



CORPORATE SOCIAL RESPONSIBILITY AND THE EUROPEAN ELECTRICITY SECTOR

December 2004



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The social partners EURELECTRIC and EPSU/EMCEF agreed to work on Corporate Social Responsibility as part of their work programme in December 2003. They agreed the broad outlines for the debate at the plenary in June 2004. This note stipulates the further work to be undertaken.

The starting point for the work of the social partners is the definition of Corporate Social Responsibility (CSR) provided by the European Commission (in its Green Paper and Communication):

“CSR is a concept whereby companies integrate social and environmental concerns in their business operations and in their interactions with their stakeholders on a voluntary basis”

Through CSR business contributes to sustainable development. The social partners will analyse the current approaches used by the European electricity companies: focusing in particular on the social pillar.

This exercise is in line with the recommendations from the European Multi Stakeholder Forum on CSR:

- **Raising awareness and improving knowledge on CSR:** raising awareness of core values and key principles embodied in reference texts; collecting, exchanging and disseminating information about CSR, researching and improving knowledge about action on CSR;
- **Developing the capacities and competence to help mainstream CSR:** enhancing the capacity of business to understand and integrate CSR;
- **Creating the right conditions for CSR:** ensure credibility of CSR practices through, for example, reporting, dialogue and partnering with stakeholders, monitoring and communication of progress and results.



CSR is the voluntary integration of environmental and social consideration into business operations over and above legal requirements and contractual obligations. CSR is about going beyond these, not replacing or avoiding them. The monitoring of the current activities of the electricity sector on CSR will be based on the following criteria:

1. Collecting existing texts on CSR of the companies;
2. Analysing EU and international reference texts and instruments which have served as starting point of guidance for companies when developing their CSR approaches (e.g. in the Final Results and Recommendations of the European Multi-stakeholder Forum on CSR);
3. Publication of a CSR report based on the Global Reporting Initiative standards to ensure transparency and comparability (keeping in mind that the publication of the report is only one part of the CSR activities);
4. Analysing the critical success factors of CSR and the involvement of the internal and external stakeholders in the continuous improvement and follow up of implementation and verification;
5. A positive attitude towards trade unions and social dialogue;
6. Analysis of the social responsibility pillar of the company by suggested performance indicators as laid down in the GRI for example on:
 - 6.1 Well-being and competence of personnel: personnel structure (age, gender, types of employment relationship); turnover of personnel; access to/ input in and quality of training¹ and in recreational and leisure activities; job satisfaction;
 - 6.2 Occupational and Customer health and safety²: accidents and absences caused by illness; funds used for health care; policy for preserving customer health and safety;
 - 6.3 Relations with local communities and neighbours: feedback from local residents, events for stakeholder, benefits to communities;
 - 6.4 Business partners such as sub-contractors and suppliers: method and coverage of subcontractor and supplier evaluation;
 - 6.5 Cooperation with educational establishment: cooperation projects; number of participating students, number of summer jobs;
 - 6.6 Diversity and Opportunity³: ensuring compliance with equal opportunity policies;
 - 6.7 Union representation, employee participation, freedom of association and collective bargaining.

¹ This should be considered also in the light of the joint statement on future skills adopted 22 June 2004.

² Refers also to the existence (or not) of health and safety committees

³ The joint statement on equality and diversity (2003) provides orientation on the areas to be explored.



The social partners establish a working group for this purpose. It will as a first step collect existing texts and analyse them according to the criteria mentioned above. A second step will be to consider the authoritative elements that derive from them for the European electricity sector. The working group is requested to report to the first plenary meeting in 2005.