



Infrangilis
Resilience in practice

POLICY INTEGRATION OF CSR BY SMES: EUROPEAN CASE LEARNING

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About **Infrangilis**

- **Infrangilis** is part think-tank and part consultancy
- Our mission is *to infuse resiliency thinking into all aspects of public policy and corporate responsibility practices to help create more sustainable societies*
- The word **Infrangilis** is Latin for 'unbreakable'
- We believe that empowering people to identify and utilise key leverage points in complex systems - economic, social and environmental - is the primary route to a resilient planet

CSR and SMEs in Europe – new wave of innovation?

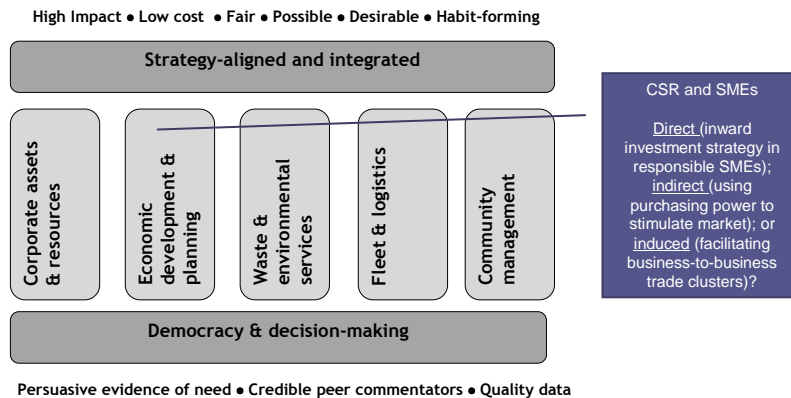
- **Increasing recognition of the vital enabling role of local government** - previous focus has largely been on big companies and central government
- **The journey from CSR to competitiveness and from competitiveness to resilience** – ability to learn and transform as well as be resistant to shocks and surprises to stable growth
- **Clustering and creating shared value is key** – geographical or technological based relationships, value ranges from brand development to shared costs (e.g. joint distribution lowers carbon footprint and overheads)
- **But now in the context of a prolonged economic downturn** - with a new focus on 'doing more with less' and building local capacity to allow for more 'bottom up' solutions

Economic power of municipal authorities

Ranking	Country/City/Company	Country/City/Company	GDP/Revenues (US\$bn)
1	USA	Country	14,204
2	China	Country	7,903
3	Japan	Country	4,354
7	UK	Country	2,176
12	Tokyo	City	1,479
14	New York	City	1,406
32	Royal Dutch Shell	Company	458
67	Toyota Motor	Company	263
90	General Electric	Company	183
100	Barcelona	City	140

[Source: adapted World Bank, 2010]

The role of local government as a catalyst (in a time of financial austerity)



[Source: Sustainability in Austerity, 2010]

Some ideas and examples

- **Low carbon trade zoning** - by land use planners in Liverpool city region, UK, to assist 8,000 SME people being retrained and employed in wind turbine and tidal power industries over next half decade (turbines produced in China, but are assembled and maintained locally e.g. under water cables)
- **Food, climate change and urban-rural development** – in Amsterdam , The Netherlands, protection of existing farmland areas and stimulation of urban food growing through public procurement in schools and colleges (which supports local restaurants and shops)
- **'Green business' networks** – business-to-business low carbon business clubs in Finland (informal network to exchange learning and business opportunities through CSR).

[Sources: Sustainability in Austerity, 2010; How Local Resilience Creates Sustainable Societies, forthcoming 2012]

To conclude: from CSR to competitiveness to resilience

- ✓ **CSR is not a new concept for SMEs across Europe** – but the language must be appropriate, and the incentives need to be greater
- ✓ **There is a vital catalytic role for local government** – ranging from planning and procurement functions to shared distribution networks
- ✓ **Creating shared value through clustering** – opportunity to gather around common goals (bigger brand, lower costs)
- ✓ **The journey to resilience** – helping responsible SMEs build local capacity and 'bottom up' solutions will enhance Spain and other EU member states' ability to learn and transform as well as be resistant to shocks and surprises



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