

THE STATE OF THE ART OF CSR IN SPAIN.

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1. INTRODUCTION

1.1 Definition of CSR

Corporate Social Responsibility has emerged as a new way of doing business, the main concern of which is how profits are achieved or, in other words, that the activities of a company are economically, socially and environmentally sustainable and managed in an ethical and efficient way.

Numerous definitions of Corporate Social Responsibility have been published, each offering a common thread that has allowed a certain type of consensus to be reached on the concept of CSR.

The European Commission provides the most common definition: 'CSR is a concept whereby companies integrate social and environmental concerns in their business operations and interaction with their stakeholders on a voluntary basis' (Green Paper 'Promoting a European framework for Corporate Social Responsibility').

There are, however, other definitions:

'CSR defines the commitment of a company to contribute to sustainable economic development through collaboration with its employees, their families, the local community and society as a whole to improve standards of living' (WBCSD, World Business Council for Sustainable Development).

According to the Law 15/2010 on CSR of Extremadura, Corporate Social Responsibility is defined as the "voluntary integration of social and environmental concerns by companies in their business operations and partner relationships".

The International Labour Organisation (ILO) considers Corporate Social Responsibility to be 'a way in which companies take into consideration the impact of their activities on society and affirm the principles and values by which they are governed both in their own internal methods and processes and in their interaction with other actors'. CSR is a voluntary initiative.

1.2. European and international influences on CSR

Corporate Social Responsibility (CSR) has, over the past few years, become a key factor in the sustainable development of the planet and is the subject of a variety of active policies introduced by important international institutions. The importance of CSR can be seen in the initiatives created on a global level as below:

- The organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises

- The Ten Principles of the United Nations Global Compact (UN)
- The Tripartite Declaration of the International Labour Organisation (ILO) for Multinational Enterprises and Social Policy
- The UN Guiding Principles on Business and Human Rights
- The 'Global Reporting Initiative' (GRI)
- ISO 26000 - Guide to Social Responsibility
- Initiatives for the elaboration of Integrated Reports
- The Sustainable Development Goals (SDGs)

1.3. Preparation process of the Study

The Study was prepared using the compilation, analysis and summary of both primary and secondary sources of information. (See Bibliography)

The information was synthesised by the CSR office team of the Extremadura Regional Government. Subsequently, stakeholders were invited to present a first draft of the report. They were also asked to prioritise the elements to be included in a corporate social responsibility action plan.

2. CSR POLICY DEVELOPMENT IN THE EUROPEAN UNION

2.1. Origins and growth of CSR policies in the EU

The history of social responsibility does not have an exact commencement date. It was, however, during the 19th century that several European and North American industrial entrepreneurs began taking an interest in the housing, well-being and welfare of their employees. Although, the term CSR came about between 1950 and 60 in the US, it was the formation of the UN in 1945 and later emergence of the Human Rights Bill that served as the basis for generating greater social awareness.

Events such as the Stockholm Conference in 1972, the Brundtland Report in 1987 or the Kyoto Protocol in 1997; the foundation of civil groups such as Amnesty International, WWF, Greenpeace or Transparency International; formal enterprise initiatives such as AA1000, SA8000, the OECD Guidelines or the Global Compact itself, and the emergence of organisations such as the Global Reporting Initiative, have all influenced the concept and development of what we know today as Corporate Social Responsibility.

The truth is that the concept of corporate social responsibility has, since the 1990s, consistently gained strength following the emergence of globalisation, acceleration of economic

activity, ecological awareness and development of new technologies.

Lisbon Strategy

The first mention, in the European context, of CSR was at the Lisbon Council Meeting in March 2000 within the initiative 'Employment, economic reform and social cohesion: Towards a Europe of innovation and knowledge', a strategy for the next decade 'to make Europe the most dynamic and competitive knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion and respect for the environment'. To achieve this objective, a set of structural reforms was proposed covering five main areas:

- The knowledge society
- Economic reform
- Business dynamism
- Employment and social cohesion
- The environment

It could be said that the key document with regard to CSR in Europe is the **Green Paper 'Promoting a European framework for Corporate Social Responsibility'** published in 2001 and aimed at initiating a broad debate on how the European Union could promote, on a European and international level, the social responsibility aspects of enterprises and, in particular, how to make the best use of existing experiences, encourage the development of innovative practices, improve transparency and increase the reliability of evaluation and validation. Throughout the Green Paper, guidelines were given on aspects related to social responsibility on both the internal and external element of the company. It also addresses the integration of social responsibility management regarding organisational strategy, sustainability reporting, product and service labelling, work quality and socially responsible investment.

Shortly afterwards, the European Union issued a communication entitled '**Corporate Social Responsibility: A business contribution to Sustainable Development**' (2002), which was subject to public discussion in a second phase called the **European Multistakeholder Forum on Corporate Social Responsibility**, the result of which was the elaboration of a final report: '**Results and recommendations of the European Multistakeholder Forum on CSR**' (2004).



The Multistakeholder Forum for CSR was created in 2002 with the support of the European Commission. Its aim is to bring together trade unions, companies, European NGOs etc. to

promote innovation, convergence and transparency in corporate social responsibility practices and tools. The Multistakeholder Forum for CSR was created in 2002 with the support of the European Commission. Its aim is to bring together trade unions, companies, European NGOs etc. to promote innovation, convergence and transparency in corporate social responsibility practices and tools.

Four forums have been held (2006, 2009, 2010 and 2015) to date, the last of which focused on business and human rights issues, together with others related to responsible taxation, the circular economy and the international dimension of CSR, from the perspective of other parts of the world such as Latin America, Africa and Asia.

The objective of the Forum was to listen to the opinions of stakeholders on the final phase of the CSR strategy and, above all, study the proposals and ideas for creating a new pathway of communication and a new 2015-2020 strategy.

2.2. European CSR milestones

Year	Milestone
2008	Europe 2020.
	In response to the economic crisis of 2008, the European Union developed a strategy to turn the EU into a smart, sustainable and inclusive economy with high levels of employment, productivity and social cohesion: Europe 2020 Strategy.
2011	Single Market Act.
	Twelve priorities were established to stimulate growth and strengthen confidence in the EU. One of the priorities was Social Enterprise, an initiative that seeks to promote the development of companies that not only seek economic benefits, but also work to achieve objectives of general interest that enhance social, ethical and environmental improvements.
2011	A renewed EU strategy for 2011-14 on Corporate Social Responsibility.
	The Commission published this strategy after identifying several factors it considered would help increase the impact of its CSR policy.
2011	Social Business Initiative. Creating a favourable climate for social enterprises, key stakeholders in the social economy and innovation.
	In response to the economic crisis of 2008, the European Union developed a strategy to turn the EU into a smart, sustainable and inclusive economy with high levels of employment, productivity and social cohesion: Europe 2020 Strategy.
2014	Publication of relevant CSR directives
	Directive 2014/24/EU , of 26 February, 2014, on public procurement thanks to which Social Responsibility criteria in so-called social clauses can be included.
	Directive 2014/95/EU , of 22 October, 2014, amending Directive 2013/34/EU regarding disclosure of non-financial and diversity information by certain large undertakings and company groups required to provide non-financial information on their activities.
2016	Communications from the European Commission on sustainability.¹
	<ul style="list-style-type: none"> ▪ The Communication on the next steps for a sustainable European future. ▪ Sustainable Development: EU sets out its priorities
	Both set out the Commission's policy priorities contributing to the implementation of the UN Agenda 2030 for Sustainable Development and how the EU will achieve its Sustainable Development Goals (SDGs).

2.3. European and international standards

Amongst the European and international initiatives, the following standards and/or recommendations stand out:



OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES²



PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT.³



THE INTERNATIONAL LABOUR ORGANISATION (ILO) TRIPARTITE DECLARATION FOR MULTINATIONAL ENTERPRISES AND SOCIAL POLICY⁴



THE UN GOVERNING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS⁵



"GLOBAL REPORTING INITIATIVE (GRI)⁶



ISO 26000 - GUIDE FOR SOCIAL RESPONSIBILITY⁷



INTERNATIONAL INTEGRATED REPORTING COMMITTEE (IIRC)

¹ http://europa.eu/rapid/press-release_IP-16-3883_es.htm

² <https://www.oecd.org/daf/inv/mne/MNEguidelinesESPANOL.pdf>

³ <https://www.unglobalcompact.org/>

⁴ <http://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/normativeinstrument/kd00121es.pdf>

⁵ <http://www.un.org/es/universal-declaration-human-rights/>

⁶ <https://www.globalreporting.org/Pages/default.aspx>

⁷ https://www.iso.org/files/live/sites/isoorg/files/archive/pdf/en/iso_26000_project_overview-es.pdf

In addition to the above initiatives, the following regulations and/or standards should also be taken into consideration:

CSR Standard



**FORETICA (SGE21)
ETHICAL MANAGEMENT SYSTEM**



**ISEA (INSTITUTE FOR SOCIAL AND
ETHICAL ACCOUNTABILITY)**

ACCOUNTABILITY 1000 (AA1000)



**IQNET - THE INTERNATIONAL
CERTIFICATION NETWORK
IQNET SR10 SOCIAL
RESPONSIBILITY MANAGEMENT
SYSTEM**



**SOCIAL ACCOUNTABILITY
INTERNATIONAL (SAI)
SA8000**



**WORLD CONFEDERATION OF
BUSINESSES.
WORLD COB-CSR**



**FOUNDATION MÁSFAMILIA
FRC (FAMILY-RESPONSIBLE
COMPANY)**



**SOCIALLY RESPONSIBLE
FINANCIAL PRODUCTS
UNE 165001**

3. CSR PRIORITIES IN SPAIN

CSR at national level

Over the past few years, a variety of initiatives to promote corporate social responsibility at national and regional level have been introduced in Spain. These include the Commission of Experts on CSR (2003), White Paper of Corporate Social Responsibility (2006), State Council for CSR (2008), Sustainable Economy Act (2011) and Spanish CSR Strategy.

2002: The Technical Committee of Experts was established for the elaboration of a corporate social responsibility report.

2005: The white paper on Corporate Social Responsibility was published with 57 recommendations aimed at companies, public administrations, consumers, investors and other CSR players.

2007: Law 3/2007, of 22 March, for effective equality between women and men was introduced, providing for the voluntary implementation of social responsibility actions by companies in the field of equality

2008: The State Council for Social Responsibility was established by Royal Decree 221/2008 on 15 February.

2011: Law 2/2011, of 4 March, on Sustainable Economy with guidelines on how to create more favourable conditions for sustainable economic development and references on how to boost corporate social responsibility.

2013: Law 11/2013, of 26 July, with measures to support entrepreneurs and stimulate growth and job creation, including the main measures contained within the Strategy for Entrepreneurship and Youth Employment 2013-2016.

Law 19/2013, of 9 December, on Transparency, Access to Public Information and Good Governance created to increase and strengthen transparency in public activity, recognising and guaranteeing access to information.

2014: The **Spanish CSR Strategy** whose main objective is to support the development of responsible practices in both public and private organisations is approved.

National CRS priorities

In 2014, Spain approved its National CSR Strategy based on six principles:

- Competitiveness
- Social cohesion
- Creating shared value
- Sustainability
- Transparency
- Voluntariness

It also included a series of priorities, which will, together with the principles set forth, mark the development of a series of measures that will allow the setting up of the established priorities.

- **Competitiveness** is one of the essential lines of this strategy which aims to facilitate business sustainability in two ways: firstly, by maintaining positive economic results in the long term allowing the enterprise to survive and, secondly, by guiding it towards integration in society, helping it to adapt and take advantage of any opportunities arising during the process.
- Promote measures to **maintain and create stable, good-quality employment** to contribute to sustainable development for society.
- Promote the improvement of conditions for equality, work-life balance, non-discrimination and employment for those groups that face the greatest difficulties when securing jobs and those at risk of social exclusion.
- Create a **common reference framework** for the entire territory regarding CSR is a necessity not only from the point of view of guaranteeing compliance with and respect for the principles of the Market Unity Guarantee Law 20/2013, of 9 December, that may be affected by the policies developed in the field of social responsibility, but to seek the coordination and joint efforts essential for public policy effectiveness.

In 2017, the main lines of action proposed by the Ministry responsible for the development of corporate social responsibility in Spain are three:

- The **launch of a social responsibility portal**, considered high priority in the Spanish Corporate Social Responsibility Strategy, created as an on-going project, to include the contributions of other institutions and groups involved in social responsibility. The portal has a tool for registration and publication of social responsibility and

sustainability reports and is aimed at providing visibility for entities with good practices in this field.

- **The strengthening of the role of the Spanish Corporate Social Responsibility Council (CERSE)**
- **The coordination of the progress** made by other public administrations located in the different Autonomous Regions.

EXTREMADURA

At a regional level: almost all the Autonomous Regions have created initiatives to promote CSR. These include the Cantabria Responsible and Galicia Regional Government portals, Castile-Leon Corporate Social Responsibility Plan, Regional strategy network for the encouragement of Corporate Social Responsibility of Murcia and the Navarra Innovarse Management System among others.

Extremadura is one of the most important autonomous regions in the field of CSR, mainly because of the advances created by the approval of the Law. Two priorities were identified thanks to the 2010 Social and Political Pact of reforms for Extremadura as follows:

- the promotion of Social Responsibility
- Recognising those entities that have the capacity to exercise this type of responsible leadership.

In this respect, the **Extremadura Social Responsibility Law 15/2010, of 9 December**, and its subsequent regulatory development through Decree 110/2013, of 2 July, and Decree 68/2014, of 5 May, considered, at a national level, the most advanced legislation on Social Responsibility, consolidates concepts such as social innovation, green economy, sustainability and the recognition of companies exercising responsible leadership with tools that include social clauses.

Corporate social responsibility was developed in Extremadura following the approval of Law 15/2010 with a series of initiatives:

2011	The launch of the Extremadura Observatory of Corporate Social Responsibility website: www.rsextremadura.es
2012	The launch of the first CRS Report by the Government of Extremadura. The development of the Observatory of Corporate Social Responsibility (ORSE) tool for the evaluation and reporting of Social Responsibility for SMEs and large companies
2013	Decree 110/2013, of 2 July, regarding the progress of Law 15/2010. Establishment of the Social Responsibility Office of the Regional Government of Extremadura.

Obtainment of the GRI content verification of the ORSE tool.

Collaboration agreements signed with representatives of Standards SGE21, FRC, IQNet SR10 and SA8000.

2014 Constitution of the Regional Council of CSR.
Introduction of a register of approved auditors to verify the content of the reports generated by the ORSE, a CRS self-evaluation tool.

2015 Launch of the Extremadura Social Responsibility Strategy.

2016 Publication of the Order dated 25 February, 2016, regarding the incorporation of social and environmental clauses in public procurement documents.

2017 CRS Action Plan 2017-2019.

Corporate Social Responsibility in Extremadura has been divided into three phases:

1) Training, dissemination and awareness raising:

Active participation in training and awareness raising events with public and private organisations. In addition, we have developed our own training programmes, such as the Non-Financial Information Auditors Training Course, training of Regional Administration staff through the School of Public Administration and the CSR training courses for companies

Some of the results of this first phase included:

- Launch of the Extremadura CSR Observatory website: www.rsextremadura.es
- Publication of the first Social Responsibility Report of the Regional Government of Extremadura (this year we will publish our sixth report).
- Social network accounts: Facebook, Twitter and LinkedIn

2) The creation of the CSR verification system:

development of the ORSE app available to those companies that wish to check the level of CSR incorporated in the management of their company. The ORSE offers several questionnaires depending on the size of the company. This tool integrates the most relevant national and international CSR standards: GRI, GLOBAL COMPACT, SA8000, AA1000, SGE21, WORLDCOB etc.

Results of the second phase:

- Launch of the Regional Government of Extremadura CSR Office.

- Introduction of a register of approved auditors created to verify the content of the reports generated by the ORSE application.
- Introduction of a register of socially responsible companies.

3) Participation in national and European networks:

The CSR Office participates in several networks, allowing it to disseminate and promote good practices in sustainable management and social responsibility at a national level. These include:

RETOS Network, a network of socially responsible territories comprising numerous municipalities, municipality groups and public administrations located in other Spanish regions.

- Transregional Incentive Network for CSR where we participate together with several other regions of Spain and Portugal.

- European Network for Corporate Social Responsibility and Disability (CSR+D) whose mission is to promote disability awareness and integration in the political and business agendas of Corporate Social Responsibility, with the aim of promoting social and labour market inclusion of people with disabilities in Europe while, at the same time, contributing to the development of responsible competitiveness of companies and public administrations.

CRS priorities in Extremadura

In Extremadura, the most relevant factors regarding the adoption of CSR action plan are as follows:

The need to **modify production models** to consume less resources.

An imperative need to **be competitive**

The need to add social and environmental factors to the economic factor to measure the development of a society in more comprehensive and not exclusively economic terms.

Based on these factors, the Regional CSR Strategy establishes a series of priorities to be addressed based on the results of a situation diagnosis carried out in the Region in 2015:

- **Generate wealth and employment:** CSR should be configured as a fundamental element to improve growth, create jobs and generate wealth in Extremadura.
- **Strengthen the social model:** CSR should be configured as an element that allows companies to incorporate the necessary capacities to face the economic, social and environmental challenges of Europe.
- **More business innovation:** Increasing the commitment of Extremadura SMEs to Social Responsibility should generate a more innovative business culture, more internationally attractive and

with more resources

to anticipate and adapt to a changing global market.

- **CSR for SMEs and the self-employed:** Provide SMEs and the self-employed with the necessary capacities and resources to achieve the full implementation of social responsibility in company management to make benefits of CSR more tangible.
- **Transparency:** CSR is the framework of a culture of mutual demand between companies, society and public administration, a cultural framework that requires building the skills and abilities with stakeholders to allow us to actively participate in the process of transparency.
- **Strengthen market unity:** CSR initiatives promoted by the public or private sector should seek to preserve market unity, creating a more favourable environment for competition and investment without limiting the voluntary development of CSR.
- **Encounter between public and private to improve CSR:** CSR public policies must overcome work in company code or public administration. It is necessary to carry out policies that seek an encounter between public and profit and non-profit organisations.

4. NATIONAL/REGIONAL CSR ACTION PLAN

4.1. Process for the development of the National/Regional CSR Plan. Strategic Objectives and Priorities.

National CSR Plan

The **Spanish Corporate Social Responsibility Strategy**⁸2014-2020 is not only limited to companies, but also aims to promote the development of responsible practices in public administrations and other types of organisations creating a society with a more competitive, productive, sustainable and inclusive economy.

Its aim is to disseminate the values of social responsibility in society, placing a special focus on small and medium-sized enterprises, since in our country they amount to more than 95% of the business fabric.

Why was the National Plan created?

It became clear, through the isolated initiatives that began to emerge in various autonomous communities, that there was a need to create a common framework to standardise CSR actions and allow a harmonious development throughout the national territory, from the point of view of ensuring market unity, which can be affected by policies developed in this area by the different Autonomous Regions, and in the search for synergies through the collaboration of different public policies.

The **National CSR Strategy 2014-2020** provides the framework for the promotion of CSR in both private and public organisations, and establishes a series of responsibilities for the public administrations, companies and society in general.

Responsibility of the Public Administrations:

- Ensure that the acknowledgement of social responsibility by the organisations is real and meets the criteria of materiality.
- Promote the dissemination of CSR so that it reaches society as a whole.
- Ensure that CSR penetrates all stages of the productive fabric without involving new administrative or other types of burdens.
- Establish themselves as clear examples of responsible entities in all their areas of influence.

Responsibility of companies and organisations:

- Define CSR strategies that are appropriate to the type and size of the organisation and ensure that

these social responsibility policies transcend the different departments.

- Reinforce in said strategy those issues that can respond to the priority needs depending on the socio-economic situation of each moment.
- Establish channels of communication and fluent dialogue with all its stakeholders.
- Support innovation and good practices aimed at advancing towards sustainable development.

The sum of the actions taken by companies and public administrations should benefit all citizens who must also assume their share of responsibility in order to achieve a sustainable, inclusive and productive social model.

Responsibility of society as a whole:

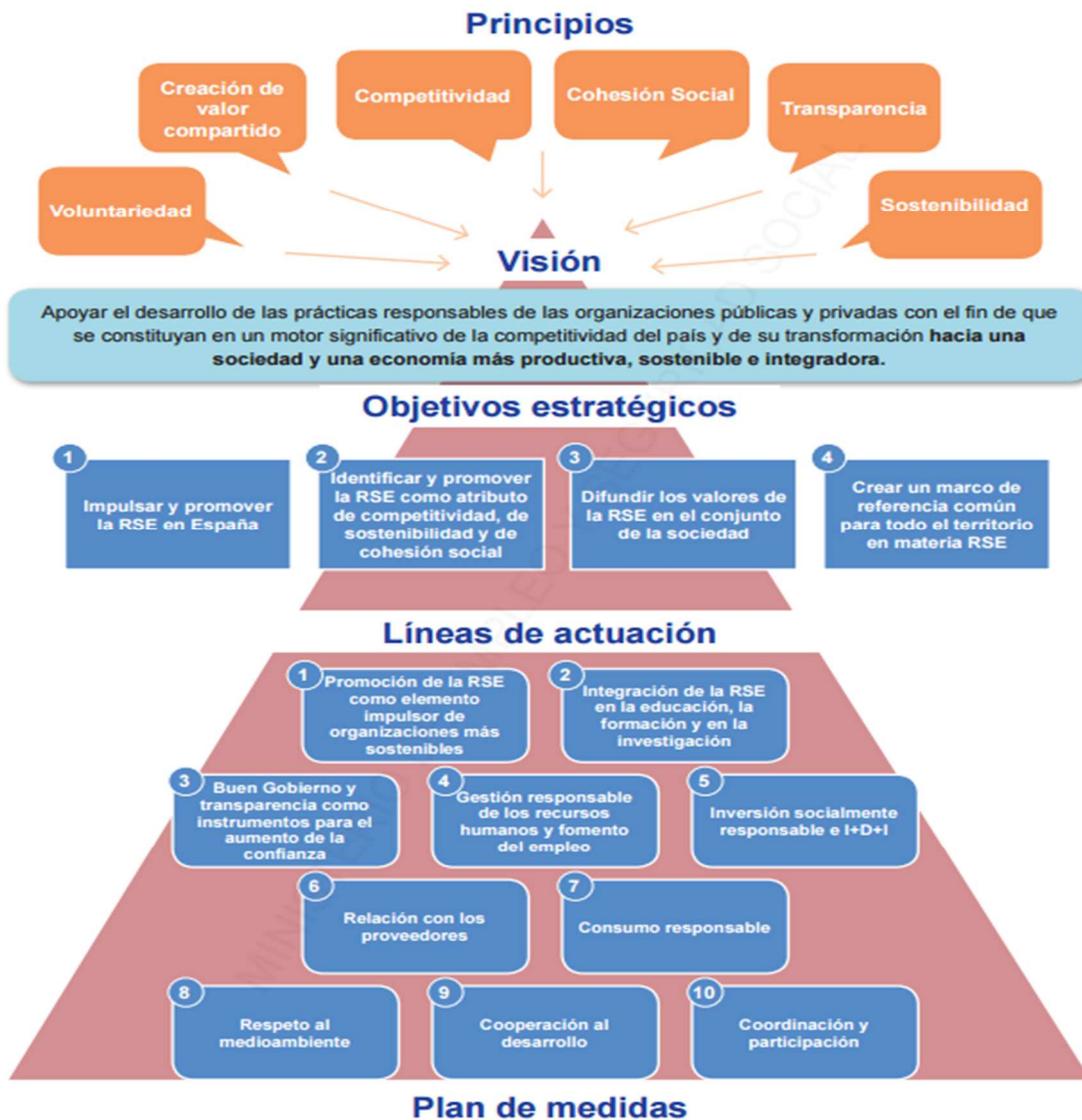
- Contribute to the maintenance of the environment through practices such as preventing the generation of waste, waste recycling and optimisation in the consumption of energy resources.
- Be aware of the influence they exercise in their role as consumers or investors.

The structure of the Strategy is shown below. It is based on six principles, four objectives and 10 lines of action around which the included measures have been grouped.

The CSR Strategy establishes 60 measures designed to objectify the lines of action, prioritised around three categories, per the socio-economic reality of our country:

⁸Spanish Corporate Social Responsibility Strategy
http://www.empleo.gob.es/es/sec_trabajo/EERSE_WEB.pdf

Estructura de la Estrategia Española de Responsabilidad Social de las Empresas



TOP PRIORITY MEASURES

- Create an accessible website specialised in CSR.
- Foster good corporate governance practices.
- Ensure that private and public sector companies produce corporate governance and sustainability reports.
- Promote responsible corporate tax management within organisations.
- Uphold CSR as a mechanism to strengthen the image of Spain and create a positive perception of Spanish products and services.
- Prepare a guide on the disclosure of non-financial information.
- Respect and safeguard Human Rights throughout the value chain.
- Implement coordination mechanisms between Public Administration and Autonomous Regions.

HIGH PRIORITY MEASURES

- Raise the awareness of companies with responsible and sustainable management models, for a socially responsible performance of their activity.
- Encourage communication platforms and space for dialogue between organisations and stakeholders.
- Promote the integration of social responsibility practices in SMEs and social economy entities.
- Boost actions to favour diversity in the staff, through an equal opportunities policy.
- Promote actions aimed at facilitating the reconciliation of workers' personal, family and work life.
- Encourage the promotion of health in the workplace.
- Promote labour integration of people at risk of social exclusion in ordinary companies, while facilitating entrepreneurship.
- Promote permanent work contracts.
- Ensure compliance with CSR principles throughout the supply chain and encourage companies to transmit their management models.
- Reduce the environmental impact of all organisations.
- Extend and promote CSR throughout the territory.

MEDIUM PRIORITY MEASURES

- Develop programmes to promote knowledge and compliance with international principles by organisations operating in Spain.
- Promote the study of CSR in both educational institutions for vocational training and universities for university education, as well as in research centres.
- Provide opportunities for corporate volunteering.
- Develop a good practice guide for socially responsible investment
- Promote the use SRI of Pension Fund Income Tax.
- Promote research, sustainable innovation and the development of products and services aimed at improving the standard of living.
- Encourage social entrepreneurship.
- Promote the incorporation of social, environmental, human rights and ethical criteria in public tenders and procurement, linked to the object of the contract
- Promote responsible consumption, consumer rights and integration of CSR principles into consumer policies.
- Reinforce information on the responsible consumption and control of natural resources.
- Promote the constitution of Public Private Partnerships for Development.
- Strengthen the OECD Guidelines for Multinational Enterprises through National Contact Points.
- Encourage the exchange of experiences with other countries.
- Study on the 'Report of the Special Representative of the Secretary-General on Human Rights and Transnational Corporations and Other Business Enterprises, John Ruggie', United Nations Human Rights Council.

EXTREMADURA CSR STRATEGY 2015-2017

In regard to Extremadura, the Extremadura CSR Strategy 2015-2017 ⁹which becomes the regional reference framework in terms of CSR, and the tool that will facilitate the promotions and development of social responsibility in the productive fabric in our community, was published in 2015.

The Extremadura strategy stems from a diagnosis of the situation of CSR in Extremadura obtained through a survey of relevant organisations of its society and complemented by a SWOT analysis.

Based on the analysis carried out, a series of objectives and strategic lines were established.

Extremadura CSR Strategy Goals

Objective 1: Drive the transformation of the social and economic model of Extremadura as a socially responsible, competitive and generating quality employment region.

Objective 2: Promote and encourage the incorporation of CSR in the business sector in Extremadura, particularly SMEs and the self-employed, as an instrument for the improvement of competitiveness, sustainability and job creation.

Objective 3: Play an active role in the development of new dimensions of CSR that allow to build a differential advantage for Extremadura, especially for the business sector.

Objective 4: Position Extremadura in the international context of CSR as a means to gain access to better knowledge on the subject.

Strategic lines:

Line 1: Development of the model of leadership in Social Responsibility for Public Administrations

- Boost socially responsible procurement
- Foster a culture of Social Responsibility in the Public Administrations of Extremadura
- Promote transparency in the public sector
- Promote the strategic alignment of areas of the Government of Extremadura.
- Encourage CSR in local authorities

Line 2 Promotion of Corporate Social Responsibility as a driving force for economic and social transformation:

- Foster the creation of meeting spaces for organisations and stakeholders.
- Promote responsible consumption among the society in Extremadura within the First Framework Plan on Consumption in Extremadura 2014-2020
- Boost socially responsible investment
- Use CSR for the promotion of equal opportunities
- Encourage the promotion of occupational health and safety
- Include social volunteer work in the business sector
- Enhance environmental sustainability within the framework of Specific Plans
- Promote the social action of companies and the self-employed
- Incorporate CSR in Development Cooperation
- Advocate for the creation of quality employment relations
- Increase the visibility of the organisations working on social responsibility
- Implement measures of positive discrimination for companies that integrate CSR
- Promote the dissemination of quality financial and non-financial information
- Integrate CSR into education, training and research
- Improve the training of individuals in CSR
- Promote the dissemination and information on social responsibility
- Promote the incorporation of CSR in the Social Economy
- Strengthen the system for the recognition of Socially Responsible Company of Extremadura

Line 3: Promotion of the incorporation of Social Responsibility in the business sector, third sector and citizenship

The Strategy contains 127 measures grouped in each of the previous sub-lines.

Analysis of results.

During the two years of the Strategy, many of the measures included therein have been implemented. A few can be highlighted:

- Publication of an order for the introduction of social and environmental clauses in public procurement.
- Training in CSR and innovative public procurement aimed at public administration staff
- Reduction of the payment period to suppliers. In 2016, it was reduced to 21 days.
- Aid for the creation of permanent jobs
- Promoting the recruitment of recipients of the basic income.
- Qualifying non-financial information auditors

⁹Extremadura CSR Strategy 2015-2017
<http://bit.ly/2o2BJhl>

- Identification, value and dissemination of best practices in CSR through the Extremadura CSR Observatory
- Using as assessment criteria in the granting of state aid to companies and self-employed individuals having the certification of 'Socially Responsible Company of Extremadura.'
- Development and implementation of a Master in Corporate Social Responsibility at the University of Extremadura
- Aid programme for the incorporation of a CSR specialist in the SME in Extremadura.

In 2017, a review was carried out, updating measures to incorporate through an analysis that allowed us to prioritise those that must be implemented on the basis of the current socio-economic context of Extremadura.

Based on such review the **CSR Action Plan 2017 - 2019** was published, aligned with the Sustainable Development Goals, understanding that governments have a fundamental role when implementing programmes, creating incentives and developing regulatory frameworks that favour sustainable development.

A key document to define the focus of action of this Action Plan has been the '**Regional Framework to boost the Green Economy and the Circular Economy in Extremadura**', designed by the Government of Extremadura, since both documents share the goal of turning the region into a space for innovation in the sustainable management of natural resources.

5. CSR LEGISLATION

Legislation at national level

Legislative developments that address the social responsibility of companies explicitly, as well as the Spanish CSR Strategy 2014-2020, which have been mentioned before, include:

- **Law 51/2003, of 2 December, on Equal Opportunities, Non-Discrimination, and Universal Access for Persons with Disabilities**, which aims to guarantee and recognize the right of persons with disabilities to equal opportunities in all areas of political, economic, cultural and social life.
- **Organic Law 3/2007 for effective equality between women and men¹⁰**, which includes voluntary actions of social responsibility for companies on equality, including the promotion of balanced presence of men and women in the Boards of Directors of companies, using the prevailing criterion of talent and professional performance.
- **Royal Decree 221/2008 by which the State Council on Corporate Social Responsibility is created and regulated¹¹** (amended by Royal Decree 1469/2008.)

The State Council on Corporate Social Responsibility (CERSE) is an advisory and consultative body attached to the competent Ministry in public policies of encouragement and promotion of social responsibility of the enterprises of the Government of Spain (currently the Ministry of Employment and Social Security). It responds to the aim of grouping representatives of different stakeholders linked to the social responsibility of enterprises in the same body.

The State Council on CSR was born with the aim of promoting initiatives on corporate social responsibility, in addition to proposing measures that pay special attention to the uniqueness of SMEs to the Government.

Among its objectives is also the search for the greatest possible homogeneity in reports of social responsibility and sustainability that, voluntarily, companies and organisations make public.

- **Law 2/2011 on sustainable economy¹²**, which introduced guidelines to create more favourable

conditions for sustainable economic development, and includes some references of impulse to corporate social responsibility. On the one hand, Article 27 on principles of good corporate governance and proper risk management in relation to the remuneration of the management team; Article 35, on sustainability in the management of public enterprises; and, finally, Article 39 on the promotion of the corporate social responsibility. Also included are references to the responsibility of the regulatory bodies and other items that include actions of social responsibility and socially responsible investment: consumers, sustainable mobility plans, etc. The thirty final provision of the Law of Sustainable Economy, also establishes by regulation conditions for the dissemination of information on the use of environmental, social and governance criteria in the investment policy of the pension funds.

- **Act 27/2011, of 1 August, on updating, adaptation and modernisation of the Social Security system¹³**, which establishes that the Pension Fund Control Committee will write down a comprehensive statement of the principles of its investment policy, expressly including in the statement if any extra financial risks (ethical, social, environmental, and good governance) that affect the different assets that make up the Pension Fund are taken into account.
- **Law 11/2013, on measures to foster entrepreneurship and stimulate growth and job creation¹⁴**, which includes the main measures making up the Entrepreneurship and Youth Employment Strategy 2013-2016. This strategy includes 100 measures to facilitate the access of young people to the labour market. The strategy is associated with the granting of a seal 'Entity Adhered to Entrepreneurship and Youth Employment 2013-2016 strategy' - which recognizes as 'youth employment responsible entities' to all those public and private organisations that adhere to it and to develop specific actions that contribute to its objectives.

¹⁰Organic 3/2007 of 22 March for the effective equality between women and men <https://www.boe.es/buscar/doc.php?id=BOE-A-2007-6115>

¹¹Royal Decree 221/2008, of 15 February, by which the State Council on Corporate Social Responsibility is created and regulated https://www.boe.es/diario_boe/txt.php?id=BOE-A-2008-3868

¹² Law 2/2011, of 4 March, on Sustainable Economy https://www.boe.es/diario_boe/txt.php?id=BOE-A-2011-4117

¹³ Act 27/2011 of 1 August, on updating, adaptation and modernisation of the Social Security system <https://www.boe.es/boe/dias/2011/08/02/pdfs/BOE-A-2011-13242.pdf>

¹⁴ Law 11/2013, of 26 July, on measures to foster entrepreneurship and stimulate growth and job creation. https://www.boe.es/diario_boe/txt.php?id=BOE-A-2013-8187 [measures](#)

- **Law 19/2013, of 9 December, transparency, access to public information and good governance**¹⁵, aims to expand and strengthen the transparency of the public activity, regulate and guarantee the right of access to information concerning the activity and establish the obligations of good government that public officials must meet.
- **Law 27/2013 for the rationalisation and sustainability of local government**, which contributes to give a new impetus to the objectives and mandates of the Equal Opportunities, Non-Discrimination and Universal Access Act of 2003 and, in particular to the Elimination of barriers and obstacles that may limit the full integration, participation, access to information and equal opportunities for people with disabilities.

Legislation in Extremadura

In Extremadura, as well as the applicable national legislation, and the Extremadura CSR Strategy 2015-2017, we find the following regulations which deal with the corporate social responsibility:

- **Act 15/2010, of 9 December, on CSR of Extremadura**¹⁶. It is the first law in Spain that deals specifically with corporate social responsibility. The law aims to promote CSR in the autonomous community of Extremadura, and for this purpose starts by defining CSR and sets its defining elements in different aspects of the company: ethics and values; human resources; environment; social relations of the company and communication.

The law develops the way in which companies can achieve the qualification of 'socially responsible company' and the requirements for this information (CSR annual report) and verification, and then establishes the benefits for the company that holds that rating: subsidies, tax benefits and premiums in public procurement mainly. The law provides measures of promotion of CSR in SMEs and sets an annual prize for socially responsible companies in Extremadura.

In addition, it establishes the creation of a Regional Council for the promotion of CSR and establishes a broad chapter of implementation of CSR in the Extremadura Government, forcing the Junta de Extremadura to present to the Assembly annually their own social

responsibility report. In 2017, our sixth report will be submitted.

- **Decree 110/2013, whereby the Regional Council for the promotion of the social responsibility of Extremadura, and the Office of Corporate Social Responsibility, the procedure for the qualification and registration of socially responsible companies in Extremadura** ¹⁷is regulated (subsequently amended by Decree 68/2014¹⁸), whereby Law 15/2010 was developed.
- **Decree 85/2015, of 5 May, regulating subsidies for the promotion of Social Responsibility in Extremadura**¹⁹
- **Law 4/2013, of 21 May, on Open Government of Extremadura**, aimed at the implementation of a new relationship between the Government and the Public Administration with citizens based on transparency and the establishment of an open government.

This law defines the public information as that of free access to any citizen because it has been produced or acquired by the public sector itself in the exercise of its activity, operation and organisation, including administrative records that are completed.

This legal provision lays down the right of access to public information as the obligation of public administration to provide and disseminate constant, truthful, objective and accessible information, to ensure the transparency of the political activity of public management and thereby promoting the involvement of citizens.

¹⁵Law 19 / 2013, of 9 December, transparency, access to public information and good governance

<https://www.boe.es/buscar/doc.php?id=BOE-A-2013-12887>

¹⁶Law 15/2010 on corporate social responsibility in Extremadura

<http://doe.juntaex.es/pdfs/doe/2010/2390o/10010017.pdf>

¹⁷Decree 110/2013, whereby the Regional Council for the promotion of the social responsibility of Extremadura, and the Office of Corporate Social Responsibility, the procedure for the qualification

and registration of socially responsible companies in Extremadura

<http://doe.gobex.es/pdfs/doe/2013/1300o/13040127.pdf>

¹⁸Decree 68/2014, of 5 May, amending Decree 110/2013

<http://doe.juntaex.es/pdfs/doe/2014/890o/14040083.pdf>

¹⁹DECREE 85/2015, of 5 May, approving the regulatory basis of grants for the promotion of Corporate Social Responsibility in enterprises of the autonomous community of Extremadura

<http://doe.gobex.es/pdfs/doe/2015/880o/15040096.pdf>

DEVELOPMENTS STEMMING FROM THE ACTS IN EXTREMADURA

With the approval of Law 15/2010 on CSR, a series of actions for the promotion and the promotion of CSR in Extremadura were implemented:

- Implementation of the **Extremadura CSR Observatory**, <http://rsextremadura.juntaex.es>
- Creation of the **Regional Council for the promotion of Social responsibility in Extremadura**, whose main objectives are:
 - ✓ Establish a forum for debate on CSR between the public authorities, business, trade union organisations and other organisations and institutions with recognized representation in the field of social responsibility, which serves as a framework for the development of the CSR of enterprises.
 - ✓ Promote initiatives on corporate social responsibility of companies and the self-employed.
 - ✓ Promote standards or characteristics of the social responsibility reports, as well as the most appropriate tools for their preparation and follow-up.
 - ✓ Analyse the development of CSR in Extremadura.
- Creation of the **CSR Office of the Regional Government of Extremadura**: The CSR Office is an essential tool in terms of CSR, as it is a service offered by the Junta de Extremadura with the aim of informing and advising enterprises on the implementation of the CSR, to disseminate the values of social responsibility among the citizens and report on incentives, grants or existing CSR grants.

Many actions have been carried out to raise awareness about the importance of adopting a socially responsible organisation management, either for private companies or public administrations.

- **Certification: 'Socially Responsible Extremadura Companies'**
To obtain the qualification of socially responsible company in the autonomous community of Extremadura companies must have workplaces in the territory and develop and implement actions related to the five defining elements of CSR established by law 15/2010, and fill in the ORSE's self-assessment CSR questionnaire that will enable the company to draw up the corresponding social responsibility report.
- **ORSE tool development**

ORSE tool is an online and free CSR self-assessment system that integrates the most important standards at national and international level (FRC, principles of the UN Global Compact, SA8000, AA1000 and Worldcob CSR, SGE21, IQNet SR10, GRI).

ORSE allows to make a diagnosis of the level of competitiveness of the organisation on the basis of their economic, social, environmental and ethical performance, transparency and human resources. This tool provides questionnaires adapted to the size of the company, as a result there are 3 types of questionnaires:

- Questionnaire for companies of less than 10 workers, made up of 30 indicators.
- Questionnaire for companies of between 10 and 25 employees, made up of 60 indicators
- Questionnaire for companies of more than 25 workers, made up of 120 indicators

The ORSE tool provides a number of benefits:

- Free online self-assessment system.
- It boosts the competitiveness of organisations offering a double comparison, depending on the sector and of the total.
- Increase the value of the organisation enabling the valuing of intangibles such as the social, environmental, economic, and labour performance, promoting the communication of best practices.
- Tool to respond to the new demands of 'Transparency' and non-financial information.
- It is a flexible tool that allows the addition of new standards.
- **Development of agreements for approval with the corporate social responsibility standards**

These agreements are signed with:

- Foundation MasFamilia (FRC certification)
- Forética (SGE21)
- Social Accountability International (SA8000)
- AENOR (IQNetSR10)
- World Confederation of Businesses (Worldcob CSR)

The objective is strengthening market unity, as to avoid duplication and heterogeneity in the field of social responsibility, in addition to giving the possibility to the company to implement that standard that better suits their corporate reality.



▪ **Regional Framework to boost the green economy and circular economy in Extremadura**

This framework was designed for the development of a strategy of green and circular economy in Extremadura that aims to make the region by 2030 in a reference for these economies, but at the same time to provide welfare, dignity and quality of life to the Extremadura citizenship.

Specific goals

- Approach and development of productive activities linked to the primary sector (agriculture, livestock, forestry...) around the green economy.
- Approach and orientation of industrial activities and the construction sector towards a green economy.
- Development of the activities of the service sector around the green economy.
- Large-scale training of the population in skills related to leadership and management in order to empower and lead the new economy.
- Mindset change and development of new attitudes to face the great challenges of the future.
- Development of a training offer to incorporate the population to new jobs and activities of the green economy and circular economy. I
- Boosting green jobs and professions.
- Development of entrepreneurship in activities related to the green economy and circular economy.
- Fostering research and innovation on the green economy, circular economy and its activities.
- Smart specialisation of Extremadura on the green economy and circular economy, as a meeting point of all sectors and production activities.
- Linking the region with the world's major green economy and circular economy spots.
- Generating a new work culture among the actors of the region following the quadruple helix model (citizenship, authorities, production fabric and the knowledge sector).

This framework for building the Extremadura circular and green economy strategy is based on four programmes.

1. Programme of citizen mass participation, social consensus and political agreement. Participatory preparation of a strategy in the medium and long term on circular economy and green economy.

2. Green leadership citizen training programme. Empowerment of citizens in green economy.

3. Research in green economy, bio-economy and Circular economy in Extremadura programme. Promotion of research and innovation from Extremadura in green economy, bio-economy and circular economy.

4. Identification and showcasing of the potential of green economy and circular economy in Extremadura programme. The beginning of the transition towards a green economy in Extremadura.

It establishes 54 measures to be implemented in 18 lines of action which are:

1. Boost socially responsible procurement
2. Promotion of CSR in public administration
3. Promote transparency in the public sector
4. Promotion of CSR within the autonomous administration
5. Promoting responsible consumption
6. Promote socially responsible investment
7. Fostering equal opportunities
8. Promoting health and safety at work
9. Including social volunteer work in the business sector
10. Integration of CSR in development cooperation
11. Advocate for the creation of quality employment relations
12. Enhance environmental sustainability
13. Increase the visibility of the organisations working on social responsibility
14. Put in place measures of positive discrimination for companies that integrate CSR
15. Integrate CSR into education, training and research
16. Improve the training of individuals in CSR
17. Promote the dissemination and information about social responsibility
18. Promote the incorporation of CSR in the social economy

6. ALIGNMENT WITH GLOBAL APPROACHES TO CSR

The Spanish regulation in the field of Corporate Social Responsibility does not offer a direct approach associated with global approaches, namely: OECD, Global Compact, ISO 26000, UN guiding principles of business and human rights, etc... Although from 2016, the emergence of the new sustainable development goals has had a significant impact to align public policies with the SDGs, resulting in non-structural changes in various organisms and public bodies that give as a result a large number of guidelines, plans and strategies in many lacking structure for its implementation and others lacking even in budget.

It is important to move away from two temptations which could lead us down the wrong path: spend the next several months (or years) preparing white papers, and assume that this is a foreign policy agenda of development aid that should be developed by the Ministry of Foreign Affairs.

Below is a non-exhaustive description of ²⁰five measures that are feasible, necessary and sufficient to articulate this new policy for Sustainable Global Development in Spain with a SDG approach.

1. Create a Ministry of Sustainable Development, with the rank of Vice President of the Government, responsible for formulating and developing this policy for Sustainable Global Development. As Vice President, it will give coherence to the contribution of national public policy of the State to the SDGs and coordinate horizontally to other ministries and public bodies, representing Spain in the accountability process provided for in the Agenda 2030. Bringing together the skills and capabilities in sustainable global development of the State general administration under this Ministry.
2. Develop a new Law of Sustainable Development. It is essential a new law to 'transpose' the 2030 Agenda, and that includes the integration of the SDGs in other instruments of legislation and public policy. This law, ideally an organic law, would reflect a State agreement. A new law on international cooperation for sustainable development, replacing the highly successful act of 1998, should be devised in this context.
3. Establishing proper incentives and professional career. In the context of the new law, the creation of incentives to create a professional career in this field should be addressed. An accreditation system similar to that established for the workforce or official university teachers and researchers, which enable access to public service and to promote mobility, might be appropriate.
4. Institutionalise the 2030 Agenda in Parliament, and regional and municipal counterparts. Consolidate an annual debate in plenary sessions where the report submitted by Spain as part of the new international mechanisms of accountability will be addressed. A new Commission for Sustainable Development could integrate members of the rest of key commissions.
5. Establish incentives to Spanish companies for its transition towards sustainable business models and their accountability, so that they can position themselves strategically in an economy where the competitiveness will be based increasingly in alignment with the SDGs.

²⁰ Based on the article by Gabriel Ferrero, senior advisor on the planning of the 2030 Agenda at the Executive Office of the Secretary General of the United Nations

from 2012 and Deputy Director-General of development policy in the Secretariat of State for International Cooperation between 2006 and 2011.
http://elpais.com/elpais/2016/02/22/planeta_futuro/1456160516_880929.html

7. CSR IN SMEs

While CSR may appear more linked to large companies, the reality is that the implementation in SMEs is more natural, given their greater relation to the environment and its greater proximity to customers. In fact, SMEs follow CSR practices on a regular basis even without knowing the concept or call them by that name.

According to the study, *'Drivers towards CSR practices in family SMEs'*²¹ the inactivity of many SMEs in the field of CSR applies mainly to a lack of information and knowledge about it and the way they integrate it in its activities, the lack of human and material resources, and the difficulties in turning social and environmental efforts into tangible benefits.

The main barriers faced by SMEs for the adoption of CSR practices are the following:

- Scarce resources
- Lack of training/skills
- They do not generate value
- Lack of incentives or lack of support from public administrations
- The difficulty of SMEs to communicate effectively
- CSR is associated with large companies and does not allow small entrepreneurs to view their application and their advantages
- Bureaucracy...

Increasing concern for environmental and social issues by governments and civil society	International community expectations	Regulation
Pressure from funding sources related to environmental and social performance	Increasing consumer preference for products and services provided by socially responsible companies	Provider eligibility criteria for from multinational companies including the adoption of CSR practices
	Equal or better ROI levels adopting CSR practices	

However, SMEs have advantages over large companies.

- They are closer to society and to the market in which they work, allowing them to learn more about the

needs and preferences of its customers to offer personalized customer care.

- The flexibility of its structure, since being smaller they need less bureaucracy and adapt better to changes.
- Workers are more committed to the organisation

According to the study: *'Corporate Social Responsibility and Entrepreneurship in Spain'*²², the factors that can influence the adoption of social responsibility by companies are as follows,

The degree of penetration of Spanish CSR policies and tools in SMEs is still low in comparison with medium-sized and large companies. According to the 2011 Forética report, only 4% of SMEs had policies and advanced tools in CSR, compared to 54% in medium and large companies.

However, we can see that little by little Spanish SMEs become increasingly aware of the competitive advantages that can lead to an improvement of the image, a more fluid relationship with the people that make up the company, etc. They are also increasingly aware that costs can be reduced with initiatives related to CSR, such as a more rational use of energy or reduce the use of paper in offices.

Corporate social responsibility actions that carry out Spanish SMEs in general are:

- **ENVIRONMENTAL:** The concern for the environment has been increasing. 98% of Spanish **SMEs** have taken at least one measure of energy efficiency. The measures taken include energy saving, waste reduction, recycling and water saving.
- **WORKING LIFE AND PERSONAL LIFE BALANCE.** Employee-related policies: measures of work-life balance, remote working, flexibility, training, promotion, risk prevention, good atmosphere. The responsibility towards the worker is one of the great advantages of **SMEs**. They tend to be very flexible companies, because they know very well the reality of each of their employees.
- **AND LOCAL.** Due to the crisis, **SMEs** social action has been approaching towards the nearest local environment initiatives such as food banks or volunteering.

There are many actions aimed at fostering CSR in SMEs, which account for more than 98% of all companies in Spain. However, most of these actions are decentralized by the autonomous communities.

²¹Drivers towards CSR practices in family SMEs, [file:///C:/Users/alicia.gonzalez/Downloads/Dialnet-MotivacionesHaciaLaResponsabilidadSocialEnLasPYMEs-4712125%20\(1\).pdf](file:///C:/Users/alicia.gonzalez/Downloads/Dialnet-MotivacionesHaciaLaResponsabilidadSocialEnLasPYMEs-4712125%20(1).pdf)

²²Corporate Social Responsibility and Entrepreneurship in Spain, Instituto de Empresa, Business School for the General SME Policy Management, <http://bit.ly/2pKkFdp>

Therefore, one of the main objectives of the Spanish CSR strategy is bringing together all these decentralised actions.

RELEVANT ACTIONS

Several activities carried out by the Government to integrate CSR in SMEs can be mentioned.

Among the actions carried out by the State Administration:

- In 2011, the Ministry of Industry, Energy and Tourism launched the '*RSE-PYME*' initiative. It is a programme whereby the Ministry aims to bring in a specific manner the concept of CSR to small and medium-sized companies, raise their awareness on the importance of incorporating it into their business practices, as well as bring the competitive advantages arising from this integration.

Participation in this initiative offers a clear added value to SMEs and the self-employed by providing them free:

1. Access to CSR management tools.
2. Training in the field of CSR.
3. Support and individualized monitoring for the elaboration of Sustainability Reports

More than 750 companies and freelancers joined this initiative during 2011 and 2012.

This initiative was awarded in 2013 the First European CSR award in the category of 'Transparency to build trust'.

- One of the measures included in the Spanish CSR Strategy establishes the need to:

Promote the integration of social responsibility practices in SMEs and social economy entities. For this reason, the Ministry of Employment and Social Security, in collaboration with the CERSE, is expected to implement of guidance programmes for small and medium-sized companies and Social Economy organisations on issues related to corporate social responsibility, as a tool to improve the external perception and its possibilities of internationalization.

- On the other hand, the CSR State Council was created with the aim of promoting initiatives on corporate social responsibility, in addition to the

Government

proposing measures that pay special attention to the uniqueness of SMEs.

- The Office of the High Commissioner of the Government for the Marca España (brand Spain) is working on the promotion of CSR as a flagship attribute of Spanish companies working abroad. These efforts are embodied in actions such as the signing of a collaboration agreement with Forética in February 2014, whose first result was the publication of the CSR Report and Marca España²³, result of group work developed under the agreement.

8. HUMAN RIGHTS AND RESPONSIBLE SUPPLY CHAIN MANAGEMENT

Spain signed its Human Rights Plan²⁴ on 12 December, 2008.

This Plan has two main priorities: 'Equality, non-discrimination and integration' and 'Guarantee Human Rights' which are integrated by a set of actions under the epigraph of External Action and Internal Action.

A group of objectives within the framework of External Action are established, like continuing with a commitment to peace, democracy, development cooperation, solidarity, and social justice in order to build a fairer and more supportive global society. For this purpose, forty one measures are provided and arranged by field of action of United Nations, European Union, the organisation for Security and Cooperation in Europe and the International Criminal Court.

With regard to the Internal Action, and on the premise that public authorities are linked by Constitution in their actions, and they are the ones to promote the conditions for freedom and equality of individuals or groups which forms it, are real and effective, this intended hundred and thirty measures are grouped by subjects of affected rights

The Plan includes political and civil rights, economic, cultural and social rights and a group of human rights that started to develop from the 70's like the right to development, the right to peace, and the right to the environment

The Human Rights Plan projected the creation by the government of a monitoring committee formed by executive members, civil society members and the Ombudsman, being formed by Order PRE/1597/2009, 15 June.

²³Marca España report: sustainable companies, competitive country <http://bit.ly/2ot5nZ0>

²⁴Human Rights Plan of the Spanish Government http://www.ohchr.org/Documents/Issues/NHRA/Spain_NHRAP.pdf

This committee attended five meetings during the 2011 ended Plan.

In November 2012, an evaluation report was published about implementation, compliance and progress of the measures of the First Human Rights Plan confirming that some important agreements were made, such as the approval of the National Action Plan to Combat Human Trafficking for Sexual Exploitation, the creation of the International Committee against the death penalty, the Council of Europe Convention on Action against Trafficking in Human Beings endorsement, the ratification of the Convention to Ban Cluster Bombs and the international convention on Protection of all People from Enforced Disappearances.

This First Plan was an advancement but during its implementation some issues needed to be addressed with a second plan version. Especially the ones related to the implementation of the proposals, deadlines, transparency, monitoring indicators, accountability and ways for the civil society to participate.

At the moment in Spain there is a draft version, more than two years old, the Second National Business and Human Rights Plan²⁵.

The Plan structure is divided following guiding principles in three aspects, the government duty to protect, the companies obligation to respect and the access to redress mechanisms. The instruments for make these commitments real are mainly regulations, tax reliefs, financial, commercial and interministerial and interinstitutional coordination.

With this Plan the government commits to develop all the agreements on human rights adopted by Spain in the United Nations, in the European Union and internally linking public and private companies in the promotion and respect of them, improving at the same time the analysis of the external facing challenges.

The Plan is directly related with the Spanish Strategy of Social Responsibility. It is an open plan, thought as a start point, subordinated to be evaluated periodically every three years and fed with new proposals and commitments.

In the government duties chapter, the government is committed to enable with business organisations and unions a platform for online training, assessment and resolution of queries. As this draft shows, thanks to this platform companies will be able to access periodically to online courses, consult reference material at a European and international level, and EU elaborated guides and other resources of interest and

practical tools 'intended to improve knowledge and understanding of the Human Rights and the Guiding Principles at all business levels'.

One of the most relevant updates in the draft is that to guarantee the companies responsibility to respect human rights, the government will study and apply an incentive system. This system will include large and small companies that perform an adequate policy on Human Rights and these could be economic, commercial, presence, visibility and image.

The task of the Human Rights office of the Ministry of Foreign Affairs and Cooperation is to coordinate the foreign policy of Spain in the protection and promotion of the Human Rights and the elaboration, proposal and implementation of this policy in the international organisations.

RESPONSIBLE MANAGEMENT OF THE SUPPLY CHAIN

According to the study 'CSR in the supply chain of the 50 biggest companies in Spain'²⁶, in Spain a few studies have been conducted to analyse the CSR implementation state in the management of the supply chain obtaining the following results:

This document analyses how the biggest companies of Spain are incorporating CSR criteria in the management of the supply chain. These results shows that 96% of the companies conduct practices related to the requirements defined by the CSR, 80% of the companies apply control mechanisms, a 78% apply promotional measures and a 62 % are taking collaborative actions.

Study	Research method and sample	Results in terms of presence of ethical code
Adecco Foundation (2012)	Survey to 250 HR managers of representative Spanish companies	35% of companies have a responsible supplier certification system
Sustainability Excellence Club (2011)	Survey to 144 largest companies or corporations operating in Spain	52% of companies have a specific supplier code and 91% of companies have implemented a measure of supply chain control
Foretica (2011)	Survey to 1,031 representative Spanish companies	11% of companies carry out environmental and/or social audits to their suppliers and 6% state that will do so in the future
Royal Academy of Economic and Financial Science (2010)	Survey to 32 IBEX 35 companies	69% of companies carry out advanced responsible supplier management practices
Family Companies Institute (2009)	Survey to 34 companies linked to the Family Companies Institute (large Spanish family firms)	50% of companies have incorporated CSR in their relationships with suppliers

²⁵ Second National Action Plan on Business and Human Rights <http://observatoriorisc.org/wp-content/uploads/2014/08/pnedh-borrador-julio-2014.pdf>

²⁶CSR in the supply chain of the 50 biggest companies in Spain. Mercè Roca Silvia Ayuso. Working Paper no.15 <http://bit.ly/2oDCrOw>

TEXTILE INDUSTRY. PLAZA RANA, 2013

The unfortunate accident of Plaza Rana that cost the lives of more than a thousand workers should be noted, as it sparked in the international context the need for increased security measures of the factories where multinationals have relocated their production.

To minimise the potential risks of managing the increase in the number of suppliers, largely located in developing countries, companies have strict codes of conduct that suppliers must comply and control the traceability of the production, verifying that labour and safety standards are met and not outsourcing the manufacture to a third party. By way of example:

INDITEX

Inditex worked in 2015 with 1,725 suppliers who produced more than 20,000 units a year of clothing, shoes or accessories from 50 countries, which recorded 6,298 factories (916 more than the previous year). The registration of fabric factories as a result of the emphasis on ensuring traceability throughout the supply chain has increased in the last year and they have worked on the standardisation of methods which ensure traceability to develop a global model. All suppliers must register their factories, enabling the verification of its production capacity. In this way, Inditex pursues to control globally their supply chain and reduce the possibility of outsourcing.

In 2015, Inditex performed 10,977 audits to assess and improve the supply chain. All manufacturers are subject to regular audits from the start of the business relationship with Inditex (through a screening). In addition, they must pass, on a regular basis, social, special and traceability audits. The latter grew by 16% (there are 2,866 traceability audits), more than half in America, to verify in situ production carried out in declared and authorized factories. During the more than 2,800 visits, 325 breaches were detected. After a social audit, Inditex establishes corrective action plans in each factory. In 2015, 510 plans, of which 64% were passed successfully were implemented. Not passing results in the blocking of the supplier or the factory and not being part of the supply chain.

MANGO

Mango had in 2015 513 suppliers and 885 factories that produced garments and accessories, which have to abide by its code of conduct and undergo an analysis and verification to ensure that they meet their requirements. The company does maintenance audits every one or two years, depending on the country of origin and, furthermore, when assigning a collection to a new factory they launch a social audit by

external auditors. If it detects a breach of the code, an action plan and timeline are established to correct the deficiencies.

In 2015, more than 396 external audits were carried out, in certain cases without prior notice. Six out of ten factories in Turkey and China. 77 Chinese factories and 73 Turkish factories breached part of the code of conduct, followed by Pakistan (27) and Vietnam (22); also five of the 14 facilities working for the group in Spain. The most breached were health and safety at work and working hours, and to a lesser extent, wages.

H&M

H&M launched a new programme of evaluation of its suppliers last year that classified them into three levels based on the fulfilment of legal requirements (linked to the ILO's standards), the implementation of management systems that prevent a breach, and performance in aspects such as environmental management and the relationship with the community. This system, which is intended to go beyond the mere audit, is part of the approach of the Swedish group to promote transparency of its supply chain, strengthen ties with its suppliers through strategic alliances and support its future growth. H&M has 820 suppliers, of which 153 are strategic, with 1,882 factories, mostly in Southeast Asia and the far East. In 2015, 80% of the factories were evaluated at least once.

EL CORTE INGLÉS

Suppliers of El Corte Inglés (31,654 in the past year) have to accept the code of conduct of the Business Social Compliance Initiative (Bsci). Since 2009, they have carried out 2,933 social audits to suppliers from 19 countries, a process that intensified in 2015, when it audited 1,033 factories in third countries (710 in China, in India 89 and 85 in Bangladesh).

MARKS & SPENCER

Marks & Spencer has published an interactive online map with the location of its 700 suppliers of clothing, footwear and accessories. The group, which has 2,200 suppliers worldwide (including food suppliers), reinforced the principles of human rights to be met by suppliers, who undergo frequent audits to determine potential risks. Last year, they analysed 660 out of 1.349 textile factories that produce for the group, employing more than 830,000 people, which required 6,226 improvements (68% related to health and safety at work and 15% in working hours).

9. SOCIAL AND EMPLOYMENT POLICIES

Social policy aims to reduce inequalities and improve the living conditions of the whole population in order to facilitate the exercise of the rights of citizenship and to foster cohesion and social progress.

There are numerous initiatives developed in Spain in the area of social policies and access to the labour market.

The priority objectives in terms of social policy of Spain are:

1. Equality of treatment and opportunity between men and women
2. Fight against poverty and social exclusion
3. Family and childhood
4. Youth
5. Disability and dependency support policies
6. Elderly people.

EQUALITY OF TREATMENT AND OPPORTUNITY BETWEEN MEN AND WOMEN.

In Spain, the equality is enshrined in the Spanish Constitution of 1978, which proclaims in its article 14 that 'Spaniards are equal before the law and may not in any way be discriminated against on account of birth, race, sex, religion, opinion or any other personal or social condition or circumstance.'

Over the years, the Spanish legislation on equality has advanced, seeking to eliminate discrimination, both direct and indirect, as well as the conditions that can foster discriminatory harassment. Examples of this are the following laws:

- o **Law 51/2003**, of 2 December, on equal opportunities, non-discrimination and universal accessibility of persons with disabilities.
- o **Organic Law 3/2007**, of 22 March, for the effective equality of women and men.
- o **Organic Law 2/2009**, of 11 December, on the reform of the Organic Law 4/2000, of 11 January, on rights and freedoms of foreigners in Spain and their social integration.
- o In the field of **equality of treatment and opportunities between women and men**, the **Women's Institute for Equal Opportunities**, is the autonomous body attached to the Ministry of Health, Social Services and Equality, that has as a primary purpose the promotion of conditions that make possible the social equality of both sexes and

the participation of women in economic, social, political, and cultural life, as well as the prevention and elimination of all types of discrimination on grounds of birth, sex, racial or ethnic origin, religion or ideology, gender orientation or identity, age, disability or any other condition or personal or social circumstance.

- The **Equal Opportunities Strategic Plan 2014-2016** adopted at Council of Ministers of 7 March 2014, is the instrument through which the Government defines, in those areas which are the responsibility of the State, priority objectives and measures to eliminate any discrimination on grounds of sex which can persist, and to achieve equal opportunities between women and men.

In particular, it responds to three strategic priority objectives:

- (i) reduce the inequalities that still exist in the field of employment and the economy, with special emphasis on pay inequalities;
- (ii) support the conciliation and co-responsibility of the personal, family and working life; and
- (iii) eradication of violence against women by the fact of being so.

These are joined by three others:

- (i) improve the participation of women in the political, economic and social spheres;
- (ii) promote equal opportunities between women and men through the educational system; and
- (iii) fully integrate the principle of equality of treatment and opportunity in all the policies and actions of the Government.

- Based on one of the strategic lines of the Strategic Plan for Equal Opportunities, the **Plan of Action for Equal Opportunities of Women and Men in the Information Society 2014-2017** was adopted.

This Plan has 121 measures to contribute to improve the digital inclusion of women in the field of the information technology and communications (ICT) in conditions of equality of opportunity with men.

- In addition, the Government approved on 9 October 2015 the **Plan for the Promotion of Rural Women 2015-2018**. It is the first time that a specific plan that strengthens the integration of the principle of equality in the different actions carried out the General Administration of the State in rural areas is created. The 82 actions contained in the Plan are grouped into five areas of activity: economy, employment and entrepreneurship; participation of the fishing and rural women in decision-making; promotion of conciliation and co-responsibility;

incorporation of equal opportunities in the design of policies to promote rural and fishing sectors; and impulse of the knowledge on the situation of women in rural and fishing areas.

The Spanish Government is working to promote equality in companies, with annual calls for subsidies to SMEs for the development and implementation of equality plans; the award of the label '**Equality in Business**' (currently there are 127 companies and entities that hold this distinction); and, a free advice service for plans and equality measures in companies via the website www.igualdadenaempresa.es

In addition, 'Network of Companies with the Equality in Business Label' was launched, which, through a virtual platform and an online forum, allows member companies to interact and showcase its activities relating to incorporation of the principle of equality of treatment and opportunity between women and men in its operation and structure as well as exchanging good practices.

FIGHT AGAINST POVERTY AND SOCIAL EXCLUSION

- In this area, the main instrument, the **National Action Plan for Social Inclusion 2013-2016**²⁷, approved by Council of Ministers on December 13, 2013.

The aim is to intervene from a transversal perspective based on the concept of Active Inclusion, incorporating measures in different fields of action that promote the employment and social inclusion of persons at risk of exclusion, and to develop new instruments of coordination and cooperation between the different territorial levels of the Administration and with the entities of the third sector to provide a more efficient public service provision.

The Plan includes 240 actions spread over three strategic objectives and a section devoted to the most vulnerable groups.

There are also other normative documents designed to implement measures that fight against social exclusion.

- The Council of Ministers approved on 2 March 2012 the **National Strategy for the Social Inclusion of the Gypsy Population in Spain 2012-2020**. In April 2014 the first operating plan of the strategy, which covers the period 2014-2016, was approved. Currently working on the preparation of the evaluation of this strategy to check the degree of achievement of

objectives according to the standards which were set in the Strategy itself.

- On 16 October 2015 came into force **Law 45/2015, of 14 October, on Volunteering**, which replaced Law 6/1996, 15 January, on Volunteering. The new law provides coverage for a voluntary action, without excluding any sphere of action and including other actors, such as companies, universities or public administrations. New forms of volunteering as those led by volunteers through information and communication technologies and that do not require the physical presence of the volunteers in volunteer organisations are recognised for the first time. It sets clear limits with paid work, both in public and in private sectors.

Other very different measures add to the above. A special effort has been made in the field of employment, promoting active policies in order to increase the employability of people in exclusion and support their incomes. Another priority action field has been housing, adopting different rules aimed at protecting mortgage debtors as well as so that they can cope with energy bills. Also, measures have been taken to help families income tax, and the legislation has been modified so not have to pay taxes for social pensions, making them unattachable provided that they do not exceed a minimum per family.

²⁷National Action Plan for Social Inclusion 2013-2016
<http://bit.ly/2oNxDr>

FAMILY AND CHILDHOOD

Family support revolves around several lines of action:

- Improving the work-life balance, especially promoting companies familiarly responsible and flexible, the modification of the use of time in our society especially in relation to working hours.
- Family education and the positive exercise of parental responsibilities.
- Care for families who have unique needs or particularly vulnerable.

To this end, a series of actions have been launched:

- The **Second National Strategic Plan for Childhood and Adolescence** (II PENIA 2013-2016), whose main objective is to promote a culture of cooperation between the public and private institutions in response to the new challenges that arise in relation to the welfare of the children was approved in April 2013.
- **Comprehensive Family Support Plan 2015-2017**, which pursues the following objectives:
 - Develop guiding principles which must govern the actions on family matters.
 - Advance in social, legal and economic protection of the family.
 - Face the socio-demographic challenges related to aging and low birth rate. Support motherhood.
 - Ensure sustainability and social cohesion by supporting families.
 - Foster intergenerational and intrafamilial solidarity.
 - Help build a supportive society with families.
 - Offer preferential support to families who are in special situations.
 - Eradicate the inequalities that originate in the family situation.
 - Develop a greater awareness of the family as the key institution for social cohesion.
 - Evaluation of results and impact of the family support policies.
- www.familiasenpositivo.es, a resource for families and family intervention professionals aimed at promoting the positive exercise of parenting and strengthen the parenting support positive policies

and public services of local governments and associations.

- Organic Law 8/2015 of 22 July and Law 26/2015, of 28 July, modified the system of protection of childhood and adolescence in Spain.
- Observatory of Childhood. It is a great platform for the participation of all social actors who, in one way or another, work and join efforts to promote the exercise of the rights and duties of children and adolescents in their different environments, both public administrations and associations of childhood.

YOUTH

Young people are part of the social priority of the Government of Spain. The objectives of the youth plan developed by the Ministry of Health, Social Services and Equality are:

- Ensuring equal opportunities of young Spaniards throughout the national territory, regardless of their economic, social and cultural situation.
- Promote the participation of youth in the cultural, economic, social and political life.
- Promote collaboration between administrations whose activities are carried out on this sector of the population.

The actions developed for the development of young people include:

- **Youth Strategy 2020** which lists policies and resources available at the moment so that young people develop their potential and carry out their vital projects. It is structured around six lines of action: Education and Training; Employment and entrepreneurship; Housing; Prevention and Health; Participation, volunteerism cohabitation and inclusion and equality; and Institutional Cooperation.

Within this strategy, the promotion of employability and entrepreneurship among young people has been set as a priority. For this purpose, several programmes are conducted:

- ✓ National contest of young entrepreneurs: Annual call whose purpose is fostering among young people under 35 years, entrepreneurial culture, and the creation of enterprises.
- ✓ Micro-lending programme for young people: The objective in this case is to facilitate access to the funding of specific character, in the form of

microcredit, for the purposes of the implementation, promotion and financial support of business projects for under thirty-five years, through the agreement that annually subscribe with Microbank.

- ✓ Emprendemos App: It is an app for the promotion of entrepreneurship and youth employment.
 - ✓ Youth Information Services Network (Red SIJ): integrated by more than 3,300 centres scattered around the country, who rely on autonomous regions, municipalities, associations and other entities. These centres provide young people with information and advice on employment and entrepreneurship resources.
 - ✓ Youth Guarantee The National Youth Guarantee Scheme was launched in 2014. This measure driven by the European Union, is intended to ensure that young people between 16 and 29 years who are not studying or working receive a good employment offer, training, apprentice training or internship.
- Entrepreneurship and Youth Employment Strategy, includes actions to improve employability, facilitate the inclusion in the workplace, promote entrepreneurship and improve their situation in the labour market. The Strategy encompasses the National Youth Guarantee Scheme, a measure driven by the European Union which is intended to ensure that young people between 16 and 29 years who are not studying or working receive a good employment offer, training or internship.

The Entrepreneurship and Youth Employment Strategy has been articulated as a tool open to society, which can add up all of those companies and public and private entities who wish to contribute with their own initiatives to address the challenge of youth employment.

It has a seal that the Ministry of Employment and Social Security has launched within the scope of their competence in matters of social responsibility and which will be granted to those entities which adhere as recognition of their contribution.

DISABILITY AND DEPENDENT CARE POLICIES

The main objective of public policies in this area is to achieve full equality of opportunities, non-discrimination, universal accessibility and the real exercise of rights by persons living with disabilities as the rest of citizens.

For this purpose the following was developed:

- Royal Legislative Decree 1/2013, of 29 November, which approved the revised text of the General Law of rights of persons living with disabilities and their social inclusion. The objective of this norm is to harmonize and update the texts composing the legislation already repealed through the prism of the rights, as provided for in the International Convention on the Rights of Persons Living with Disabilities
- The National Disability Council, aimed at the participation of associations and organisations related to disability in the design of public policies that directly and indirectly affect the disability.
- Action Plan of the Spanish Strategy on Disability 2014-2020, whose principles are based on eliminating the causes of discrimination which can affect persons living with disabilities
- Queen Letizia Award on promotion of the employability of people living with disabilities, convened annually to raise society awareness.
- Spanish Information and Documentation on Disability Network coordinates the documentary, informational and research work on disability, contributing to the management of knowledge in the field of disability, providing access to the data, analysis and most relevant information and promoting the exchange of ideas and experiences.
- The Office of Attention to disability (OADIS) works: The promotion of equal opportunities, non-discrimination and universal accessibility of persons living with disabilities, support and advice to people with disabilities and recommendations to the various ministries so that they take into account the degree of compliance with non-discrimination and universal accessibility of persons with disabilities.
- Law 39/2006, of 14 December, on promotion of Personal autonomy and care for people in a situation of dependency, whereby the System for the Autonomy and care dependency (SAAD). It is the set of services and benefits intended for the promotion of personal autonomy, care and protection to persons in situations of dependency. Its aim is to regulate the basic conditions that promote personal autonomy and care for people in a situation of dependency in the terms established by law.

ELDERLY PEOPLE

The Action Framework for Elderly People compiles in a single text the lines of action that guide public policies towards older persons, to promote active ageing and solidarity between generations, as well as those developed by entities, associations of older people and older persons.

The framework is made up of 348 recommendations, structured into 4 blocks: employment, social participation, healthy and independent lives and equality and non-discrimination.

- o **Employment:** it emphasizes the importance of lifelong learning and sees 'fit' to continue encouraging the voluntary extension of the working life beyond the ordinary age of retirement.
- o **Social participation:** promote continue adopting measures that ensure the elderly pensions adequate, safe and sustainable, as well as maintain and improve social protection mechanisms.
- o **Healthy and independent life:** advocate for the development of a socio-health strategy that allows better coping with chronic illnesses or treatment and care of increasing duration.
- o **Equality and non-discrimination:** specifies senior groups considered most vulnerable: older women, people with disabilities, elders in a situation of marginalization because of their sexual orientation, dependent or who live at risk of exclusion due to their income level. The document requests to take into account these groups with specific guidelines.

SOCIAL AND EMPLOYMENT POLICIES IN EXTREMADURA

In Extremadura the priority objectives in this area are the employment growth and promotion of social policies that help the most disadvantaged of the region.

For this purpose, different actions and programmes have been made from the Junta de Extremadura, such as:

EQUALITY OF TREATMENT AND OPPORTUNITY BETWEEN MEN AND WOMEN

Law 8/2011, of 23 March, on equality between women and men and against gender violence in Extremadura, contains a catalogue of rights of women and children supplementary to the constitutionally recognized rights and embodies the principle of mainstreaming in all the policies of the Junta de Extremadura, integrating the gender perspective into their administrative activity. This law requires the approval of a Plan listing the priority lines and measures to achieve full equality between men and women and to eliminate discrimination on grounds of sex. That is why in 2013 the **Plan for the equality of women in Extremadura** was published. It has 9 strategic areas covering a total of 37 different objectives, articulated in 259 measures affecting different areas of social, political and economic life of society.

ON THE FIGHT AGAINST POVERTY AND SOCIAL EXCLUSION

Law 3/2013, of 21 May, on

Basic Insertion Income in Extremadura. The Basic Insertion Income in Extremadura is a public service whose purpose is to ensure that those who are in situation or risk of social exclusion receive assistance to meet their basic economic needs and promote their social integration and employment, through actions to be determined in the Individual Inclusion Project

Law 7/2016, of 21 July, on extraordinary measures against social exclusion in Extremadura

The actions and measures of this law include:

- a) **Health coverage of foreign persons.**
- b) **Adaptation of the procedure for access to the right to basic insertion income in Extremadura.**
- c) Implementation of **exceptional measures** to cover situations of social emergency.
- d) **Measures to ensure access to a vital minimum of electricity, water and gas to the vulnerable people.**
- e) **Measures to increase social justice in access to housing**

In addition the **procedure of Citizen Emergency** is implemented, which are those procedures managed by the administration of the Government of Extremadura intended to guarantee the minimum economic and social resources for living in conditions of dignity and equality.

ON FAMILY AND CHILDHOOD AND YOUTH

Care Plan for Children and Adolescents

Its target are reforms to carry out so that all citizens of 0 to 18 years receive a comprehensive and coordinated educational, health and social services, especially aimed at those households with economic problems to ensure liveability, food, health and education.

Decree 307/2015, of 4 December, which regulates family care programmes

Family Care Programmes are the series of actions aimed to support and assist families in crisis or social or family vulnerability situation, promoting the best possible conditions for the improvement of relations and positive evolution of the families.

Sixth Youth Plan for Extremadura 2017-2020, consisting of more than 290 measures and that focuses in four blocks: training, lifestyles, leisure and free time, and values.

ON DISABILITY AND DEPENDENT CARE

- **Pact for a sustainable model of care for people living with disabilities**, which aims to develop a

series of measures to advance into a model of coexistence and attention able to eliminate the barriers that make it difficult for disabled people to access to equal opportunities for their full integration *of elderly people*.

- Extremadura creates the Extremadura Service of Promotion of Autonomy and Dependence (SEPAD) to promote actions aimed at prevention and care dependency situations of certain more vulnerable groups.

With respect to employment growth, Extremadura has high rates of unemployment that have led to the development of the **Employment Strategy of Extremadura, for the period 2016-2019**, which aims to increase the occupation of the workforce, as well as increasing stable and quality employment in order to get a labour market characterized by equal opportunities between women and men, innovation, social and territorial cohesion. The Employment Strategy is intended to prevent the consolidation of certain trends that lead to structural unemployment which affects the most vulnerable groups, and advocates for people qualification and availability.

10. CONSUMER AWARENESS AND PROMOTION OF RESPONSIBLE BUSINESS.

Companies have been advancing in quality criteria over recent decades, although, in view of different surveys on the perception of the consumer there is still some way to go.

According to the results of the study 'Consumer Attitudes towards Corporate Social Responsibility (CSR)²⁸, 'There is a CSR-sensitive consumer segment, still little proactive in searching for and paying for responsible products, but willing to punish non-responsible corporate behaviour.' For this reason, raising the awareness and informing consumers is very important, as companies and organisations reputation depends largely on them.

The Human Development Report²⁹ published annually by the United Nations Development Programme, says that the ecological footprint of global consumption is currently greater than the total biocapacity of the planet.

In this context, both the integration of sustainability issues in management by the company, as well as the development of responsible consumption patterns that incorporate the social and environmental impact to the preferences and purchasing decision criteria are very important.

The financial crisis 2008-2014

that has gone through Europe in recent years has made that patterns of consumption have not experienced a direct incorporation of elemental CSR aspects. Nonetheless, there are significant advances in:

- The textile sector, where there are campaigns such as 'ethical fashion' or 'slow fashion', is a part of the growing philosophy of design and trend of sustainability, which aims to create a system that can be supported indefinitely in terms of environmentalism and social responsibility.
- Fair trade (also called trade fair, fair trade, or alternative trade) is an alternative form of trade where there is a more equal sharing of the benefit.
- Healthy eating,
- Energy efficiency.
- Universal accessibility
- Social innovation companies
- Inclusive products

All these are elements that are changing the pattern of consumption of the citizenship. Even if the key to recognition is in models of certification of companies that allow a continuous assessment of the activity of the company, far from the audit and verification models in the 20th century.

Promotion of responsible companies

In this area, Extremadura, through Law 15/2010 on CSR includes the promotion of responsible companies, providing them with a certification in social responsibility and rewarding them with different benefits, among which are:

Granting of aid:

- Establishment of certification 'Socially Responsible Company of Extremadura' as assessment criteria in the granting of subsidies and aid.
- Establishment of aid for:
 - Funding costs arising from the adoption of the measures developed to obtain the certification of 'Socially Responsible Company of Extremadura'.
 - For the dissemination and promotion of this certificate by the companies.
 - For the approval of this distinction with any other in the markets in which it is intended to operate.

Priority in the award of contracts.

²⁸Consumer Attitudes towards Corporate Social Responsibility (CSR) by PriceWaterhouseCoopers <http://pwc.to/2pvDiVv>

²⁹ [Human Development Report. UNDP 2014.](#)

- In the event of a tie, preference will be given to companies that have accredited their status as 'Socially Responsible Company of Extremadura'.

Advertising:

- The Government of Extremadura will boost advertising of these companies.

The 'Socially Responsible Company Award', is being developed to recognize those organisations that excel in promoting the values of social responsibility.

In addition, the law provides in its Article 14, 'Information and awareness of the actors of corporate social responsibility', encouraging and promoting information and awareness on CSR, establishing the development of the following measures:

1. Information campaigns addressed to:

- improve the understanding of the concept of corporate social responsibility, organizing information and awareness activities for citizens, enterprises and the whole of the social actors.
- create a Internet site, accessible to people living with disabilities, that facilitates the dissemination of meaningful information about corporate social responsibility, knowledge of the initiatives and more relevant experiences, both national, and from the European Union and third countries, as well as connections with other similar sites.
- support initiatives of the different social and institutional actors that promote a better understanding of corporate social responsibility.

2. For a responsible consumption:

- foster the integration of the principles of social responsibility in consumption policies.
- promote information to consumers on civic or responsible consumption.
- support the promotion of corporate social responsibility initiatives undertaken by organisations and institutions for the defence of the rights of consumers.
- promote the use of labelling, both fair trade such as eco-labels or other labelling, as a distinctive tool of compliance with social and environmental criteria, promoting civic or responsible production.

11. REPORTING AND DISCLOSURE OF CSR

In October 2014, the European Commission has approved Directive 2014/95/EU requiring large companies, those of more than 500 workers, and of public interest, to report on the management of environmental and social impacts in its annual

accounts. The Directive lays down that Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with the provisions therein, not later than December 6, 2016.

Directive 2014/95/EU of non-financial information disclosure is the first international initiative that creates a legal framework for the extra-financial report. By means of this legislative initiative, the EU urges large companies, those of more than 500 workers and of public interest to inform about its social, environmental and governance impact, focusing on issues such as equality, prevention of corruption or its action in the field of human rights. This demand is articulated through the principle of comply or explain, and opens the way to Member States to increase the degree of demand on the aspects therein referred to or the inclusion of issues beyond those laid down in the Directive itself.

It is still in its transposition stage into national legislation. The vast majority of the Union countries are pending completion of this process.

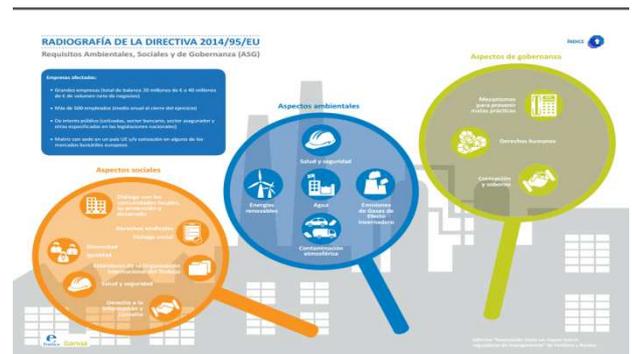


Image extracted from the document 'Moving towards a new regulatory framework for transparency'³⁰

In Spain, the directive is still in process of transposition, although we have a draft that has already been submitted to public information. Upon completion of this study there is no official publication, although it is expected that it will be soon.

Spain is amongst the economies with higher level of implementation of report extra-financial practices in their enterprises.

Based on data collected in the '**Sustainability Disclosure Database of GRI**'³¹, during the first decade of the 2000 the number of reports on Social responsibility published following

³⁰'Moving towards a new regulatory framework for transparency'. [Study on the adjustment of the policy of disclosure of non-financial information and diversity \(2014/95/EU\), carried out by Forética and Bankia](http://bit.ly/2oKT2A5) <http://bit.ly/2oKT2A5>

³¹Sustainability Disclosure Database of GRI, <http://database.globalreporting.org/>

the guidelines of this model grew at a higher than 65% annual rate. According to this same source, in 2016 there was a total of 161 companies in Spain that registered their report on this platform.

RobecoSAM, publishes a yearbook³² which includes most sustainable companies in the world in accordance with its own methodology. In the latest edition of this study there are 20 Spanish companies, of which 11 are among the leader, gold, silver and bronze categories.

Levels of presence in the ranking of national companies in the last five years has remained, and on average, 73% of these were in the higher categories

Based on these reports, and several others that have been made, we can conclude that in Spain there are a good number of companies who develop policies and practices in the field of social responsibility. On the other hand, this is favoured by a public receptive framework favourable to the development of CSR policies.

Proof of this is the publication of the Government of Spain of a tool³³ that allows you to record and publish sustainability reports by Spanish companies, and that it is regulated by an Order³⁴, which also regulates the procedure for the reports of those entities wishing to respond to the Directive 2014/95/EU. By mid-April it had 73 published reports.

In general, we can say that there is a regulatory framework at the national level that regulate the publication of the memoirs of sustainability, although already works are underway to homogenise the realization of sustainability reports, as we can see in the Spanish strategy of Social Corporate Responsibility for 2014-2020, which has among its measures ones targeted specifically to harmonize this process of creating memories and also says : *'With regard to reports or reports of social responsibility, although it is true that there are several methodologies, internationally accepted, the CERSE will continue to work to achieve a certain homogeneity in the reporting standards used, as well as so companies can identify the monitoring indicators that are best suited to their activity to assess the progress made on the objectives and commitments on CSR, and at the same time, generate their own practices for the development of CSR reports and memoirs of a transparent, rigorous and comparable sustainability'*.

³² The Sustainability Yearbook 2017 <http://bit.ly/2ovysHW>

³³ Tool for registration and publication of CSR Reports from the Government of Spain <https://explotacion.mtin.gob.es/memrse/aplicacion>

³⁴ Order ESS/1554/2016, of 29 September, which regulates the procedure for the registration and publication of the reports of social responsibility and sustainability of companies, organisations and public administrations. <http://bit.ly/2q51ong>

Extremadura

Law 15/2010 on CSR of Extremadura stipulates the creation of a tool for self-evaluation which allows to standardize the procedure for filing of companies in Extremadura.

This online tool, voluntary and free, called ORSE, allows companies to self-assess their practices of social responsibility, and through a procedure which is regulated by Decree 110/2013, auditing non-financial information of the organisation, and to obtain the seal of 'Socially Responsible Company Extremadura', issued by the Junta de Extremadura as recognition to those organisations that have integrated social responsibility in their daily management and to communicate their actions in this matter so that they can serve as an example to the rest, both inside and outside of Extremadura.

ORSE tool

ORSE integrates the most relevant standards in CSR that exist at present, GRI, SA8000, AA1000, Global Compact, the OECD guidelines for multinational enterprises, SGE21, IQNet SR10, FRC and Worldcob

In order to adapt to different types of organisations, ORSE **distinguishes 3 types of questionnaires depending** on the size of the company.

- For **large companies** of more than 250 workers there is a questionnaire with 120 indicators.
- For **SMEs** of between 10 and 250 workers there is a questionnaire with 60 questions and,
- For **micro-SMEs**. This questionnaire is for companies of less than 10 employees and has 30 indicators.

ORSE establishes a system of indicators that organisations can fill in for their degree of implementation of CSR actions. Depending on the replies, the organisation will get automatically their level of performance on CSR, a Social responsibility report and an Executive report.

So the organisation can get the label 'Company socially responsible of Extremadura', will require the verification of the content of the self-assessment by an auditor accredited by the Government of Extremadura. To facilitate this task, the ORSE tool includes an audit module from which checks are performed.

The ORSE tool is certified: 'GRI Certified Software and Tools Program'³⁵, which ensures a precise content of indicators of the Global Reporting Initiative

12. EDUCATION AND TRAINING IN CSR

There are several international initiatives advocating to include sustainability in the field of education, among them, the following should be noted:

- The Final Declaration of the 2009 World Conference on Higher Education, convened by UNESCO
- UN Decade of Education for Sustainable Development
- The Principles for Responsible Management Education of the Global Compact

Training in Corporate Social Responsibility is one of the priorities identified in the Spanish CSR Strategy for 2014-2020, which dedicates a specific item to this, and establishes two important measures for its implementation, among which are:

- **Promote the incorporation of the value of the personal and social contribution to a model of more sustainable society in curricula**, whose aim is to promote youth engagement for the promotion of a model of more sustainable and cohesive society from an early age.
- **Enhance the study of CSR both in educational institutions for vocational training and in universities for university education, as well as research centres.** Interdisciplinary research networks to foster dialogue between the theoretical and the practical will be established, and professorship and post-graduate studies related to this matter will be boosted.

In addition, it will pay special attention in the vocational training of schools, higher education, and vocational training to the development of social responsibility.

It should be noted also the creation of a **working group on corporate responsibility and education** at the heart of the State Council of CSR, which was created with the aim to raise awareness, inform, disseminate and train in the field of CSR and extend knowledge to all citizens through education, training and outreach.

Research in the area of corporate responsibility, and the business departments, are one fundamental pillar both economic and in the exchange of good practices.

The first initiative undertaken in the field of Spanish universities was the case of the Universitat Politècnica de Catalunya (UPC) with the creation of the UNESCO Chair in Sustainability in 1996, as a result of the International Conference of technology, sustainable development, imbalance and global change by an agreement between the

³⁵GRI Certified Software and Tools Program <http://bit.ly/2p75n4f>

University, the regional government and UNESCO. This Chair being one of the first in the world on this subject.³⁶

In addition to this many chairs of CSR have been created. Currently, there are **more than 70 university chairs on topics related to Corporate Social Responsibility in our country** among which we can talk about:

The aim of this network is to create partnership synergies and economies of scale that allow:

- Establish as a reference point in University social responsibility, both at national and Latin American level.
- Promote general awareness of social responsibility fostering its impact and visibility nationally and internationally both in academia, business and public

TITULO DEL POSTGRADO	CENTRO DONDE SE IMPARTE
Comunicación aplicada a la gestión de la RSC y la gestión de crisis	Universidad Complutense de Madrid
Curso de Experto en RSC y procesos de comunicación en la empresa	EUDE
Ética del marketing y Responsabilidad Social Corporativa	Universidad de Almería
Experto universitario en inteligencia política y estrategia socialmente responsable	Universidad de Alcalá de Henares, Cátedra de RSE
Experto Universitario en RSC	Universitat Illes Balears
I Curso de postgrado sobre 'La Responsabilidad Social Empresarial o Corporativa'	Universidad de Murcia. Facultad de Economía y Empresa del Campus de Espinardo
International master in sustainable development and CR	EOI
Máster en Dirección de Responsabilidad Corporativa	EOI
Máster en Responsabilidad Social Corporativa. Contabilidad y Auditoría Social	Universidad de Barcelona
Máster en RSE	CIF. Universidad de Alcalá de Henares
Máster en Sostenibilidad	Universidad Politécnica de Cataluña
Máster en sostenibilidad y RSC	UNED y Universidad Jaime I de Castellón
Máster en Gestión de Proyectos de Medio Ambiente y Responsabilidad Social Corporativa	Universidad de Santiago
Programa Superior de Dirección en Responsabilidad Corporativa	Instituto de Empresa, Madrid
Técnico en RSC	EUDE

Caixa - Bank of Corporate Social responsibility at IES Chair [Inditex and the Universidad Pontificia Comillas.](#)
[International Chair of CSR from the Catholic University of Murcia.](#)

[Network of chairs of Banco Santander's CSR](#)

The **Santander RSC Chairs Network**, formed by the universities of Castilla - La Mancha, Malaga, Salamanca, Alcalá, Nebrija and Francisco de Vitoria, in addition to the collaboration and the active participation of representatives of the Universia Foundation, of the Conference of Rectors of Spanish Universities (CRUE) and of the Banco Santander, which is who leads the Chair.

contexts.

- Encourage research projects, through multidisciplinary teams on issues related to social responsibility, allowing the exchange of ideas and perspectives whilst encouraging mobility.

The universities, within their curricula have also worked in the promotion of corporate social responsibility and in the qualification of future professionals in this field. Today, a large number of universities offer this type of training. The following are examples of this:

- The University of Barcelona promotes the development and consolidation of knowledge in

³⁶Data extracted from the study: 'Sustainability at university level curriculum methodological proposals', by Esther García González <http://bit.ly/2qe2SOZ>

corporate responsibility through the Master 'Corporate Social Responsibility. Accounting and social auditing', since 2004. Its objective is to provide the theoretical frame and techniques to facilitate the work of the leaders and managers of organisations.

- UNED collaborates in the training and awareness of corporate social responsibility through its Inter-University **Master in sustainability and corporate social responsibility**, where teachers from 6 important Spanish universities participate. Its first edition started in 2007.
- The University of Alcalá created a Chair in corporate social responsibility through which establishes several training products of great impact in Spain. The first of these is the **Master in corporate social responsibility**, whose first edition was in the year 2008. Currently, there is also the European Manager qualification in CSR accredited by the European Certification & 42 Qualification Association (ECQA) and a university degree on corporate volunteerism.
- 15 specific degrees³⁷ of social responsibility in different universities, which are which are listed in the following table have been created in Spain

A cohesive framework that can serve as guidance for the changes that should be promoted by universities and business schools (which constitute another agent of great value in the analysis, dissemination and training of professionals in corporate responsibility) are the 'Principles for Responsible Management Education' initiative launched in 2007 by the United Nations Global Compact and developed by an international group in which sixty heads of leading business schools and universities participated. With the principles the aims is to make a call to all the institutions and associations of higher education dedicated to the training of business leaders to establish a continuous improvement process in order to develop a new generation of business leaders capable of managing the complex challenges facing business and society in the 21st century.

The six principles provide an appropriate framework for integrating corporate sustainability in education, research and the school.

Beyond research on CSR, in many Spanish universities many actions on social responsibility have been undertaken. In most of these universities there is a specific body dedicated to this matter, as it is the case of the University of Extremadura, which has an Office of Social Responsibility

In Extremadura, a working group with the aim of studying specifically CSR in education was created within the framework of the Regional Council for the promotion of CSR. This group was intended to work in the following aspects:

- Social responsibility in the system of education and training
- Education Act of Extremadura.
- Inclusion of CSR in management areas.
- Inclusion of CSR in management areas of cooperative entities and financial institutions managing people.
- Inclusion of CSR training for unemployed people.

The Law 15/2010 on Corporate Social Responsibility of Extremadura establishes in its article 15. 1 and 2 different measures to promote the incorporation of the principles of CSR in education, such as:

- o Including the study of the principles of social responsibility and sustainable development in education.
- o Promoting university instruction, especially on the matters related to the study of organisations, economy, communication and administration and business management, the incorporation of training on corporate social responsibility.
- o Promoting education and training on corporate social responsibility of companies' management, representatives of the workers and those responsible for the various social organisations and public administrations.

13. SUSTAINABLE PUBLIC PROCUREMENT

Sustainable procurement involves the integration of social, ethical and environmental aspects in processes and phases of government procurement.

Both from a quantitative point of view, since it currently accounts for around 16% of Spanish GDP, as well as qualitative, since through it the major works, services and supply of the country are done, public procurement is a key instrument through which to guide economic policy.

The role of the public administrations as promoters of the incorporation of social, environmental and ethical criteria and requirements in the supply chain is marked primarily by the importance which have collectively public bodies as buyers of products and services

³⁷Data obtained from the 'report on the social responsibility of the company in Spain' <http://bit.ly/2pb3G5G>

The Europe 2020 Strategy considers that public procurement 'plays a key role' in the achievement of its objectives, as when managing around 20% of the EU GDP, they can contribute with resources to implement the policies of the Union, among others, of innovation, the promotion of SMEs, etc.

On those lines, the three new European Directives on procurement highlight one of the key objectives of the new regulation to facilitate the access of SMEs to public contracts, introducing flexibility in the procedures, reducing the administrative burden on businesses, and avoiding disproportionate requirements.

Directive 2014/23/EU³⁸ on the award of concession contracts states that '*particular importance should be given to improving the access opportunities of SMEs throughout the Union concession markets*'.

Directive 2014/24/EU³⁹ of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC, points out in its recital 2 that public procurement must be articulated '*facilitating in particular the participation of small and medium-sized enterprises (SMEs) in public procurement*'. This objective has been incorporated even into **Directive 2014/25/EU**⁴⁰ of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC (recital 4)

In Spain, sustainable procurement has a regulatory framework for the performance of the Government in this matter:

- **Green Procurement Plan.** Using Order PRE/116/2008 of 21 January, the agreement of Council of Ministers was published, which approved the Green Procurement Plan of the General Administration of the State and its public bodies, and the managing entities of the Social Security.

The main objective of this Plan is the implementation of environmentally friendly practices in the procurement environment. Aims to respond to Community objectives and, at the same time, in response to the recommendations of the European Commission, be a complement and support to the

implementation of State policies for the defence of the environment and climate, as well as energy saving and efficiency.

This Plan sets the conditions under which contracting authorities may introduce environmental and social requirements in the different phases of the procurement, and sets objectives aimed at the incorporation of environmental considerations to acquire and employ a series of specific groups of products, services and works, which had been considered as priority by the European Commission, such as construction, transport, energy, furniture, cleaning, etc. Among others.

- **Draft Act on public sector contracts:** by which is transposed into the Spanish legal system, Directives of the European Parliament and of the Council, 2014/23/EU and EU/24/2014 and 2014/25/EU, of February 26, 2014.

The publication of the new law of contracts which implies a process of modernization of the public procurement rules, which will allow to increase the efficiency of public expenditure, facilitate the participation of SMEs and public authorities using contracting in support of common social objectives is imminent.

This draft law also identifies new features resulting from the reform, the introduction of notions and concepts that have as objective the simplification of procedures, reduction of bureaucracy, streamlining of the access to public procurement and the use of procurement as an instrument to implement public policies.

Royal Decree 3/2011, November 14, revised text of the law of contracts in the public sector includes social clauses in public procurement, and provides several mechanisms to introduce in government procurement social and environmental considerations in phases of preparation, award and execution of contract

At regional level, there are numerous communities that have also developed its regulations in reference to sustainable public procurement. By way of example we may cite:

- **Purchase and green public contracting in the Basque Country 2020 Scheme**, which reinforces the commitment of the Basque Government to boost

³⁸ Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts <http://bit.ly/2qdoCri>

³⁹ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC <http://bit.ly/2qdepvf>

⁴⁰ Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC <http://bit.ly/2pa1c7Y>

the green public procurement as an instrument of change, in line with the guidelines established by the Environmental Framework 2020 of the Basque Country and trends at European and international level.

- Agreement for the incorporation of environmental, social criteria and other public policies of sustainability in the day-to-day operations and the processes and procedures of purchase and contracting of the Cabildo de Tenerife, 18 of June 2012.
- AGREEMENT of March 27, 2015, of the Consell, which lays down guidelines for the application of provisions of a social nature in the hiring of the administration of the Generalitat and its public sector, as well as subsidies from the administration of the Generalitat Valenciana.
- Agreement of the Governing Council approving models of social clauses in the field of public procurement in the Principality of Asturias

PUBLIC PROCUREMENT IN EXTREMADURA

Public procurement with sustainable criteria in Extremadura has an instruction governing tenders.

Instruction on the incorporation of social, environmental, criteria, for promotion of SMEs and promotion of sustainability in public procurement of the Junta de Extremadura and the entities that integrate its public sector⁴¹.

This instruction was published in February 2016 in order to establish guidelines of general policy for the promotion of sustainability and the participation of SMEs in the regional procurement, as well as fix some common guidelines for the incorporation social, environmental and other public policy clauses in the different phases of procedures of recruitment of the autonomous community of Extremadura and its public sector management.

In addition, it also pursues the following objectives:

- Improve the quality of employment, ensuring respect for collective agreements and labour rights.
- Protect the environment and natural resources
- Promote the use of renewable energy.
- Drive effective equality between men and women.

On the other hand, there is a collaboration agreement between the Junta de Extremadura and the Ministry of Employment and Social Security for the promotion of responsible public procurement. This Agreement is to promote the development of the **First Responsible Procurement Training Programme** included in the Spanish CSR Strategy 2014/2020. This scheme aims to train but also create a network of experts that boost exchange of experience enabling the application of these criteria to one higher percentage of contracting processes.

14. SOCIALLY RESPONSIBLE INVESTMENT

*Socially responsible investment is a long-term investment which integrates environmental and governance criteria in the process of study, analysis and selection of an investment portfolio.*⁴²

According to the '**Report on the Corporate Social Responsibility in Spain**', in our country the most important indexes in the field of sustainability and involving more effort and attention by companies are the Dow Jones Sustainability Indexes and the FTSE4Good.

The first evaluates three fields of action -economic, relationship with the environment and social, based on an approximate number of 24 evaluation parameters.

FTSE4Good evaluates six relevant fields: environmental management, climate change, human rights and labour, labour standards in the supply chain, corporate governance and fight against corruption.

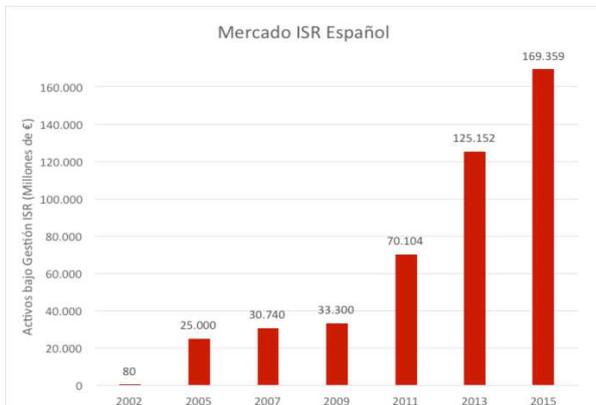
According to the **Report of Socially Responsible Investment 2016**, by Spainsif⁴³, by 2015 Spain had funds managed taking into account of environmental, social and governance (ESG)

⁴¹Instruction on the incorporation of social, environmental, criteria for promotion of SMEs and promotion of sustainability in public procurement of the Junta de Extremadura and the entities that integrate its public sector.
https://admin.extremaduracumple.es/media/compromisos/16022_2.Resoluci%C3%B3n_250216_CDG_230216_22.pdf

⁴²Definition extracted from the study of Spainsif '*Report on Socially Responsible Investment 2016*'

⁴³The Spanish Forum of Socially Responsible Investment, Spainsif, is one of the most relevant associations in Spain in terms of SRI.

criteria of 169 359 million EUR. This figure represents a growth of 16.3% over the 125 152 million EUR in 2013.



Data from the report of socially responsible investment for 2016

This same report concludes that most of the SRI investment in Spain is channelled through the large institutional investors, representing 97% of managed assets with ESG criteria compared to a 3% representing the presence of SRI retail funds.

These early advances in the development of a regulatory framework for SRI in Spain should be noted:

Plans Regulations and Pension Funds

The eleventh final provision of Law 27/2011, of 1 August, on updating, adapting and modernizing the social security system, poses a great advance in the promotion of socially responsible investment, setting a modification of the Law on regulation of schemes and pension funds in such a way that *'the control commission of the Pension Fund, with the participation of the managing body, shall establish in writing comprehensive statement of principles of the investment policy. This statement shall be sufficiently publicised. The statement should mention if extra-financial risks are taken into consideration in investment decisions, (ethical, social, environmental, and good governance) that affect the different assets that make up the Pension Fund. In the same way, the control Commission of the employment pension fund, or the managing entity, must point in the annual management report of employment pension fund the policy pursued in relation to the socially responsible investment criteria referred to above, as well as the procedure followed for its implementation, management and monitoring'*.

Spanish Strategy of Corporate Social Responsibility 2014-2020

It devotes a specific section to Socially Responsible Investment and RTD, by establishing the following measures:

- Elaboration of a guide of good practices in the field of socially responsible investment.** Its goal will be to provide companies and administrations with an instrument for inclusion, dissemination and follow-up of criteria of ethical, environmental, social, human rights and good governance in investment of financial products and savings policies, as well as to promote socially responsible investment by small investors.
- Promote the use SRI of Pension Fund Income Tax.** Control commissions will be encouraged to include in the reports of the Fund management of employment pensions, principles, agreements, regulations and recommendations of international consensus that take into consideration, as well as the selection criteria used and the volumes of investment, taking into account ESG criteria (environmental, social and governance).
- Nurture the holding of meetings between socially responsible entrepreneurs and investors.** The objective is to promote spaces to facilitate the establishment of relations between Spanish investors and entrepreneurs and promote the dissemination of projects and good practices capable of attracting international interest.
- Encourage management entities of investment funds and pension plans, to state if they take into account only financial criteria in investment decisions and, when they take into consideration extra-financial risks, mention this circumstance. The goal is to expand the transparency of the financial market and extend respect to social, environmental and governance criteria in this type of actions, creating financial products that comply with these criteria.
- Promote research, sustainable innovation and the development of products and services, primarily to improve the quality of life of people, especially those with greater difficulties, and reduce environmental impact.** Sustainability-oriented and environmental improvement projects will be supported, as well as those innovative products and services aimed at people who have disabilities or who are in situations of dependency, those initiatives aimed bring

technology solutions of information and communication (technology ICT) that contribute to bridge the digital gap -within the framework of the Digital Agenda for Spain approved in February, 2013- and any other identified in the Spanish Strategy of Science and Technology and Innovation for the period 2013-2020, and which involve at the same time important markets for the development of new products and services.

In connection with this line of action Spainsif and the Ministry of Employment and Social Security signed a cooperation agreement⁴⁴ that, among other measures, expected to put within the reach of companies and administrations different instruments for inclusion, dissemination and follow-up of ESG criteria (environmental, social and corporate governance) in the investment of financial products and savings policies as well as encourage SRI among small investors.

SOCIAL BONDS

In this field, it should be noted the Instituto de Crédito Oficial (ICO), as a reference in the market of impact investment⁴⁵ in Spain, to be the first national issuer of a social bond.

At the beginning of 2015, it issued 1 000 million EUR in social bonds, getting a demand of 2 000 million EUR. In 2016, there was a second issuance of an additional 500 million EUR.

The social bond issued by the ICO has as objective the creation or maintenance of employment in the Spanish regions most disadvantaged economically. The ICO has chosen those regions whose per capita income is below the national average. These regions have an average of 19% unemployment rate.

Also in the public sphere, the community of Madrid became on Monday the first Spanish public administration to carry out a public social bond issue to 5 years after placing 700 million EUR to 0.74% of interest rate.

The community is the only administration certified to issue such bonds and thus follows the path taken by other European regions.

SOCIALLY RESPONSIBLE INVESTMENT IN EXTREMADURA

The Extremadura Government advocates for socially responsible investment, as evidenced by the fact that the Act 15/2010 Social Responsibility included a section aimed at the promotion of the SRI. Article 16.b:

- Promoting socially responsible investment (SRI) as a positive lever of change in this new business development.

In addition, the Junta de Extremadura and the Forum for Socially Responsible Investment (Spainsif) signed in 2014 a collaboration agreement⁴⁶ whose object is the promotion of SRI based on different lines of action, namely: the promotion of the SRI for the generation of supply and demand, the design of joint actions of awareness in terms of SRI and research on how to boost SRI through the Observatory of Social Responsibility of Extremadura (ORSE).

The Extremadura CSR Strategy 2015-2017, includes specific action intended to promote SRI, which contains the following measures:

- Introduce the commitment to responsible public investment in entrepreneurial initiatives in which the Junta de Extremadura participates.
- Improve access to projects qualified as 'Socially responsible projects' to funding lines.
- Boost knowledge in Extremadura on socially responsible investment through the collaboration agreement with Spainsif.
- Create a guide for the application of criteria of environmental, social and corporate governance (ESG) in investment and purchase decisions.
- Promoting from Extremadura the development of recommendation guidelines for extra-financial risk analysis in loans and investments of financial institutions policies and processes of traditional venture capital investment and innovative crowdfunding, P2P credits and microcredits.
- Promotion of different lines of microcredit, for the most disadvantaged groups.
- Definition of social indicators as alternative financial instruments and micro-credit scoring criteria.

⁴⁴ <http://www.spainsif.es/2778/>

⁴⁵ Impact investing is a term coined by some organisations to refer to those capital investments in companies or funds that generate social and/or environmental assets along

with a few returns for investors that can range from the simple return of principal to a profitability below-market

⁴⁶ <http://bit.ly/2qn5xig>

15. FINANCIAL AND ANTI-CORRUPTION OBLIGATIONS

The **2003 United Nations Convention against Corruption (UNCAC)**⁴⁷, requiring member states to guarantee the existence of one or more bodies specializing in the fight against corruption, has led to the creation of different anti-corruption bodies, such as the Court of Auditors, the Special Prosecutor against Corruption and Organized Crime or the Ombudsman in Spain

In addition, Spain has a regulatory framework to promote transparency and prevent corruption:

- **Law of transparency, access to public information and good government** ⁴⁸that implements the exemplary public behaviour, linking the value of transparency to an ethical and legal framework of good governance, with rules of legal rank, legal systematics and clear parameters of demand and responsibility.

Emerging from this law:

- The **Transparency Portal in Spain**, <http://transparencia.gob.es>, in which Spanish citizens can consult all public information from the General Administration of the State, which is required by law. This portal includes relevant legislation and the draft legislation, contracts, grants, annual accounts, budget information, audits and inspection. This basic information is accompanied by another especially relevant, encompassing the curriculum of senior officials as well as the amount of their remuneration. The portal is managed by the Office of Transparency and Access to Information.
- **Council of Transparency and Good Governance**, which Statute⁴⁹ was adopted in 2014. It is an independent public body with legal personality, and full capacity to act
- **The Plan of Democratic Regeneration and Fight against Corruption**⁵⁰, approved by the Council of Ministers in 2013, includes a wide range of measures to fight corruption and improve the mechanisms of response and detection of that available to the Spanish State.

The plan consists of forty measures affecting a dozen laws, distributed in three regulatory packages:

- a. Control of the activity of political parties.

- b. Regulation of the exercise of the office of the general administration of the State, which are **Law 3/2015, 30 March, regulating the exercise of the high office of the General Administration of the State**⁵¹, which aims to introduce new mechanisms that guarantee that the actions of the members of the Government and the officials thereof, comply with the most rigorous principles of prevention and management of conflicts of interest.

- c. Criminal response against corruption

- Proposition of Comprehensive Law of Fight against corruption⁵², currently in parliamentary procedure that includes issues such as the prohibition of the pardons to people convicted of corruption, measures to protect corruption whistle-blowers, classing illicit enrichment as a crime, the elimination of the maximum terms in the criminal procedure.

On May 12, 2016, the Anti-corruption Summit held in London, in which participated about fifty countries, the Spanish Government took 26 commitments against corruption, among which we can mention:

- Spain shall adopt measures to ensure transparency in the ownership and control of all the companies involved in the purchase of property and public procurement.
- Spain is committed to deploy public-private information-sharing mechanisms to improve the capacity of preventing and detecting the money laundering linked to corruption.
- Spain will collaborate with other countries, civil society and international organisations to support the accelerated implementation of the voluntary provisions of the United Nations Convention against Corruption.

With regard to enterprises, transparency and the prevention of corruption are two aspects that all Spanish organisations are putting their efforts, fruit of a society that increasingly demand more information, with tangible results and aware that corruption must be combated in all its forms.

⁴⁷ <http://bit.ly/2qo2WM7>

⁴⁸Law 19/2013, December 9, on transparency, access to public information and governance <http://bit.ly/2pB4aAO>

⁴⁹Statute of the Council of Transparency and Good Governance <http://bit.ly/2pSVGrO>

⁵⁰Plan of Democratic Regeneration and Fighting against Corruption. <http://bit.ly/2pST1rh>

⁵¹ <http://bit.ly/2p1bWID>

⁵² <http://bit.ly/2qosZ5V>

Among the initiatives highlighted in our country in terms of financial transparency, we find the **Unified Code of Good Government of the National Securities Market Commission (CNMV)**⁵³, which replaces the earlier 2006, Conthe code.

The 64 recommendations contained in the Code, which apply to the companies listed in Spain, are grouped in three large blocks: General Aspects, Annual General Meeting and Board of Directors. The major new features included with respect to the previous code, include the incorporation of new transparency measures at meetings of shareholders and of composition, performance and evaluation of the Boards of Directors, as well as the remuneration of its members. It is also the first time that aspects of corporate social responsibility are included. Fundamentally, it is recommended:

- The inclusion of CSR policy, together with the rules of corporate governance and internal codes of conduct, as subject to monitoring by any of the commissions, including a detail of the functions which must assume such Commission in these areas (R53).
- A CSR policy with a minimum content (R54).
- To report in a separate document, or in the management report, of issues related to CSR, using any of the methodologies accepted internationally (R55).

Following the implementation of the Unified Code of Good Governance the '**Technical guide of good practices for the implementation of the principle of comply or explain**⁵⁴ was published. This guide provides a set of criteria to facilitate the implementation of the legislation that it applies on corporate governance to listed companies.

Transparency and anti-corruption measures in Extremadura

Extremadura has a policy framework that allows to regulate the promotion of transparency and the establishment of anti-corruption measures.

- **Law 4/2013, May 21, on Open Government of Extremadura** is intended to open Administration, and contains two chapters of special significance in this field: the transparency and public information.
- The **Extremadura Strategy of Social Responsibility** has a specific action aimed at the promotion of transparency in the public sector, which includes the following measures:

- Expand the publication of reports of sustainability or social responsibility to all foundations and agencies dependent on the Government of Extremadura.
- Upload onto the Transparency Portal of the Government of Extremadura the reports of sustainability or social responsibility to develop the Government of Extremadura as well as their foundations and dependent organisms.
- Boost citizen participation through consultation mechanisms in the development of plans, strategies and programmes that are developed from the Government of Extremadura.
- Promote citizen participation in public procurement tables.
- Promoting participation in the procedures of environmental management, public administrations affected by them and all those interested
- Establishment of a CSR policy in the management of the structural funds 2014-2020.
- Likewise at the national level, the Government of Extremadura has a **Transparency Portal**
- Transparency Portal of the University of Extremadura <http://www.unex.es/transparencia>

16. CSR APPROACHES FOR ADDRESSING ENVIRONMENTAL SUSTAINABILITY AND CLIMATE CHANGE.

Spain, due to its geographical location and its socio-economic characteristics, is a country very vulnerable to climate change, as the most recent assessments and investigations suggest. The serious environmental problems that are reinforced by the effects of climate change are: the decrease of water resources and regression of the coast, the loss of biological diversity and natural ecosystems and increased soil erosion processes. There are also other effects of climate change which will also cause serious impacts in economic sectors. Therefore, there is a need to consider measures that contribute a scenario for sustainable economic, social and environmental development.

STATE ADMINISTRATIVE STRUCTURE

Spanish Office for Climate Change.

By Royal Decree 376/2001 of 6 April (Official Gazette No. 84, 7 April, 2001) the Spanish Office for Climate Change (OECC) as a collegiate body of the General Directorate of Quality and Environmental Evaluation of the Ministry of Environment was created to develop policies related to climate change. Its main purpose is the formulation of national climate change policy in accordance with community and international legislation in this area and to develop

⁵³ <http://bit.ly/2qzNqJA>

⁵⁴ <http://bit.ly/2pSik3s>

instruments which enable to achieve the objectives set out in this policy.

Climate Change Policy Coordination Committee (CCPCC)

Law 1/2005, 9 March, created the Climate Change Policy Coordination Committee (CCPCC) as a body for coordination and collaboration between the State General Administration and the Autonomous Communities for the application of the system of emissions trading and compliance with international and community obligations of information inherent to this.

Major initiatives in this field have been:

- o The SPANISH STRATEGY FOR SUSTAINABLE DEVELOPMENT (2007) is part of the strategy of sustainable development of the European Union in 2006.

It includes among its guiding principles the promotion and protection of fundamental rights and solidarity intra and intergenerational, as well as the principles of caution and making the polluter pay in actions that affect public health and the environment. Moreover, as transversal axis citizen participation, enterprises and the social partners in decision-making processes will be promoted, to suggest lines of action, increase education and public awareness in the field of sustainable development, improving social dialogue, increase the social responsibility of enterprises and foster partnerships between the public and private sectors in order to achieve more sustainable consumption and production.

The Spanish strategy addresses all the priority areas defined in the European strategy, which are structured around three dimensions: environmental, social, and global.

In the field of **environmental sustainability**, to design the lines of action aimed at the protection of the atmosphere, quality of air, water, soil, nature and health, three sections are developed:

- **Production and consumption**, which analyses the efficiency in the use of resources, sustainable

production and responsible consumption, and sustainable mobility and tourism.

- **Climate change and conservation**, which deals with initiatives to mitigate climate change in the area of clean energy, as well as market instruments and the adaptation to climate change.
- **Management of natural resources and occupation of the territory**, focusing on water resources, biodiversity, land use and occupation of the territory.

In terms of social sustainability, the Strategy developed two other fundamental aspects, on the one hand, employment, social cohesion and poverty and, on the other hand, public health and dependency. Finally, in regards to global sustainability the fundamental role that plays Spain in the field of international cooperation for sustainable development is analysed.

- o Within this Sustainable Development Strategy, the SPANISH STRATEGY OF CLIMATE CHANGE AND CLEAN ENERGY HORIZON 2007-2012 - 2020, which addresses different measures that contribute to sustainable development in the field of climate change and clean energy is found.

On the one hand, it introduces a series of policies and measures to mitigate climate change, and its adverse effects, and make possible the fulfilment of the commitments entered into by Spain, facilitating public and private initiatives aimed at increasing the efforts to fight against climate change in all its forms and from all sectors, focusing on the achievement of the objectives which allow compliance with the Kyoto Protocol.

On the other hand, there are measures to achieve energy consumption compatible with sustainable development. These measures will set up a base for the energy planning of public administrations and other public and private bodies and facilitate the contribution of citizens to the fight against climate change.

- o 2011-2020 ENERGY EFFICIENCY AND SAVING PLAN. It is the second National Action Plan for Energy Saving and Efficiency (the first is from 2008 to 2012). This Plan includes both the calculation of savings achieved up to 2010, as well as the targets for 2016 and 2020 made in terms of final and primary energy in so far as it is intended to be configured as a central tool for the energy policy of the Spanish State.
- o NATIONAL ACTION PLAN FOR RENEWABLE ENERGY 2011-2020 (NREAP), whose objectives are to obtain a 20.8% share of renewable energy sources in gross final consumption of the Spanish energy. As well as increasing transport of renewable origin up to 11.3% of gross final consumption of energy in the sector.

The Europe 2020 strategy of the European Union (EU) for growth and employment recognizes the importance of the transition to a green and efficient economy in the use of resources to achieve a smart, sustainable and inclusive growth. It is for this reason that the Government of Spain launched the programme *empleaverde* to foster and improve employment, entrepreneurship and the environment, which aims to create jobs, improve the employability and support the creation of businesses in the green and blue economy, with a particular focus on a low-carbon economy, a circular economy and the Natura 2000 network.

The programme has had 5 editions, the first one in 2008. In 2017, it begins the Sixth Edition in which is expected to achieve the following results:

- 4,800 unemployed people will be incorporated into the labour market
- More than 3,000 entrepreneurs will receive support for the creation or improvement of their business.
- 24,000 people will get a qualification.
- More than 6,000 workers will improve their situation in the labour market.

Within this scheme we find the **Emprende Verde Network**, which aims to encourage the creation and consolidation of companies or new lines of business in activities related to the environment and to channel investment towards sustainable economic activities.

ACTIONS CARRIED OUT IN EXTREMADURA FOR THE FIGHT AGAINST CLIMATE CHANGE.

Strategy for Sustainable Development (2011). The strategic line of climate change is included in this strategy. This line is based on different actions carried out by the Government of the region, such as:

- **Extremadura Strategy on Climate Change for 2009-2012**, which attempted to reduce greenhouse gas emissions in the region, and to develop measures that favour the adaptation to climate change, minimizing vulnerability to climate variation.
- One of the measures included in this strategy is the creation of the **Extremadura Observatory of Climate Change**, a body whose objective is a policy on climate action integrating all sectors of society in Extremadura in the fight against climate change in a coordinated manner. This body was created in 2009.

Proceedings and documents that this organisation has carried out include the following:

- **Inventory of Extremadura carbon sinks**. In the year 2010, an inventory of CO₂ sinks of the autonomous community of Extremadura was undertaken, which analysed all areas and

processes by which CO₂ is exchanged with the atmosphere.

- **Calculation of ecological footprint of Extremadura** (2011). The Government of Extremadura, in its commitment to sustainable development, encourages the application of tools of self-control to guide policies towards the preservation of valuable natural resources available in the region.
- **Regionalized scenarios of climate change in Extremadura** (2011), which provide estimates of the evolution of the climate in the 21st century in Extremadura, with spatial and temporal resolutions sufficiently detailed, to allow the development of different models of impacts, vulnerability and adaptation.
- **Map of climate change impact in Extremadura** (2011), whose goal is to develop a database of potential impacts and vulnerabilities of climate variations in the region, expanding the information available on the impacts, while creating a platform of expertise to, subsequently, elaborate specific adaptation plans.
- **Report of Extremadura greenhouse gas emissions**. Every year, an emissions report is published, which aims to develop inventories that help checking the progress of greenhouse emissions in the various sectors. The last published report is from 2015.
- **Plans for adapting to climate change in Extremadura** (2011-2012), which is one of the most important tools in defining actions and measures to be carried out to prepare the different sectors of the society to the future climate reality. Adaptation Plans have been developed for these sectors:
 - **Livestock sector**
 - **Agricultural sector**
 - **Insurance and natural hazards sector**
 - **Energy sector**
 - **Tourism sector**
 - **Water resources sector**
 - **Health sector**
- In addition, due to the need for a regulation that ensures the protection of the environment and environmental responsibility, **Law 5/2010, of prevention and environmental quality of Extremadura** was published. This law is the legal basis for environmental sustainability in the region.
- The application of the law, and as a document that guarantees the excellent quality of the air in the autonomous community of Extremadura, comes the

publication of the document 'Air Quality in Extremadura' which shows the achievements in the management of air quality in the region, and which shows that proper management of air quality improves public health.

- A key sector for economic and environmental development of Extremadura is the energy sector. This sector arises from the sustainable point of view in the **Agreement for Sustainable Energy Development of Extremadura**, where clearly, saving and energy efficiency in the region is promoted.
- In accordance with sustainable development, are the **Plan of Sustainable Rural Development 2010-2014**, which aims to build a model of rural development based on the three pillars of sustainability: economic, social and environmental, to ensure long-term viability and the future of the rural world.
- With the aim of intensifying regional policies on climate change, the new version of the strategy, '**Extremadura 2013-2020 climate change strategy**' was published in 2014

CIRCULAR ECONOMY

In recent years, political and business representatives have paid attention to the concept of Circular Economy, and it has been set as a priority in some European countries and in EU politics. The Circular economy is presented as an alternative to the current model of production and consumption, with the potential to solve environmental challenges, whilst creating opportunities for business and economic growth.

Circular economy has started to be introduced in the current economic and environmental politics of the European Commission, particularly through the EU Action Plan for the Circular Economy presented by the European Commission on December of 2015.

In Spain there is no National Strategy on Circular Economy, but initiatives in this matter are emerging, as for example: the Plan Estatal Marco de Gestión de Residuos 2016–2022 (State Plan on Waste Management 2016-2022) a midterm tool for guiding the Spanish waste policies in the next years and allowing the right measures to improve any detected deficiencies and promote action to give a better environmental result, ensuring that Spain meets all the legal objectives; or the Spanish Bioeconomy Strategy: Horizon 2030 focusing on agri-food, marine, and forestry sectors; efficiency and sustainability application of the products, sub-products and waste generated, promoting the transformation of the latter into a new range of bio-products including bio-energy..

There are a few Autonomous Communities with plans related to the Circular Economy. Only in Catalonia a strategy on the circular economy published as: Impulse Strategy on 'Green' Economy and Circular Economy by the Catalonia Government, and in the Basque Country: Circular Economy in the Basque Country, Demonstration of Projects for Materials Recycling are found.

In the particular context of Extremadura, the regional government proposed the creation of a new economic model, more diverse and sustainable. For this, in this 2017 year, it has been published the Regional Framework for the Promotion of Green Economy and Circular Economy in Extremadura leading the way to a Extremadura model of 'green' economy and circular economy in the region.

The main objective of this Regional Framework is to transform Extremadura into a green economy and circular economy reference. For this purpose, the goal is a sustainable development which enables environmental preservation and quality improvement and biodiversity of the region emphasising their characteristic ecosystems, like the *dehesa*, as well improving measures for energy saving and efficiency and renewable energy generation.

This strategic framework presents four major programmes of action:

1. *MASS CITIZEN PARTICIPATION, SOCIAL DIALOGUE AND POLITICAL AGREEMENT PROGRAMME*
Participatory preparation of a strategy in the medium and long term on circular economy and green economy.
2. *CITIZEN TRAINING ON GREEN LEADERSHIP AIMED AT EMPLOYMENT, ENTREPRENEURSHIP AND TRANSITION ASSESMENT FOR GREEN AND CIRCULAR ECONOMY IN EXTREMADURA.* Personal and professional empowerment of the Extremadura citizens and support to Extremadura companies towards a green and circular economy.
3. *RESEARCH ON GREEN ECONOMY, BIOECONOMY AND CIRCULAR ECONOMY IN EXTREMADURA a boost to the research and innovation of the green and circular economy of Extremadura.*
4. *IDENTIFICATION AND SHOWCASING OF THE POTENTIAL OF GREEN AND CIRCULAR ECONOMY IN EXTREMADURA.* Start of the transition to a green, circular economy Extremadura

These programmes are developed through 30 lead projects and a series of actions that allow to implement schemes and lead projects.

In Extremadura, the Comprehensive Waste Plan of Extremadura (PIREX) 2016-2020, which contains the general strategy of the policy of waste for the next few years, and an exhibition of measures to facilitate the implementation of community and national objectives for the waste production and waste management, thus moving towards a green or circular economy in the region.

PIREX analyses 14 waste streams, and for each one of them it describes the evolution of the management over the years and its current situation, stating the measures to facilitate reuse, recycling, recovery and disposal, as well as the establishment of objectives.

In addition to the programmes established for the promotion of circular and green economy in Extremadura and in accordance with them, the region (through the public Fundecyt-Pctex Foundation) leads an international project, **SYMBI** (Industrial Symbiosis for Regional Sustainable Growth and a Resource Efficient Circular Economy), on circular economy involving seven European countries and whose goal is to promote efficient and sustainable use of resources. **SYMBI** promotes a new model of society using and optimizing resources, materials, energy and waste, contributing to the security of supply and re-industrialization of the country.

ANNEX II. GOOD CSR PRACTICES IN SPAIN AND EXTREMADURA.

EXAMPLES OF GOOD PRACTICES IN THE PUBLIC ADMINISTRATION

There have been many initiatives to integrate CSR in SMEs in the Autonomous Communities, depending on the results the following are highlighted:

1. ANDALUSIA

Amongst the initiatives focused directly on companies the responsibility is noteworthy. Solidaridad Internacional-Andalucía created an action programme on Corporate Social Responsibility (CSR) for SMEs in Andalusia. This project is promoted by the Innovation, Science and Business Office of the Government of Andalusia. The Andalusian administration also has a collaboration agreement through the society Invercaria, Inversión y Gestión de Capital Riesgo de Andalucía S.A.U to promote CSR action in the business fabric of Andalusia.

2. ARAGON

Aragon has a Social Responsibility Plan aimed at companies and self-employed in Aragon to strengthen their commitment towards Social Responsibility thanks to its strategic focus on policies, products, services and actions that generate a more sustainable and relevant impact.

The Plan has four phases:

1. **ADHESION** to the Social Responsibility Plan in Aragon through the website www.aragonempresa.com. Upon completion of this report, 410 self-employed, companies and entities had registered for the RSA Plan.
2. **SELF-DIAGNOSIS** Performing an online self-diagnosis with the purpose of knowing the development of Social Responsibility within the organisation.
3. **WORKSHOPS AND SPECIFIC TRAINING**, adapted depending on the size, sector and degree of development of the company.
4. **CUSTOMISED SUPPORT** for the development of actions and projects towards a responsible company.
5. **RECOGNITION** There will be an annual recognition of socially responsible companies and self-employed complying with the established requirements. In addition, IAF calls for the Social Responsibility Award in Aragon in three categories: Self-Employed, SME and Large Company.

3. ASTURIAS

The Project Impulsa RSE-Pyme was launched in Asturias. This is an initiative that has benefited 20 SMEs in Asturias, which have gone through a diagnosis process to ascertain their situation in terms of CSR. From this diagnosis, an improvement plan including the actions to be undertaken to consolidate the implementation of CSR in the business strategy. In addition, attention has been given to communication of the implemented measures and the good practices noticed in each company.

The Asturias Business Federation offers companies a consultancy service on Social Responsibility to help in the preparation of sustainability reports. For this purpose, a study entitled

'**Social Responsibility in the Small Business in Asturias**'⁵⁵ was published to inform the SMEs about the details and benefits of CSR.

4. BALEARIC ISLANDS

It should be noted the diagnosis commissioned by the Work and Training Office on the situation and progress of social responsibility amongst citizens and the Balearic business sector. Furthermore, a **catalogue of socially responsible companies** ⁵⁶has been published aimed at becoming good practice and example for the rest of Balearic companies not included in this catalogue.

5. CANARY ISLANDS

Promotes good CSR practices in Canary companies as showed by the development of the initiative **Quality and Responsible Consumption 2014**, started by the Tenerife Council in order to encourage actions promoting sustainable and quality economic and social development; the Social CSR Seal, awarded to those companies that show an effective commitment with social responsibility.

6. CANTABRIA

Significant actions in terms of promotion of social responsibility have been carried out in this region, such as the Project Responsible Cantabria, a programme for CSR promotion in companies of Cantabria. Cantabria also has a **platform** www.rsecantabria.com, which is a network of Cantabrian companies that have joined forces to promote social responsibility.

7. CASTILE-LEON

The **Second Framework Agreement for Industrial Competitiveness in Castile-Leon**, includes Corporate Social Responsibility as one of the main explicit priorities and central axis. Furthermore, such Framework Agreement states that

⁵⁵Social Responsibility in the Small Business in Asturias', <http://bit.ly/2oReVjv>

⁵⁶ <http://www.caib.es/sacmicrofront/contenido.do?cont=37277&idsite=391&lang=es>

'for the development of the established in this Agreement on the subject, a Strategic Plan for Corporate Social Responsibility of Castile and Leon shall be created'.

In addition, the **Law on stimulation of company creation in Castile and Leon** has been approved, which explicitly states in Article 7 entitled 'Ethical and socially responsible entrepreneurs' that the Administration of the Community of Castile and Leon shall encourage social responsibility among entrepreneurs.

The goal of the Strategic Plan for Corporate Social Responsibility of Castile and Leon, in its territory of action, is to **promote the generation, dissemination and voluntary implementation of the practices and criteria of social responsibility in the highest number of companies possible**, with the purpose of improve understanding, awareness and undertake actions on social, environmental and ethical concerns in business culture, observance of Human Rights, environment and social innovation.

It should also be noted the Ibero-American Postgraduate on CSR on Corporate Social Responsibility characterised by a great balance of theoretical and practical contents. Theory is complemented with practical workshops in several areas such as the preparation of ethical codes, equality plans, drafting of sustainability reports using the Global Reporting Initiative format, and presentations on country experiences of implementation of social responsibility policies.

8. CASTILLA-LA MANCHA

They published '**Responsible Company Management. Guidelines for implementation and good practices in Castile-La Mancha**' for SMEs and social economy entities, belonging to the 'Programme of analysis of Corporate Social Responsibility' applied to SMEs in Castile-La Mancha' whose main goal is to research and disseminate a CSR-specialised model for micro-companies, SMEs of the region.

9. CATALONIA

In order to publicise Social Responsibility in Catalan SMEs, a **Guidelines for the implementation of CSR in SMEs** has been published. It shows the benefits of CSR and how programmes can be developed to integrate in companies' business strategies and operations. Within the same line of action, the Guidelines for Promotion of CSR and a '**Study on the development of SR in the retail sector**' have been published.

Catalonia has the project **Respon.cat**, which is a body that aims to involve companies and business organisations which are committed with Social Responsibility, aimed at promoting a **qualitative and quantitative leap** in CSR in Catalonia. They have a list of experiences on Social Responsibility, with SR initiatives of Catalan companies.

10. VALENCIAN COMMUNITY

The future Law of Promotion of Social Responsibility of the Valencian government has set the objective to promote and foster the development of socially responsible actions and policies in the public administrations, in the instrumental public sector, in companies, and in public or private organisations in general. For this purpose, as stated by the Generalitat in a statement, it is necessary to design, develop and implement policies, plans, programmes, projects and operations that address social, environmental, economic and financial sustainability.

11. EXTREMADURA

It has the CSR Extremadura Observatory, whose goal is to promote, the management of knowledge through the Exchange of information and initiatives implemented by companies, the **ORSE CSR self-assessment tool for companies**, a free and voluntary tool for those companies wanting to improve competitiveness implementing a social responsibility strategy.

DECLARATION OF 'SOCIALLY RESPONSIBLE COMPANIES IN EXTREMADURA'

The Government of Extremadura has created the Socially Responsible Company in Extremadura seal, aimed at valuing those companies in the region that integrate social responsibility in the daily running of their business. This seal brings a series of benefits:

- o Valuation of the Socially Responsible Company seal for aid published by the Government of Extremadura.
- o Priority in the allocation of public contracts in case of a tie.
- o Aid to fund actions to be developed to become a socially responsible company
- o Aid to fund verification costs to obtain the socially responsible company seal, etc.

Extremadura has led a European Project, **DESUR, Developing Sustainable Regions through Responsible SMEs**, aimed at identifying difficulties of SMEs when incorporating socially responsible actions in their business models.

It boasts aid to fund the incorporation of CSR actions in companies.

SOCIAL RESPONSIBILITY REPORT OF THE GOVERNMENT OF EXTREMADURA

Extremadura published its first report in 2011, in compliance with the mandate established by Law 15/2010. From that moment, five reports on CSR have been published. Currently, the preparation of the sixth report is underway. It will be published in June this year.

COLLABORATION AGREEMENTS WITH CORPORATE SOCIAL RESPONSIBILITY STANDARDS.

The Government of Extremadura signed in 2013 collaboration agreements with standards IQNet RS10, FRC, SGE 21, SA8000 and in 2014 with Worldcob. These agreements allow companies that are certified with any of the aforementioned standard not to certify again to receive the Socially Responsible Company in Extremadura seal. In addition, these agreements will allow the Government of Extremadura and the companies managing these social responsibility standards to work together on training.

MASTER IN GREEN AND CIRCULAR ECONOMY by the GOVERNMENT OF EXTREMADURA

This is a MA that is completely free of charge, aimed at university graduates. The overall goal of this MA is to train multipurpose professional in the context of **green economy and circular economy**, both from a business management perspective as well as public.

Thanks to this training, professionals will:

- Develop a transformative vision of economy and traditional productive activities, revolving around sustainability
- Recognise opportunities for employment based on green and circular economy.
- Be able to identify the potential of Extremadura in the field of a circular and green economy.
- Acquire abilities and skills necessary to undertake their own business and social projects within green economy and circular economy.
- Acquire the abilities and skills necessary to give advice and drive change in the model of current companies.

They will develop the appropriate abilities to disseminate knowledge and the principles of Green and circular economy among other social stakeholders (associations, educational centres, towns, etc.) through training and dissemination actions.

12. GALICIA

Galicia has aid to **promote CSR and equality** in Galician SMEs and developing a self-assessment tool on social responsibility (Xunta PRO RSE).

Within the CSR Driving Transregional Network lead by this region, several **sectorial guidelines** for the development of CSR (timber, textile, fish and seafood preserves and automobile sectors), as well as carrying out an **online tutored training plan** on Social Responsibility.

In 2012, the Galicia RSE Pyme programme was created. It is focused on enabling Galician SMEs to take the first steps to understand CSR, its principles and how to integrate them to the reality of the company. It offers three face-to face training sessions focused on the needs and situation of SMEs with the following goals:

- INCORPORATING new SMEs to the group driven by the Work Office, achieving a multiplying effect of CSR.
- PROVIDING knowledge and strategic documents to participating SMEs, as a sample of its commitment to CSR.
- IMPLEMENTING CSR in SMEs, with specialised support and help.
- INTEGRATING the tools provided by the Government of Galicia to the usual operating of Galician SMEs.

Galicia has also implemented a Bank of Responsible Ideas to gather companies' initiatives on CSR and carries out semester analysis to follow up the degree of implementation of CSR policies in Galician companies.

13. LA RIOJA

A significant aspect in La Rioja are the **help lines of the Economic Development Agency**, which among its goals are contributing to the implementation of Managing Excellence and Corporate Social Responsibility in the business fabric of La Rioja, improving competitiveness and/or efficiency of companies and bodies that stand out in the implementation, development and improvement of its management system. Thus, work is being done to present a Regional Strategy on Corporate Social Responsibility.

14. MADRID

The Community of Madrid stands out for its promotion in the creation of the 'Excellent Madrid' seal, encouraging social responsibility amongst the region's companies. Under this seal, the call for the Excellent Madrid Award to customer loyalty has been developed.

In recent years, the Community of Madrid has implemented innovative projects in CSR, amongst which:

- Issuing social bonds for 700 million EUR to fund social and environmental projects.

- Creating the Social Responsibility Board of the Community of Madrid as a body for the dialogue of the stakeholders.

REDUCTION OF ELECTRICITY CONSUMPTION OF UP TO 4% IN MADRID CITY COUNCIL TO ADDRESS POLLUTION.

The adopted measures brought down the electricity bill in 2016 in 10.3%, 23 million EUR. The City Council has a priority goal of rationalising the use of electricity to address pollution. Some of the implemented measures include the installation of low-consumption and LED lamps, presence detectors and new climate control equipment in the 1,100 municipal buildings. Furthermore, a renewable energy control centre was started to enhance the maximum electricity generation from its PV panels.

15. MELILLA

Within the Melilla Project, the Guidelines for the creation of responsible companies was published to give advice to companies on the integration of social responsibility in their management systems.

16. MURCIA

The Government of Murcia fosters CSR linked to climate change in companies through an agreement signed by the government and AENOR on carbon footprint and climate change, as a differentiating element in organisations that decide to commit to the environment and show corporate social responsibility applied to climate change.

Murcia is promoting training in CSR as evidenced by the development of two higher education programmes on Corporate Social Responsibility, Sustainability, Corporate Diplomacy by the Catholic University of Murcia, and the MA in Corporate Social Responsibility of the University of Murcia, which in 2017 ran its fourth edition.

17. NAVARRA

Navarra has the method 'Innovarse'. It is a management system designed to contribute to the improvement of competitiveness of companies from Navarra enhancing innovation, transparency, sustainability and dialogue with stakeholders.

In order to support companies in the implementation of CSR policies using the Innovarse method, the Government of Navarra has called a series of aid with different eligible expenses

In order to promote the dissemination of social responsibility actions in the business sector, the Government of Navarra

recognises, through diplomas, those companies which have developed action plans to integrate social responsibility measures in their management. In addition, it developed a consultancy and dissemination programme for companies on CSR and the seal: "socially responsible project".

18. BASQUE COUNTRY

In order to promote sustainability in the Basque region, the programme Xertatu:ADI was created. It is a social responsibility management system whose goal is to guide companies in their search for sustainable competitiveness.

For the development of this programme, the aid programme Saiatu was called, establishing aids for the implementation of innovative practices in SMEs, including CSR application. There are other types of support, Sendotuz Programme, which promotes social values and includes aids for social responsibility projects.

The Basque Companies for Sustainability Association (Izaitte) was created as driving force of social sustainability in the Basque business sector. This is a not-for-profit association made up of several companies committed to sustainable development and corporate social responsibility.

PUBLIC AND PRIVATE GOOD PRACTICES

awarded by Sustainalytics,
an external audit specialised in corporate social
responsibility analysis.

PUBLIC INITIATIVES

SOCIALLY RESPONSIBLE TERRITORIES NETWORK, RETOS NETWORK

It is a national network, led by the Ministry of Employment and Social Security. It comprises local territories (municipalities and provinces) and its mission is to integrate and implements strategies for developing socially responsible territories that lead to an improvement of the quality of life of their citizens. Currently, it consists of 28 local entities and provinces and 4 collaborating entities, including the Government of Extremadura.

Participating entities adhere to an ethical code. The network issues an annual report of developed actions, guidelines for the assessment of socially responsible actions in the territories, as well as a manual for the preparation of territorial social responsibility reports.

A vast number of good practices in social responsibility actions identified in participating territories may be found on the network's website⁵⁷.

ICO SOCIAL BONDS

The main purpose of ICO is to promote economic activities that contribute to the growth and development of a country, as well as improving the distribution of national wealth. Particularly, those that due to their social, cultural, innovative and environmentally-friendly transcendence deserve priority attention.

Underpinned by these fundamental goals, ICO launched the 'social bonds' with the purpose of creating or keeping employment in the most economically disadvantaged Spanish regions. These areas currently have an unemployment rate equal or higher than 19%.

In order to achieve this goal, the funds collected with the 'social bonds' shall be destined to fund SME projects in those autonomous communities with an income per capita below the Spanish average.

'Social bonds' from ICO value the key role developed by micro-companies and SMEs in creating employment and helping in the recovery of the Spanish economy, enabling investors the opportunity to support their projects.

ICO has the certification 'responsible issuer' needed to launch the 'social bonds'. This certification has been

SEVILLE DECLARATION

It is a document signed by 60 city councils in Spain and Europe within the framework of a conference held in Seville (Andalusia). The text contains the need to establish a **sustainable development model to enable us the reduction of the natural resources we consume**, encouraging recycling and reusing. Amongst the priorities of the **Seville Declaration**: the promotion of environmentally-friendly socio-economic activities which generate green employment, support to the call 'Cities for a Circular Economy' made by Paris in 2015, or the significance of the role of local governments thanks to their closeness to citizens. Furthermore, it underlines the need to increase efforts to reduce environmental, climatic and personal health impact of the current development models. All this, fostering collaboration between administrations, within the framework for development of Local Strategies for a Circular Economy, as well as public-private collaboration, amongst other things.

SPANISH CITIES NETWORK FOR CLIMATE

It consists of local governments which integrate climate protection in their policies. Currently, the Local Governments of the Network account for 60% of the Spanish population.

The main goals of the network are:

- Fostering action coordination between Local Governments enabling better results in the fight against climate change and its mitigation.
- The Network is a technical support instrument which offers tools for Local Governments to achieve their goals.
- In addition, it is the main tool to transfer the goals of national policy on climate change and energy management at local level.

PRIVATE SECTOR INITIATIVES

FRUITS DE PONENT

It is a fruit marketer cooperative encompassing about 200 family communities, growing in one of the three most important producing areas of Europe, located between Catalonia and Aragon.

In the field of CSR, it stands out for using an **agricultural system of integrated production, which certifies the**

⁵⁷Good Practices Section of the RETOS Network <http://bit.ly/2pN3SXw>

traceability of the product from the field to the expedition, and guarantees the food security of the fruit by reducing the use of pesticides.

It has its own technical team and a laboratory, and invests in RTD jointly with the University of Lleida in order to improve its production. In addition, it provides continuous training to all of its partners and workers.

Thanks to its CSR policies, it has become a supplier of Marks & Spencer, a British company that in its policies has established aim to make all their purchases in a sustainable way.

ADIPER: INNOVATION AND TRAINING ARE THE CORNERSTONES OF THE COMPANY

Adiper Servicios Sociosanitarios is a company based in Almendralejo with national coverage, specialized in the attention to dependency and disability. It provides care services to the elderly, caregivers, work and family life balance, health care, 24-hour remote care services and training of professionals.

Innovation and training are the two great pillars of Adiper. They are developing specific projects in the field of training in vulnerable groups integrations and training for carers of older people. They offer a wide portfolio of services in the field of Corporate Social responsibility (CSR), designing specific plans for third parties. In addition, Adiper has been distinguished with the certificate Family Responsible Company (EFR) of the Foundation MásFamilia for its promotion of the values of reconciliation, flexibility and diversity. It was one of the first companies in the region to obtain this certificate.

Adiper has lines of collaboration with different regions of Europe. It works in three European platforms of active and healthy ageing and develops powerful actions in the field of training. They have designed the unique international certificate that promotes, distinguishes and supports all organisations wishing to promote best practices in aging.

AREA ABOGADOS Y ASESORES

Certified as socially responsible company of Extremadura. It is a legal firm in Extremadura, which places the individual at the centre of their actions, and as transversal line to the entire organisation and goals, whether they are a member of the firm, client, supplier or any other party.

For this purpose:

- It relies on an organisational system enabling conciliation without the attention of the clients being affected, benefiting from the possibilities for working without being physically at the workplace that new technologies offer.

- Offers continuous training to all members of the firm, improving their career plan and making it easier and more efficient to fulfil their tasks.
- Supports all their activity related causes like education, basic law knowledge promotion, entrepreneurship, innovation or mediation.
- They actively promote collaboration between local suppliers in order to foster the reactivation of the economy, competitiveness and common opportunities for the most immediate surrounding.
- They have different communication channels so everyone can give their opinion, complaint or suggestion so they can process it and deal with it in the most satisfactory manner.
 - They minimize the organisation's impact on the environment.

ECOLIMPIEZA FACILITY SERVICES

Family company founded in 1993.

Social responsibility committed company. They hold the Social Responsibility Corporate certificate from Extremadura. They have implemented a series of actions on social responsibility, some of them are detailed below:

- They have an Equality Plan in place in the company.
- They have a Code of Ethics in which is reflected the ethical principles of ECOLIMPIEZA. This Code of Ethics has been distributed to all the staff and is the tool for values and norms of the stakeholders, functioning as a guide for the company's mission, values, and norms towards social responsibility and continuous improvement of their corporate governance.
- Ecolimpieza has an **Ethics Committee** made up of executives and intermediate level managers in charge of the Ethic Code implementation

-ECOLIMPIEZA has been working with the Down Syndrome Association for years, being the first company creating jobs for this collective. In this respect, they adapt the workplace attending special needs due to disability.

-They work to reduce the impact on the environment using environmentally-friendly products. We are certified according to the ISO 14001 environmental management.

They promote acquisition from local and regional suppliers. Also, they have a buying and evaluation procedure with suppliers based in sustainability criteria.

Is the first large company certified in Corporate Social Responsibility in Extremadura under Law 15/2010 of 9 December.

They have been distinguished in a few occasions such as: by the Government of the Extremadura as finalist of the Extremadura Entrepreneur Awards 2008 in the Corporate

Social Responsibility section. Or recognition for their work by the Iberdown Association Extremadura and the Food Bank.

ACTIVIDAD CONSULTORÍA Y DESARROLLO, S.L.

It has the certification 'socially responsible company of Extremadura'.

They integrate in their management the Corporate Social Responsibility. Some of their relevant actions in CSR and Sustainability are:

- Customer related, they conduct surveys to monitor their satisfaction, adapting services to the customer needs.
- Priority on the recruitment of local suppliers in order to boost the local economy, actively participating in all Social Responsibility promotion events.
- They focus on the person in such a way that they have human resources policies that favour the conciliation of work and family and flexible working hours. Also the company has an Equality Plan and an Equality Committee in charge of monitoring the different measures contained in this Plan.
- Although they are a services company their impact in the environment is not huge they conduct many actions that enable to minimize this impact, like paper, batteries, toners, electronic equipment, fluorescent bulbs, etc. Led lights install, saving energy climate systems with temperature control, etc.

EXTREMADURA AVANTE

It holds the 'socially responsible company of Extremadura' certification as well as the SGE FORÉTICA 21 certification.

EXTREMADURA AVANTE stands out in terms of the inclusion of social clauses in their contracts. In this respect, it has set up a process by which all contracts are analysed by a CSR unit including social clauses in all of its contracts.