RUBIKON – DEBATE FOR CSR IN KOSOVO

For the first time in Kosovo in the most reputable show in the country "Rubikon" at a prime time, a TV debate was organized on main issues concerning Corporate Social Responsibility. The main issues discussed were: What is Corporate Responsibility of Businesses in Kosovo? How many of these businesses apply CSR practices? How much is invested in CSR? What makes it different from philanthropy and sponsorship? Is it some sort of support or is it considered as investment in the business itself and the community?

The main speakers were: Jonathan Spampinato- Director of Communications and Strategic Planning of IKEA Foundation Netherlands; Ylber Kusari- Save the Children; Lindita Daija -Executive Director , Kosovo CSR Network; Ilir Aliu, CEO Of Procredit Bank and Besa Luzha, The Friedrich-Ebert-Stiftung Prishtina.

Jonathan, IKEA Foundation Netherlands emphasized the fact that it runs globally campaigns and programs in the area of CSR and they are among key players. In Kosovo they support the “Save the Children’s” program and UNICEF since 1999 where they work education of children and also with the children with disabilities. One of the main drivers to choose Kosovo, was the importance of their supply chain and also their main partner, Save the Children, in order to change the situation of children for the better in Kosovo, as a company that is responsible towards the community where it operates or through its partner operates.

Ylber, Save the Children emphasized that their programs have had a high outreach in the children community, through the support of IKEA and through this of course enabled to reach out to the main social needs in this country and help the education of vulnerable children in Kosovo. This support by the company itself has a wide impact by also making the consumer aware when choosing to purchase specific products and how this can help the community. So, if they know that as in the example of IKEA, these funds go also for community support, then the consumer is much more likely to choose to buy these products.

Lindita, Kosovo CSR Network, elaborated in a clear manner that CSR simply said is a voluntary contribution towards the main society needs of the community where this business operates. The main benefit of applying CSR strategies comes back to the business in a strong consumer preference. The business of Kosovo are moving forward in up scaling their support through CSR practices, which means in a more strategic and
focused manner, by being an helping hand to the state by itself in resolving main challenges in society, where the need and the gap exists.

Ilir, from Procredit bank emphasized that their practice CSR in four main pillars: trainings in banking of young people in Kosovo, how they practice banking in Kosovo, environment and philanthropy. They main focus is how they do business in Kosovo, how their loans are issued for example and to how they finance a certain business. So, until they get convicted on profitability and ethics of a certain business the bank tries to ensure its full eligibility. So it ensures the viability of a business overall.

Besa, The Friedrich-Ebert-Stiftung, emphasized from the civil society that the businesses should have an ethical behavior towards the consumer to the highest extends without calculating any gain from these consumers. The main issues should be tackled towards the needs of society identified from the NGO’s, like Rugove supporting Down Syndrome initiative, also Raiffeisen Bank helping educational events etc.

The main issue emphasized that the business should ensure to apply CSR practices in order to ensure business sustainability in the country it operates in partnership with their main stakeholders. This will ensure win-win solutions for the both parties in the long term by fulfilling the needs of community and ensuring business profitability. Furthermore, there are always challenges and in this case Kosovo needs more business to join the group of businesses using CSR strategies in order for the weight or resolving society needs through a small group to be un scaled and shared among a wider group of companies.

If you want to see the full show you can click at the link: http://www.kohavision.tv/video/rubikon/7666/

GENERAL ASSEMBLY

Kosovo CSR Network held the 1st General Assembly Meeting which took place on the last week of April 2014 at "Sirius" Prishtina. Three New partnerships were presented, The Assembly with the Boards proposal will have two more Board Members and many other discussions took place.
CEO of Raiffeisen Bank and also the Chairman of Kosovo CSR Network, said that corporate governance should be a high priority for the Kosovo business sector, because sadly it is not practiced as much as it should be and corporate governance standards in Kosovo fall well below what is considered to be normal or acceptable in 2014 in Europe. Ms. Sagita Muco, IFC’s representative in Kosovo explained that IFC’s purpose is to promote open and competitive markets in developing countries, support companies through financing and advisory services and ultimately help generate productive jobs and deliver essential services to the underserved. Ms. Muco reiterated IFC’s focus to increase investments in Kosovo and the importance that performance standards have when deciding to invest. Apart from investment, IFC works with companies through advisory services to support them in improving resource efficiency as well as environmental, social and governance standards.

During the event Mr. Agon Gashi, from the local corporate “Meridian Corporation” shared an excellent example of how improvements in corporate governance have resulted in benefits for the company through demonstrating accountability towards shareholders, maintaining public confidence and trust and also it has helped them to reduce financial cost.

One of the key elements that all stakeholders agreed upon was that transparency leads to better performance for all companies, and this is related not just about the disclosure of financial information, but also as regards to information on environmental and social matters. According to IFC, Mr. Kiril Nejkov, it is proven that transparent companies perform better over time, have lower financing costs, attract and retain talented employees and are ultimately more successful. He emphasized that one of the most sophisticated and comprehensive approaches to ensuring quality transparency is Integrated Reporting, as a cycle of integrated thinking and reporting, resulting in efficient and productive capital allocation, serving as a force for financial...
stability and sustainability. According to Ms. Lindita Daija, Executive Director of Kosovo CSR Network, Good Governance is very important for a corporate that wants to be seen as a sustainable investor. She emphasized that Good Governance extends the traditional governance view to cover a Corporate Social Responsibility (CSR) dimension and it is a structured way to handle the challenges of a changing society.

Therefore, Kosovo CSR Network in partnership with International Finance Cooperation will continue to promote Corporate Governance best practices and through this successful partnership, they will encourage CSR principles embedded into structured best practices.

OVERVIEW OF THE SITUATION OF CHILD LABOUR IN KOSOVO: IDENTIFICATION OF MEASURES THAT CAN BE UNDERTAKEN BY BUSINESSES IN PREVENTION AND WITHDRAWAL OF CHILDREN FROM LABOUR

In order to raise awareness of businesses, employers’ organizations and individual employers in the private sector on child labour Kosovo CSR Network supported by International Labour Office has organized a half-day workshop. This workshop has given a reflection of the situation of child labour in Kosovo, identifying measures that can be undertaken by enterprises in prevention and withdrawal of children from labour.

Discussion was held with interested members of the CSR, the Ministry of Labour and Social Welfare and representatives of Employers’ Organizations, on the topic of child labour situation in Kosovo and identifying measures that can be taken by businesses in prevention and withdrawal of children from labour.

Dragan Radic, Senior Specialist – Employers Activities, from ILO office for CEE, presented the reasonableness of the commitment of businesses against child labour and some opportunities and concrete steps that can be undertaken by enterprises. In this context it was also discussed numerous examples of business engagements in child protection from work, lessons learned and best practices.

ILO, Lindita Boshtrakaj, National Program Manager ILO, IPEC, presented the situation of child labour in Kosovo and the role of enterprises in addressing this issue, with emphasis on unique challenges and opportunities of the businesses operations in the Kosovo context. While Mr. Robert Wright, Chairman of the Board for Kosovo CSR Network, stressed that this problem should not be a discussion topic in Kosovo, namely in a state that is located in Europe, in year 2014, and this problem should be eliminated as soon as possible.

Mrs. Lindita Daija, Executive Director of Kosovo CSR Network, noted that members of the network, during this year will have as their activity, promotion and application of the Code of Conduct to and by their members, and promotion will continue towards their supply chain (contractors) as well.
Therefore, Kosovo CSR Network in partnership with ILO in Kosovo, has strongly promoted the Code of Conduct for businesses through this successful partnership, and encouraged that the main principles of CSR’s work to be engaged in the best practises for the future. In addition, Kosovo CSR Network and ILO will hold individual meetings with interested members to identify concrete opportunities of their commitment in addressing child labour.

According to the UN Global Compact, CSR Principles of Work, under the CSR are: Principle 3: Supporting the freedom of association, and the effective recognition of the freedom of the collective agreement; Principle 4: Support the elimination of forced labour; Principle 5: Support effective elimination of child labour; and Principle 6: Support the elimination of discrimination.

The Kosovo Corporate Social Responsibility (CSR) Network is the first business network established in Kosovo for CSR by distinguished Kosovar and international business leaders who were determined to increase the public’s awareness on CSR and also incorporate CSR best practices into their own companies.

Kosovo CSR Network is a member of the European Business Network for Corporate Social Responsibility (CSR Europe), which is another step of the Network to further integrate Kosovar businesses in European structures.

ACTIVITIES OF A MEMBER COMPANY UNDER CSR NETWORK

Rugove Corporate

Rugove has started its corporate responsibility project on a more organized and well-thought scale early this year. Even though help and support was given to many organizations or individuals in the past, it was never monitored and recorded as a part of corporate responsibility venture that Rugove allocated back to the society. However, this year we have recognized a society who develops amazing projects for the cause that it supports, and we have decided that for the whole year 2014 we will become their main sponsors, helping them develop further and more pioneering projects. Down Syndrome Kosova Society is known for its hard work, for the many volunteers that help and for outstanding projects it develops. We, while working with them for many months now, have become more than supporters and are considered friends, admirers who work together in raising awareness amongst our society of the syndrome and the young affected by it.

Rugove corporate and Kosovo Down Syndrome Society

Down Syndrome Society is well known for the most active group, voicing strongly and loudly the problems that the persons with the Down syndrome face in our society. Rugove has from the beginning expressed our will to support the society and its people, but that the cooperation had to be developed together. We supported Down Syndrome Society not just financially, but emotionally, actively through many activities and events that the society organized.
Our project included three phases, first phase was conducted through the most used social media tool, the Facebook, where users were encouraged and invited to click on our page and from each of their contributions with a click, Rugove would help the Down Syndrome Society with 10 cents in money. The target was 100,000 clicks, which generated 10,000 Euros. Second phase involved designing our 0.5l water bottle label by children with Down syndrome. The new label was printed in 1,000,000 bottles from the sale of which we generated other 10,000 Euros in donations.

Third phase will commence in October, when we will be able to employ a person with Down syndrome at our new Rugove offices, in Prishtina.

Corporate responsibility projects are developed by companies having in mind no personal profit, therefore even though we did not expect to gain anything back from any CSR project or activity we supported, our company has not just experienced a rise in sale of our products, especially the product which supports directly the Down Syndrome Society through its sale, but has had an immense positive feedback from our clients, customers, and general public. Everything that we stand for, in our mission in producing whole natural organic products, supporting our local farmers and manufacturers to our moral values in contributing strongly back to the society we live and work in, have been received and respected dearly by Kosovans.

**CSR Network Membership**

We had a taste of corporate responsibility and we have just started. Through the membership at the CSR Network we will be able to develop, together with CSR board and its members, one of the biggest projects ever undertaken on a national level by the network. It is our strong belief that it is the duty of every businessman and successful business operating in Kosovo, to give back to the society in which it operates. Being a part of the CSR Network helps structure the help and support towards the most needed and vulnerable groups in our society. Together, with work and dedication, we will help rebuild our country and develop a successful future for all of us.

**NewCo Ferronikeli**

NewCo Ferronikeli in general is highly committed to CSR activities, particularly those related to infrastructure, sports, culture, etc. which contribute directly to the improvement of the lives of the community where the company operates.

More specifically, there are many activities that are performed during this year’s six months but we will only mention some of the most important and influential ones in the community of Drenas.

Activities that are implemented in the field of CSR are:

- Continuous support to the Football Club of Drenas "Ferronikeli”.
- Helping elementary school students with school supplies.
- Helping the community of Drenas region during Religious Holidays.
- Supporting cultural activities such as various Festivals.
• Supporting various activities in the Municipality of Drenas.
• Offering the premises of the enterprise for student practices.
• Contributing in various forms in infrastructure, public lighting project in Drenas.
• Greening surfaces.
• Contributing to fundraising for charitable activities

The implementation of these projects has brought various benefits to NewCo Ferronikeli Enterprise. The highly positive influence on the improvement of relations with the community of Drenas is considered as the most important thing.

The implementation of these projects also had a positive impact in the improvement of the relations with the representatives of the Municipal Assembly of Drenas and relevant institutions.

As a result, NewCo Ferronikeli Enterprise is known for high corporate responsibility and is considered as a good example in this field. NewCo Ferronikeli besides having a positive influence in the community of Drenas and the abovementioned institutions also made an impact on the society of Kosovo in general.

The great conditions which the Enterprise offers to workers and the high responsibility towards them are some of the reasons NewCo Ferronikeli is used as an example from Kosovo institutions (Government of Kosovo).

Proof of this is the visit of the Minister of Labour and Social Welfare Mr. Nenad Rasic, Mayor of Drenas Mr. Nexhat Demaku, Mr. Agim Shahini Director of Business Alliance of Kosovo and Mr. Haxhi Arifi the Director of UITUK in order to be thoroughly informed about the existing legislation which regulates the issue of employment, occupational safety and safe working environment, and conditions in general that have to be met in order to implement the collective agreement.

The visit took place on the day of the signing of the collective agreement and on this occasion, Minister Rasic said: “You are the first company we are visiting after the collective agreement was signed and hereby we use NewCo Ferronikeli as an example for their hard work for labour rights. So let us combine strengths in order to create for all favourable conditions in an international level.”

Another example of NewCo Ferronikeli’s contribution to the society of Kosovo is the commitment to the environment in general by implementing different projects for green spaces and investments related to environmental protection. NewCo Ferronikeli is significantly committed to environmental issues, especially to investments regarding air protection, wastewater management and slag management.

Until now, NewCo Ferronikeli has invested more than 13 million Euros in the environmental field and still continues to do so. We are witnessing the modernization of all filters in the factory and thus NewCo Ferronikeli is in accordance with the highest international standards regarding environmental protection.

As a result, NewCo Ferronikeli is considered a Friend of Nature and through this has become a role model for other enterprises in Kosovo.

NewCo Ferronikeli not only is part of the Network of CSR now but also has its own representative on the Board, General Manager of NewCo Ferronikeli Mr. Ioannis Moutafis. By being part of the Board and CSR, representatives of NewCo Ferronikeli have brought to the enterprise best work practices.
Obtained practices are implemented in order to create better conditions for the employees of the enterprise. Therefore, NewCo Ferronikeli is committed to create the best possible conditions for employees. One of these commitments is to encourage an atmosphere of openness and fairness where any problem, complaint, or question is reviewed immediately by the company’s management.

If someone does not agree with the rules established by NewCo Ferronikeli, he/she can freely express their concerns. Any complaint is professionally reviewed and taken into consideration until the issue is resolved.

If there is any situation where an employee believes that any decision taking affects badly his/her job, then he/she can report such a problem by writing to the Department of Human Resources.

Employment and occupational discriminations are prohibited.

Every employee of Ferronikeli has equals rights for promotion and there is no discrimination.

All employees in NewCo Ferronikeli have the right to practice religion. Employees within the Company belong to three religious groups: Muslim, Catholic and Orthodox, and have very good relations with each other.

New Co Ferronikeli provides transportation for its employees, regular bus lines to work which are free of charge. NewCo Ferronikeli also provides warm food to all employees, including water and other beverages during working hours.

A clinic within the factory with a doctor and nurse is available to employees 24/0 and regular checkups are done in order to ensure the wellbeing of every employee. In case of illness, free medicine is continuously given to employees.

In order to ensure a safe working environment NewCo Ferronikeli has provided protective equipment and measures in the workplace according to the legislation in force and the Regulation for protection in the workplace. The Enterprise is working hard by also lobbying to other companies about the importance of the implementation of projects in the field of CSR and is working on the idea that ”the more developed the community where the enterprise operates is, the more developed the enterprise will be”.

NewCo Ferronikeli is trying to convey this idea to other enterprises.
Raiffeisen Bank

Raiffeisen Bank during 2014 continued to show commitment to Corporate Social Responsibility and to support of various activities in Kosovo.

In May of 2014, Raiffeisen Bank has contributed in raising the health standards, investing in the health infrastructure, by supporting the University Clinical Center of Kosovo, namely Gynaecology and Obstetrics Clinic. The value of the initiative was Eur 100,000. This shows the commitment of the bank to support the Kosovar health. In addition, the Raiffeisen Bank was commitment in support educational activities and projects. Also support in sponsoring cultural and sport activities has continued this year in top of the CSR main activities. We have continued substantial support for the "ATOMI" project and this year it marks the third cycle. Our bank is thefirst advocates of "ATOMI", a project that aims to identify students with high intelligence, creating opportunities to develop for specific curricula for them, and opportunities to develop their talents. Also during April, the support for traditional activities supported by Raiffeisen Bank has continued, like Chopin Piano Fest and PriFest. PriFest and Chopin Piano Fest promote the culture of classical music and film. Chopin Piano Fest marked its fifth edition and PriFest the sixth edition. These two projects provided a very rich artistic program as part of the sponsorship portfolio.

On May 24, 2014, Raiffeisen bank joined the initiative "Let's clean up Kosovo". Volunteers from the bank cleared a space in Pristina to show our commitment to the environment. In July, employees of Raiffeisen Bank in Kosovo in cooperation with the Center for Blood Transfusion organized blood donation action in two Raiffeisen Bank branch in Pristina. Action for blood donation is one of voluntary initiatives organized by Raiffeisen Bank employees every year.

IPKO Foundation

Social Responsibility is one of the concepts of the management of our company, which means maintaining the balance between economic and social goals. We have an objective of setting a higher standard of living for the people in and outside of the company in addition to maintaining the profitability of the company. By treating all social actors, with social responsibility and ethical consideration, it will help the company to be responsive to customers from whom the revenues come in. We attempt to do something that not only has impact on the youth education development but also our goal is to do something for Kosovar society in general. The overarching goal of IPKO Foundation is to support the development of the next generation of leaders with a digital vision for Kosovo. Moreover, it aims to promote and support Kosovar initiatives to incorporate the use of technology and portray a digital vision for Kosovo. Thus, the backing of various social activities has been done through IF’s financial support of various projects and their implementation, with the sole purpose of promoting and increasing social welfare.
Next Generation of Scholarships is one of the main projects of IPKO Foundation, the goal of which is to help young people with creativity, drive, and ground-breaking ideas by supporting their education through scholarships. During the five preceding years (2009-2014), 121 scholarships were given to students with merit from accredited universities, in a total amount of 278,436.00 Euro. Moreover, for the academic year 2014-2015, 21 students have received scholarships and have entered our list of scholars, while the total amount granted reached 21,000 Euro.

Next Generation of Scholarship is not only about financing the studies for these students. This is a program that has built a community of youngsters with leadership skills and ones who aim to bring sustainable development and welfare in Kosovo. IPKO Foundation offers many more opportunities to its scholars’ community by engaging them in different activities and projects implemented by us and our partners; thus, enabling these youngsters to extend their network and move forward. As a result of a survey conducted with 75 of our scholars, 60% are currently employed, 18% are unemployed, 10% are interns, while 12% are currently pursuing higher degree.

### WHAT IS CORPORATE SOCIAL RESPONSIBILITY – CSR?

- CSR is a process with the aim to embrace responsibility for the company’s actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere.

### ABOUT KOSOVO CSR NETWORK

The Kosovo Corporate Social Responsibility (CSR) Network is a non-governmental organization, the first network of this kind in Kosovo. It seeks to fully comply with the Ten Global Compact Principles which is a principle-based framework for businesses, which include human rights, elimination of child labor, promotion of environmentally friendly practices, elimination of discrimination in respect of employment and occupation, and promotion of anti-corruption values. It is a member of the CSR Europe, which is the leading European business network for corporate social responsibility with around 70 multinational corporations and 37 national partner organizations as members.

### WHY BECOME A MEMBER?

- Build customer loyalty based on distinctive ethical values;
- Benefit from building a reputation for integrity and best practice;
- Form great networking opportunities with Kosovar and European high level representative;
- Create business to business opportunities;
- Increase your company’s reputation and credibility at national and European level.

FOR MORE INFORMATION PLEASE VISIT: [WWW.CSRKOSOVO.ORG](http://WWW.CSRKOSOVO.ORG) or contact us at: info@csrkosovo.org

Tringë Smajli, No.21
Second Floor

Prishtina, Republic of Kosovo 10000
Office: +381 (0) 38 712 715
Our Main Premium Members: