

Fourth Regional Conference “CSR in Times of Crisis”, Sofia June 2009

Conference Declaration

Meeting at the Fourth Regional Conference “CSR in Times of Crisis”, held by the National Round Table Bulgaria and the German Technical Cooperation, GTZ, Bulgaria, under the auspices of the Bulgarian Ministry of Labour and Social Policy, representatives of business, governments, academia and stakeholders from Bulgaria, Rumania, Ukraine, Croatia and Germany with the participation of the European Commission, in Sofia, 18-19 June 2009, to discuss the concept and concrete initiatives of corporate social responsibility (CSR) in Bulgaria and the region

Accepted the EU-Commission’s definition of “CSR as voluntary business action”, however acknowledged that the respective legal framework and its monitoring is decisive. As issue areas CSR was seen to comprise of Human Rights, Labour Standards, Environmental Issues and Anti-Corruption.

Agreed that the current economic and social crisis calls for rethinking the role of business in the society at large: Trust in companies needs to be regained.

Acknowledged that CSR is still often understood as charity or as a tool to react in certain situations. Only seldom CSR is fully integrated into business practice and policies. Even if part of an overall business strategy, CSR is sometimes not fully appreciated by stakeholders. In general, multinational enterprises (MNE) can play a leading role in pushing CSR to concrete implementation; however, small and medium enterprises (SME) should find their specific approach to CSR engaging in social dialogue and contributing to community development on the local level.

Noted that the current crisis offers opportunities to better acknowledge the importance of CSR, including at the highest decision making level within companies thus opening possibilities for more concrete action in the supply chains.

Pointed to the importance to include the following aspects when discussing the implementation of CSR: role of employees as internal stakeholders, including the rights of disabled and other vulnerable groups; improve access to relevant information and the accessibility of support mechanisms, including simplifying bureaucratic procedures; the role of decentralized governmental actors, including giving civil society better access to public policy making on the local level; utilise well-informed consumers as leverage for CSR; improve know-how transfer between old and new European Member States as well as candidate countries to the EU

Discussing the different stakeholders involved, these were encouraged to increase CSR:

- ...the **state** should promote entrepreneurs to develop their own CSR strategies, e.g. by implementing a system of CSR certification, by raising awareness on CSR, especially among consumers and media, establish a professional framework and certification scheme;
- ... **civil society, including representatives of workers**, should engage in stakeholder dialogue, devise a media training on CSR, find champions and utilize better international treaties for calling for proper CSR activities;
- ...**companies** should debate internally and establish strategies on CSR; enter into a meaningful social dialogue with clients and employees, especially in times of crisis; crucial are leadership by and additional training for management and adequate reporting.

Agreed to further explore **concrete potential for cooperation** including the establishment of a joint national CSR platform, in order to facilitate knowledge transfer and joint action. The current Call for Proposal of the EU Commission offers the opportunity to formulate a concrete joint proposal for an overall framework including relevant initiatives.

Welcomed the value of the work of the National Round Table for Introduction of Social Standards, Bulgaria, since 2004. In bringing together all relevant actors in the CSR debate in Bulgaria this fourth regional conference offered the opportunity to present all perspectives and came to a **concrete result**, thereby having established a sustainable process of fostering CSR activities in Bulgaria during the past four years.