

Corporate Social Responsibility in Collaborative Supply Chain of Consumer Goods Industry and Retail

Leonardo BADEA
Virgil POPA

Valahia University of Targoviste

Abstract:

Corporate social responsibility (CSR), also known as corporate responsibility, corporate citizenship, responsible business, sustainable responsible or corporate social performance, is a form of corporate self-regulation integrated into a business model.

Good supplier management means working with suppliers collaboratively to design safe products, with high quality standards that do no harm to workers assembling those products, to consumers who buy them, or to the environment in their manufacture or after-use disposal.

Supply Chain Environmental Management systems have become popular among companies over the past decade as a means for monitoring, improving, and reporting on the environmental performance of their supply chain operations, including those of its (usually domestic) suppliers.

The Global Social Compliance Programme is a business driven programme for companies whose vision is to harmonise existing efforts in order to deliver a shared, global and sustainable approach for the continuous improvement of working and environmental conditions across categories and sectors in the global supply chain. Another indication of supermarket responses to consumer concern about their social impact can be found in their development of CSR policies. At best CSR policies can be genuine cross-organizational commitments that ensure a company's policies and practices seek to maximize benefits from their operations.

Quality and food safety is based on the efforts of all those involved in the food chain, consisting of agricultural production, processing, transportation and consumption.

Law 150/2004 on food safety which partially implement EC Regulation 178/2002, the Codex Alimentarius and national regulations (EC Regulation 852/2004 on the hygiene, transposed by GD 924/2005, EC Regulation 853/2004 on the hygiene of food of animal origin, transposed by GD 954/2005, EC Regulation 882/2004 on official control of foodstuffs and fodder, transposed by GD 925/2005) establishing the general principles and modes of action for generation, transmission and marketing of safe food for public health.

Key Words: *Corporate social responsibility, Social Accountability 8000, Sustainable Development, ISO 26000, Global Social Compliance Programme, Sustainability, Social Responsibility*

1. Introduction

Corporate social responsibility (CSR), also known as corporate responsibility, corporate citizenship, responsible business, sustainable responsible, or corporate social performance, is a form of corporate self-regulation integrated into a business model. Ideally, CSR policy would function as a built-in, self-regulating mechanism whereby business would monitor and ensure their adherence to law, ethical standards, and international norms. Business would embrace responsibility for the impact of their activities on the environment, consumers, employees, communities, stockholders and all other members of the public sphere.

For each business, different measures are taken in consideration to classify a business as "socially responsible". Each business attempts to reach different goals. There are four areas that should be measured regardless of the outcome needed: Economic

function, Quality of life, Social investment and Problem solving that is trying to be achieved should be ok measured to see if it meets with the cost guidelines that the business is willing to contribute [<http://en.wikipedia.org>].

Consequently, business would embrace responsibility for the impact of its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere. Furthermore, CSR-focused businesses would proactively promote the public interest by encouraging community growth and development, and voluntarily eliminating practices that harm the public sphere, regardless of legality. Essentially, CSR is the deliberate inclusion of public interest into corporate decision-making, and the honoring of a triple bottom line: people, planet, profit [<http://en.wikipedia.org>].

2. Best Practices – in Corporate Social Responsibility

2.1. World Business Council

Corporate social responsibility is a commitment to improve community well-being through discretionary business practices and contribution of corporate resources.

One from the World Business Council for Sustainable Development reflects the council's focus on economic development in describing CSR as "business' commitment to contribute to sustainable economic development, working with employees, their families, the local community, and society at large to improve their quality of life. "The organization Business for Social Responsibility defines CSR as "operating a business in a manner that meets and exceeds the ethical, legal, commercial, and public expectations that society has of business. "This definition is somewhat broader as it encompasses business decision making related to "ethical values, legal requirements, as well as respect for people, communities, and the environment" [Kotler, Philip & Lee, Nancy; 2005].

2.2. International Standard

2.2.1. SA8000 2008

The company shall maintain appropriate records of suppliers/subcontractors' (and, where appropriate, sub-suppliers') commitments to social accountability, including, but not limited to, contractual agreements and/or the written commitment of those organizations to:

- a) Conform to all requirements of this standard and to require the same of sub suppliers;
- b) Participate in monitoring activities as requested by the company;
- c) Identify the root cause and promptly implement corrective and preventive action to resolve any identified non-conformance to the requirements of this standard;
- d) Promptly and completely inform the company of any and all relevant business relationship(s) with other suppliers/subcontractors and sub-suppliers.

Among these, Social Accountability 8000 (SA 8000) is probably the most important workers' rights performance standard to emerge to date, and is clearly destined to evolve into the most widely accepted format for addressing company issues around its social performance.

Developed by the Council on Economic Priorities Accreditation Agency (CEPAA), a nonprofit organization, SA 8000 was first published in 1997 as a response to the need for companies to have access to a common, standardized framework for good labor management and workplace environment practices, not only for company-owned facilities, but also latterly to help address labor and employment issues in developing-world factories.

2.2.2. OECD Guidelines for Multinational Enterprises

The *OECD Guidelines for Multinational Enterprises* are recommendations addressed by governments to multinational enterprises. They provide voluntary principles and standards for responsible business conduct consistent with applicable laws. The *Guidelines* aim to ensure that the operations of these enterprises are in harmony with government policies, to strengthen the basis of mutual confidence between enterprises and the societies in which they operate, to help improve the foreign investment climate and to enhance the contribution to sustainable development made by multinational enterprises. The *Guidelines* are part of the *OECD Declaration on International Investment and Multinational Enterprises* the other elements of which relate to national treatment, conflicting requirements on enterprises, and international investment incentives and disincentives.

2.2.3. The International Institute for Sustainable Development

The International Institute for Sustainable Development contributes to sustainable development by advancing policy recommendations on international trade and investment, economic policy, climate change, measurement and indicators, and natural resources management. By using Internet communications, we report on international negotiations and broker knowledge gained through collaborative projects with global partners, resulting in more rigorous research, capacity building in developing countries and better dialogue between North and South.

IISD's vision is better living for all—sustainably; its mission is to champion innovation, enabling societies to live sustainably. IISD receives operating grant support from the Government of Canada, provided through the Canadian International Development Agency (CIDA) and Environment Canada, and from the Province of Manitoba. The institute receives project funding from the

Government of Canada, the Province of Manitoba, other national governments, United Nations agencies, foundations and the private sector. IISD is registered as a charitable organization in Canada and has 501 status in the United States [<http://www.iisd.org/>].

2.2.4. ISO and Sustainable Development Standards

ISO, the International Organization for Standardization, has decided to launch the development of an International Standard providing guidelines for social responsibility (SR) named **ISO 26000** or simply *ISO SR* and is expected to be released in 2010. This standard offers guidance on socially responsible behavior and possible actions; it does not contain requirements and, therefore, in contrast to ISO management system standards, is not certifiable [<http://www.iso.org/>].

The ISO 26000 scope clearly states "This International Standard is not a management system standard. It is not intended or appropriate for certification purposes or regulatory or contractual use." This statement includes that ISO 26000 cannot be used as basis for audits, conformity tests and certificates, or for compliance statements [<http://www.iso.org/>].

3. Social Responsibility in Supply Chain Management

3.1. Activities Necessary to Monitor and Manage the Ethical Supply Chain

Social responsibility is defined by ISM (Institute for Supply Management) as a framework of measurable corporate policies and procedures and resulting behavior designed to benefit the workplace and, by extension, the individual, the organization, and the community [<http://www.ism.ws/>].

- **Policy Creation and Ongoing Risk Assessment.** Someone in the organization needs to be responsible for the initial and ongoing creation of a corporate ethical supply chain policy, including a value statement, appropriate codes of conduct, and a framework for analyzing and reacting to supply chain risks. In order to make that policy reflect reality, someone will need to be responsible for an analysis of the socioeconomic impacts and the relative risks that the company faces, by country, by contractors, and by product.

- **Managing the Supplier Program.** This effort, going well beyond a strategic sourcing regime, requires incorporating social and environmental selection and monitoring criteria

into an ongoing supplier evaluation program. It will also require resources to create and maintain education programs, to draw up and negotiate relevant contracts, and to collect performance information through a variety of sources, including internal systems that can record historical performance data, and through both written and in-person surveys.

- **Document Management.** Establishing a central database of audit information is critical, both in terms of effective management and in providing legitimate, verifiable information to investors and NGOs.

- **Training and Education.** A supplier program also requires an ongoing-program of education and training for both company and supplier employees that covers company policy, the organization's process for risk and supplier assessment, social and environmental performance codes and expectations, and the reporting process.

- **Communication.** A strong communication program is necessary, both internally concerning policies and resources, and externally to corporate stakeholders: NGOs, pressure groups, the media, and investment and consumer groups.

- **Gaining Internal Commitment and Corporate Alignment.** The process also requires a very important change in management effort in order to communicate the business case for supplier management and SEAR [Social and ethical Accounting, Auditing and Reporting] to leaders throughout the organization, and to gain the endorsement and active participation of senior corporate executives in creating policy and regularly monitoring risk issues when they arise.

- **Complete the Reporting Process.** Finally, the process will require special and dedicated resources not only to manage the supplier program, but to collect accurate data and to develop the publishable corporate SEAR report.

3.2. OECD Guidelines

As an early step to the development of an ethical supply chain, most companies will want to consider adopting one of the several "aspirational" codes of conduct that have become so widely accepted globally. As appropriate, a company will want to become a signatory of an active compact, or may simply want to adopt the principles as part of their own company ethical policy, incorporating it into the current company code of conduct.

Over the past two decades, as growing globalization trends and pressures have emerged, a variety of NGOs, churches, and international forums have proposed a number of codes of conduct for companies, particularly with regard to labor rights issues in developing

countries. The best known of these early codes included the Rutgers Principles, the Global Sullivan Principles, the OECD Guidelines for Multinational Enterprises, and the Interfaith Center on Corporate Responsibility, all of which set the initial tone and quality standards for the more formalized codes of conduct that were to follow.

3.3. The International Labor Organization (ILO)

One of the most important groups in the field of labor rights, of course, is the International Labor Organization, an agency of the United Nations and a strong advocate of labor standards and principles worldwide. Originally established to help cope with the crisis of labor conditions ("injustice, hardship and privation") in 1919 following World War I, the ILO became the UN's first specialized agency in 1946. In 1998 they adopted the Declaration of Fundamental Principles and Rights at work, which today sets the standard for employment rights throughout the world.

ILO principles and recommendations cover a broad range of labor related issues such as the right to organize, freedom of association, equality of opportunity, and worker health and safety rights, including elimination of forced or compulsory labor and abolition of child labor. Although primarily a forum for national governments, they also provide technical assistance to member nations and provide an inspection service for investigating human rights and labor violations.

3.4. The UN Global Compact

The United Nations Global Compact was launched in April 2000 as a coordinating forum for UN agencies, NGOs, and the global business community with a goal of helping member organizations complete joint initiatives and gather to discuss global issues. Focused on improving environmental and employment standards in developing countries, the Compact is based upon nine principles that businesses should follow:

Support and respect the protection of internationally proclaimed human rights.

1. Make sure they are not complicit in human rights abuses.
2. Uphold the freedom of association and the effective recognition of the right to collective bargaining.
3. Eliminate all forms of forced and compulsory labor.
4. Effect the abolition of child labor.
5. Eliminate discrimination in respect of employment and occupation.
6. Support a precautionary approach to environmental challenges.

7. Undertake initiatives to promote greater environmental responsibility.

8. Encourage the development and diffusion of environmentally friendly technologies.

3.5. The CERES Principles

Created by a coalition of U.S. environmental groups and the socially responsible investment community, the 10 CERES principles cover the gamut of sustainability issues, including reduction and disposal of wastes, energy conservation, the creation of safe products, company transparency, reporting, and management commitment. In many ways, the CERES coalition is a good example of the new pressures that are being brought to bear on today's corporations. Leveraging shareholder authority, the coalition uses shareholder resolution to push companies toward endorsing these environmental principles, with the expectation that CERES signatories will publish public reports on their progress in these areas.

3.6. ISO 14001

The ISO 14000 series of standards is rapidly becoming the leading international standard for environmental performance. The full 14000 series includes an Environmental Management System (ISO 14001), as well as various other standards for auditing (ISO 14010 – 14012), performance evaluation (ISO 14031), environmental labeling (ISO 14024), and life-cycle assessment (ISO 14040). As with SA 8000 in the social arena, the 14000 series is a framework that helps companies organize their environmental management systems, providing instructions on how to create an EMS process, how to collect and retain documentation, and how to communicate the process and train employees.

The 14001 series has become extremely popular, particularly in Japan and Europe, where since it was first published in 1996, some 10,000 companies have received certification. As with any ISO framework, the 14000 series is based on the idea that only a worldwide standard can provide the combination of consistency and comparability that are so important for investors, consumers, and NGOs anxious to understand how companies are managing the environment through their extended supply chain. Based in Geneva, Switzerland, the International Organization for Standardization is a nongovernmental organization that has been developing technical standards particularly related to manufacturing, quality assurance, and the supply chain since its establishment in 1947. In developing the ISO 14000

environmental standards, the ISO works with representatives from member countries, which in turn enlist the advice of corporations and government agencies.

4. CSR Europe

CSR Europe was created in 1995 by the former president of the European Commission, Jacques Delors, and is a networking forum and think tank covering a broad range of corporate social responsibility issues. Its membership includes 16 national government partners, and 59 corporations, for which CSR Europe provides information through publications, benchmarking standards, and leading practice tools and techniques. Their goal is to provide a forum that brings together governmental policy makers, investors, businesses, NGOs, labor unions, and academics, and as with similar forums, they have a set of aspirational principles that define their purpose.

5. CSR in Supply Chain

5.1. Overview

Supplier management is the key to a company's ethical supply chain. At its best, good supplier management means working with suppliers collaboratively to design safe products, with high quality standards that do no harm to workers assembling those products, to consumers who buy them, or to the environment in their manufacture or after-use disposal. That means developing a formal program that incorporates much more than just quality, price, and delivery dependability — the standard criteria for judging vendors in the past. As companies become more and more dependent upon suppliers in developing nations, it means a much closer relationship in every way — collaborative design, education, training, and supervision.

A new level of buyer – supplier cooperation is necessary for several reasons. First, because suppliers in the modern supply chain are much more strategic to success of the company. With JIT concepts and collaborative design, the better a company understands the capabilities of its most important suppliers — and increasingly these will be located in developing countries — the more likely it is to avoid quality and productivity damaging mistakes in the supply chain. Second, just as companies are organizationally closer to third-party vendors, so too is their responsibility in the eyes of investors, consumers, and activists for these suppliers' behavior. Therefore, assurance of high social and environmental standards

among suppliers will become increasingly important in terms of protecting a company's reputation.

And given the costs in terms of investment, reputation, and human capital, it makes little sense for companies to simply withdraw their contract as a punishment for suppliers that violate social or environmental standards. The entire process has become too complex for that. In the first place, to cut and run helps none of the parties — the workers, the supplier, or the buying company. In the past two years, most activist organizations have begun to call on companies not to withdraw their contracts when infringements are found, but instead to participate more closely with their suppliers in improving worker health and safety or environmental practices. In fact, in what critics describe as both unfair and ironic, large companies today that choose to immediately withdraw their contracts from factories that are found guilty of violating workers rights, are often criticized for both their failure to enforce compliance, and at the same time, for their insensitivity in withdrawing much needed work from the community.

Accordingly, a supplier program *must go beyond just setting policy and monitoring compliance*. Companies must begin to mentor favored suppliers much in the same way as they would focus improvement efforts on their own operations. This may require education, training, and coaching in management technique, in labor relations, in process efficiencies, health and safety, and environmental quality. Importantly, it may also require investment in schools, housing, or medical care that were initially seen as the responsibility of the supplier itself or the local government — something that, ultimately may be well justified on business as well as humanitarian grounds.

5.2. Supply Chain Environmental Management (SCEM) Systems and Environmental Health and Safety (EHS) Systems

Supply Chain Environmental Management systems have become popular among companies over the past decade as a means for monitoring, improving, and reporting on the environmental performance of their supply chain operations, including those of its (usually domestic) suppliers. Often based on the same reporting requirements as company-wide EHS systems (except that they focus specifically on the supply chain), most of these systems have gone well beyond being just a tool for gauging and recording environmental performance. Moreover,

responding to the need for companies to provide social as well as environmental performance information, these systems have recently begun to build in a broader range of features encompassing other economic and social criteria.

5.3. European Commission

Corporate Social Responsibility, as defined by the European Commission, is a concept whereby companies commit voluntarily to go further than legislation requires in order to contribute to a better society and a cleaner environment. The voluntary approach allows for creativity and enables companies to be inspired by others' best practices and to adapt or merely adopt a best practice already undertaken by another company.

After the European Multi-Stakeholder Report in 2004, the challenge for all stakeholders was to reflect on how to put the recommendations into practice. The Commission assessed the progress made by the Forum and also prepared a new Communication on the way forward for CSR in the EU, based on the Forum's recommendations. This Communication was published in March 2006. In this Communication, the Commission announces its support for a European Alliance for CSR. The Alliance is a political umbrella for CSR initiatives by large, small and medium-sized enterprises and their stakeholders. It is not a legal instrument to be signed by enterprises, but rather a vehicle for mobilising the resources and capacities of European enterprises and their stakeholders in the interests of sustainable development, economic growth and job creation.

5.4. Euro Commerce

"European commerce, be it large or small enterprises, or workers and their trade unions, have a common interest to defend a development which can ensure the existence of a high-quality European retail and wholesale industry also in the future, capable of competing successfully with other forms of consumption" [<http://www.uni-apro.org>].

In November 2003 the European Social Partners for commerce, UNI-Europa Commerce and Euro Commerce, organized a high-level conference entitled "How can CSR initiatives promote quality in Employment in the Commerce sector". At national and regional level commerce companies and trade unions across Europe have a long tradition of striving towards quality of employment in commerce. The CSR debate at European level was initiated

by the Commission Communication on CSR in 2002 which followed up on a Green Paper on CSR in 2001.

5.5. Promoting CSR in European commerce

In line with their activities in the sectoral social dialogue the social partners for commerce have reached a joint statement on combating violence in commerce (1995), a joint statement on combating child labour (1996), a joint agreement on fundamental rights and principles at work (1999), a joint statement on combating racism and xenophobia (2000), as well as a recent joint agreement on guidelines for age diversity in commerce (2002). They have produced vocational training material to encourage workers and management to use new technologies, thereby promoting life-long learning, and have organised high-level seminars and conferences on CSR.

CSR is part of a concerted effort by all those concerned towards meeting shared objectives by entering into dialogue with all stakeholders, including the company's own personnel and their organisations. Therefore CSR does not only relate to external aspects, but also to internal aspects such as health and safety at work and management of human resources. Yet, CSR cannot replace compliance with national and European legislation, international labour norms or collective agreements.

EuroCommerce and Uni-Europa Commerce welcome the positive and active approach of many leading European-based international retailers and wholesalers to implement CSR policies, including through strengthening their social dialogue on the different levels of their structures, and through integrating CSR policies into the work of their European works councils. The European social partners invite all commerce companies in Europe, large and small, to share this approach.

6. Global Projects in SCM

6.1. The Global Social Compliance Programme

Buying companies have responded to the challenges around fair labour and environmental conditions in their supply chains by developing codes of conduct and monitoring systems.

However, the number of codes has proliferated and approaches have somewhat diverged. This has led to duplication (with the

multiplication of overlapping audits per supplier) and sends a confused message to suppliers and to public authorities as to what is expected in terms of fundamental labour rights and of site-specific environmental conditions.

To address the need for consistency, leading global buying companies have decided to work together to promote a real change in attitude through the understanding of the root causes of problems and the development of effective and sustainable remediation. They decided to collaborate, aiming at the convergence of existing systems worldwide by launching the Global Social Compliance Programme (www.theconsumergoodsforum.com).

The programme provides a platform for building consensus on best practice in labour standards and environmental requirements in supply chains, in order to develop a single, clear and consistent message for suppliers globally. It also offers a forum to openly discuss issues and challenges among leading companies (e.g. in remediation).

6.2. The Global Social Compliance Programme

The Global Social Compliance Programme is a business driven programme for companies whose vision is to harmonise existing efforts in order to deliver a shared, global and sustainable approach for the continuous improvement of working and environmental conditions across categories and sectors in the global supply chain. It offers a global platform to promote knowledge exchange and best practices in order to build comparability and transparency between existing systems.

To this effect, GSCP is developing a set of reference tools and processes that describe best practices and provide a common interpretation of working and environmental requirements and their implementation.

6.3. ISM Principles of Sustainability and Social Responsibility Principles

Community Community initiatives provide resources to support the community in which the company or organization operates.

Diversity and Inclusiveness – Supply Base Supply base diversity and inclusiveness refers to efforts to engage different categories of suppliers in sourcing processes and decisions.

Diversity and Inclusiveness – Workforce Workforce diversity and inclusiveness refers to efforts to attract and retain a workforce that represents the varied backgrounds of the

customer and community in which the organization operates.

Environment Supply management actions and decisions that promote protection and preservation of the health and vitality of the environment within which the organization operates.

Ethics and Business Conduct Ethical behavior and business conduct is a critical element impacting personal, business (public and private), supplier and governmental relationships and governance.

Financial Responsibility Financial responsibility refers to understanding and applying financial concepts to supply management decisions to address allocation of funds, accurate reporting and management of risk.

Human Rights Human rights refer to the concept of human beings having universal natural rights, or status, regardless of legal jurisdiction or other localizing factors.

Health and Safety Health and safety refer to the condition of being protected or free from the occurrence of risk of injury, danger, failure, error, accident, harm or loss.

Sustainability Sustainability refers to the ability to meet current needs without hindering the ability to meet the needs of future generations in terms of economic, environmental and social challenges.

6.4. Consumers International (CI)

Consumers International (CI) is the global federation of consumer organizations, representing over 220 groups in 115 countries. Based in London, and with regional offices in Kuala Lumpur and Santiago, CI is the campaigning global voice for consumers, our mission is to build a powerful international consumer movement to help protect and empower consumers everywhere. Consumers International is a not-for-profit company limited by guarantee in the UK and a registered charity.

Consumer organizations are also reflecting growing concern in this area by helping to provide access to more information about the social impact of their consumption choices. Several CI members in Europe now conduct CSR surveys alongside more traditional functionality tests for a number of products. CI members also support the introduction of Right to Know legislation for public or privately owned entities, imposing a duty to disclose any information which is relevant to consumers regarding sustainability, and which relates to products and production processes throughout their supply chain. CI and its members have also been active participants in developing a new international

standard (ISO 26000) for a more holistic approach to social responsibility.

7. CSR in the supermarkets

Supermarket supply chains and labor conditions

Developing country supply chains are inherently more risky in terms of working conditions and socially responsible trade because the countries in which the products are sourced are less likely to have effective legislation and well-resourced systems to ensure basic labour rights.

Supermarket supply chains – buyer power

More recently concerns have also been raised about the growing concentration of the supermarket sector in Europe and the power that this gives the 'big players' in negotiations with smaller suppliers. There has always been an imbalance of power between large European companies and smaller companies in developing countries, however, recent consolidation and growth amongst European supermarkets has magnified this effect [<http://ecr-all.org>].

Recent examples of increasing recognition of abuses of supermarket buyer power in Europe

In France, the Secretariat of State for Commerce announced in October 2009 that French retailers were being summoned before commercial courts for improper practices with suppliers.

At EU level, supplier relations are being considered by the European Economic and Social Committee, Parliament and the Directorate Generals responsible for Enterprise, Agriculture, Internal Market and Competition and Parliament.

In January 2010, following three investigations into the food retail sector by the UK Competition Commission in eight years, the UK Government accepted the recommendation that a supermarket ombudsman be established to protect the rights of farmers, producers and consumers against abuse by larger supermarket chains.²⁴

The introduction of a statutory code of conduct for grocery retailers and suppliers was announced by the Irish Government in January 2010.

Growth in Corporate Social Responsibility (CSR) policies

Another indication of supermarket responses to consumer concern about their social impact can be found in their development of CSR policies. At best CSR policies can be genuine cross-organizational commitments that ensure a company's policies and practices seek to maximize benefits from their operations. At worst CSR policies can be a public relations exercise that seeks to deflect criticism and whitewash unethical practices. If not genuine, CSR stimulates dishonesty within supply chains putting suppliers in a no-win situation, as well as confusing developing country workers, and undermining their rights.

Key concerns for this report include the applicability of supermarket CSR policies (relating to labor conditions and trading practices) to specific supply chains. In particular whether policies are applied:

- to food products from developing countries;

- beyond the group of suppliers that the supermarket is in direct contact with to include suppliers and producers in developing countries. It is also important that all policies have effective means of verification. Criteria for assessing verification include the direct involvement of a third party or preferably a multi-stakeholder group and that the results of audits and visits are publicly available.

CSR initiatives initially existed at a company level but are now increasingly developed at an industry level and in some cases with the involvement of other stakeholders such as unions, consumer groups and other nongovernmental organizations.

Supermarket commitment to CSR

CSR Guidelines and Initiatives

In order to assess supermarkets' overall commitment to fairer working conditions and trading practices, their stated support for international declarations, such as the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, and their membership or application of different initiatives in this area were assessed, including:

- Guidelines for good practice published by multilateral institutions such as the Tripartite Declaration of Principles Concerning

Multinational Enterprises, the OECD Guidelines for Multinational Enterprises and the UN Global Compact.

- Co-operative/information sharing initiatives to promote good practice such as Ethical Trading Initiatives, Business Social Compliance Initiative (BSCI), Global Social Compliance Programme (GSCP), Initiative Clause Social (ICS) and business to business initiatives such as Copernicus.

- Facility/site certification systems: (SA8000, Global GAP). A comparison of these guidelines, initiatives and systems was made on the basis of their content, operational issues, enforcement systems and their relevance to the food supply chain in developing countries to help clarify the significance of supermarkets' commitment to them in the context of this survey.

8. CSR implementation in Romania

Quality and food safety is based on the efforts of all those involved in the food chain, consisting of agricultural production, processing, transportation and consumption.

Law 150/2004 on food safety which partially implements EC Regulation 178/2002, also called general food law focuses on Community's acquis with direct consequences on life, health or consumer safety and environmental protection

The main objectives of food law are:

- Protecting public health (people, animals and plants);
- Providing information to consumers to protect them and to make decisions in an informed manner;
- Ensuring free trade and competitive conditions for operators of food;
- There is an official control of foodstuff.

Provisions of the Codex Alimentarius and national regulations (EC Regulation 852/2004 on the hygiene, transposed by GD 924/2005, EC Regulation 853/2004 on the hygiene of food of animal origin, transposed by GD 954/2005, EC Regulation 882/2004 on official control of foodstuffs and fodder, transposed by GD 925/2005) establishing the general principles and modes of action for generation, transmission and marketing of safe food for public health.

References

- Kotler, Philip & Lee, Nancy (2005) – *Corporate Social Responsibility*, John Wiley & Sons, Inc., Hoboken, New Jersey.
<http://en.wikipedia.org>.
<http://iisd.org>.
<http://www.iso.org>.
<http://www.ism.ws>.
<http://www.theconsumergoodsforum.com>.
<http://ecr-all.org>.