

European Union (EU) - Latin American and Caribbean (LAC) Forum

Responsibility and competitiveness – the contribution of Corporate Social Responsibility (CSR) and multi-sectoral alliances to competitiveness and sustainable development

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Working Table V

Challenges presented by policies of encouraging CSR implementation in SMEs

Considering the globalisation of markets, not only in economic terms but also of concepts and paradigms, we must recognise the increasing rate at which CSR is becoming an integral competitive factor. From this perspective, SMEs need to be taken into account particularly with respect to the process of helping to improve their management systems. SMEs in Latin America have very similar conditions such as: they make up the majority of the manufacturing sector in the region; they need to improve their performance; they need greater efficiency in production; they must plan and prepare for their actions in the global marketplace.

State of the art

If one starts from the premise that social responsibility is a business strategy and a tool to manage intangible assets that serve to make the right decisions with a positive impact for all stakeholders, one can conclude that it may be applicable to all types and sizes of companies.

However, CSR is seen as a luxury - that is to say, only large companies can afford to be socially responsible. But the reality of the markets shows that small and medium-sized enterprises (SMEs) also play a fundamental role in the implementation of CSR policies and that they have clear market incentives to integrate CSR into their business management.

Questions for this debate session:

- 1) What cultural, economic and social characteristics do SMEs have that could contribute to them implementing CSR?
- 2) What aspects of CSR make it most suited to being implemented initially in SMEs?
- 3) What are the challenges faced by SMEs with regard to the implementation of CSR, and what examples exist of successful incentives and policies to support its implementation?