



"This Project is funded by the
European Union"

CORPORATE SOCIAL RESPONSIBILITY FOR ALL

MONTENEGRO KICK-OFF MEETING

PODGORICA, 27th MARCH 2013

Panelists:

1.	Mr. Predrag MITROVIĆ	MEF, President
2.	Mr. Predrag BOŠKOVIĆ	Ministry of Labour and Social Affairs, Minister
3.	Mr. Andre LYS	Delegation of the EU to Montenegro, Head of Operations
4.	Mr. Rastislav VRBENSKY	UN Resident Coordinator and UNDP Resident Representative in Montenegro
5.	Mrs. Suzana RADULOVIĆ	MEF, Secretary-General
6.	Mrs. Ana RAŠOVIĆ	MEF, Economic Affairs Adviser
7.	Mrs. Vesna SIMOVIĆ	Ministry of Labour and Social Affairs, Deputy Minister
8.	Mrs. Lidija ŠĆEPANOVIĆ	Environment Protection Agency, Deputy Director
9.	Mrs. Vesna RATKOVIĆ	Directorate for Anti-Corruption Initiative, Director
10.	Mr. Igor MAJER	Elko-tim Ltd., Project Manager

CSRforALL



"This Project is funded by the
European Union"

CORPORATE SOCIAL RESPONSIBILITY FOR ALL

Agenda:

- Welcome Note and Opening Session
- „CSR for ALL“ Project Presentation
- CSR in Montenegro – Panel Discussion

Mr. Predrag Mitrović, MEF President, opened the Meeting, welcoming participants coming from companies, government institutions, international organizations, civil-society sector and media. He noted that this project represents the continuation of MEF activities in CSR field, pointing out that MEF had inserted into its Ethical Code (2005) ten principles of UN Global Compact that are related to human rights, labour standards, environment and fight against corruption and obliged itself to respect Millenium Development Goals. Even the first obligation of any company is, undoubtedly, economic and legal responsibility which means profits generation, he added that integration of social values into business isn't contradictory, but it helps achievement of company's goals through better reputation, motivation and looyalty of employees, their higher productivity and efficiency of production. Mr. Mirovic also said that incorporation of socially responsible principles into business conduct contributes to better appearance of companies to their potential clients, investors and media, making its employees, owners and management feel better.

CSRforALL

Mr. Mitrović invited not only companies as direct beneficiaries of this project, but social partners, government institutions and NGOs to take active involvement in project's realization, together with MEF. At the same time, he added, MEF is very proud that, beside companies who implement CSR principles directly, the government as a biggest employer in the country and as policy maker recognized the importance of such initiative, hoping that it will provide support and assistance to enterprises in terms of their higher motivation to act responsibly to communities in



"This Project is funded by the
European Union"

CORPORATE SOCIAL RESPONSIBILITY FOR ALL

which they operate. At the end, Mr. Mitrović promised that MEF will support all Montenegrin companies in promotion and further affirmation of CSR concept.

Mr. Predrag Bošković, Minister at Ministry of Labour and Social Affairs, expressed his pleasure to participate at the Meeting and said that, being an employer earlier in his career, he is very well acknowledged with different practices in terms of CSR activities and their implementation. He said that the original accumulation of capital in Montenegro is over and he believes that the principle that the profit is the only goal for companies has overcome itself. He added that there are more and more companies in Montenegro who operate in terms of providing welfare and wellbeing for the whole community. As an employer and having been confronted with the issues related to success of the business and company he is heading, Mr. Bošković said that he was obliged to make decisions that were much more important than the financial results themselves. That's why the Minister pointed out the importance of establishing legal, institutional and administrative mechanisms for long-term development of CSR in Montenegro. Although socially responsible activities are not always easy to realize, especially in time of widespread economic crisis, he said that we should all think of CSR not as a cost, but as a very important investment. Beside that, he assured participants that all the stakeholders and those who are about to implement corporate responsibility activities in Montenegro will have Ministry of Labour and Social Affairs as a committed and active partner. He noticed that the activities aimed at raising awareness of employers on their need and the interest of establishing transparent business practice based on ethical values with respect to employees and society at whole should be especially supported. In these terms, it is of particular importance to create synergy between employers, trade unions and the Government and noted that the Social Council should consider better commitment to these questions. Better business environment for employers, better working conditions for employees and better environment for all of us are the strategic goals of the policies that Ministry creates and plans to create, concluded Mr. Bošković.

CSRforALL



"This Project is funded by the
European Union"

CORPORATE SOCIAL RESPONSIBILITY FOR ALL

Mr. Andre Lys, Head of Operations in Delegation of EU to Montenegro, said that the project's goal to raise awareness and build capacities of employers' organizations in Western Balkans and Turkey through partnership between private and public institutions is in line with the EU policies, as they provide common efforts between those who create and those who implement such policies in the field. As a very widespread concept, CSR could be found in many companies' agendas, and European policy on CSR covers many issues such as improvement of CSR at the market, in relation to the environment, CSR integration into education, and it points out the importance of national policies in this field. Andre Lys emphasized the importance of EU Policy on CSR 2012 – 2014 which invites companies to be responsible in their relations with employees, local community and general society. Additionally, he explained that CSR concept for companies means positive influence on consumers, employees, community and environment, meaning that companies need to timely pay suppliers invoices, to adjust prices for consumers and to offer them quality at the same time. When it comes to the work place, companies need to improve employees' productivity by improving their satisfaction and occupational safety, by providing trainings and helping them to create balance between private and professional life. With regards to the local community and general society, CSR concept includes voluntary activities, sponsorships and profit generation in a way which contributes to the environment protection. He also emphasized importance for companies to use renewable energy resources. He added that some European companies have high level of knowledge about CSR concept, while in Western Balkan countries the awareness is on pretty low level. Also, he explained that there were some positive examples which remained on the level of individual companies but he was very proud to say that employers' organizations in the region are still very

CSRforALL



"This Project is funded by the
European Union"

CORPORATE SOCIAL RESPONSIBILITY FOR ALL

good promoters of CSR. Montenegro still needs to develop clear strategy for promoting CSR, to find instruments for supporting civil society organizations in promoting this concept, but also to include it in formal education which would enable future generations to understand it clearly. In the context of economic crisis when we have less external donors and the budget of Montenegro is restricted, CSR needs to be on a higher level because companies need to share their profit in order to improve wellbeing of the whole society and this meeting is more than welcome in Montenegro.

Mr. Rastislav Vrbensky, UN Resident Coordinator in Montenegro, at the very beginning expressed his pleasure to have the opportunity to attend the meeting and discuss about the promotion of CSR concept in Montenegro, especially within the project "CSR for ALL". Mr. Vrbensky noted that companies are an important part of any society and undoubtedly have the impact on it. With their everyday behaviour, they build a relationship with their own environment, and it's upon them to decide if this relation will be positive or negative, depending on the attitude they have to the environment in which they operate. Direct link between CSR and company's profits is getting more and more clear, added Mr. Vrbensky, as well as the fact that means that companies give into CSR activities are not expenses, nor marketing, but investment into sustainable business development. Even though there is no institutionalized approach to CSR in Montenegro, he said that there is a visible commitment of the Government, business and NGO sectors to development of its principles. Mr. Vrbensky said that he sees this commitment in activities of particular institutions, in partnerships between business and NGO's representatives, and it has been confirmed through realization of many projects realized in the past years.

CSRforALL

Nevertheless, Mr. Vrbensky said, analysis that UN System conducted refer to need to upgrade and widen the legislation, especially to ensure favourable environment for faster development and promotion of CSR in companies. But, beside companies' activities, the role of NGOs is of high importance also, as in the past the NGOs were



"This Project is funded by the
European Union"

CORPORATE SOCIAL RESPONSIBILITY FOR ALL

main initiators of changes and amendments of the legislation. Mr. Vrbensky presented two categories of recommended measures that should be taken by the Government: adjustment of the current legislation and establishment of national system of support top CSR. Mr. Vrbensky noted that successful implementation of stated measures, i.e. measures that the Government will use as priorities in compliance with other priorities and financial capabilities, will surely contribute to improvement of general business environment, new investments, new working places, environment protection, improvement of status of consumers and partners in supply chains and changed (for better) appearance of Montenegro at national and international level.

At the very end of his speech, Mr. Vrbensky concluded that such projects are very precious instruments of contribution to achieve a key goal of CSR – establishment of system that'll integrate social, ethical and consumer aspects, which will raise the quality and the standard of living of employees, their families, local communities and society at whole.

CSRforALL

Second part of the Agenda was dedicated to political and technical aspects of "CSR for ALL" project, and presentations were held by Mrs. Suzana Radulović and Mrs. Ana Rašović from Montenegrin Employers' Federation (MEF).

Ms. Vesna Simović from Ministry of Labour and Social Affairs started her exposition with the definition and practice of CSR which related to the whole range of its effects and all relations it establishes. She said that the whole influence that company makes on the society is determined by its products, the way of buying and selling, employment manner, the way it invests in community and the way it respects human and labour rights. Beside that, positive and proactive operations of a company in all these sectors, which is beyond the levels prescribed by law, became a practice in developed countries, especially because it appeared that the benefits are made for all the stakeholders. Ms. Simović added that business leaders understand that the long-



"This Project is funded by the
European Union"

CORPORATE SOCIAL RESPONSIBILITY FOR ALL

term value of company is based on its capacity to respond to changing needs and expectations of the society, and on the other hand employees rather work for companies that share the same values as their own. Also, Ms. Simović analyzed benefits for other stakeholders involved – investors search for companies who can handle and manage their risks and behave entrepreneurially while identifying their business opportunities; regulators want to be sure that economic activities not only generate employment and economic growth, but also help solving problems like climate change; media search for the best (or worst) examples, etc.

As a conclusion, she said that social responsibility shouldn't be perceived as a final destination, but as a journey, and as expectations from the society to the business world are more and more growing, that means the faster companies start their journey in this sense – the better for them.

Mrs. Lidija Šćepanović from Environment Protection Agency (Government of Montenegro) said that the Agency continuously implements activities in the CSR field, from its very foundation. The Agency has organized numerous round tables and conferences on topics, such as: „Environment protection – SMEs and business barriers“, „Economic and ecological development of Montenegro“, „Environment protection and NATO“, „Investments in renewable energy sources“, „Producing organic food in Montenegro – challenges and opportunities“ etc. She added that many of activities were implemented with Montenegrin Employers Federation (MEF) with measurable results, such as publication of brochure on economic and ecological development of Montenegro. Also, the Agency is a member of national CSR Network, together with MEF and 30 other institutions and organizations.

CSRforALL

As for CSR particularly, Mrs. Šćepanović noted that chances for business starting are based on environmental resources, and that their saving decreases operational costs for businesses. Beside that, investments in technologies that are not dangerous for the environment can contribute to increase the competitiveness of companies,



"This Project is funded by the
European Union"

CORPORATE SOCIAL RESPONSIBILITY FOR ALL

especially at international markets, and at the same time help achieve EU standards in this field. She added that this is particularly important for companies that want to be part of international business community, having in mind that consumers, suppliers and international business partners prefer to work with those companies whose activities integrate improvement of environment they operate in. Environment protection is one of main global challenges, and all companies have a certain impact on environment regardless of their size. Energy efficiency is a synonym for economic efficiency, because it enables more efficient use of resources and decreases costs. Therefore, the issue of environment protection and activities in this field one of main challenges aiming at SMEs' productivity and competitiveness enhancement.

That's why, she concluded, CSR becomes the imperative for businesses and global idea which all of us just can't ignore.

Mrs. Vesna Ratković from Directorate for Anti-Corruption Initiative expressed a gratitude to MEF for the invitation and said that the Directorate continuously cooperates with NGOs and private sector with an aim of realization of common programmes and projects directed to corruption prevention and integrity promotion. She pointed out that one of the main tasks of the Directorate is to show the importance of corruptive behaviour through campaigns, creation, implementation and monitoring of anti-corruption policies using integrity strengthening, risk recognition and international standards application.

CSRforALL

Mrs. Ratković acquainted the participants with a number of activities the Directorate realized together with MEF, like common work on and publication of brochure on fight against corruption in private sector and their cooperation within the MEF research on corruption and business barriers in relations between public and private sector in Montenegro, back in 2009. She added that the results of MEF's research were used as a basis for definition of measures and policies at local and national level aiming at elimination of business barriers, prevention and fight against corruption. Beside that,



"This Project is funded by the
European Union"

CORPORATE SOCIAL RESPONSIBILITY FOR ALL

she noticed that CSR can be improved also through ethical standards that recommend behaviour of employees at working place. Good communication based on respect of standards of ethical codes serves as a foundation for business ethics and the important factor in prevention and elimination of potential corruption activities in business environment. She noticed that within current conditions of business conduct it is crucial for the success of any organization, because thus the transparency, mutual respect and openness can be achieved.

Mrs. Ratković also said that she expects projects like this one will enable better exchange of different practices in this field and promote activities and development of new shapes of partnerships between public and private sector, as well as with civil society organizations.

Mr Igor Majer from Elko tim Ltd., company that is MEF member, presented whole range of CSR activities his company conducts, with the main message to all other companies stating that CSR activities are just the way a company sees its responsibility in a community and those activities are not always costly at all.

CSRforALL

During the panel discussion, many participants of the Meeting took active involvement with presentation of their own activities within the CSR concept promotion in Montenegro, confirming their full commitment to taking part and giving contribution to the „CSR for ALL“ Project realization in Montenegro.