Ladies and Gentlemen,

I am very happy to be able to take part in this meeting. It is always a pleasure for me to come to a university venue to discuss issues that are essential for our future and that of the generations that will come after us. Such academic settings are particularly conducive to free and open exchanges.

Today’s subject, Corporate Social Responsibility, is currently the target of growing attention from large corporations, member States and the European Union.

This is also true of Spain, whose government has recently approved an ambitious strategy on the subject. Catalonia also has a major role to play in promoting corporate responsibility initiatives, considering the vigour of its economy and the commitment to education in CSR by its renowned business schools.

**Background**

Today, the European Union moves within a globalised world. This forces us to face many challenges. Above all, we must find new responses to increased competition, a new international division of labour and the necessary protection of our environment.

Within this context, the Lisbon Strategy, which refocused on growth and employment in two thousand and five (2005), provides a logical and dynamic framework for strengthening the competitiveness and functioning of labour markets in Europe. Some genuine progress has been made. We must therefore redouble our efforts in order to achieve our goals even more effectively.

Our action should be focused on assuring lasting growth and social cohesion. The inclusion of sustainable development as part of our initiatives provides a strong signal in this direction.

The Lisbon Strategy rests on three pillars: economy, society and environment. Rather than placing these different dimensions against each other, we should work to reconcile them,
with a view to promoting a model of balanced development that creates additional opportunities. We have no choice: the challenges facing us today are driving our economic and social systems in this direction.

So sustainable development is not just a concept that brings promise. It has become a veritable driving force in Europe with very specific applications. The European Sustainable Development Strategy is a lever for progress: the synergies between the economic and social spheres enable, among other things, improvements to be made in public health, social inclusion and the management of aging.

The European Union’s commitment to combating climate change only heightens further the significance of this paradigm. For example, we are currently working on diversifying energy supplies and developing clean transport systems.

Our wish is that companies take their place within this dynamic in the service of growth and employment. Far from weakening them, it should give them strong comparative advantages.

**The European approach to CSR**

Corporate Social Responsibility, as it is envisaged within the European Union, has the following features:

- **First**, companies voluntarily – and I insist on this point – implement strategies that take into account social and environmental concerns; such actions are very often the outcome of a partnership between different players. The involvement of employees and union representatives is essential.

- **Second**, those companies wishing to develop a socially responsible behaviour often go beyond the minimum requirements established by law and the collective agreements. Corporate Social Responsibility is therefore not a substitute for legislation or social dialogue. It complements them to contribute to growth, employment and sustainable development.

These voluntary practices have the advantage of being flexible and adapted to each company’s specific circumstances, in terms of staff, innovative capacity, integration in the local community and stakeholders. This flexibility enables better assimilation of the projects, which can then provide a source of inspiration for other companies.
Action by the EU to promote CSR

The European Union has played a pioneering role for many years in promoting this approach to development. The Commission’s aspiration was confirmed in a Communication on Corporate Social Responsibility in March 2006.

In relation with this initiative, we have made a call to European enterprises and supported the creation of a European Alliance for Corporate Social Responsibility.

The Commission pursues a two-fold goal: on one hand, give greater political visibility to companies’ efforts; on the other hand, make better use of their potential in the service of sustainable development, growth and employment.

A first overview of the Alliance’s activities will be prepared at the end of the year but I can already say that a true dynamic has begun. The Alliance is operational and many companies and networks have joined it. I am thinking in particularly of Spanish companies and networks, such as, for example, the extensive network of savings banks.

The high-quality work performed within the task forces will lead to tangible results. The Europe-wide promotion of the CSR concept, through very varied initiatives, ensures very specific progress in terms of modernisation of working relationships or harmonisation of qualifications, which are vital for our competitiveness.

While the large groups have made significant progress along this path, the small and medium-sized companies need more support in this area.

The international dimension of CSR

Lastly, I would like to highlight the importance of the international dimension of Corporate Social Responsibility. This cannot be ignored as our companies operate on globalised and increasingly competitive markets that are demanding fair rules of play.

For the European Union, this requires above all abiding by the internationally accepted instruments, such as:

- the ILO’s tripartite declaration on multinational corporations;
- the guiding principles of the OECD.
These instruments have been implemented by all Member States; we must now foster their expansion beyond our frontiers. Several achievements are worth mentioning: at Heiligendamm, for example, the Heads of State and Government of the G8 agreed on the need to strengthen the principles of CSR and give greater visibility and effectiveness to the various instruments that already exist.

In Europe, we are committed to increasing awareness of these international references. We encourage European companies to incorporate this corpus in their codes of conduct or in the European and global collective agreements with the trade unions.

The Commission is also actively committed to fair employment for everyone in emerging and developing countries. Fair employment all along the subcontracting chain is also a major challenge for European companies operating in emerging countries.

The European Union is aware of the constraints facing our companies, which must find a true value added in the implementation of sustainable development strategies.

**Conclusion**

Corporate Social Responsibility is a concept that is gradually acquiring depth and practical content. It is something that can no longer be ignored today. No large group can ignore the social and environmental context in which it operates. Attitudes have evolved considerably towards harmonising such vital goals as competitiveness and respect for our fellow men and their environment.

However, their implementation still has to overcome certain obstacles. Thus, within the European Union and the Member States, it is our task to mobilise energy and effort behind this shared goal. The dynamic exists; it has already been adopted by a certain number of large companies. We must now multiply its effects and encourage expansion of the scope of these practices.

We are moving in the right direction. By supporting CSR, we will preserve for the future the values that lie at the heart of our social model and, more particularly, our freedom and our responsibility.

Thank you for your attention.