

Press release

EU/CSR

New EU Communication on Corporate Social Responsibility: a Missed Opportunity

Paris/Brussels, 24 March 2006 - The International Federation for Human Rights (FIDH) and Amnesty International express their disappointment regarding the long-awaited Communication of the European Commission entitled "Implementing the partnership for growth and jobs: making Europe a pole of excellence on Corporate Social Responsibility" published on 22 March 2006.

By failing to make progress towards a regulatory framework that complements the voluntary aspect of corporate responsibility with a common system for corporate accountability, the Commission has missed the opportunity to take the lead on CSR.

Since the launch of the Multi-stakeholder forum in 2002, a number of international initiatives on corporate responsibility have been developed, including at the UN level. In particular, in August 2003, the UN Sub-Commission on the protection and promotion of human rights adopted the draft UN Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with regard to Human Rights, a set of comprehensive international human rights norms specifically applying to transnational corporations and other businesses. The need for clearer standards and greater accountability of business enterprises have been recognised by many stakeholders.

In the view of the FIDH and Amnesty International, this communication does not take into account the demands made by civil society and trade unions during the multi-stakeholder forum concluded in 2004 in which they actively participated. On the contrary, this communication merely reflects a business-approach to CSR. It is based on a lowest common denominator approach which demonstrates an unwillingness of the Commission to accept to fully assume its role on this issue.

Although the voluntary aspect of CSR is very important, it is a serious omission that the need for a regulatory framework to ensure accountability by all companies is not acknowledged by the present communication.

On 29 June 2004, a number of NGOs participating in the process had made a strong call for such a system based on internationally agreed rules and standards. Instead, by insisting on the creation of a European Alliance on CSR, a platform for enterprises, the Commission takes a one-sided view of corporate social responsibility which is at odds with the professed intent of the Commission to involve actively all stakeholders in the development of CSR.

FIDH and Amnesty International regret that the EU focus is on "raising awareness" and "exchanging experience" on CSR instead of translating the discourse on CSR into effective regulation. It is a duty of the European Union and its Member States to ensure that corporate actors respect human rights and labour rights in all circumstances. By failing to do so, the Commission is in effect taking a step backwards in the development by the European Union to promote responsible behaviour by business.

For further comment/background and interviews:

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