

Effective Open Voluntarism: Good design principles for self- and coregulation and other multistakeholder actions

The Code

DRAFT (30 May 2012)

The signatory bodies and organisations of this code commit to apply it, in self- and coregulation and other voluntary multistakeholder actions in which they may engage, and wherever they seek, in response to specific challenges, to achieve positive outcomes for society at large, and/or for their own stakeholders. They commit to mutual sharing of their overall experience of the application of the code and undertake to seek the broader application by other parties of the approach set out here.

To underpin a sustained effort in support of this vision, signatories will work with both organisations which have successfully led the way in this work and interested experts, to develop a cross-EU and multi-sectoral Network of Excellence, and to assemble, maintain and curate an on-line library of links to best practice literature and case studies. This will be done in partnership and synergy with existing initiatives and platforms¹.

This is an EU Code. As such it is fully open to all stakeholders engaged in self- and coregulation and other multistakeholder voluntary actions in the EU. This applies to EU-headquartered companies, [trade associations and NGOs](#) as well as to non EU-based companies, [trade associations and NGOs](#) operating in the EU. In line with the *OECD guidelines*², EU-based companies, [trade associations and NGOs](#) are invited to follow this Code wherever in the world they engage in self- and co-regulation and in other multistakeholder voluntary actions.

This Code does not apply in the field of Social Dialogue

1. Conception

1.1. Openness

The initiative to open any such action can come from public or private actors, but should be open for ownership and participation at various levels by all concerned. This may include the [constructive involvement of public authorities at all levels](#), legislators, regulators and any interested parties from civil society. The initial blueprint, or "concept agreement" [including a code of conduct for participants](#), for any action will be developed in a concerted and collaborative way involving open exchange with all interested parties. The initiative and its constitutive texts must be widely publicised and easily accessible. The preservation of a similar degree of open governance in the operation of any resulting agreement is equally desirable.

1.2 Objectives

¹ <http://www.eesc.europa.eu/?i=portal.en.self-and-co-regulation#/boxTab0-2>

² OECD Guidelines for Multinational Enterprises; Recommendations for responsible business conduct in a global context. Adopted in May 2011. <http://www.oecd.org/dataoecd/43/29/48004323.pdf>

The objectives set out in any concept agreement should be clear and unambiguous, starting from a well-defined baseline. The objectives must be accompanied by a set of clear, unambiguous, relevant and measurable criteria on which the achievement of the objectives can be evaluated.

1.3. Representativeness

The participants should represent as large a proportion of actors in the field concerned, but at launch it may be that not all have come on board: the conditions for later engagement should be clearly stated by those launching the initiative. Public authorities should be ready to facilitate and moderate discussions to the extent that this helps the process.

1.4. Legal Compliance

The initiative cannot contravene the law, nor be undertaken to restrict the appropriate application of the law. They are deemed to complement the law. Actions defining standards may offer opportunities for competitive advantage, but cannot be pursued in such a way as to restrict competitors' access to the same potential advantage, and cannot be organized in such a way as to restrict access to the legitimate adoption of the standard. Competition authorities should be consulted or involved to the extent necessary.

1.5. Good Faith

All participants will be fully accountable and be respected for their role. It is recognized that participants of different sizes and types have different contributing capacities. The situation of SMEs shall be duly considered. Parties will demonstrate due diligence in bringing in the process the information deemed necessary to make the proper analysis of the situation available to all parties involved, with the exception of legally protected or commercially sensitive information. Parties should ensure that their activities outside the action's scope are not inconsistent with the intent, spirit or impact of the action. All participants should respect each other and participate truthfully, faithfully, in full transparency and in cooperation to the realisation of the objectives.

2. Implementation

2.1. Iterative process

Initiatives will ideally aim for a quick start, quick accountability and an iterative process of "learning by doing". If the initiative covers a long time-span, interim targets must be included³. A sustained and constructive interaction towards the realisation of the objectives between all parties involved is required.

2.2. Financing

Parties to any given action should commit to provide the means necessary to fulfil their own commitments. Public actors may support the participation of civil society organisations lacking fully adequate means themselves to play their appropriate role in a constructive

³ For SMART objectives see Commission Impact Assessment Guidelines 2009.

manner, ensuring that the use of public funding is transparently disclosed and monitored regularly against clear and unambiguous outcome criteria.

2.3. Monitoring

The plan for the monitoring of each actor's performance against their responsibilities must be detailed, transparent and objective. The monitoring must be sufficiently open and autonomous to command respect from all interested parties, and should make use of affordable, clear and reliable indicators. Those indicators should be defined when the objectives are laid down against these objectives.

2.4. Reporting

Reports of performance monitoring results are submitted by each actor for discussion by the participants as a whole, and are made public. The participants regularly and collectively assess not only their compliance with output commitments, but also any short-fall in expected collective impact and any desirable improvements.

2.5. Compliance

There shall be a system allowing complaints by non-participants and participants to be evaluated by independent assessors, with any panel comprising a majority of independent individuals. Evaluation results shall be made public and a possibility of appeal should be granted. Non-compliance shall be subject to a graduated scale of penalties, with exclusion included, and without prejudice to any consequences of non-compliance under the terms of the Unfair Commercial Practices Directive.