

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), 2018*

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Statement of continued support

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

This is our second Communication on Engagement where we describe actions taken with an 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.

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



We turn now to presenting our key activities related with promotion of the UN Global Compact principles in 2016, 2017 and 2018.

HUMAN RIGHTS PRINCIPLES

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.

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 groups

Implementation:

Three generations of School of civil society for beginners

Program of non-formal School for young adults, active in their communities included protection of human rights as one of the key topic within module – “Business sector and civil society - potential for cooperation”. Within workshops “CSR and responsibility towards employees” and “CSR in relation to consumers” participants had an opportunity to learn about potential consequences for companies that do not respect human rights, especially right of employees and consumers (but also other stakeholders) result in number of risks and costs for business, such as: 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. But also, that they should also make sure that their suppliers are not involved in any kind of human rights abuse.

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 labor;

Principle 5: the effective abolition of child labor;

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

Measurement of outcomes:

- First three generations of School of civil society for beginners was attended by more than 65 young adult active in their communities. They 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

Policy and Goals:

CRNVO is fully dedicated towards promoting labor principle in its work. However, since child labor and forced labor 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 labor 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:**Three generations of School of civil society for beginners**

One of the topics within the module “Business sector and civil society - potential for cooperation” was Internal dimension of CSR-responsibility towards employees. Key aim of this module was introducing participants 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 all generations of the 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.

Measurement of outcomes:

- More than 65 participants of three generations of School have been familiarized with labor principles of the UN Global Compact. Considering the fact that participants were involved in designing concrete proposals of social responsible activities regarding labor rights, they got ideas that could be implemented within their enterprises, institutions and organizations. CRNVO continued to provide consultancy support to all interested participants.

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.

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:

Three generations of School of civil society for beginners

One of the topics within the module “Business sector and civil society - potential for cooperation” was dedicated to *CSR and environmental issues*. Key aim of that lecture 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.

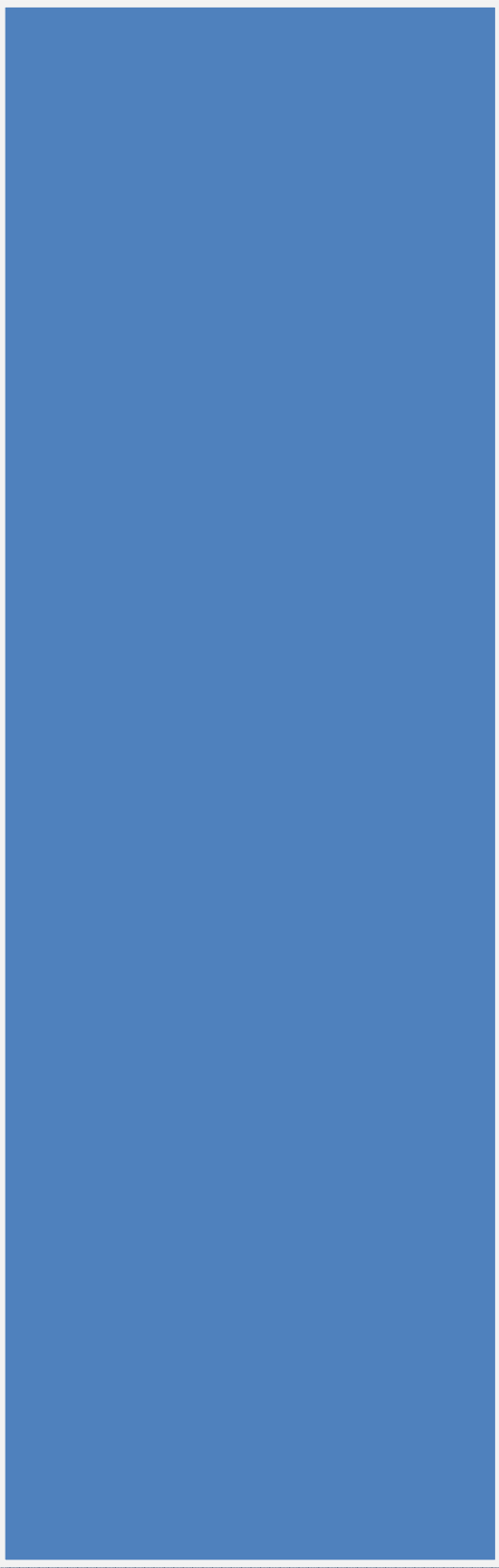
Thus, it was recommended to representatives of enterprises and other participants to develop a code of conduct or practice for its operations that confirms commitment to care for health and environment, and to develop a guideline on the consistent application of the approach throughout the company.

- **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 the paper for recycling once a month.

Measurement of outcomes:

More than 65 participants of two generations 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.



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

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**

This project considered intensive work with key relevant stakeholders from public and private sector, in order to improve their knowledge and capacities for effective implementation of legal solutions in the area of whistleblower protection and furthermore, to ensure their active participation in fight against corruption and protection of whistleblowers.

Through the educational program of the project, civil servants and employees in the private sector, representatives of the judiciary and the media had the opportunity to improve their knowledge, awareness and sensibility regarding this issue and the importance of the role of whistle-blowers to effectively combat corruption. The education was aimed at ensuring clear and proper understanding of this theme, elimination of prejudice about whistleblowers, and acceptance of responsibility for individual contribution in fighting corruption in the country.

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

Measurement of outcomes:

More than 150 persons designated for receiving and acting upon the report of whistleblower (representatives of ministries and other state institutions on national and local level, representatives of largest private companies in Montenegro and Media), increased knowledge about existing legislation and procedures regarding their obligations in acting upon the report of whistleblowers and whistleblower protection. Lectures were organized with the aim to increase knowledge of all key stakeholders about protection of whistleblowers in Montenegro, their importance in the fight against corruption, as well as about the best practices on this field.

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-sectoral cooperation, and to encourage and support networking of all the actors with issues of human rights protection, labor rights, environment protection etc.

Implementation:

- **Organization of meetings between social enterprises and CSR businesses**

The meeting between social enterprises and companies winners of Montenegrin Employers Federation's Award for CSR, the Fund for Active Citizenship's Award "ISKRA" and Montenegrin Chamber of Commerce's Award for CSR was organized in cooperation with American Chamber of Commerce and the Committee for Corporate Social Responsibility (CSR). Meeting was organized with a main aim to present products of social enterprises to socially responsible companies. This activity will ensure establishing contacts between social enterprises and CSR businesses as potential users of their products.

- **Forum of Social Entrepreneurship "Empower yourself"**

The aim of the Forum was to provide an innovative platform for the exchange of ideas and experiences among social enterprises, institutions and companies that have included the care about social issues in their regular activities. A number of social enterprises had a chance to present their 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 social enterprises established by NGOs and led by women. The goal was to encourage social and economic integration of the most vulnerable groups in Montenegrin society while providing them with jobs and engaging them in organizations' activities.

- Database of enterprises with social responsible activities and web site for 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. Web site for social enterprises (<https://proizvodise.me/>) aims 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:

10 social enterprises established by NGOs have presented their activities and social enterprises at the Fair, and more than 80 visitors got familiar with the concept of social entrepreneurship and CSR in general, examples of good practice in Montenegro.

When it comes to web site of social enterprises CRNVO is still in the process of promoting this platform. Realization of web site and the Forum was supported by U.S. Embassy in Montenegro Democracy Commission Small Grants program.

