

Joint Committee on Business, Enterprise and Innovation

15 October 2019

Corporate Social Responsibility Stakeholder Forum

Opening Statement by Catherine Heaney, Chairperson.

Good afternoon, I would like to thank the Committee and your Chairperson Mary Butler, TD for the opportunity to speak to you today. My name is Catherine Heaney and I am the Chairperson of the Corporate Social Responsibility Stakeholder Forum, which is an initiative of the Department of Business, Enterprise and Innovation. The Forum was established in 2014 to drive implementation of Ireland's National Plan on Corporate Social Responsibility, which Minister Heather Humphreys is very supportive of. I am accompanied this afternoon by Céline McHugh, Principal Officer, Department of Business, Enterprise and Innovation, Deborah Dignam, Assistant Principal Officer, Department of Business, Enterprise and Innovation and Bernadette Phelan, Head of Advisory Services, Business in the Community Ireland, who is a Forum member. I am also joined by Helen Keane-Mac Donough and Sandra Mullen from the Department, who work with Céline and Deborah on the CSR Initiative for the Department. The Department provides secretariat to the CSR Stakeholder Forum.

Today, I'd like to talk to you about Corporate Social Responsibility (CSR) and its importance and benefit for business, the environment and society. The European Commission defines Corporate Social Responsibility (CSR) as 'the responsibility of enterprises for their impact on society'. A broad statement, but one that we can break down to understand that CSR is about business and organisations taking responsibility for; the people they employ and work with;

the community they operate in; the customers they engage with; and the environment they impact.

Corporate Social Responsibility has a rich history in Ireland, stemming back to the 1700s when the Guinness company considered the welfare of their workers, by providing them with hot meals and medical care. Since then, significant advancements have been made in how CSR is understood and implemented in businesses and organisations across Ireland and internationally. I am proud to chair this volunteer Forum comprised of forty-nine member organisations across sectors who are champions and Ambassadors for CSR and demonstrate good CSR practice in their own businesses and organisations.

Ireland's National Plan on CSR

In 2011 the European Commission, as part of its renewed EU strategy 2011-2014 for Corporate Social Responsibility, invited Member States to develop or update their own plans or national lists of priority actions to promote CSR in support of the Europe 2020 strategy, with reference to internationally recognised CSR principles and guidelines and in cooperation with enterprises and other stakeholders.

In its 2013 Action Plan for Jobs, the Government undertook to develop and publish a National Plan on Corporate Social Responsibility. The First National Plan 'Good for Business, Good for the Community' was published in 2014. This first Plan set out the general framework for CSR in Ireland; how CSR can contribute positively to a company's business; and outlined the key principles and objectives which underpinned the Government's approach to CSR. The Plan represented a milestone in raising the profile of CSR in Ireland.

'Towards Responsible Business' Ireland's National Plan on Corporate Social Responsibility 2017-2020, was published in June 2017. Ireland is one of the few member states across Europe to continue this national policy emphasis by developing a second National Plan on CSR. The Plan sets out over seventeen actions across four goals: (i) awareness (ii) access (iii) support; and (iv) policy alignment. The ambition of the Plan is for Ireland to be recognised as a *'Centre of Excellence for responsible and sustainable business practice through the adoption of best practice in CSR'*. It is the result of extensive consultation with key business stakeholders, business representative organisations and relevant Government Departments and agencies.

The CSR Stakeholder Forum

The CSR Stakeholder Forum was established in 2014 to drive the implementation of the first National Plan and was renewed for the second national plan. Brendan Jennings, former Managing Partner of Deloitte, was the first chairperson of the Forum.

I was proud to be appointed Chairperson of the CSR Stakeholder Forum by the Minister for Business, Enterprise and Innovation for the three-year period 2017-2020. The CSR Stakeholder Forum is a business led voluntary Body with representatives from business, civil society and Government. As a Forum, we are clear about what we need to achieve and work closely alongside Minister Humphreys and her officials. The primary goal of the Forum is to raise awareness of CSR and grow CSR activity within business in Ireland, working in partnership with business, civil society and Government to deliver on the actions of the National Plan.

As a voluntary Forum supported by the Department, we have worked hard to raise awareness of CSR within the business community and the policy system. And, I am pleased to say our efforts have brought us to the place where we can see a growing understanding of CSR across the private, public and NGO/voluntary sector, a strong appetite to expand and deepen CSR activity, and, a growing appreciation of how CSR makes good business sense.

I want to share some of that understanding with Committee Members today and hope that you can engage with our Agenda and support the work of the Forum as we continue to encourage more businesses, particularly small businesses, to embrace CSR, for the good of their business and for the betterment of our society.

Why CSR is a business imperative

As a small business owner myself, I am acutely aware the importance of CSR for my business and how - if companies can go beyond compliance to become more responsible by; taking care of their employees, their customers and suppliers, the environment and the communities they operate in – they are better positioned as businesses. By embedding a CSR ethos at the heart of the business, Irish based enterprises can improve their competitiveness; strengthen their longer-term sustainability, attract and retain talent, while also fostering social cohesion and protecting the environment. Increasingly we see how CSR delivers a win:win – the business benefits, and so does its employees, customers and suppliers, community and the environment.

As you know, Government provides a regulatory framework governing a range of issues such as financial disclosure, employment rights, environmental protection, equality and fair trading, but CSR sees businesses taking the initiative to go beyond mere compliance with legislative requirements. CSR creates shared value through collaboration with stakeholders and in doing so it seeks to drive a mutually supportive agenda for business and society.

Today's customers, job-seekers and investors are more conscious than ever of the environmental, ethical and social aspects of companies, and their products and services. People want to work for organisations that share their values and contribute positively to the local and global community. By moving beyond compliance and setting high standards on areas such as; diversity and inclusion, sustainable supply chain management and climate action businesses are future proofing their operations and growing their competitiveness.

Increasingly, today's investors want businesses to demonstrate how they are engaging with core business and societal challenges and how they are mitigating risk; in areas such as diversity and inclusion; environmental sustainability; and human rights. ESG (environmental, social and governance factors) is now an important focus for business as investors increasingly want to see how businesses are mitigating risks, either financial or environmental, and managing social cohesion.

Through CSR, businesses can elect to play a very powerful positive role in addressing key societal challenges. CSR has become a strategic 'board-room issue' as more and more businesses understand that it is not only economic impact that matters.

Key Achievements of the CSR Stakeholder Forum

The CSR Stakeholder Forum has delivered on all 17 of our actions, and from the launch of the first plan in 2014, to 2019 we are seeing both a shift in the placement of CSR within businesses, and that CSR is not just the preserve of large business.

Some of the key achievements by the CSR Stakeholder Forum to date include:

- Development of the csrhub.ie website as a dedicated national CSR resource, supported by an active social media presence to highlight good CSR practice.
- Growing a panel of active CSR ambassadors within the business community.
- Collation of almost 100 best practice case studies from the private and public sectors.
- Establishing the flagship CSR Annual CEO/Leaders' Breakfast event which has taken place in 2018 and 2019.
- Promoting CSR peer learning amongst businesses through SME outreach events.
- Establishment of a Public Sector CSR Network.
- Establishment of the virtual CSR Network for businesses and organisations interested in CSR and the Forum's work.
- Highlighting opportunities for the private and public sector to partner on impactful initiatives that align with public policy.

As we continue to deliver on the actions of the National Plan, the work programme for 2019-2020 has adopted five themes – CSR in the Public Sector, Diversity and Inclusion, Environmental, Social and Governance Factors, Sustainable Development Goals (SDGs) and Sustainability. Each of the themes are supported by Project Teams made up of members of the Forum.

We held our 2nd successful Annual CEO/Leaders' Breakfast event in June this year and were delighted to host over 130 leaders from across Government, business and civil society in Smock Alley for a provocative and inspiring session on CSR in Ireland today which Minister Humphreys opened.

In order to highlight the progress of the Forum in implementing the national plan, an annual progress report is published in June each year – entitled 'CSR Check'. To date the Department has published CSR Checks in June 2018 and June 2019. Our final CSR Check will be issued in June 2020.

Details of all our meetings, progress reports and members are available on our dedicated website csrhub.ie. which is managed by the Department. The csrhub.ie has grown to become a rich repository of CSR information, best practice case studies, and policy information, and is integral to the work of the Forum and the implementation of the actions in the Plan.

CSR and Public Policy

CSR can have an important place in policy implementation. It's important to say that CSR is not a replacement for public policy, but rather presents an opportunity for business, civil society and policymakers to come together to explore and partner on new and innovative CSR initiatives where there is good alignment with strategic policy objectives. Indeed, such partnerships can serve to enhance the impact of mainstream policies. Highlighting good practice in this regard, and encouraging new partnering initiatives is one of the primary goals of the National CSR Plan.

Across Government there are a number of initiatives where business, Government and civil society are working together to deliver win:win, including; *The Woodland Environmental Trust*, Department of Agriculture, Food and the Marine; *Healthy Ireland*, Department of Health; and *The Prompt Payment Code*, Department of Business, Enterprise and Innovation.

Our CSR National Plan has (and will) encourage active business engagement with key Government policy initiatives such as the Sustainable Development Goals (SDGs) National Implementation Plan 2018-2020. The SDGs offer a framework to drive CSR activity and to further deepen and enrich it. Attainment of the Goals is based on a progressive partnership model between government, civil society and business, and represents an historic opportunity for business to engage more broadly, as a positive force for society. The CSR Stakeholder Forum has embraced the SDGs' call to action for the business community and is actively examining how to encourage more businesses to consider aligning their CSR Agenda with the Goals.

Other key policy areas which the CSR Stakeholder Forum encourages business engagement with include; Climate Action Plan 2019 (Department of Communications, Climate Action and Environment); the forthcoming LGBTi+ Strategy (Department of Justice and Equality); the National Forum on Business and Human Rights (Department of Foreign Affairs and Trade); and the forthcoming National Volunteering Strategy (Department of Rural and Community Development). The CSR Stakeholder Forum itself facilitates policy discussion and implementation under the broad thematic areas of CSR.

The Future

CSR will continue to have a key relevance for the work of the Department of Business, Enterprise and Innovation. For example, a central theme of the Government's Future Jobs Ireland initiative is to improve participation rates in the workforce, particularly those groups with lower participation rates. Corporate Social Responsibility (CSR) initiatives offer an additional mechanism to achieve this.

Future Jobs Ireland also challenges businesses in Ireland to become more productive, resilient, innovative and internationally competitive. We will continue to promote the message that business and organisations with CSR at their core are more resilient and successful businesses, while at the same time, making a positive and authentic contribution to society.

As we move towards the final year of the current CSR National Plan, early next year the Forum will begin a process to guide the future direction of CSR Policy in Ireland, with a reflection on what has been achieved, how CSR has and is evolving, and what kind of policy will be required – with a view to developing a successor to the current National Plan on CSR. Your perspectives today will be an important input to those considerations, and we would hope to continue our engagement with you next year.

Closing Remarks

I would like to thank the Committee for inviting me to present to you today and for listening to us this afternoon. As Chair of the CSR Stakeholder Forum, I want to ask you to consider the

importance of CSR for business, civil society and Government and to take every opportunity that you can as, representatives to raise awareness of CSR.

We have achieved a great deal in the last two years and will continue to actively raise awareness on CSR themes.

As we move through these increasingly turbulent and challenging times it is necessary for us, as a country, to become more resilient in the face of these changes. By having a responsible business culture, we can enable Ireland to collectively strive towards a more sustainable and equitable society.

We are happy to take any questions and provide any further detail that is required.

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