



Corporate Social Responsibility for All (CSR for ALL) Phase II

CSR for ALL
NATIONAL REVIEW STUDY
Republic of Macedonia



The current situation of “CSR reporting” in Macedonia

- National Review Study was conducted by - AEM CSR consultants
- The aim of the survey:
 - was to acquire a better understanding of the framework conditions, challenges, obstacles and drivers for CSR reporting in Macedonia, as well as levels of companies' CSR awareness and their concrete activities
 - to get a better understanding in how far companies provide non-financial information, which approaches they use for doing so, what are challenges and obstacles and how to overcome them.

The current situation of “CSR reporting” in Macedonia

1. Desk review

First, the general part of the company profile and second, a survey of around 80 companies (small, medium and large) for the implementation of CSR practices, focusing on information relating to Corporate Social Responsibility reporting.

2. Survey

In terms of research, the questionnaire was conducted to the around 500 companies (micro, small, medium and large) and have made great efforts to achieve a sufficient number of companies in order to make a proper analysis of the whole sample.

CSR Profile

-88,9 % of companies stated that they are aware of what CSR is:

while, 11,1 % companies stated that they are not aware of CSR.

Sustainability Reporting Profile

- Regarding the project CSR for ALL from 2012 more than half of the respondents 65.4% answered that they have knowledge about the project
- only 34.6% of them said they had no knowledge about the project

CRS Profile

- 88,9 % of companies stated that they are aware of what CSR is; while, 11,1 % companies stated that they are not aware of CSR.
- Regarding the project CSR for ALL which began in 2012 more than half of the respondents 65.4% answered that they have knowledge about the project. While only 34.6% of them said they had no knowledge about the project

CSR awareness

- CSR Awareness by Company Origin

88, 9 % of companies stated that they are aware of what CSR is; while, 11,1 % companies stated that they are not aware of CSR.

- CSR Awareness by Company Size

- 54,5% micro enterprises are aware of the term CSR

- 91,3 % the medium companies are aware of CSR

- the large scale companies with 94, 7 % are aware of CSR

CSR awareness :

CSR awareness by sectors

- the result shows that slightly more than half of the companies regardless of their sectors are aware of CSR.
- companies in “Information and Communication” and "Financial and insurance activities” are better aware of CSR than companies in other sectors.

CSR awareness by Company Structure

- the awareness rate of private enterprises is much higher than state-owned enterprises.

Use of CSR & SR instruments, tools and initiatives

- Only 28 of 81 companies declared that they used one of the instruments of social responsibility of companies for publish information. All of those 28 companies are private sector companies. None of the state-owned enterprises use any CSR instrument, tool or initiative.
- Generally, the use of CSR instruments, tools and initiatives is quite low. This is a parallel result to institutionalization. Lack of institutionalization brings the obscurity about what CSR is and why these instruments are important.
- Besides these companies are implementing above described tools and instruments, they are not disclosing or reporting their CSR activities. That is one reason why reporting for CSR activities is not developed in the public awareness.

Recommendations:

- CSR Reporting in Macedonia is at a very early stage and just few companies are doing CSR reports. There is a big potential and an increasingly interest in Macedonia about CSR reporting and this shows us that Macedonian companies are realizing the importance about reporting for their CSR activities.
- Big companies have resources and can invest in their own CSR strategy and also have CSR departments which make all CSR activities and the reports, but they also claimed that there is still need of more guides, brochures, share of best practices examples and experiences and trainings about learning how to make a CSR report and about all process and fazes of a CSR report even for big companies.
- It is necessary to increase media popularization of CSR through concrete projects for companies to understand, the business entities and citizens, the need and benefits of CSR to appreciate, practice and support it; to be explained by competent person, it is still unknown and obscure to the general public, to say that although there advertising and affirmative terms, primarily CSR activities are of benefit to the wider community and society in general.

Challenges implementing CSR&SR

- 32,8% of the companies are not sure how to get started and how to best disclose nonfinancial information
- 26,6% belongs to those that are missing time and resources to engage in reporting. The lack of senior management and/or board support is not a challenge for the responders regarding the disclosing of non-financial information.

Reasons for engaging in CSR & SR

- 1. Good Corporate Governance**
- 2. Society/local community**
- 3. Costumer Companies**
- 4. Consumers**
- 5. Legislation**
- 6. Investors**

Conclusion

- Future development of CSR & SR

76,5% believe in disclosing of non-financial information growing 21%, are neutral, and 2,5% of the answers are for decreasing predictions

- Need of training

- 77 companies out of the 81 expressed their opinion on the future training. 68 companies expressed their demand for training.
- 95.1% of companies stated their interest to participate in any training on CSR.

Analysis of the overall study results

- According to respondents, the greatest attention was expressed in the following areas:
 - Preparation and disclosing of non-financial information, corporate social responsibility policies and so on.
 - An approach for disclosing of non-financial information.
 - Implementation of ISO26000.
 - Preparing report according to the GRI principles.
- It can be noticed that in renewing the CSR, the importance and benefits of investing in socially responsible practices, is already seen as very significant and important for both the company and for society.
- More attention should be paid to the conditions for CSR in the Republic of Macedonia and stimulating the companies for responsible corporate operations. Also largely been requested training for CSR instruments, compliance with the principles and criteria of the Global Compact,