

# The Danish policy for CSR: Partnerships and international business strategy

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### About us...

- Danish Commerce and Companies Agency (DCCA) part of the Danish Ministry of Economic and Business Affairs
- Centre for Corporate Responsibility supports Danish Business in particular SME's – to use CSR as a business opportunity
- From inclusive labour market to international social and environmental challenges
- Interministerial coordination and involvement of the social partners through our National Council for CSR



# Today's presentation

- CSR in Denmark and our tradition for partnerships
- The Danish Government's Action Plan for CSR
- Partnership initiatives in the Action Plan
- A new bill the biggest companies must report on CSR
- The future?





## Actual state of CSR in Denmark

- 6 out of 10 Danish companies meet demand from their customers about CSR
- Almost 7 out of 10 Danish companies work with CSR
- 6 out of 10 Danish consumers has bought sustainable products during the last week
- 75 percent of the Danish companies sees CSR as a more important part of their business today, than they did five years ago





## Partnerships and business strategy

- Social progress through social dialogue
  - Partnerships between government, business,
     NGO's, research institutions and local authorities
- CSR is an important tool in the business strategy
  - Social and environmental responsibility, and economic growth and prosperity – two sides of the same coin
- 2008: Government Action Plan for CSR: The result of a long learning process...







# A long tradition for partnerships

Social partnerships in Denmark since 1899

 The "Danish model" = social dialogue instead of legal regulation

 Tradition for partnerships has spread to the field of CSR





## Examples of more recent partnerships...

- CSR-Compass: web-based tool about supply chain management
- The Danish Ethical Trading Initiative: a multi-stakeholder initiative
- Project: Virksom.nu local partnerships finding jobs to unemployed immigrants
- Nordic Project: CSR-driven innovation













## Danish experiences with partnerships

- A recent survey shows that partnerships are widespread among Danish companies – 50 percent of the consulted companies has been involved in partnerships with NGO's
- The partnerships concerns mostly health and environment it is important that partnerships are strategic for both partners.
- But the potential is not fully exploited → seminars about partnerships



# Inspiration from abroad – strategic CSR

- Michael Porter, Harvard: CSR as a natural part of the business strategy when combining responsibility and core business
- Danish study by Harvard: Economic and competitive benefits - especially from innovation, but also from workforce development, environment and social investments
- = the ground pillars of the Danish Government's policy on business driven CSR



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#### Communication

- ■Why Goals
- What Which CSR activities
- ■When Occasions
- ■Who Stakeholders
- ■Where Media

#### Stakeholders

- ■Who are they?
- ■Dialogue & Inclusion
- Communication

#### **Employees**

- Prevention
- Retention
- Integration

#### **CSR Innovation**

- ■New processes
- ■New Products
- ■New Services
- CSR Profile business models

#### Management

- Good management ethics
- CSR policies, procedures and guidelines
- Social responsibility

#### Customers

- Demands from, and dialogue with customers
- ■Product labels

#### **Environment**

- Pollution prevention
- ■Waste minimizing
- Reduction of energy, water, materials etc.

#### Community

- ■Community support
- Contribution and sponsorships
- Partnerships

#### **Suppliers**

- ■Risk assessment
- Guidelines
- ■Codes of conduct
- Cooperation



## A policy for CSR is born....

- May 2008: The Danish Government's Action Plan for CSR
- What does 'responsible growth' mean'?
- Why is it important to be internationally known for responsible growth?
- Why do we believe it is possible to achieve the goal?



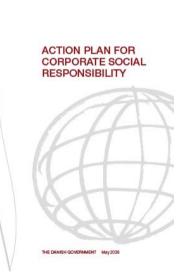




## What's in the action Plan for CSR?

30 initiatives on four action areas:

- 1) Propagating business-driven social responsibility
- 2) Promoting businesses' social responsibility through Government activities
- 3) Corporate sector's climate responsibility
- 4) Marketing Denmark for responsible growth





# Some initiatives from the action plan

- Knowledge network on global CSR
- Promoting the adoption of ISO 26 000
- Conference on responsible investments
   Princeton University
- Climate Compass Partnership







## Transparency in the field of CSR

- 1100 biggest companies, listed companies, state owned limited companies and investors must report on their voluntary work with CSR
- Why? More openness and transparency
- The report must appear in the annual report or on company's website
- Members of UN Global Compact can refer to their Communication on Progress (COP)





## What information must the companies give?

- 1) Their policies for CSR
- 2) How are these policies implemented?
- 3) What has been achieved through these policies and expectations for the future?



# Is there a role for Europe on the CSR-field?

- National policies without international cooperation will be ineffective
- An international focus is needed: UN Global Compact
- An active role is needed the general principles leave room for implementation and interpretation at national and European level.





## For further information

About the Danish Government Action Plan for CSR:

www.samfundsansvar.dk

About CSR-driven innovation:

www.csrinnovation.dk

About the conference at Princeton University:

www.thepromiseofsri.org