

A NEW (PROGRESSIVE) ENTERPRISE AGENDA FOR EUROPE

Compendium of Policy Innovations, Good Practices and New Strategies across the EU (1st Draft)

The core of a new Enterprise Agenda will emerge from the propagation, scaling up and synergistic integration of the myriad well-tested policy innovations, good practices and new strategies already at work in Europe. Today's real 'high' agenda is no longer military, geopolitical or industrial. Enterprise is it. Drafting an Enterprise Strategy (an Agenda) that reflects the values and aspirations of Europe, is the task of our endeavour. This Compendium is a sketch of the building blocks behind it.

There is a shift taking place in our understanding and practice of governance (governance vis-a-vis Europe's Agenda, that is). It used to be principally about what governments do. Today, the concept is increasingly about balancing the roles, responsibilities, accountabilities and capacities of:

- Different levels of government – local, national, regional, European, and
- Different actors or sectors in society – public, private and civic.

Governance is thus here defined as the overall framework of policies, practices, strategies, as well as 'traditional' mechanisms of law, regulation and taxⁱ and newer ones, such as partnerships among different stakeholders.

What has never been done is to cluster and integrate the range of actors and initiatives listed here and on previous documents, to create a coherent strategy. The synergies and connections that can be explored open a whole new 'policy space'. The diversity and richness of the European experience will shine, unsurpassed in the world. That's our challenge. It will be a Summit of Pioneers.

The following categories help clarify the origins and accountability of each innovation/practice/strategy:

- ¶ Government-driven (public authorities)
- ¶ Market-driven (business and business associations)
- ¶ Society-driven (voluntary and community organizations)

- ¶ Government+Market (led by public-private initiatives)
- ¶ Government+Society (led by government-society initiatives)
- ¶ Market+Society (led by business-society initiatives)

- ¶ Government+Market+Society (led jointly by the 3 meta-stakeholders)

¶ Government-driven

1. • Sustainable public procurement: currently been discussed in the Danish Parliament and implemented at the city level by European Partners for the Environment (EPE), Brussels
2. • 'Black-Listing' of corporations with a dubious track-record: Dutch Development Ministry
3. • Environmental Courts: Bio-Politics International Organisation, Greece, proposal growing in acceptance in France and Italy
4. • Low-tax Enterprise Zones, to encourage immigrants-run businesses: Belgium
5. • 'Green Lottery': De Groene Lotterij in the Netherlands to fund sustainable living solutions
6. • Progressive Immigration Policies for Entrepreneurs and Professionals: Germany's 'Green cards'
7. • Eco-taxation (Environmental Tax Reform): Denmark, Sweden and the Netherlands pioneering eco-taxes successfully over the years, even gaining business support for higher environmental standards
8. • Charitable Giving Tax Incentives, to encourage donations for social purposes: UK's Charity Aid Foundation and NCVO

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9. • Company Law Revisions: EU-wide statutes under discussion (presenting opportunity for including the best of Europe's progressive revisions)
10. • 'Law & Economics', i.e. Use of Common Law to penalize corporate mis-conduct
11. • Product Bans, such as Denmark's recent ban on 'negative technology transfer' to encourage R&D in new cleaner technologies
12. • Civic Enterprise Service, on a paid basis, in lieu of social benefits: Switzerland, Geneva
13. • Progressive Employment Law, to encourage flexibility, employability and adaptability: the Netherlands has achieved notable success, so has Denmark, with flexible employment laws that facilitate labour mobility without skimping on traditional rights and social benefits
14. • Removing Barriers to Enterprise: minimizing bureaucracy, paperwork and complexity for setting up businesses, supplying statutory information, etc.; UK ahead of Europe
15. • Enabling Competitiveness: providing efficient and flexible public services - Denmark and the Netherlands are ahead
16. • National, Regional and Local Sustainability Accounts and Strategic Environmental Assessments: some cities, such as Strasbourg in France and Lienz in Austria, have produced the first such accounts; Norway is at the forefront in Europe in implementing natural resource accounting nationally
17. • Enterprise creation by 'greening' the economy: first mover advantage in developing green technologies has enabled some countries, notably Germany and Denmark, to develop lucrative new industry sectors; Denmark has developed several projects across business and municipalities aiming to create a more sustainable economy, focusing on SMEs and new clean technologies, such as the 'Triangle region' of southern Denmark and 'Green City' in central Jutland
18. • National Environmental Business Partnerships: most notable example is the Netherlands' National Environmental Policy Plan (NEPP) which established environmental quality objectives over a number of themes and translated these into over 200 quantified targets ⁱⁱ
19. • Sustainable Accessibility: urban toll pricing in Oslo, Norway; parking strategy in San Sebastian, Spain; telematics strategy in Turin, Italy; city-distribution plan by electric vehicles in Leiden, the Netherlands; favouring use of bicycles and public transport in Groningen, the Netherlands and Erlangen, Germany; electric public vehicles in La Rochelle, France

¶ Market-driven

20. • Next-generation Chambers of Commerce: clustering of socially-responsible businesses into national and European networks, such as The Copenhagen Centre, Prince of Wales International Business Leaders Forum in London, European Partners for the Environment in Brussels, CSR Europe in Brussels, Global Responsibility Group in Copenhagen, Monaco and Stockholm
21. • Triple Bottom Line Management: INEM, International Network for Environmental Management in Hamburg, Germany; World Business Council for Sustainable Development in Geneva, Switzerland and other networks promoting Triple Bottom Line thinking, such as SustainAbility in the UK, Avanzi in Italy among others
22. • Corporate Citizenship, to foster business-society links: European Saving Banks Group, Brussels; Tomorrow's Company in the UK; Enterprises dans la Cité Switzerland, in Switzerland; Talentum in Portugal
23. • Business in society: Business in the Community in the UK, "Samenleving & Bedrijf" in the Netherlands, "Enterprise pour la Cité" and "Fondation Agir Contre l'Exclusion (FACE) in France, Arts & Business in the UK
24. • Ethical Investment and Banking (inc. environmental and social funds) in the Netherlands and UK: Co-operative Bank in the UK, Triodos Bank in the Netherlands, Bacob Bank in Belgium
25. • Stock Market Sustainability Indices: SAM-Dow Jones Sustainability Index, Switzerland
26. • Social/Environmental Accounting, to report the overall performance of business, not just its financials: New Economic Foundation in the UK, KPMG in Denmark and Belgium, PricewaterhouseCoopers in the UK, Accountability in the UK; Danish Social Index ⁱⁱⁱ

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27. • "Opacity Index" by PricewaterhouseCoopers, to guides Country Policy Makers and Business Leaders in Decisions that Affect Economic Development. Using this tool, policy makers and investors can identify the specific incremental borrowing costs imposed by opacity in the areas of: Legal protections for business, Macro-economic policies, Corporate reporting, Corruption, Government regulations
28. • Employee Volunteering Schemes, such as those promoted by the CECILE Network across Europe
29. • Business-Education Partnerships, to build intellectual and social capital: the Netherlands
30. • Enlightened Work-place Strategies, ranging from offering family-friendly policies, disability incentives,
31. • Codes of Conduct and Charters for Management and Organizations: Caux Roundtable in Switzerland, VNO-NCW in the Netherlands
32. • Industry Self-Regulation: Responsible Care and VEEP (Voluntary Energy Efficiency Programme) in the chemicals industry, International Hotels Environment Initiative in the hospitality industry
33. • Social Investment, to fund local initiatives in community-based services; Social Investment Forum in the UK
34. • Corporate Campaigning & Cause-Related Marketing to connect business with societal issues: Reebok and human rights, Migros and cultural diversity, ERM Social Strategies
35. • Corporate Reputational Assurance Framework and Corporate Risk Management, to measure and enhance the market reputation of individual businesses: PricewaterhouseCoopers
36. • Responsible Business Performance Awards, to encourage higher standards: bremen partnership award for business-municipal cooperation; the Princes' Award, Denmark
37. • Corporate Strategic Initiatives: to support citizens' learning and skills-building, such as Migros in Switzerland and Swedbank in Sweden; to improve employability, such as Philips in the Netherlands, Fundacion Empresa y Sociedad in Spain, Suez Lyonnaise des Eaux in France; to improve entrepreneurship, such as Telecom Italia in Italy, Kommunales Forum in Germany; to increase adaptability, such as Kaprakka in Finland; to promote equal opportunities, such as Electrolux Danussi in Italy, Randstad in the Netherlands; KOMpakt, in Norway, to encourage respect for human rights
38. • Dematerialization and Natural Capitalism, to drastically reduce use of natural resources: Wuppertal Institute in Germany is leading scores of companies dedicated to Factor 4 and Factor 10 productivity increases
39. • Fair Trade, to support products and services produced to the highest standards of ethics and responsibility: Ethical Trading Initiative in the UK, Max Havelaar in the Netherlands, Urtekram in Denmark, TransFair in Germany
40. • Learning Organizations: in business and recently at the city level, a strategy for adapting to continuous change and involving the majority of stakeholders in the process: the Learning City, the Creative City, in the UK
41. • Human Resource Development in Business, where Europe still is ahead of the USA and has huge upscale potential^{iv}: Volkswagen in Germany, Siemens in Germany (the company spends 350 million EURO a year for training in Germany alone)
42. • Human Resource Development in Local Communities: companies such as SHELL, BT in the UK, Electricité de France in France and many smaller, local firms, are very active in building skills throughout Europe
43. • Natural and Cultural Capital Restoration: from Zegna in Italy through their Oasi Zegna, the natural park in the mountains of North-West Italy, to many savings banks across Europe, and increasingly forestry and some agricultural companies, have been investing in preserving and maintaining Europe's cultural and natural assets. Non-profits, such as Alp-Action, WWF and Greenpeace have started partnering with business to multiply their impact.
44. • Executive Remuneration Ceilings: Body Shop and Ben & Jerry's have these
45. • Ethical Pension Funds: UK is pioneering, with the Netherlands and Denmark just behind
46. • Leadership Quality Index, to foster a desirable corporate culture based on trust, reliability and continuity: Bertelsmann in Germany has long developed and practiced one

47. • Guidelines for Country Selection: Body Shop, Levi's and Reebok, among others, have made it a rule to check countries against brand image effects, health and safety, human rights, corruption, freedoms of speech and assembly
48. • Large companies support for SMEs: Plato, Belgium's intensive support programme for business leaders of SMEs, was set up in 1988 under SPK (Strategic Plan Kempen) and expanded into Ireland, Slovenia, Sweden and France, among others, leading to more than 3,000 SMEs and 262 mentor companies being involved; at Nokia in Finland, SME suppliers are offered training and advisory services, since Nokia wants to ensure that its supply chain must not have weak links
49. • Micro-credit: small-scale lending to local entrepreneurs, i.e. European Savings Banks Group, Brussels
50. • Ad-hoc Corporate Strategies: hundreds of company-specific examples exist throughout Europe, each reflecting the business-society-environment space and illustrating the dynamism and experimentation approach which characterizes entrepreneurial activity – how to systematize, rationalize and theorize these disparate strategies is also the challenge

¶ Society-driven

51. • Transparency Index, Anti-Corruption Initiatives, Islands of Integrity: Transparency International, Germany with huge coalition of governments, businesses and international organizations such as OECD and World Bank
52. • Local Environmental/Employment Initiatives: OCED LEED, Global Action Plan in Sweden, Netherlands, Germany
53. • Car-Sharing Schemes, to reduce car ownership across Europe; Car-free Europe
54. • Social Entrepreneurship Incubation, such as Community Action Network (CAN) in the UK

¶ Government+Market

55. • Social Partnership Model: Dutch Polder-model Industry+Unions+Government annual agreements on industrial strategy and social policies; Danish Model is a variant of the Dutch tri-partite Polder-model, essentially led by government, rather than by Industry and the Unions; Rhine Model, also called the 'co-determination approach' is more formal and structured than the Dutch and Danish models, but essentially the same consensus-building process to set economic and social policies.
56. • Investing in People and Diversity: Investors in People in the UK; Samen Werken in the Netherlands, The Employers' Forum on Disability in the UK; Sweden 2000
57. • National Competences Auditing: Intellectual Capital Assessment in Denmark, Israel, Sweden, i.e. Skandia in Sweden, Mandag Morgen in Denmark
58. • Standards Setting: International Standards Organisation (ISO) for ISO 14001 and other standards, Council on Economic Priorities Social Standards Accreditation System (SA8000)
59. • Ownership models: co-operative ownership throughout Europe, employee-owned businesses in the new economy, see European Trade Union Confederation in Brussels
60. • High-tech, Sustainable, Regional Development Initiatives: Baltic Development Forum, sponsored by Mandag Morgen in Denmark
61. • Tax-free Investment Funds: to help develop East Germany and for 'Green Funds' in the Netherlands; Community Regeneration Schemes in the UK ?
62. • Corporate Governance Charters: Cadbury in the UK, SER in the Netherlands
63. • Digital Dividends and the Networked Society: Association for a Sustainable Information Society (ASIS) in Brussels; Netlog A/S, one of Denmark's largest full-service suppliers of IT solution regularly trains and employs deprived youth and sponsors IT schools
64. • Business-Municipality Partnerships for Better Cities: Bremen initiative in Germany, Overleg Platform Stedelijk Vernieuwing (OPS) in the Netherlands; Bilbao's Metropoli-30 Initiative in Spain, started by 19 founding partners including the Basque government, the Provincial government, the Municipality of Bilbao, public agencies, two universities and major local enterprises^v

- 65. • Whole-system Initiatives: Integrated public transport and car-rental services to reduce the need for private vehicles: Zürich, Switzerland; Leiden, the Netherlands; Copenhagen, Denmark and Freiburg, Germany
- 66. • Capacity-building in Education: Volkswagen to train employees through Wolfsburg AG in Germany, a joint business-municipal company; “Total Quality Programme for Schools” in Italy, where the national confederation of employers in partnership with the Ministry of Education runs a managerial development programme for head-teachers and support new teaching technologies
- 67. • Joint Policy Think-Tanks: Danish Competency Network, started by Mandag Morgen and the Danish Government to assess and raise Denmark’s competencies
- 68. • Sustainable Spatial Planning: right business in the right place in The Hague, the Netherlands; urban ecological planning in Copenhagen, Denmark; historical centre rehabilitation in Evora, Portugal; revitalisation of traditional craft activities in Cordoba, Spain; conservation and promotion of local cultural values in Tours, France

¶ Government+Civic

- 69. • Non-Monetarized Economy Incentives, to foster ‘caring’ services
- 70. • Public-Private Partnerships: European Sustainable Cities & Towns Campaign, Brussels

¶ Market+Civic

- 71. • LETS, Local Trading Schemes, to foster local economic development, throughout Europe, i.e. at Cardiff City Council
- 72. • Community Development Foundations: in cities across Germany, to generate and channel citizens’ and business participation at the local level, as opposed to bureaucratic and impersonal engagement: Bertelsmann Foundation; in the Netherlands, “Samen Werken”
- 73. • Strategic Philanthropy/Beyond Philanthropy, to incubate corporate societal initiatives into sustainable strategic ventures aiming at making traditional philanthropy redundant: European Foundation Centre, Brussels
- 74. • Social Enterprise and Socially-Responsible Business Education: New Academy of Business in the UK, Warwick Corporate Citizenship Centre in the UK, European Institute for Responsible Business in the Netherlands
- 75. • Business-NGO Initiatives for Social Objectives: Sodalitas in Italy, created to develop entrepreneurship in the social economy; Fundación Empresa y Sociedad in Spain
- 76. • Business-NGO Dialogues, such as SHELL’s stakeholder consultations during and after the Brent Spar fiasco and the Ogoni tragedy

¶ Government+Market+Civic

- 77. • SMEs Promotion: France Initiative Resau, through which locals provide guarantees for financing new ventures (a la Grameen Bank)
- 78. • Eco and Green Parks: i.e. Eco-Park Turin, Italy, to foster sustainable SMEs; the Emscher Park in Germany – a corridor of 80 km – has taken the same approach
- 79. • Stakeholders’ Coalitions, to integrate economic, social, educational environmental objectives: Øresund Region, Malmö in Sweden and Copenhagen in Denmark
- 80. • ‘Hidden Curriculum’, i.e. purchasing practices by the educational establishment to encourage sustainable consumption: EPE Green Purchasing Network
- 81. • Mixed Partnerships for Employment Creation: from Austria to the UK, more than 70 different initiatives have been mapped in detail (The Copenhagen Centre – see Local Employment Partnerships Case Studies)

Clustering policy innovations, good practices and new strategies

- ¶ Measurements & Indicators
- ¶ Standards
- ¶ Auditing & Reporting
- ¶ Regulation

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- ¶ Economic Policy (Macro & Micro)
- ¶ Rules of Ownership
- ¶ Corporate Governance
- ¶ Investing & Financials
- ¶ Legal
- ¶ Fiscal Regime
- ¶ Professional Conduct
- ¶ Incentives, Competitions and Awards

Appendix

Themes/Issue/Organization

‘Black-Listing’ of corporations with a dubious track-record.....	1
‘Law & Economics’	2
Accountability	3
Arts & Business.....	3
Association for a Sustainable Information Society (ASIS).....	5
Avanzi.....	3
Bacob Bank	3
Baltic Development Forum.....	5
Bertelsmann Foundation	6
Business in the Community	3
Business-Education Partnerships	3
Business-Municipality Partnerships	5
Business-NGO Dialogues.....	6
Business-NGO Initiatives for social objectives	5
Capacity-building in education	5
Car-Sharing Schemes.....	4
Cause-Related Marketing	3
Charitable Giving Tax Incentives.....	2
Civic Enterprise Service.....	2
Codes of Conduct and Charters	3
Company Law Revisions	2
Co-operative Bank	3
Corporate Campaigning.....	3
Corporate Reputational Assurance Framework.....	3
Corporate Risk Management.....	3
Corporate Strategic Initiatives.....	3
Council on Economic Priorities	5
CSR Europe	2
Danish Parliament.....	1
Dematerialization and Natural Capitalism	3
Dutch Development Ministry	1
Dutch Polder-model.....	4
Eco-Park Turin.....	6
Eco-taxation.....	2
Employee Volunteering Schemes	3
Enabling Competitiveness	2
Enlightened Work-place Strategies.....	3
Enterprise creation by ‘greening’ the economy	2
Enterprise pour la Cité.....	3
Enterprises dans la Cité Switzerland	2
Environmental Courts	1
Environmental Tax Reform.....	2
EPE Green Purchasing Network	6
ERM Social Strategies	3
Ethical Investment and Banking.....	3
Ethical Pension Funds.....	4
Ethical Trading Initiative	3
European Foundation Centre.....	5
European Institute for Responsible Business.....	5
European Partners for the Environment	2
European Partners for the Environment (EPE).....	1

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European Saving Banks Group.....	2
European Trade Union Confederation	5
Fair Trade.....	4
Fondation Agir Contre l'Exclusion (FACE).....	3
France Initiative Resau	6
Fundación Empresa y Sociedad.....	5
Germany's 'Green cards'	1
Global Responsibility Group.....	2
Green Lottery.....	1
Guidelines for Country Selection.....	4
Human Resource Development in Business	4
Human Resource Development in Local Communities	4
International Hotels Environment Initiative	3
International Network for Environmental Management.....	2
International Standards Organisation.....	5
Investing in People and Diversity	4
Joint Policy Think-Tanks	5
KPMG	3
Large companies support for SMEs.....	4
Leadership Quality Index	4
Learning Organizations.....	3
Local Environmental Initiatives.....	4
Low-tax Enterprise Zones.....	1
Mandag Morgen	4
National Environmental Business Partnerships.....	2
National, Regional and Local Sustainability Accounts	2
Natural and Cultural Capital Restoration.....	4
New Academy of Business	5
New Economic Foundation.....	3
Non-Monetarized Economy Incentives.....	5
Opacity Index	3
Øresund Region	6
Overleg Platform Stedelijk Vernieuwing (OPS).....	5
PricewaterhouseCoopers.....	3
Prince of Wales International Business Leaders Forum.....	2
Product Bans	2
Progressive Employment Law	2
Progressive Immigration Policies.....	1
Public-Private Partnerships	5
Removing Barriers to Enterprise	2
Responsible Care	3
SAM-Dow Jones Sustainability Index.....	3
Samen Werken	5
Samenleving & Bedrijf.....	3
Skandia	4
Social Enterprise Incubation and SMEs Promotion.....	6
Social Investment.....	3
Social Investment Forum	3
Social Partnership Model	4
Social/Environmental Accounting	3
Sodalitas	5
Strategic Environmental Assessments.....	2
SustainAbility	3
Sustainable Accessibility	2
Sustainable public procurement	1
Sustainable Spatial Planning	5
Sweden 2000	4
Talentum	2
Tax-free Investment Funds	5
The Copenhagen Centre	2
The Employers' Forum on Disability	4
Tomorrow's Company.....	2
Total Quality Programme for Schools	5
Transparency Index	4
Triodos Bank	3

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Triple Bottom Line Management..... 2
VEEP (Voluntary Energy Efficiency Programme) 3
Warwick Corporate Citizenship Centre..... 5
Whole-system Initiatives 5
World Business Council for Sustainable Development..... 2
Wuppertal Institute 3

ⁱ Source: Creating the Enabling Environment, PWBLF, in ‘Partnership Alchemy’, The Copenhagen Centre, 2000 (MP is board member)

ⁱⁱ A fundamental premise of NEPP is the devolution of responsibility by central government to other groups in society. One of the ways it has been achieved with industry has been through covenants. The content of each covenant is established through consultations involving central, provincial and local government, industry representatives, employers and trade unions

ⁱⁱⁱ The Social Index, developed by the Ministry of Social Affairs in collaboration with the private sector, is a tool for measuring the degree to which a company lives up to its social responsibilities. It is a self-evaluation toll that allows the company to reflect on its social commitment and the results. It also provides a platform for discussion of where the company scores and where there is room for improvement. Companies wishing to use the Social Index logo need external verification.

^{iv} Industrial Research and Development Advisory Committee of the European Commission “Quality and Relevance. The challenge to European Education – Unlocking Europe’s Human Potential”, Brussels, 1994

^v European Sustainable Cities, Report by the Expert Group on the Urban Environment, EU (MP was invited to sessions of the Expert Group)