled in the EU in respect of damage sustained in third countries; calls on the Commission to compile a study of the application of this extraterritoriality principle by courts in the Member States of the Union; calls on the Member States to incorporate this extraterritoriality principle in legislation’.
- Case C-281/02, *Owusu* [2005] (judgment of 1 March 2005).

A REGULATORY ENVIRONMENT FOR CSR

- **Social and environmental considerations included in public procurement policies of the EU Member States**

Directive 2004/18/EC on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts

- **Rules concerning misleading advertising**

Council Directive 84/450/EEC of 10 September 1984 concerning misleading and comparative advertising, as amended by Directive 97/55/EC of European Parliament and of the Council of 6 October 1997

Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) No 2006/2004 of the European Parliament and of the Council ('Unfair Commercial Practices Directive')

BEYOND CURRENT ACHIEVEMENTS

1. Social and environmental reporting

Directive 2006/46/ of 14 June 2006 amending Council Directives 78/660/EEC on the annual accounts of certain types of companies, 83/349/EEC on consolidated accounts, 86/635/EEC on the annual accounts and consolidated accounts of banks and other financial institutions and 91/674/EEC on the annual accounts and consolidated accounts of insurance undertakings

2. Social labelling

3. Improving the functioning of the OECD Guidelines on Multinational Enterprises

- access of victims to NCPs
- unequal functioning of NCPs