

Final report: Peer review on Policy on Corporate Social Responsibility in Provence Alpes Côte d'Azur Region/ France

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1. Background and motivation

The Sud Region Provence Alpes Côte d'Azur has the leadership in economic development policy and shows a strong political will in terms of regional environmental transition in line with the COP 21 agreement of Paris. At the crossroads of these two issues, the deployment of Corporate Social Responsibility (CSR) within regional companies - as a global performance strategy integrating economic practices and the environment - represents a major opportunity to sustain local economic development and the competitiveness of SMEs within the region.

Since 2014, the regional council has developed a partnership approach to deploying CSR and the policy is based on a broad institutional partnership. This policy is reaffirmed in a strategic document entitled Regional Economic Development, Innovation and Internationalisation Scheme, which sets out an ambition for scaling.

There are three levels of support for each company based on a diversified toolbox:

- Take stock of its CSR practices through a self-assessment tool and define areas for improvement;
- Support to the deployment of the SMEs CSR project;
- Provide recognition for SMEs efforts through displaying a specific logo ("PPR" for *Parcours Performant Responsable* in French).

The implementation of the CSR policy faces difficulties because of insufficient human resources and lower budgets. This situation does not allow the scaling up of the CSR policy to more than several hundred SMEs which represent a very small share of all SMEs and micro-enterprises in the Provence Alpes Côte d'Azur region.

PACA Region decided to use the Policy Learning Platform's Peer Review service in order to receive external knowledge and inspiration with regards to the following topics:

- Scaling of involvement of companies in CSR without significantly increasing the budget;
- Benchmarking of Sud Region policy tools against tools used in other European regions;
- Communication tools and strategies;
- Approaches to evaluating CSR policy impact;
- Integrating CSR in the ESIF funding.

2. Peer review participants

The Policy Learning Platform engaged in a process of reaching out to potential peers from European regions both through the Interreg Europe network but also through the CSR Europe Business Network and the Association of Cities and Regions for Sustainable Resource Management (ACR+). As a result, peers from Denmark, Finland, Greece and Italy took part in the peer review and shared their experience. All four peers are involved in different Interreg Europe projects.

In addition to that the thematic experts also shared the experience of Interreg Europe “Road CSR” project through concrete examples from Cyprus and Extremadura, Spain.

List of participants:

Interreg Europe Team		
Ms. Venelina Varbova	Interreg Europe Policy Learning Platform	Thematic expert Environment and Resource Efficiency
Mr. Ruslan Zhechkov	Interreg Europe Policy Learning Platform	Thematic expert Environment and Resource Efficiency
Ms. Elena Ferrario	Interreg Europe Policy Learning Platform	Thematic manager
Mr. Thorsten Kohlisch	Interreg Europe Policy Learning Platform	Project manager
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Ms. Iida Holck	Lathi University of Applied Sciences, Hame Region, Finland	Project coordinator, Interreg Europe project “SYMBI”
Ms. Mette Hoj	North Denmark Region, Denmark	Project manager and environmental expert, Interreg Europe project “CESME”
Ms. Carolina Giraldo Nohra	Politecnico di Torino, Italy	PhD Candidate, Interreg Europe project “RETRACE”
Ms. Sofia-Natalia Boemi	Region Development Fund of Central Macedonia, Greece	Dr. Environmental Engineer, External Associate, Interreg Europe project “BIOREGIO”
Sud Region and other regional stakeholders		
Ms. Emmanuelle Mandaron	Sud Region, SECIP	Thematic Expert for CSR
Mr. Gilles- Olivier Bernard	Sud Region	Director of the direction of Economy (development and financing of enterprises)
Mr. Dominique Giabiconi	Sud Region, SECIP	Thematic Expert for EC
Mr. Laurence Gaubert	Sud Region, SECIP	Thematic Expert for EIT/CSR
Mr. Pascal Chazaud	Service provider	Consultant, European Projects
Mr. Gerhard Wolf	Sud Region, SECIP	Thematic Expert for European Projects
Mr. Laurence Greco Fortier	Sud Region, SECIP	Deputy head of department
Ms. Sandie Badel	Sud Region, SECIP	Head of department

Mr. Gravier	Provence Alpes Côte d'Azur Chamber of trades and crafts	Thematic Expert for CSR Consultant of enterprises
Mr. Renaud Reynes	ADEME (French Environment and Energy Management Agency)	Thematic Expert for EC and CSR
Mr. Frank Baudement	Provence Alpes Côte d'Azur Chamber of trades and crafts	Thematic expert on environment
Ms. Alexandra Rigo,	Provence Alpes Côte d'Azur, Chamber of Industries and Commerce	Thematic Expert for CSR Consultant of enterprises
Ms. Patricia Di Biase	Sud Region, European Affairs Directorate	NCP South France Interreg Europe

3. Main conclusions and recommendations

3.1. Improving CSR governance

The steps for good governance:

1. Integrate CSR in strategic regional policy documents
2. Weave cooperation within the Regional Council across departments
3. Convince the policy makers for political support
4. Create a strong regional ecosystem
5. Anchor CSR in daily working practice
6. Develop a CSR pilot showcase project

3.1.1. Integrate CSR in strategic policy documents

WHY: Integration will further raise the profile of CSR and its components and will make it easier to fund different actions from national and European funding sources:

Include references to CSR and its components into:

- Regional Development Strategy/Plan
- Smart Specialisation Strategy (more actions in CE, i.e. Industrial Symbiosis in the priority sectors in the region).
- Regional Innovation Strategy
- Strategy for SME

3.1.2. Enhance internal cooperation within Sud Region

WHY:

- To improve and leverage CSR implementation
- To improve the overall CSR awareness and trigger ideas for further integration and improved implementation.

HOW: Tell success stories via internal newsletter or other communication means

- Include relevant experts from other departments in the Steering Committee (as observers?)
- Work jointly on a definition of sector specific 'green projects' - obligation to use 30% of the regional investment funds for green projects as entry point

WHO:

- Transport and mobility
- Waste management

- European department
- Financing
- Strategic development

3.1.3. Convince the policy makers and buy-in for CSR

- **WHY:** Political support for CSR is key to raising the profile of the CSR policy and actions, increasing funding and human resources invested in CSR
- **Give concrete examples:** show the benefits of CSR that are aligned with the top priorities of the Region:
 - Economic: improved competitiveness
 - Social: job creation, work satisfaction, improved communities, etc.
 - Territorial: greener image of the region, etc.
- **Benchmark CSR performance** with other regions in France and abroad to trigger an ambition for excellence.
- **Communicate the road to CSR implementation:** progresses and obstacles hampering this development

3.1.4. Create a strong regional ecosystem by widening the CSR network

WHY:

- To bring new dynamics and additional leveraging of CSR efforts
- To trigger additional innovative ideas
- To allow the development and implementation of new projects and innovative approaches

HOW:

- Some of the new partners could be included into the Steering Committee while others may participate only in technical committees (keep the CSR governance simple).
- New partners should be given a specific role in the framework of CSR policy implementation.

WHO:

- Universities,
- Chamber of Agriculture,
- Clusters (pôles de compétitivité)
- Sectoral associations, etc.

3.1.5. Anchor CSR in daily working practice of the partner institutions

- **Increase CSR knowledge** and implementation capacities in the participating institutions is a pre-condition for this integration.
- **Extend the role of the CSR advisors/green mentors** to multiple experts in the same institution and integrating CSR elements in other expert roles (i.e. future industrial transition). The approach could be tested in one specific sector. This would significantly increase the number of 'CSR advocates' and help scaling up of the policy.
- **Take advantage of the CSR partnership agreement renewal** to increase the integration of CSR language, actions and approaches in the daily practice of the partner institutions. The requirement for a 'concerted action between partners' could be an entry point and an opportunity for this.

3.1.6. Develop a CSR pilot showcase project

WHY: So far CSR activities have not concentrated on one particular sector and its value chain. Therefore, it could be envisaged to implement a pilot project on CSR (or its components) in one particular sector.

HOW:

- If the sector is included in the RIS3 Strategy funding the action from ERDF will be easier.

- The pilot project could also build on the political ambition to use 30% of the regional investment funds for green projects.

3.2. Use ESIF funds for CSR and circular economy

3.2.1. *Mainstream CSR in ESIF programming*

- **Place the components of CSR across different priority axes** of the ERDF/ESF OP (It is not primordial to specifically use the term CSR as this may lead to 'locking' it under one axis and one TO which could be counterproductive):
 - Circular innovation, energy innovation (ERDF TO1 and its equivalent in the new ESIF legislation)
 - Resource efficiency and Industrial Symbiosis through the angle of improved competitiveness (ERDF TO3 and its equivalent in the new ESIF legislation)
 - Training for CSR managers in companies (ESF)
- **Plan for pilot actions now:** the current Operational Programme may allow support of some pilot actions, notably in order to prepare the upcoming 2021-2027 OP. This could be done, for example, through Axis 1 Innovation and competitiveness of the Regional Operational Programme.
- **Introduce specific eligibility and ranking CSR criteria** in relevant calls for proposals

The mainstreaming of CSR could be done through several types of ESIF funded projects (supported under ERDF, ESF and even EAFRD)

- Types of projects include:
 - Screening on energy savings (TO4)
 - Projects on Industrial Symbiosis (TO3)
 - Screening and developing business models focusing on material and resource efficiency (TO3)
 - Matchmaking events
- The region could also envisage **launching thematic CSR calls**.

3.3. Support tools for CSR

Consider revising the existing CSR self-assessment tools, which should be:

- user-friendly
- adapted to user's needs
- able to measure progress

It is important to clearly demonstrate the progress made as a result of CSR support actions in companies. This progress should be **visible** and **communicable**.

Good examples:

- <https://www.csrkompasset.dk/> developed as a partnership between the Danish Business Authority, Nordic Council of Ministers and The Confederation of Danish Industry
- EcoCompass are the cities of Helsinki, Espoo, Vantaa and Kauniainen, as well as HSY, HSL and Helen. <https://ekokompassi.fi/en/>
- ORSE CSR self-assessment tool for companies, Extremadura region (Spain): a free and voluntary tool for those companies wanting to improve their competitiveness by implementing a social responsibility strategy. www.rsextremadura.juntaex.es

Training programme for CSR managers

- Sud Region together with its partners (university or another institutions) might **consider developing a training programme for CSR managers** following the practice in Cyprus.

- The programme could be tested on a sectoral basis and would require an adaptation of the curriculum and the approach depending on the sector
- The programme might be funded from the ESIF funds.

3.4. Communication strategy

3.4.1. *Sharpen the communication:*

- **Prepare an overall CSR communication plan** (objectives, actions, results foreseen, roles and tasks, etc.) designed by the technical committee and including companies
- Always emphasise the following messages:
 - *Being a part of CSR is being ahead of the curve*
 - *Being a part of CSR makes you gain a competitive advantage*
- Create one common platform (website) unifying different ones.
- Make communication more focused on concrete results, success stories, positive competition, benchmarking against other regions.
- Make promotional materials sharper (shorter professional videos, dedicated newsletters, ...)
- Have a differentiated approach to those who know about CSR and those with limited knowledge.

3.4.2. *Scale up participation*

Adopt a combination of measures and approaches:

- **Continue what you are doing!**
- **Start with small scale actions** when working with newly engaged SMEs, then increase gradually towards full commitment of the enterprises.
- Put the focus on small actions forward (e.g. hashtag #mysmallthing).
- **Propose innovative ways of getting together:** (e.g. CSR morning cafes, “bring your SME friend”-CSR events).
- No matter how innovative the communication is, the **CSR uptake is proportionate to the financial and human resources** invested in the deployment of the regional CSR policy. Therefore, more resources are needed within the partner organisations.

3.5. CSR impact evaluation

3.5.1. *A simple and efficient monitoring system:*

- **Develop a simple monitoring system** with output, outcome and impact indicators and focus on the progress on CSR.
- **Differentiate** between monitoring systems for bigger companies and small and micro enterprises.
- **Make a link between the measured indicators and the impact on the territory** in order to increase the political support.
- **Combine monitoring with developing a database of case studies and inspiring good practices** from the region. Through the case studies, illustrate the steps/process including the increase of investments in CSR core themes. Illustrate it further through highlighting impact on competitiveness (savings, improved image, relationship with suppliers) and social (job creation, motivated personnel, better relations with community).

3.6. CSR-related labels and brands

3.6.1 *A sparing use of existing brands and labels*

- Continue using the very simple brand/logo (PPR) rather than a new label (too many labels kill the label)
- Increase the PPR logo effectiveness through wider communication.
- Strengthen the uptake of the standard and easily recognisable existing EU labels (EU Ecolabel) and certification schemes (EMAS) in the region. This would be fully in line with the efforts of the European Commission and hence it would probably be possible to attract ERDF funds.

4. Follow up – planned actions

Cross-cutting actions:

- ✓ Sud Region will send out the results of the peer review to all stakeholders which have been involved in CSR implementation. These results will also be presented during the next steering group meeting, where also the governance structures will be discussed.
- ✓ Sud Region will also analyse the tools mentioned by the peers to see if they are applicable for the region or if they can be used as an inspiration for further tool development
- ✓ Further, Sud Region would like to stay in touch with the peers to exchange on more concrete topics and ideas we gained from their approaches. It would be possible to connect with them via video conferencing.

NB: As a next concrete step, we will be partner in a new Interreg Europe Project on Circular Economy with our peer from Finland. The project, selected in the fourth call is focused on "Citizen involvement in circular economy implementation" (CECI). Our first interregional meeting in Finland hosted by Lahti University of Applied Science will take place the 3th and 4th of December.

Of the main different topics and specific recommendations of the peer review, we want to highlight some of them which seem to us **quite feasible to be implemented in the short term**:

Improve the CSR governance

- a) In the framework of the renewal of the partnership agreement on CSR:
 - Enlargement of CSR partnership: Mobilise new partners (Universities, Chamber of Agriculture, Clusters (pôles de compétitivité), sectoral associations, etc.) within CSR governance (beyond those already convinced by the interest of investing in such a partnership); The Chamber of Agriculture will be associated to the next technical meetings among stakeholders in order to prepare in a medium term the integration in the steering committee. Meanwhile, they agreed to promote the CSR-and Circular economy measures et tools among their members in the agricultural sector.
 - Engage partner institutions in promoting the development of CSR skills and the integration of CSR issues into the professional practices of their employees, and more particularly those in direct contact with companies in the regional territory. At the end of September 2019, the steering committee decided to integrate in the new partnership agreement a clear commitment of each stakeholder to promote and disseminate the concept of CSR inside its own Institution.
 - The initial idea of stakeholder' staff training organised by the region authority was abandoned because staff training remains an internal competence of each organisation. Each stakeholder will choose the appropriated forms and methods and train their staff on this issue. The objective is that the knowledge and awareness about the added value of CSR policy trickle down as much as possible in the daily professional practice of all staff members and will not be limited only to the activities of the single staff member officially dealing the CSR issues in the stakeholder organisation.
- b) In the framework of the links between the Region and the entire ecosystem of support for SMEs in the regional territory (support networks, consular chambers, clusters, etc.): propose the implementation of a system aimed at integrating CSR into the daily practices of company support workers. In this way, companies would be supported, from their creation - and well beyond - in new economic approaches, by responsible and sustainable performance.
- c) Internal communication (across all services): Within the regional institution there is already an internal project group mobilising around ten departments around CSR and Circular economy themes; the aim will be to mobilise the services of other Directorates more widely, by using their obligation to have 30% of their funding earmarked for so-called "green" projects. Since

the peer review internal information meetings specially dedicated to the presentation of the different policy measures on CSR, circular economy and industrial symbioses have been set up with the departments of transports, bio-diversity, agriculture, sea, the department dealing with all strategic economic sectors as well as the department for financing of enterprises. They agreed on more transversal cooperation among departments to identify in advance feasible projects on ecological transition as well as to use the expertise of our unit to promote and introduce different CSR/CE measures to increase the number of so called “green” projects.

- d) Concerning the regional policy in favour of SME'S in the field of commerce, arts and handcraft a new modified framework of intervention is foreseen from 2020 on. In coordination with the Chamber of Commerce and Industries and the Chamber of Arts and Handcraft, short trainings (one day) on CSR, sustainable development and ecological transition will be obligatory for all local enterprises who want to benefit from regional funds and training programmes to gain in competitiveness and economic performance. In order to adopt concrete measures against climate change and to foster the political ambition to use 30% of the regional investment funds for green projects an experimentation will offer higher regional investment grants (with bonification) if the investments of the local enterprise are specially dedicated to sustainable development or ecological transition measures focusing on material and resource efficiency or waste reduction.

Support tools for CSR

To enable companies to visualise their progress and enhance this progress, a revision of the existing CSR self-assessment tool is foreseen in order to be:

- more user friendly and adapted to user's needs
 - able to measure and visualize the progress on CSR of the engaged companies.
- The following examples shared by the peers could be taken into consideration:
- <https://www.csrkompasset.dk/>
 - <https://ekokompassi.fi/en/>
 - www.rsextremadura.juntaex.es

Communication strategy

Different means are foreseen to build up a communication plan to give a clear and unified vision of the partnership actions on CSR in the region:

- Set-up of a unique website on CSR
- Structuring of communication around the pre-existing PPR logo to identify initiatives or schemes aimed at encouraging the involvement of very small and medium-sized businesses in an ecological, energy and economic transition process for companies
- Collection and dissemination of the views of companies engaged in the theme "What has CSR brought to my company?"
- The envisaged communication strategy may include a particular section on “internal” communication and promotion.

This collection of views/quotes/examples could be integrated into the official monitoring process used to measure CSR progress. Such content can be exploited for dissemination, even if it cannot be easily aggregated in quantitative terms.

Other recommendations will need more time to put forward and could only be tackled [in the medium term](#):

- **Pilot action targeted at one key economic sector** out of the 7 selected value chains in Sud Region (in line with the priorities of future programming period 2021-2027- approach to European funding) A pilot action could be considered in the field of agri-food industry which is one of the key economic sectors in our region. The idea is based on the fact that some enterprises of this sector are already engaged in CSR policy and sustainable development measures based on biological agriculture, industrial symbiosis and circular economy. In this sector the impact of the raising climate change awareness is also quite visible, stimulating enterprises to test innovative components of CSR to improve competitiveness by developing business models focusing on material and resource efficiency, industrial symbiosis or circular economy to foster a low carbon economy. This gives also the possibility to link future CSR pilot actions with different thematic objectives priorities of the ongoing and future ESIF programming.

However, the priority in terms of timing leads us to postpone this objective of a specific pilot action in order to give priority to the implementation of a digital tool allowing a real visibility and the effective management on the existing tools to follow up with the SME's.

Better integration of CSR in the preparation of revised S3 and preparation of regional operational programme (OP) 2021-2027 –take on board first the challenges of scarcity of raw materials, energy and waste topics; on this basis, CSR can be addressed later in a more horizontal way)

A staff member of our department, responsible for circular economy, has joined the internal working group for the preparation of the future regional operational programme of ERDF. This might allow a better integration of the priorities of our policy on ecological transition and the different measures on circular economy, industrial symbioses and CSR components in the future operational programme (PO),

No European funding on the PO ERDF 2014-2020 to co-finance new activities on CSR in 2020 will be possible because it seems difficult to cover with the requirements of eligibility of the running

PO and the few funds still available. The priority is to integrate the topics on ecological transition, including CSR and circular economy in the future ERDF PO on the regional level.

5. Conclusions

The engagement of several European peers has provided valuable inputs that can effectively feed our reflections on the evolution of regional CSR policy. The exchanges on the practices of other European territories were on the one hand a source of inspiration and on the other hand allowed us to take a real time to take a step back and think about our own system and mechanisms. The commitment, the relevance of the peers and a good facilitation of the different work sequences by the PLP experts as well as the support provided by the European department of the Region were the necessary conditions for the quality of our exchanges. We will stay in touch to exchange on the short- and medium-term effects of the different recommendations we plan to put into practice.