



# COGITA

Corporate Social Responsibility

## Newsletter #1

### Raising the potential of CSR

The question of Corporate Social Responsibility (CSR) management has become an integral part of an international debate on the role that companies can play both in tackling today's economic, social and environmental challenges and in harnessing them for competitive benefits.

However, this debate, and the related public policy and company managerial approaches, are often fragmented into environmental issues, social questions and competitiveness and innovation concerns. This division, albeit useful to focus on the specific characteristics of each issue, is not necessarily the best approach for Small and Medium Enterprises (SMEs). The small scale of an SME and of its management system inevitably results in a less segmented approach to organisational strategies and processes. To this end, a divided CSR approach may create a gap between SMEs and CSR, rather than bridging it.

COGITA responds to this specific need: designing and promoting an integrated CSR approach, combining social, environmental and competitiveness issues, which fits the SME structure and allows them to become more competitive. Partners from 13 European regions join their expertise to improve public policies supporting the uptake of this integrated concept by SMEs.

COGITA kicked-off in January this year and the results of the first year of cooperation are remarkable. Working within 5 sub-groups, partners have identified around 50 challenges and 18 good practices for public authorities to assist SMEs in working on CSR. The sub groups deal with raising awareness and building capacity, inter-firm collaboration, communication and branding, public procurement policies and criteria for public funding. In the coming months, partners will develop factsheets that offer practical guidance on how to address the identified challenges.

These are the first steps on the way to designing and testing concrete elements of the integrated CSR approach at regional level.

COGITA wants to make changes to public policy, by developing long term, local implementation plans and overall policy recommendations for public authorities to support SMEs in designing and applying CSR strategies.

COGITA wants to take the debate on CSR down to a practical level, which will ensure real impact in terms of policy and territorial growth.

I hope you enjoy reading our first newsletter and that you will keep following the COGITA project throughout our 3 years of cooperation!

*Giulia Bubbolini,  
Lead Partner, CISE (IT)*



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## CSR awareness raising/Capacity building within SMEs

With this sub-group, COGITA addresses the question of helping SMEs to increase their knowledge of CSR and of its potential for their business and their capacity to design, apply and monitor integrated CSR strategies.

Within this context, the subgroup will focus on 3 specific challenges to increase the effectiveness of public initiatives to support CSR in SMEs:

- How can public authorities reach, attract and access SMEs?
- How can public authorities use international initiatives to define the basic set of guidelines for CSR?
- How can public authorities build and support CSR-capacity within company leaders?

These challenges cover a range of sub-issues that will be considered in this subgroup, such as: how to define and communicate the benefits of CSR, in order to motivate SMEs; the different types of SMEs located across the territory, some of whom are already experienced in or open to CSR, some of whom are just at the beginning or need convincing; the key question of company leadership in defining and implementing CSR strategies; the ever-present question of costs for services, such as training, and how these can be reduced.

The work carried out within this subgroup has already identified a number of good practices that provide examples of how to:

- Provide specific CSR capacity building programmes, including,

including training future managers in CSR issues and engaging politicians

- Establish CSR value and knowledge among the public and businesses
- Establish a CSR agency to support SMEs in implementing CSR.

*CSR is an indispensable tool in achieving the common European strategies for sustainable development, economic growth and job creation. It is important to share knowledge and enhance the understanding of CSR with business leaders.*

- Maria Krambia-Kapardis  
Cyprus University of Technology, project partner

## Communication and branding

With the subgroup **Communication and branding**, COGITA considers how to support SMEs in communicating their achievements in terms of integrated CSR initiatives to their clients and stakeholders, thus promoting better relations and competitive advantage.

Topics of the subgroup touch upon various issues, from stakeholder engagement and dialogue, to CSR reporting, to branding and marketing. Given the wide range of topics COGITA partners decided to focus their energies on some key elements; thus sharpening the profile of the subgroup by defining the most important issues – so called challenges – based on the experiences of the individual subgroup members.

The main challenges identified are:

- how can public authorities sup-

port SMEs in engagement and communication with their key stakeholder groups?

- how can public authorities support SMEs in carrying out effective CSR reporting?
- what kind of branding can SMEs adopt to communicate their CSR initiatives?

Project partners have already provided good practices that can serve as universal solutions of some of the identified challenges.

To mention just one of these good practices, Impresa Etica, a triple-bottomline set of criteria for Italian SMEs committing to managing their CSR. Impresa Etica is also a label that SMEs can display to communicate their engagement in continuous improvement. The Impresa Etica system consists of a set of criteria that companies should assess their approach and results against, as

well as supporting guidelines that support SMEs in building their capacity to manage CSR strategies. It also has a monitoring system with on-site audits. Impresa Etica is specifically designed for SMEs, taking into account their management capacity and limited financial resources, but also their deep roots in the local communities and the direct relationship between management and workforce.

For more information:

[www.sawnet.info/impresaEtica](http://www.sawnet.info/impresaEtica)



## Inter-firm collaboration and supply chains

Increasingly, the participation of SMEs in international supply chains requires their compliance with the CSR requirements of the supply chain focal firm.

However, many SMEs face barriers in adopting and implementing CSR actions that will facilitate their participation in international supply chains. These include lack of knowledge about CSR, of know-how for implementing and evaluating CSR actions, and of financial resources. Public authorities can play a decisive role in assisting SMEs to overcome these barriers and, thus, enhance their ability to participate in international supply chains.

Given the importance of this issue, the COGITA project has established a Sub-Group on **Inter-firm collaboration/Supply**

**chains.** The main issues that are addressed within this theme relate to an examination of the role of public authorities in efforts leading to CSR awareness, capacity building, supplier selection and increase of competitiveness of SMEs participating in international supply chains.

The sub-group will examine good practices such as “tRanSparÉncia”, which involves the participation of large multinationals and public authorities in SME CSR training in the region of Catalonia (Spain), “Sustainable Development (SD) Performance”, which involves the financial assistance of public authorities for providing training to clusters of SMEs on CSR and sustainable

development in Bretagne (France), and the use of tools, such as the one developed by the Responsible MED project, that can support SMEs in assessing their CSR maturity level and estimating the impact of the implementation of CSR actions on their competitiveness.



Study visit at Sonnentor in Lower Austria

## CSR Incentives in Public Procurement

The subgroup **CSR in public procurement** wants to investigate how public procurement policies and procedures can leverage SME's commitment to CSR.

In addition to the exemplary role of the public authority, the impact of public procurement on the market is significant. It represents 17% of the gross domestic product of the European Member States. By implementing CSR criteria in their procurement, public authorities can help to obtain more sustainable development.

In this context, COGITA considers the overall questions of how public authorities can make their public procurement more sustainable and how they can integrate environmental, social and economic criteria in the purchasing process, without excluding SME's?

Five main challenges have been identified and will be addressed by the subgroup:

- How can public authorities achieve motivation at the decisional level (politicians, top management)?
- How can public authorities engage SME as stakeholders in the sustainable procurement process (designing the system and reviewing it)?
- How can public authorities monitor compliance of SME-suppliers?
- How can public procurers be supported in preparing and writing sustainable tenders?
- How can public authorities make sustainable public procurement more accessible to SME?

Two good practices have already been shared with the subgroup:

- First Flemish Sustainable Public Procurement Action Plan (Flanders)
- Regional Public procurement in Bretagne

Both indicate as key success factors: a strong political impetus; support of public achievers; stakeholders dialogue with suppliers; and the investment in a responsive and competent team.

Councillor Sir Albert Bore, Birmingham City Council, reflecting on COGITA has announced his new Business Charter for Social Responsibility:

*Future commissioning and contracting decisions will take account of the objectives of the Business Charter for Social Responsibility, which seeks to make voluntary agreements with businesses in areas like local employment, training and sustainability.*



## CSR related criteria for awarding public funding for SMEs

With this sub-group, COGITA considers how public authorities can adapt the criteria used to evaluate allocation of funding in order to promote and award responsible behaviour in SMEs.

Over the course of several months and a partner meeting in Barcelona, various challenges were identified within the theme **CSR related criteria for awarding public funding for SMEs**. These identified challenges were further developed by partners identifying possible good practices and solutions to some of them.

To develop this theme further, each member of the subgroup were asked to prioritise the challenges and choose the top 5 relevant to their region. These scores were then merged to find an average score and the top 5 challenges within this theme. At the meeting in Limassol the subgroup were able to debate

each challenge further and modify the list. Four challenges were identified in the final list as the most relevant, they are as follows:

- How can political support be assured?
- How can a public authority translate the overall objectives of a regional/local CSR strategy into operational funding criteria?
- How can a public authority ensure stakeholder engagement in defining and applying criteria?
- How can a public authority monitor and evaluate the criteria?

Among the Good Practices already shared, Lower Austria has identified a good practice that aligned itself with the challenge of political support and Enterprise Flanders has identified another which aligns itself with the implementation for strategies on the

ground.

It is interesting to note that, despite a number of potential solutions having been identified, this theme is fairly new in the field of public policy for CSR. Therefore, the COGITA project will be fundamental for developing knowledge, ideas and support tools.

*The added value for our organisation is to get an impression of good practice CSR initiatives in other regions of the European Union. We appreciate being a member of the Regional Steering Committee of COGITA and are looking forward to the outcomes of the project.*

- Manuela Krendl, Lower Austria Economic Chamber, Member of COGITA Regional Steering Committee in Lower Austria

## What's next for COGITA

In the previous pages, the main challenges and some of the good practices on CSR that exist across Europe have been presented. In the coming months, the partners of COGITA will begin developing factsheets, that offer practical guidance on how to address these identified challenges.



COGITA partner meeting

In 2013, COGITA will also move from exchange to practical implementation. Feasibility checks will also be launched – testing if the implementation of an integrated CSR concept existing policy/instruments is possible. The results and utility of the feasibility checks will be made available by summer 2014.

### Meet COGITA in Brussels (BE)

In March 2013 COGITA will host a joint event with other projects working on similar themes in Brussels (BE). Among the projects, DESUR - *Developing Sustainable Regions through Responsible SMEs* (INTERREG IVC) and FaRIIn - *Facilitating Responsible Innovation in SEE countries* (SEE) have already been confirmed.

Using a range of participative

methods, the event will promote an exchange of ideas and knowledge, in order to identify synergy and identify opportunities for future cooperation.

For further information about the event, visit our website [www.cogitaproject.eu](http://www.cogitaproject.eu) or contact our Lead Partner at [cogita@ciseonweb.it](mailto:cogita@ciseonweb.it)

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COGITA—CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY THROUGH PUBLIC POLICY

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