



THE FUTURE NATIONAL STRATEGY ON CORPORATE SOCIAL RESPONSIBILITY FOR BULGARIA

WHERE do we start from? WHERE would we like to go?¹

OVERVIEW OF CURRENT SITUATION:

At the beginning of September 2008, the work on the elaboration of the future national CSR programme/strategy for Bulgaria is gaining momentum. An extended inter-ministerial working group, comprising representatives of all social partners, NGOs, academia, private sector was assigned by **Order N RD01/623/16.07.2008** of the **Minister of Labor and Social Policy** with the task to draft a national CSR Strategy as an instrument for social and economic development. The Working Group (WG) is led by a Deputy Minister of Labor and Social Policy. The WG comprises 44 members², divided in two sub-groups: 1) The analytical group and 2) The Editorial group. The timeline and sequences of the preparation of the CSR strategy work, initially outlined in the Ministerial Order and agreed upon between the members of the group, are set up with ambitious deadlines: January 2009 for the elaboration of the initial draft; February-March 2009 for the inter-ministerial and interagency consultations on the draft document; April-May 2009 for the submission to the Council of Ministers for final approval and adoption of the future CSR national strategy.

The Ministry of Labor and Social Policy assumed the leading role (coordination and facilitation) during the elaboration of the CSR strategy. The establishment of the multi-stakeholder working group was preceded by an increasing number of events, projects and initiatives in the course of the last 18 months, related to CSR awareness raising, training and capacity development. The overwhelming characteristic of these events and initiatives was the partnership approach, whereas public institutions, NGOs, business associations and international organizations (through joint projects) mutually reinforce their CSR promotion efforts.

REFERENCE POINTS:

Partnership and multi-stakeholder engagement are the main characteristics of the approach to the elaboration of a national CSR strategy.

A **comprehensive approach and policies to CSR** at a level that would help to strategically accelerate CSR developments in the country **is emerging**. The upcoming adoption of the first **National Sustainable Development Strategy** is part of this approach. The draft NSDS tackles the following key challenges/issues to SD: 1. Climate changes and clean energy; 2. Sustainable transport; 3. Sustainable consumption and production; 4. Preserving and management of natural resources; 5. Public health; 6. Social inclusion and demography; 7. Good governance.

The future national CSR strategy will be harmonized and aligned with another main policy framework document – the **National Strategic Reference Framework**.

All relevant national policy documents and existing national strategies will be taken into consideration when elaborating the CSR strategy. It will include current laws and regulation (incl. soft law) where issues related to CSR are regulated.

¹ As discussed with CSR PEER group, established within the regional project “Accelerating CSR in new Europe” and as confirmed as general starting point at the first meeting of the Multi-Stakeholder Working Group on the Preparation of a national CSR programme;

² 22 members are representatives of ministries; 22 members represent trade-unions, NGOs, business associations and organizations, private businesses;

SOME CHALLENGES and CONCERNS to be addressed by the CSR strategy:

- 1) **The relevant national approach:** Plentiful of national examples from old and new EU member states point at different types of approaches to CSR. What is the appropriate national approach to CSR according to the Bulgarian context?
- 2) **The definition of CSR:** Although several existing definitions that are in use outline comprehensively the main components of the CSR concept, there is still lack of proper understanding of CSR amongst business community and the wider public. Often mixed up with PR, charity, philanthropy or ad-hoc initiatives, the CSR concept should be understood and applied on the basis of common denominator by all national (CSR) stakeholders.
- 3) **Implementation and financial sustainability:** Which institution assumes the leading role in the implementation of the National CSR strategy and Action Plan? How to ensure the financial sustainability of the national strategy? How many years will cover the strategy? What will be the strategy's review period?
- 4) **Monitoring and Assessment of results:** Setting up indicators for self-assessment (company level) and for general assessment of state of the art in the application of CSR policies and practices (national level) could be a major bottleneck in both – the elaboration of the CSR strategy and in its implementation phase.
- 5) **Promotion and spreading the CSR practices among SMEs:** What kind of incentives to be applied? Specific requirements which are less cumbersome and less expensive in order to be effectively implemented by SMEs etc.
- 6) **Social/Green Public procurement:** Drafting a list of proposals with legislative requirements and incentives which ensure advantage in the Public procurement call for tenders for those companies which envisage provision of social and environmental friendly business practices/technologies.

WHO AND HOW to implement CSR in Bulgaria?

- The Business through:
 - i. Corporate governance
 - ii. Investments
 - iii. Procurement
 - iv. Standards
 - v. Codes/internal guidelines
- The Executive through:
 - i. Institutionalization of the dialogue
 - ii. Introduction of policies
 - iii. Financial sustainability
 - iv. Multi-stakeholder partnership
 - v. Representation at the EU institutions
- The Civil Sector (NGOs, Academic/Research institutions, Media) through:
 - i. Awareness raising and promotion
 - ii. Partnerships with businesses
 - iii. Academic curricula
 - iv. Media policies

THE WAY FORWARD: Overwhelmingly unanimous on the need to elaborate a national CSR strategy, the members of the Working group- representatives of all major CSR stakeholders in the country, will take into consideration the experience and lessons learnt during a recent partnership process on the elaboration of the Bulgarian National Code for Corporate Governance (adopted in 2007), as well as will follow in close the shaping of the new international CSR standard (ISO 26 000). The analysis and drafting processes will benefit from the shared experiences from old and new EU members states as captured in relevant documents and as presented at international fora (e.g. Vilnius Conference on CSR Policy Development in Eastern and Central Europe) and will rely on national and international expertise during the working process.