

COMMUNICATION ON ENGAGEMENT

This COE is a disclosure of specific activities that CRNVO as a non-business participant takes in support of the UN Global Compact.

*Center for
Development of
Non-Governmental
Organizations
(CRNVO), 2015*

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Statement of continued support

I am pleased to confirm that the Center for Development of Non-Governmental Organizations (CRNVO) reaffirms its support to Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

This is our first Communication on Engagement where we describe actions taken with aim to engage companies in Global Compact related issues. Furthermore, even CRNVO is non-business participant, we are taking necessary steps to integrate above mentioned principles into our strategy, culture and daily work.

We are also willing to share this information with our stakeholders using our primary channels of communication. We are committed to encouraging companies doing business in Montenegro to become participants of this initiative.

Yours sincerely,

Ana Novakovic

Executive director of CRNVO

About CRNVO

Centre for Development of NGOs (CRNVO) is a non-governmental organization founded in September 1999. The key objectives of the CRNVO are: capacity building of civil society organizations (CSOs), improvement of the legal and institutional framework for the operation of CSOs, improvement of cooperation between NGOs, public administration and business sectors, increasing understanding of the role and importance of NGOs in society and strengthening citizens' participation in development of democracy, respect for human rights and the rule of law. Activities in the field of socially responsible business started in 2005 through the Department for CSR and philanthropy.

About Department for CSR and Philanthropy

The main aim of the Department is to contribute to increasing the level of knowledge of representatives of enterprises, NGOs and public institutions on the concept of social responsibility. We strongly believe that sincere willingness towards performing business in a socially responsible manner contribute to creating a good atmosphere at work and increasing motivation and loyalty of employees. Linked to this, we encourage partnerships between all three sectors in solving problems in local communities.



We turn now to presenting our key activities related with promotion of the UN Global Compact principles in 2013, 2014 and 2015.

CRNVO has implemented numerous activities in the area of CSR; some of them are listed below:

2006: Research on attitudes of businesses towards CSR

2007: CRNVO prepared analysis of legal framework for development of corporate philanthropy and CSR in Montenegro, accompanied with concrete recommendations;

2008: The first team of CSR trainers and consultants was established by CRNVO;

2009: CSR team of trainers and consultants conducted trainings on CSR and partnerships for representatives of enterprises and NGOs from central, north and south part of Montenegro;

2010: CRNVO launched a publication on development of CSR in Montenegro and the region, accompanied with examples of good practice;

2010: The first Montenegrin CSR Forum was organized, in partnership with the Montenegrin Employers Federation, State Agency for SMEs and UNDP Office in Montenegro;

2010: CRNVO participated in organizing an event of launching the UN Global Compact Montenegro. Representative of CRNVO became a member of the Steering Committee.

2011: Training on reporting in accordance with the GRI guidelines and the UN Global Compact principles was organized for representatives of Montenegrin enterprises;

2012: CRNVO became a member of the national Network for CSR and the Committee for social responsibility;

HUMAN RIGHTS PRINCIPLES

Policy and Goals:

CRNVO's goal is to raise awareness of the importance of respect of human rights by enterprises regardless of their size or sector, as it has been recognized by the UN Guiding Principles on Business and Human Rights. Enterprises should avoid infringing human rights, but should also take actions to support them. Through our activities we pay special attention to promoting the rights of vulnerable groups such as women, children, persons with disabilities, Roma people etc.

Thus, our main aim is to educate representatives from business sector on different kinds of voluntary actions that can be undertaken to support human rights either through core business, strategic social investment or through partnership with non-governmental organizations that protect certain marginalized

Implementation:

Two generations of Corporate Social Responsibility School

Program of the first non-formal School for CSR in Montenegro included protection of human rights as the key topic within two modules – “CSR and responsibility towards employees” and “CSR in relation to consumers”. Participants from business sector, social enterprises and others had an opportunity to learn that non-respecting human rights, especially right of employees and consumers (but also other stakeholders) result in number of risks and costs for business. It can cause reputational damage, consumer boycotts, adverse action by investors and business partners and thus reduce productivity and loyalty of employees. It was strongly emphasized during the lectures that companies cannot be considered socially responsible if they do not respect international human rights standards and relevant national laws, which is minimum required. They should also make sure that their suppliers are not involved in any kind of human rights abuse.

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Business should make sure that they are not complicit in human rights abuses.





Measurement of outcomes:

- First generation of CSR School was attended by 15 representatives of all sectors: 5 representatives of NGOs, 7 representatives of companies that operate in Montenegro and 3 representatives of state institutions. For the second generation, a total of 22 applicants were accepted. 12 representatives of NGOs, 5 students, 2 representatives of universities (one public and one private University), 1 representative of state institution and representatives of 2 companies have successfully completed program of the School. Overall, 37 representatives of all three sectors got more familiar with this aspect of CSR, working together on designing concrete actions that could be implemented within their enterprises, institutions or organizations.

LABOUR PRINCIPLES

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour;

Principle 6: the elimination of discrimination in respect of employment and occupation.

Policy and Goals:

CRNVO is fully dedicated towards promoting labour principle in its work. However, since child labour and forced labour are not issues of great concern in Montenegro, we concentrate more on advocating for elimination of discrimination in respect of employment and on promoting freedom of association. This, certainly, does not mean that other labour principles are neglected.

Our main goal in this respect is to develop understanding of the different types of discrimination and how it can affect the workforce within business sector, but also within public and civil sector. We promote transparency, equal opportunities and affirmative action that lead towards more diversity and inclusion in the workplace.



Implementation:

- **Two generation of the Corporate Social Responsibility School**

One of the modules of our CSR School was “Internal dimension of CSR-responsibility towards employees”. Key aim of this module was introducing participants from business, public and civil sector with the link between labor rights and CSR, as well as possible ways of socially responsible relationships with employees. Key topics that were covered during this module were: national and EU legislation in the field of labor rights, benefits from socially responsible relation towards employees, mechanisms for conducting socially responsible actions towards employees and examples of good practice. Participants of both generations of the CSR School learned that employees should be treated as key resources of the company. Thus, good employer invests constant efforts in improving the overall quality of life and work of its employees throughout their working-life cycle. Establishing genuine dialogue with employees in identifying their needs make these efforts more effective.

- **Capacity building program for employers on corporate social responsibility towards female employees**

This program aimed at improving knowledge of employers about existing legislation in the field of labor rights of female employees and the concept of corporate social responsibility towards female employees based on the Women Empowerment Principles (WEP) of the United Nations. For the purpose of their further work in this area, a guide to social responsibility towards female employees, women active in the market and women in the community was created. Presentation of the Guide was aimed to point out a number of aspects of the discrimination women are facing in the labor market in Montenegro, as well as to demonstrate that provision on equal opportunities and equal treatment of men and women in enterprises and ensuring the equal enjoyment of the benefits of results of the work are necessary prerequisites for all enterprises that truly tend to do business in a socially responsible manner.

Also, a special aspect of the project was dedicated towards improving the capacity of seven civil society organizations for monitoring the



implementation of policies in the field of labour rights. In addition to capacity-building component, each organization was able to apply the acquired knowledge into practice. In fact, every organization engaged in monitoring the implementation of certain policy aspects of labour rights on the basis of monitoring plans prepared during the capacity building program. Results of the monitoring process were presented at the round table that CRNVO organized in cooperation with the NGO Women's Alliance for Development.

These activities were an integrated part of the project named “Strengthening capacities of employers and civil society organizations for the respect and protection of women's economic and social rights and the promotion of Women's Empowerment Principles through CSR” supported by UN Women.

Measurement of outcomes:

- In total, 37 participants of two generation of CSR School have been familiarized with labour principles of the UN Global Compact. Considering the fact that participants were involved in designing concrete proposals of social responsible activities regarding labour rights, they got ideas that could be implemented within their enterprises, institutions and organizations. CRNVO continued to provide consultancy support to all interested participants.
- Fifteen employers successfully completed training on women's economic and social rights and corporate social responsibility towards female employees. They had an opportunity to work on preparation of concrete strategic plans related with this aspect of corporate social responsibility during the training.

ENVIRONMENTAL PRINCIPLES

Policy and Goals:

Our goal is to encourage not only socially responsible enterprises, but also actors from all sectors to have precautionary approach when it comes to environment. This approach is introduced by principle 15 of the 1992 Rio Declaration stating that “where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation”. More precisely – we advocate for prevention rather than remediation, since it is cost-effective to take actions to ensure that environmental damage does not occur at all.

Also, we promote cooperation between enterprises and environmental NGOs in activities aimed at environment protection at local level. This is of great importance, given that according to the Constitution, Montenegro is an ecological state.

Implementation:

- **Corporate Social Responsibility School (2 generations)**

One of the modules of the CSR School was dedicated to *CSR and environmental issues*. Key aim of that module was to introduce participants of the School with the link between environment protection and CSR as well as with possible ways of being socially responsible in relation to environment. They had the opportunity to learn more about the benefits and mechanisms for performing everyday business activities in environmentally responsible manner.

It was highlighted that enterprises become responsible towards the environment if they manage to integrate the principles of environmental protection into all processes of their business and if they are dedicated to sustainable use of resources in the enterprise and in the area in which they operates.

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Business should undertake initiatives to promote greater environmental responsibility;

Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies.





Thus, it was recommended to representatives of enterprises and other participants to develop a code of conduct or practice for its operations that confirms commitment to care for health and environment, and to develop a guideline on the consistent application of the approach throughout the company.

- **Action of recycling paper**

CRNVO as a member of the National Network for Social Responsibility participates regularly in the collection and recycling of office paper and newsprint in cooperation with recycling center. Paper Recycling is recognized as one of the solid waste management strategies and represents the third component of waste hierarchy process 3R (Reuse, Reduce, and Recycle). CRNVO joined the action of recycling paper in 2013, and by now it has been gathering and sending a paper for recycling once a month.

Measurement of outcomes:

37 participants of two generation of CSR School have been familiarized with the importance of precautionary approach to environmental challenges, as well as with a set of activities that employees should practice as part of their regular daily work to reduce the negative impact on the environment, and increase the efficiency of use of available resources. They will continue to transfer their knowledge to colleagues in organizations/institutions and enterprises in which they work which assures the sustainability of this activity.



ANTI-CORRUPTION PRINCIPLE

Policy and Goals:

Bearing in mind Montenegro's EU integration process and the fact that corruption remains prevalent in many areas and continues to be a serious problem, as highlighted in many EU Progress Reports, one of CRNVO goals is to encourage employees and citizens to report corruption. We believe that elimination of corruption through encouragement and effective protection of whistleblowers has to be a top level priority within the business community and state institutions.

Implementation:

- **Whistleblowers' protection in Montenegro**

CRNVO established a working group for the creation of the Draft Law on the Protection of Whistleblowers, consisted of representatives of the Ministry of Interior Affairs, Ministry of Labour and Social Welfare, State Anti-Corruption Directorate, TV Vijesti, NGO Network for Affirmation of NGO Sector (MANS) and CRNVO. Detailed analysis on the position of the whistleblowers in Montenegro and the region was prepared as the basis for the work on drafting this document. After eight months of work, working group prepared the Model Law on the Protection of Whistleblowers. Also, public debate was organized with a purpose to present the Model Law for the Protection of Whistleblowers to representatives of state, private and civil society sector and collect their comments and suggestions on the Model's content.

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.





Measurement of outcomes:

The Model was presented at the round table attended by 46 representatives of state and local authorities, civil society organizations and citizens. Furthermore, citizens were provided with an opportunity to report cases of corruption via Ushahidi platform (www.prijavikorupciju.me) for the first time in Montenegro. This platform was developed by the project partner NGO Network for Affirmation of NGO Sector (MANS) and adjusted to the needs for anonymity of whistleblowers. All information provided by whistleblowers were encrypted and sent to secure server outside of Montenegro. There were more than 70 whistleblowers that reported corruption through the platform until the end of project implementation

ENCOURAGING INTERSECTORAL COOPERATION

Policy and Goals:

Enterprises that regularly conduct socially responsible activities, as a rule, show a higher degree of interest in cooperation with other sectors in the field of problem solving in the communities in which they operate. However, not all socially responsible enterprises are familiar with the work of NGO sector, nor with all possible ways of cooperation. Thus, one of our goals as a Resource center for NGOs is to encourage inter-sectorial cooperation, and to encourage and support networking of all the actors with issues of human rights protection, labor rights, environment protection etc.

Business should cooperate with civil sector when creating and conducting socially responsible activities.

Implementation:

- **CSR and Social Entrepreneurship Fair**

The aim of the Fair was to provide an innovative platform for the exchange of ideas and experiences among enterprises, institutions and organizations that have included the care about social and environmental issues in their regular activities. A number of enterprises had a chance to present their CSR activities and give an example how all companies regardless of their size could contribute to the local community in which they do business. In addition, visitors had a chance to see various products crafted by the NGO activists whose goal is to encourage social and economic integration of the most vulnerable groups in Montenegrin while providing them with jobs and engaging them in organizations' activities.

- **Database of enterprises with social responsible activities and social enterprises in Montenegro**

Database "Socially responsible solutions" (<http://www.csrbazapodataka.me/>) aims to provide a systematic presentation of examples of socially responsible measures/projects of enterprises in Montenegro, but also to contribute to shedding light on a new approach to organizing economic activity by promoting the concept of social entrepreneurship. It facilitates interaction among socially responsible actors with the aim of helping them find adequate partners or volunteers for their future CSR activities, or activities within their social enterprise.



Measurement of outcomes:

25 companies, NGOs and public institutions have presented their CSR activities and social enterprises in the **Fair**, and more than 100 visitors got familiar with the concept of CSR and social entrepreneurship in general, about its development and examples of good practice in Montenegro. When it comes to **database**, CRNVO is still in the process of promoting this platform; we have a few registered users so far. Realization of database and the Fair (as well as the second generation of the CSR School) was financially supported by Norwegian Embassy in Belgrade.

