

## COMMUNICATION ON ENGAGEMENT (COE)

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### **Period covered by this Communication on Engagement**

From: 01 January 2014

To: 31 December 2015

### **Part I. Statement of Continued Support by the Chief Executive or Equivalent**

Please use the box below to include the statement of continued support signed by your organization's Chief Executive or equivalent.

11<sup>th</sup> October 2016

To our members

I am pleased to confirm that Bulgarian Industrial Association – Union of the Bulgarian Business reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Bojidar Danev,  
Executive President

## Part II. Description of Actions

Please use the box below to describe the actions your organization has taken in support of the Global Compact. It is strongly recommended that the actions taken are related to one or more of the specific activities suggested. *Please refer to the complete list of suggested activities for your type of organization found [here](#).*

For the 2-years period the main activities in the field of CSR include the following activities related to:

- raising awareness of the stakeholders regarding the essence of CSR and its implementation;
- the building up of capacity of experts from stakeholders in CSR area;
- the formation of a legal and institutional framework supporting the application of CSR;
- endorsement of practices for transparent governance;
- raising responsibility of enterprises in regard to nature protection;
- creating the necessary business environment for loyal competition;
- promotion of the development of “green” economy.

BIA is a partner in the project “CSR for All”. The main focus of the project in 2015 was information of employers regarding sustainability reporting, strengthening their capacities and raising trainers. As part of the project we conducted a survey on CSR practices in Bulgaria. The survey was held as an on-line questionnaire in the period 5 – 25 April 2015. 128 specialists and managers of companies around the country took part in the survey.

### Part III. Measurement of Outcomes

Please use the box below to include the most relevant qualitative and/or quantitative indicators to measure the outcome of the activities described in Part II above.

On 20<sup>th</sup> of February 2015 at BIA's premises was held a discussion with 60 participants from different stakeholder groups, where representatives from organizations and enterprises shared their experiences on CSR and sustainability reporting. The participants stated that enterprises that implement CSR activities has a better reputation in public; SMEs should be encouraged for their CSR activities and it will help to strengthen the dialogue among employers organizations, trade unions and public.

In survey, conducted in 2015 the two-thirds of the respondents exercise CSR activities but only 6% have an ethical code in relation to CSR. More than half of the participants in the survey (64,5%) have not authorized a specific department for the coordination of CSR activities in the company. This task is assigned to the human resources management departments in 10,5% of the companies. Administrative, communication and marketing departments are also involved in the CSR coordination for the rest of the companies. Only in 1% of the companies there is a separate department for "social policy" that is responsible for CSR.

Most of the CSR activities are understood as honest business behavior, responsibility towards employees and anticorruption behavior. Some of the companies understand CSR as responsibilities towards human rights, the environment and the local public.

The respondents in the survey consider the chain management, support to culture, science and sports as well as the provision of employment as the least important CSR activities for the company.

It is understood that CSR activities are a question of company culture and the key goal is to motivate the employees and to manage the concern about the company reputation. 25 % of the companies admit that the aim of their CSR activities is to attract clients. Every fifth respondent declares that his/her company follows the example of a partner or a competitor. Following the clients` interests is a comparatively weak motive for implementing CSR activities. 62% of the participants in the survey expect the importance of CSR for their company to increase further in the future.

One of the most optimistic conclusions is the fact that the percentage of the companies that show no interest in CSR is exceptionally low.

In 2015 Bulgarian Industrial Association (BIA) maintained a special rubric on its web site about Corporate Social Responsibility with the understanding that the investment in society solves important problems and is a potential for the development of business and entrepreneurship in Bulgaria. BIA is a member of the UN Global Compact in Bulgaria and is spreading out the principles of CSR among its members and applies a programme for popularization of CSR among businesses.

BIA also issues a monthly bulletin in which there are media articles related to CSR. The bulletin reaches 247 subscribers (as of the beginning of 2015).