

INTRODUCTORY PRESENTATION

Comments about CSR in Russia

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Comments about CSR in Russia

Short and simple definition, used today in Russia:

Socially responsible company – a company which develops sustainably with permanent positive effect to the company itself, and country and territory it operates in

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It is considered that company's economic, social and environmental responsibility in Russia or in any Russian region it operates in breaks up to:

- in accordance with the law (legal responsibility)
- beyond the law (voluntary responsibility)

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Responsible company is a sustainable company with its true responsibility in a triple bottom line format: economic, environmental and social. For example, corporate community involvement, besides payment of local taxes and following local regulations can take different voluntary forms such as corporate giving, strategic philanthropy, social sponsoring, or corporate performance management. To implement these policies, the enterprise can choose different organizational structures such as local grants systems, corporate foundations, community foundations in partnership with local or regional authorities and civil society, public-private-partnerships or innovative networking corporate communication.

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POSITIVE trend: By the end of 2012, the CSR system and CSR/sustainable reporting were part of business practice of more than 100 Russian leading companies. During last 12 years they produced 192 social reports, 116 reports on sustainable development, 40 environmental reports, 17 sectoral social reports and issued 24 integrated reports. One-third of these reports were prepared on the basis of methodology and indicators of GRI and AA1000S international “soft standards” by such companies as OJSC Rosneft, OJSC Norilsk Nickel, OJSC Lukoil, OJSC Unified Energy System (UES) of Russia, OJSC Tatneft, Sakhalin Energy Investment Company Ltd, OJSC Northwest Timber Company, NOVOGOR-Prikamie LLC, EvrazHolding Ltd, TNK - BP, OJSC Mineral and Chemical Company EuroChem, etc.

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NEGATIVE trend: The gaps today in the field of CSR and SD:

- Non – existence of the publicly approved and governmentally supported definition of CSR/SD as a phenomenon of vital importance for the modernization and innovative development of Russia
- Lack of know-how and knowledge of modern CSR best practices and applications on the regional and local levels
- Russian NGOs' financial weaknesses in supporting the intersectoral cooperation projects on the federal, regional and local levels
- Decrease of the number of the internationally supported projects in CSR and SD in Russia

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To remind UN Global Compact summit in Geneva 6 July 2007 – Ministerial roundtable on the role of Governments in promoting responsible corporate citizenship.

To support responsible business practices:

- **Creating an enabling environment** (publicly articulating support to corporate responsibility guidelines and principles),
- **Raising awareness** (stimulating public debate, supporting best practices of concrete companies),
- **Promotion** (awards, regional and community support, etc),
- **Tools development** (supporting CR programs, guidelines, charters)
- **Funding** – joint with business and NGOs CR development projects, supporting profiled NGOs in their CSR research, best practices selection and exchange, international and national conferences, roundtable discussions, TV programs, etc.

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There are many important potential trends and tasks that could greatly contribute to the development and further mainstreaming of CSR and non-financial reporting in Russia.

At the federal level:

- A clear focus on formulating national agenda and “regulating” CSR and non-financial reporting at the level of a federal minister (without creating any new administrative structures);
- Annual forums on social and environmental responsibility of business and forms of its interaction with the state;
- Making public the government’s views on future orientations of the system of corporate social and environmental responsibility;
- Recommendations on voluntary introduction of international management and reporting standards developed by the leading business and sectoral associations of producers;
- Budgetary support and tender financing of projects in the field of CSR and sustainable development for non-governmental organizations (NGOs).

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At the regional and local levels:

- Special public-private forums on sustainable development of the regions;
- Implementation of special target programs and social investments jointly sponsored by regional administrations and companies;
- Participation of regional and municipal officials in corporate events, including “dialogues on social responsibility of business”;
- Involvement of NGOs in the implementation of joint social programs launched by the government and businesses with a view to increase their efficiency and guarantee transparency.

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The mission of NGO CSR – Russian Centre:

“CSR - Russian Centre’s mission is to effectively apply the international standards of Sustainable Development and Corporate Social Responsibility in the Russian Federation. Centre’s work is concentrated on the social responsibility consolidation and social partnership development of the Russian business, state authorities and civil society on the new quality level”

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The **main target groups** of the CSR-Russian Centre are the Russian companies, local, regional and federal authorities and the profiled NGOs (social, environmental, educational, etc).

CSR-Russian Centre implements its **goals and services** acting as:

- a **dialogue forum** for the business-authorities-civil society triangle on the problems of CSR and sustainable development in Russia,
- a **Think Tank** on sustainable development of Russia, its regions and business,
- an **educational and training centre** in the field of CSR and sustainable development management on a corporate level,
- an **intellectual bridge** on CSR and sustainable development between Russian Federation, the West and developed East,
- a **systematic popularizer of the Russian and international best practices** on macro- and micro- levels in the field of CSR in Russia and abroad using the mass communications and PR technologies, including the possibilities of the Russian “Business & Society” and network of Russian Union of Industrialists and Entrepreneurs (RUIE).

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TOPICS for DISCUSSION:

- What are the main motives (drivers) for Russian companies to implement CSR?
- Can company be successful in Russia without CSR?
- Do the Russian people and Russian consumers “buy” CSR? Or this is a “second” question for them? Please argument your comment.
- What are the CSR priorities today in Russia?
- What kind of CSR projects are most successful and effective in Russia for today?