

Action plan

for Corporate Social Responsibility Development
in South Bohemia Region, Czech Republic

for the period 1.1.2019 – 31.12.2020



JAIP - Jihočeská agentura pro podporu inovací, o.p.s.
(South Bohemian Agency for Support to Innovation)

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Executive summary

This Action Plan has been developed in the frame of the project „A Roadmap for Integrating Corporate Social Responsibility into EU Member States and Business Practises“ (www.interregeurope.eu/road-csr). Project is running in two phases from 01/01/2017 until 31/12/2020 and is focused on helping EU member states to apply Corporate Social Responsibility (CSR) as a holistic management approach to Small and Medium Enterprises (SMEs) in order to increase their competitiveness and sustainability.

Competitiveness of SMEs is high in the agenda of the European Commission (EC). There is a widespread expectation that businesses should be more accountable to the society. The EC issued the Directive 2014/95/EU, where companies concerned are required to disclose in their management report, information on policies, risks and outcomes regarding environmental, social and employee aspects, respect for human rights, anticorruption and bribery issues, and diversity in their board of directors. In other words, to integrate in their business models Corporate Social Responsibility (CSR) principles.

Although, the new directive applies only to a limited number of large EU companies it leaves out the Small and Medium sized enterprises (SMEs) that are the predominant form of enterprise in EU and a key to achieving the goals of growth and jobs strategy. Studies have shown that CSR is viewed as a vital concept that businesses of all types and size need to understand and address. Also, there is a positive relationship between SMEs and CSR and their competitiveness. Our common challenge is to help member states to apply the new directive and new measures in their Operational Programmes in order SMEs to increase their competitiveness and sustainability.

Part I – General information

Project title: **A Roadmap for Integrating Corporate Social Responsibility into EU Member States and Business Practises (Road-CSR)**

(Project Acronym: “Road-CSR”, index Number: PGI02364)

Partner organisation: **JAIP - Jihočeská agentura pro podporu inovací, o.p.s. (South Bohemian Agency for Support to Innovation; JAIP)**

Country: **Czech Republic**

NUTS2 region: **NUTS 2 Southwest**

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Project background

The project idea is to apply the new directive and CSR principles to SMEs as well, in order to increase their competitiveness and sustainability. Project partners come from different countries (Cyprus, Greece, Spain, Norway, Slovenia, Czech Republic and Italy) with different level of integration of CSR into their national and regional legal frameworks. They are going to exchange know-how, experiences, best practices and knowledge of using CSR principles within the SME's competitiveness and sustainability.

The overall objective of the project is to help EU member states to apply CSR as a holistic management approach to SMEs having in mind Directive 2014/95/EU and to help member states to incorporate in their programmes CSR measures for SMEs. The policy instruments of the participating regions will be improved by incorporating the CSR principles and create measures/programmes that will make SME's more competitive, sustainable, innovative and help them to manage change towards a sustainable global economy by combining long term profitability with social justice and environmental protection.

Project also aims at improvement of the implementation of regional development policies and

programmes, in particular measures for Investment for Growth and Jobs programme and, where relevant, ETC programmes, supporting SME's in all stages of their life cycle to develop and achieve growth and engagement in innovation.

Overall project objective:

- Increased SMEs competitiveness and sustainability through applying Corporate Social Responsibility principles as holistic management approach.

Project has defined a set of following specific objectives:

- Raising CSR awareness and capacity building among policy makers, stakeholders, SME's and general public
- Exchange of experiences and share knowledge among partners, project stakeholders and policy makers on good practices related to CSR principles and initiatives
- Contribute to bridge the existing gap in the level of development of CSR policies for SMEs from more experienced countries (sources of knowledge) to those less advanced (recipients of knowledge)
- Increase the number of enterprises that adopt CSR principles and receiving support through the improved policies
- Improve the policies of the participating regions by integrating CSR principles in their policy instruments (programmes) and legislation
- Provide policy recommendations for the implementation of the Directive 2014/95/EU in order to integrate CSR principles into SMEs core business
- Provide policy recommendations for the implementation and creation of measures/programmes that will help SME's to incorporate CSR in their daily business.

Project "Road-CSR" brings together 7 partners from 7 European countries, involving the managing authorities and regional bodies influencing regional and national policy instruments, to help EU member states to apply CSR principles into the core business of SMEs helping them with this way to become more competitive, sustainable, innovative and accomplish long term profitability with social justice and environmental protection.

Lead partner:

- Larnaca and Famagusta Districts Development Agency (Cyprus)

Project partners:

- Region of Crete (Greece)
- General Directorate of Labour, Regional Ministry of Education and Employment of the Government of Extremadura (Spain)
- NTNU Norwegian University of Science and Technology (Norway)

- E-institute (Slovenia)
- South Bohemian Agency for Support to Innovative Enterprising (Czech Republic)
- Association of Chambers of Commerce of Veneto Region (Italy)

Produced by each partner region, action plans are the documents providing details on how the lessons learnt from the cooperation will be exploited in order to improve the policy instrument tackled within that region. It specifies the nature of the actions to be implemented, their timeframe, the players involved, the costs and funding sources (if possible).

The documents are understood as a strategic project tool, which contributes to achieving the project's objectives and to inform the stakeholders and general public in all the partner regions about their successes and achievements.

This Action Plan is focused on improving policy instruments in the Czech Republic specifies the nature of the regional actions to be implemented in South Bohemia region, but to be transferable to other Bohemian regions or regions beyond the borders of the Czech Republic. In this context this Action Plan was developed in cooperation with the Ministry of Industry and Trade (responsible for National action plan for corporate social responsibility in the Czech Republic; NAP CR) and Ministry of Labour and Social Affairs (responsible for relevant policy instrument - Operational Programme Employment 2014-2020).

Action Plans follows the strategic objectives set in other strategic document developed within the Road-CSR project: Communication strategy. Communication strategy was designed to help the project communicate effectively to achieve its core objectives. It provides a useful roadmap for identifying who needs to be reached, and what they need to hear, so as to ensure the project is a success. Individual parts of this document describe groups of audience, set the concrete messages and define tools and methodology to inform about possibility of increasing SMEs competitiveness through the integration of CSR principles and to provide examples on CSR integration to regional / national programmes. This Action Plan follows project communication objectives:

- Specific communication objective 1 - Raising CSR awareness: To raise awareness of Corporate Social Responsibility principles among policy makers, stakeholders, SMEs and general public.
- Specific communication objective 2 - Changing behaviour or mind-set: Power of information will assist policy makers in understanding the importance of applying Corporate Social Responsibility principles at SMEs. The aim is to increase the involvement of the general public in a broader policy dialogue process, aiming to create favourable conditions for policy change.

- Specific communication objective 3 - Disseminating knowledge: Disseminating knowledge of the importance of Corporate Social Responsibility on the SMEs level in cooperation with decision makers and regional stakeholders (politicians, public administration staff, trade unions, academics institutions, entrepreneurs, etc.) to endorse and to effectively implement policies facilitating the integration of CSR principles into SMEs' strategies.

Road-CSR Action Plan provides other useful roadmap for assisting regional stakeholders in understanding the importance of implementing CSR at the SME level and will systematically inform about the project proceedings and achievements, with a view to develop a conducive environment for policy change, ultimately aiming at convincing regional policy makers dealing with SMEs' competitiveness to endorse and effectively implement policies facilitating the integration of CSR principles into SMEs.

Action Plan will be used as a plan for assisting regional stakeholders (RS) in understanding the importance of implementing CSR at the SME level and will systematically inform about the project proceedings and achievements, with a view to develop a conducive environment for policy change, ultimately aiming at convincing regional policy makers dealing with SMEs' competitiveness to endorse and effectively implement policies facilitating the integration of CSR principles into SMEs.

Part II – Policy context

The Action Plan aims to impact: Investment for Growth and Jobs programme
 European Territorial Cooperation programme
 Other regional development policy instrument

Name of the policy instrument addressed: Operational Programme Employment 2014-2020 (OPE)

- CSR in the Czech Republic is solved in cooperation of Ministry of Industry and Trade and Ministry of Labour and Social Affairs (OPE).
- National action plan for corporate social responsibility in the Czech Republic (NAP CR) was developed by the Ministry of Industry and Trade (MIT), in cooperation with stakeholders and public, last for period 2019 – 2023.
- National CSR Conference is regularly organized by MIT.
- Specific programme (priority axis, specific objective) for CSR does not exist in the Czech Republic.

Political and legislative background

The European Commission has actively supported the development of CSR. Communications started on 2002 and until 2006 the EU adopted a shared understanding on CSR. In 2011, the last Compendium on Public CSR policies in the EU was published to showcase CSR activities across EU Member States highlighting how national governments could support the development and implementation of CSR in their policies. Then, the Commission launched a new Communication, the "Renewed EU Strategy 2011– 2014" that stressed CSR as "the responsibility of enterprises for their impacts on society". The last update was Directive 2014/95/EU where companies concerned to disclose in their management report information on policies, risks and outcomes as regards environmental, social and employee aspects, respect for human rights, anti-corruption and bribery issues and diversity in their board of directors. The Directive entered into force on 6/12/2014 and the EU Member States have 2 years to transpose it into their national legislation (until 2017). However, the new directive applies only to a limited number of large EU companies and leaves out the SMEs.

The Czech Republic does not provide the specific policy instrument to support corporate social responsibility for now and it is obviously caused by the fragmentation of CSR agenda in branch of two ministries: Ministry of Industry and Trade and Ministry of Labour and Social Affairs. In April 2014 the Czech Republic Government approved in Resolution No. 199 the strategic document "National Action Plan for Corporate Social Responsibility in the Czech Republic" (NAP CR). This document was

developed by the Ministry of Industry and Trade (MIT) in close cooperation with Ministry of Labour and Social Affairs, stakeholders and public. NAP CR is in connection with Operational Programme Employment, through the close cooperation of both Ministries and other stakeholders. MIT organized large updating process of NAP CR in 2018, this time with public involvement and the result is the new version of NAP CR for the period 2019 – 2023. At that time, thanks to the considerable organizational difficulty and publicity of the public commenting process, MIT became a guarantor of CSR topic in the Czech Republic. JAIP took an active role as a stakeholder in updating process through providing international best practices and “Road-CSR” project was given as a best practice in this strategic document. Updating process was an important step to the development of the concept of corporate social responsibility in the Czech Republic and its positive impact on society, economic development and competitiveness of the Czech Republic. The NAP places strong emphasis on the promotion and education and awareness raising around the concept of CSR, as well as capacity building and the promotion of international standards. Strong legislative principles already exist in relation to the protection of labour and human rights, but beyond this, the emphasis is on self-regulation. But socially responsible and sustainable business is gradually becoming standard part of company activities in Czech Republic / South Bohemia region. Still, no budgetary frame for CSR policy has been agreed in the Czech Republic yet. CSR topic is marginally outlined in the Operational Programme Employment, which belongs to Ministry of Labour and Social Affairs.

Operational Programme Employment (OPE) operated by the Ministry of Labour and Social Affairs is aimed to improve the human capital of the population and public administration in the Czech Republic, i.e. the basic elements of competitiveness by promoting:

- equal opportunities for women and men,
- the adaptability of employees and employers,
- further education,
- social inclusion and combating poverty,
- health services,
- modernization of public administration and services,
- **international cooperation,**
- **social innovation in the field of employment,**
- social inclusion,
- effective public administration.

Priority Axis 2 refers to Social Inclusion and Combating Poverty in frame of these specific objectives:

- 2.1.1: Enhancing the employability of people at risk of social exclusion or socially excluded in the society and on the labour market
- 2.1.2: Social economy development

Priority Axis 3 refers to Social Innovation and Transnational Cooperation in frame of specific objective 3.1.1: Increase quality and quantity of use of social innovations and international cooperation in the thematic areas of the OPE.

National Action Plan for Corporate Social Responsibility in the Czech Republic (2019-2023) - This document was submitted on the basis of the Government Resolution No. 49 from 25 January 2016. The government approved the proposal with a change on 12 December 2018. The vision of the document is to contribute to the development of the concept of corporate social responsibility in the Czech Republic and its positive impacts on the Czech Republic's competitiveness. The document is not aimed to strengthen regulations but to be a motivation for business entities and the public administration to introduce specific CSR projects and create a favourable environment for the implementation of these projects on voluntary base.

Document structure:

- Introduction
- The concept of CSR
- Sustainable Development
- CSR actors
- International cooperation
- Education
- Public Procurement
- Businesses, Good practices
- Consumer protection
- Evaluation and awarding.

Action plan for Corporate Social Responsibility Development in South Bohemia Region, Czech Republic contributes to all parts of National Action Plan through the activities relevant for suggested actions.

Cooperation between these two ministries on CSR development in the Czech Republic through the relevant policy instruments (OPE, NAP) is set. (e.g. participation of Ministry of Labour and Social Affairs on National CSR conference organized by the Ministry of Industry and Trade, participation on NAP development, participation of MIT on realization of EU project focused on responsible procurement in the Czech Republic).

Part III – Details of the actions envisaged

III.1 ACTION 1: Regional Authority Award for CSR

1. The background



The Quality Council of the Czech Republic is supporting the regional CSR awarding in the Czech Republic since 2009 when the first of Czech regions announced Regional Authority Award. The effort was to inform organizations and the general public about the issue of CSR as such, and to support the efforts of small and medium-sized enterprises and public administration organizations, which actively and beyond their statutory duties deal with social responsibility.

The prize is intended for both business and public sector organizations, including educational institutions and municipalities. The regional governor and South Bohemia regional authority, implements the Regional Authority Award, in cooperation with Quality Council of the Czech Republic. Cooperation with other regional organizations (e.g. Chambers of Commerce and others) is also envisaged.

The award is announced by the Regional Authority, the applicants fill out a simple self-assessment questionnaire. Evaluations are conducted by trained evaluators. The final ranking is determined by the Evaluation Commission, which includes representatives of the Czech Republic's Quality Council in addition to representatives of the region.

At present, the Regional Authority Award is announced by 5 regions (out of a total of 14 regions), South Bohemia Region will be additionally involved in the awarding, the initiative came out of the activities of Road-CSR project and is presented as the key activity of this Action Plan.

Regional Authority Award for CSR will be organized with aim:

- to inform organizations and the general public about CSR
- to support the efforts of organizations beyond the scope of their statutory duties

Categories: businesses, NGOs, municipalities

Expected effects:

- disseminating knowledge on CSR principles

- initiating the interest of companies
- increasing motivation to apply CSR principles (more publicity for responsible organizations)
- supporting cooperation of SMEs, NGOs, municipalities and local authorities in field of CSR
- presenting best practices (both, regional and international best practices)
- increasing SMEs competitiveness and sustainability through applying CSR principles

2. Interregional context

The inspiration for suggested action came from the interregional cooperation set in the frame of “Road-CSR” project. Due to the international partners cooperation and sharing information we learned about the awarding and certifying activities in other countries. These activities are organized with aim to disseminate the knowledge on sustainable and responsible principles and to support the implementation of sustainable principles into the business decisions and strategies. Thanks to the project advisory partner (Norwegian University of Science and Technology; NTNU) we have the direct information from the research on sustainable development of society includes environmental, economic and social aspects in the broadest sense.

Relevant best practices in project partners’ countries:

- Partner 4 Norway - Norwegian University for Science and Technology (advisory partner): “NTNU Sustainability” is one of four strategic research areas at NTNU for the period 2014-2023. They provide the key aspects of sustainability in businesses and information about various way of certification and labelling.
- Partner 5 Slovenia - Slovenian Award for Social Responsibility HORUS: The mission of the HORUS Award is to encourage ethics of interdependence, holistic behaviour, active innovation and business responsibility in Slovenian organisations.
 - Certificate family-friendly company: consulting process developed as one of the tools for effective and quality human resources management within enterprises and organizations in the context of balancing professional and private lives of employees. The certificate was introduced in an environment in which Slovenian managers did not regard balancing of work and life as an issue for the workplace. There are more than 200 companies-holders of Certificate family-friendly certificate with jointly more than 70.000 employees.
- Partner 7 Italy - legal status of Benefit Corporation (BCorp): It requires the company to use the power of business creating a positive impact within the local community and the surrounding environment. The certification provides that the company set some goals and actions toward environmental sustainability and social sustainability (ethics and accountability towards the employees and the community), promptly verified by a third

body (B Lab). The B Corp is not merely a certification but it's a way of working and thinking which pushes the company in setting ambitious objectives in social and environmental fields.

We discuss the awarding possibilities on national level (with Ministry of Industry and Trade), in this context JAIP (Partner 6) became a member of National CSR Platform. In August 2018 JAIP attended the joint meeting organized by the Ministry to discuss specific conditions for CSR awarding, on this occasion, "Road-CSR" project outputs were presented to inspire other stakeholders. In accordance with national decisions we decided to support the national activities in CSR awarding in South Bohemia region, in cooperation with regional government, Ministry of Industry and Trade and other regions in the Czech Republic. This kind of supporting CSR principles was evaluated as the most effective.

Outcomes and experiences gained from the implementation of Action 1 will be presented at the international project meeting and will be used as a best practice for the regions involved in the project which find the awarding of CSR as a useful instrument for disseminating knowledge on CSR.

3. The link with the Policy Instrument

The Ministry of Industry and Trade of the Czech Republic agrees that Action 1 is consistent with National Action Plan for Corporate Social Responsibility in the Czech Republic and its actions. The Ministry of Industry and Trade of the Czech Republic promise to support and promote the implementation of this action (see Statement of Support in the end of this document).

Operational Programme Employment (OPE) operated by the Ministry of Labour and Social Affairs is aimed to improve the human capital of the population and public administration in the Czech Republic.

Improving the Policy Instrument through this Action Plan - suggested Action 1:

Priority Axis 3 Social Innovation and Transnational Cooperation - relevant activities:

- Supporting the capacities for the development and dissemination of innovations.
- Encouraging social experimenting, the gathering of good practice and functioning principles and their dissemination.
- Development of new instruments for verification, validation for public administration (PA) - Introduction of methods of quality beyond usual quality standards.

4. Activities

- 1. Regional Authority Award announcement and relevant information service (website updates, articles in regional media, regional TV, social media presentation)
- 2. Administration process of receiving self-assessing application forms
- 3. Process of evaluation (in cooperation of Ministry of Industry and Trade – The Quality Council)
- 4. Award ceremony
 - 4a. catering services
 - 4b. material prices
 - 4c. other event organization activities
- 5. Publicity of the results of Regional Authority Award (website, articles in regional media, regional TV, social media presentation)
- 6. Information and motivation service for Czech Republic National CSR Award (in cooperation of Ministry of Industry and Trade – The Quality Council) or other national sustainability awards (TOP responsible company, SDGs Award, etc. – in cooperation with national CSR platforms)

5. Players involved

- JAIP - Jihočeská agentura pro podporu inovací o.p.s. (South Bohemian Agency for Support to Innovation; JAIP)
 - coordinate Regional Authority Award activities
- South Bohemia Region Authority
 - provides a patronage of the Award
 - ensures PR of the Award
 - governor of South Bohemia Region grants the prizes
- Ministry of Industry and Trade – The Quality Council
 - provides methodology for Regional Authority Award common for all the regional authorities in the Czech Republic,
 - cooperation in process of evaluation – provide methodology and professional trained evaluators
 - consulting support
- South Bohemian Chamber of Commerce
 - provide information about Regional Authority Award to business organizations
- Regional Development Agency of South Bohemia
 - provide information about Regional Authority Award to municipalities and NGOs

6. Timeframe

1. Regional Authority Award announcement + information service	01/2019 - 05/2019 01/2020 - 05/2020
2. Administration process of receiving applications	01/2019 - 03/2019 01/2020 - 03/2020
3. Process of evaluation	04/2019 - 05/2019 04/2020 - 05/2020
4. Award ceremony	-
- 4a. catering services	05/2019 05/2020
- 4b. material prices	05/2019 05/2020
- 4c. other event organization activities	05/2019 05/2020
5. Publicity of the results of Regional Authority Award	05/2019 05/2020
6. Information and motivation service for National CSR Award	01/2019 - 12/2019 01/2020 - 12/2020

7. Costs and funding sources

As described in the Part I of this Action plan, there is no special Operational Programme for CSR. Therefore the actions has to be financed mainly from internal sources of involved players. Most sources will come from the South Bohemia Region Authority and Ministry of Industry and Trade. The estimation amount for 2 years of implementation of activities is EUR 16 000,-- .

8. Measurable results

- Number of business organizations submitted the application for (self- assessing questionnaire)
- Number of non-profit organization submitted the application for (self- assessing questionnaire)
- Number of municipalities submitted the application for (self- assessing questionnaire)
- Number of awarded organization
- Number of relevant releases in national media

9. Supporting SME Competitiveness

The study on the impacts of CSR on SME competitiveness was prepared in frame of the research at NTNU (Norwegian University of Science and Technology), “Road-CSR” project advisory partner. This

document is published on project website and is available to all stakeholders and other participants of Action 1.

Action 1 is focused on awarding CSR in 3 main categories: businesses, NGOs, municipalities. To receive comparable results we provide a set of sub-categories:

- business organizations up to 50 employees
- business organizations up to 250 employees
- business organizations with more than 250 employees
- non-profit and public benefit organizations up to 50 employees
- non-profit and public benefit organizations with more than 50 employees
- municipalities with extended powers
- other municipalities

First and second category is intended for SMEs to present best practices and appreciate their efforts.

III.2 ACTION 2: Cooperation on Corporate Social Responsibility

1. The background

There are several reasons to cooperate on corporate social responsibility (CSR) with other institution:

- to raise awareness of CSR topic - among people dealing with SMEs' competitiveness (target groups, national / regional stakeholders)
- to change behaviour or mind-set - understanding the importance of applying CSR at SMEs, increase the involvement of the general public in a broader policy dialogue process, aiming to create favourable conditions for policy change
- to disseminate the knowledge on CSR principles - knowledge of the importance of CSR on the SMEs level in cooperation with decision makers and regional stakeholders (politicians, public administration staff, trade unions, academics institutions, entrepreneurs, etc.) to endorse and to effectively implement policies facilitating the integration of CSR principles into SMEs' strategies

2. Interregional context

In the 1st phase of "Road-CSR" project we realized that the knowledge on corporate social responsibility principles is still at very low level in most of the partner regions (except of Norway – advisory partner). While organizing various activities to raise CSR awareness we realized that the cross-sector cooperation is very effective way to disseminate the knowledge. Across the sectors we can use the same concept and same rhetoric to communicate the topic across the sectors, we can find a way to support each other's particular activities with financial and human resources and promotion activities.

In the same time the interregional / international cooperation is very important in this process. In the frame of the project we have a special opportunity to discuss our experiences, share best practices and adopt already proven methods in our country.

Best practices in project partners' countries:

(there is a number of best practices in cross-sectoral cooperation in partners' regions, we present the most inspirational examples in this document)

- Partner 3 Extremadura, Spain – after the set of negotiations the regional action plan for corporate social responsibility in Extremadura was supported by regional government with

donation of 50.000 Euro to help the process of to implementing CSR principles into the business strategies of SMEs.

- Partner 5 Slovenia – CSR Network: It is a meeting point of companies and other organisations whose common purpose is to promote social responsibility, both within their companies and organisations and in a wider social environment. The network has currently 25 members. Key activities of the Network are to exchange knowledge, innovation and good practice in corporate social responsibility, and awareness of the benefits of this mode of operation brings, on the level of the individual, company / organization and a whole society.
- Partner 4 Norway – Norwegian University for Science and Technology (advisory partner): “TEFT lab” – a new lab was opened on 29 May to gather and integrate economics and technology. The lab will build expertise and research in areas such as artificial intelligence, Big Data, machine learning and sustainable business models. TEFT lab stands for research on service innovation (T), entrepreneurship (E), finance (F) and technology (T). The lab is funded by the local savings bank, who wish to support and collaborate on research connecting finance to sustainable and entrepreneurial opportunities of the future. The lab will host 6 PhDs by the end of 2018, who will work directly with local companies to develop local corporate sustainability capacity and awareness.
- Partner 7 Italy – Festival on Sustainable Development take place every year in all Italian territory. It is organized by ASviS (Italian Alliance for Sustainable Development). The Festival is the main Italian contribution to the European Week of Sustainable Development (ESDW) and collects different events (such as conferences, seminars, workshops, exhibitions, shows, book presentations, demonstrations of territorial development) to draw attention to both the 17 Sustainable development objectives, both on the transversal dimensions that characterize the 2030 Agenda, from education to finance, from tools for designing and evaluating policies to changes in institutional structures to promote the path towards sustainability. The Festival will also propose meetings with prominent personalities and experts in informal ways, to encourage moments of exchange and debate.
- Partner 1 Cyprus (Lead partner) - Founded in 2016, CSR Cyprus is an independent, non-profit business-led membership organisation aiming to promote the concepts of corporate social responsibility and sustainability to Cypriot businesses and organisations. Today, CSR Cyprus has 28 full members in a variety of sectors – basic industries, utilities and oil, automotive, transport and logistics, consulting, retail, financial and insurance, telecommunication services, consumer goods and services, food and beverages, professional services, pharmaceuticals, shipping and education and research. CSR Cyprus provide number of training sessions on Corporate Social Responsibility which are aimed at helping every business, regardless of size and field of activity, to better understand the notion of responsible entrepreneurship and how it can be implemented.

Outcomes and experiences gained from the implementation of Action 2 will be presented at the international project meeting and will be used as a best practise for the regions involved in the project which want to improve their the cross-sectoral and interregional cooperation on CSR as a useful instrument for disseminating knowledge on CSR.

3. The link with the Policy Instrument

The Ministry of Industry and Trade of the Czech Republic and the Ministry of Labour and Social Affairs will participate on the implementation of Action 2 through particular activities to be organized on national level (listed in the part 4 Actions):

Ministry of Industry and Trade agrees that Action 2 is consistent with National Action Plan for Corporate Social Responsibility in the Czech Republic and its actions. The Ministry of Industry and Trade promise to support and promote the implementation of this action (see Statement of Support in the end of this document).

Operational Programme Employment (OPE) operated by the Ministry of Labour and Social Affairs is aimed to improve the human capital of the population and public administration in the Czech Republic.

Improving the Policy Instrument through this Action Plan - suggested Action 2:

Priority Axis 2 Social Inclusion and Combating Poverty

- Learning of social and occupational skills, programmes to learn values related to freedom and individual responsibility, etc.
- Support of volunteerism at activities leading to active integration.

Priority Axis 3 Social Innovation and Transnational Cooperation - relevant activities:

- Supporting the capacities for the development and dissemination of innovations.
- Creating and developing capacities for innovation-related offer and demand.
- Encouraging social experimenting, the gathering of good practice and functioning principles and their dissemination.
- Exchange of experience and good practice between EU member states.
- Encouraging the formation of thematic networks and inter-project cooperation.
- Development of new instruments for verification, validation for public administration (PA) - Introduction of methods of quality beyond usual quality standards.

4. Activities

Set of actions was defined with aim to cover the meaningful possibilities of cooperation on introducing and implementing CSR principles at all territorial and institutional levels.

- 1. Cooperation on **national level** - with Ministry of Industry and Trade and Ministry of Labour and Social Affairs
 - 1a. cooperation on implementation of National Action Plan (2019 – 2023)
 - ✓ cooperation in collecting initiatives and incentives
 - ✓ Road-CSR given as best practice
 - ✓ JAIP as an active member of Czech Republic CSR Platform
 - ✓ other initiative of Road-CSR (JAIP) are continuously negotiated
 - 1b. cooperation on implementation Operational Programme Employment by participating in running project financed in the frame of project (if possible), sharing outcomes received from running projects and participating in developing project ideas before submitting project application
 - 1c. cooperation with The Quality Council on Regional Authority Award
 - 1d. cooperation on National CSR conference – presentation of international CSR best practices gained from “Road-CSR” project and how do they influence SMEs competitiveness
 - 1e. cooperation on CSR Newsletter – presentation of international CSR best practices gained from “Road-CSR” project and how do they influence SMEs competitiveness
 - 1f. cooperation on www.narodniportal.cz – provide links to foreign or international CSR portals and initiatives
- 2. Participation on other **national CSR initiatives** (platforms, NGOs, ...)
- 3. Cooperation with **universities in South Bohemia** to raise the awareness of CSR
 - 3a. cooperation with University of South Bohemia – Faculty of Economics
 - ✓ lectures, trainings – basic CSR information, best practice introduction (Czech Republic, “Road-CSR” partner countries)
 - ✓ providing lecturers from CSR practice
 - 3b. cooperation with the Institute of Technology and Business in České Budějovice (VŠTE)
 - ✓ sharing and using outcomes of CSR projects
- 4. Cooperation with **other stakeholders** (businesses, local authorities, other institutions with potential in CSR)
- 5. Organization of thematic seminars and other relevant events

- to disseminate the knowledge on CSR
 - to bring people together to discuss CSR
 - to present CSR BP (regional)
 - to present international CSR practices and principles
 - to support and award the efforts of organizations
- 6. Coordination of CSR activities in South Bohemia region - in cooperation with Regional Authority, South Bohemian Chamber of Commerce, Regional Development Agency of South Bohemia
 - 7. International cooperation (project partners, others)

5. Players involved

- JAIP - Jihočeská agentura pro podporu inovací o.p.s. (South Bohemian Agency for Support to Innovation; JAIP)
 - coordinate CSR activities in South Bohemia Region
 - initiate cooperation on national level
- South Bohemia Region Authority
 - cooperation on disseminating knowledge on CSR
 - cooperation on supporting and awarding the efforts of regional organizations
- Ministry of Industry and Trade
 - coordinate National Action Plan development and updates
 - provide methodology for CSR awarding
 - organize National CSR conference
 - publish "Newsletter CSR"
- Ministry of Labour and Social Affairs
 - managing authority of Operational Programme Employment
- Association of social responsibility + Business for Society platform, event. other CSR platforms
 - organize CSR conferences, workshops and other events
 - publish CSR printed media
- University of South Bohemia
 - cooperation on disseminating knowledge on CSR
 - mediating cooperation between students and business experts
- Institute of Technology and Business in České Budějovice (VŠTE)
 - cooperation on sharing outcomes of CSR projects
 - South Bohemian Chamber of Commerce
 - communicate and cooperate with regional businesses

- Regional businesses
 - receivers of CSR information
 - cooperation in applying CSR principles
- “Road-CSR” project partners
 - cooperation on sharing experiences and good practices in CSR
- South Bohemian Chamber of Commerce
 - provide information about Regional Authority Award to business organizations
- Regional Development Agency of South Bohemia
 - provide information about Regional Authority Award to municipalities and NGOs

6. Timeframe

1. Cooperation with Ministry of Industry and Trade	↓
1a. Cooperation on implementation of <u>National Action Plan (2019 – 2023)</u>	01/2019 - 12/2020
- cooperation in collecting initiatives and incentives	01/2019 - 12/2020
- Road-CSR given as best practice	01/2019 - 12/2020
- JAIP as an active member of Czech Republic CSR Platform	01/2019 - 12/2020
- other initiative of Road-CSR (JAIP) are continuously negotiated	01/2019 - 12/2020
1b. Cooperation with The Quality Council on Regional Authority Award	01/2019 - 12/2020
1c. Cooperation on <u>National CSR conference</u>	10/2019 - 11/2019
1d. Cooperation on CSR Newsletter	01/2019 - 12/2020
1e. Cooperation on www.narodniportal.cz	01/2019 - 12/2020
2. Participation on other national CSR initiatives (platforms, NGOs, ...)	01/2019 - 12/2020
3. Cooperation with universities in South Bohemia (to raise the awareness of CSR)	01/2019 - 12/2020
3a. Cooperation with University of South Bohemia – Faculty of Economics	01/2019 - 12/2020
- lectures, trainings – basic CSR information, BP introduction	01/2019 - 12/2020
- providing lecturers from CSR practice	01/2019 - 12/2020
3b. Cooperation with the Institute of Technology and Business in České Budějovice (VŠTE)	01/2019 - 12/2020

- sharing and using outcomes of CSR projects	01/2019 - 12/2020
4. Cooperation with other stakeholders (businesses, local authorities, other institutions)	01/2019 - 12/2020
5. Organization of thematic seminars and other relevant events (to disseminate knowledge on CSR, bring people together to discuss CSR, present regional and international CSR practices and principles, support and award the effort of organizations)	01/2019 - 12/2020
6. Coordination of CSR activities in South Bohemia region (in cooperation with Regional Authority, Chamber of Commerce)	01/2019 - 12/2020
7. International cooperation (project partners, others)	01/2019 - 12/2020

7. Costs and funding sources

As described in the Part I of this Action plan, there is no special Operational Programme for CSR. These Actions has to be financed mainly from internal sources of involved players. Most sources will come from the South Bohemia Agency for Support of Innovative Enterprising. The estimation amount for 2 years of implementation of activities is EUR 10 000,-- .

8. Measurable results

- Number of organizations with active participation in National CSR conference
- Number of JAIP active contribution on CSR events
- Number of JAIP participation on CSR events
- Number of events organized by JAIP
- Number of active contributors for events organized by JAIP
- Number of participants of events organized by JAIP
- Number of articles / spots published in media
- Number of articles published on project website
- Number of posts on the project Facebook page

9. Supporting SME Competitiveness

The study on the impacts of CSR on SME competitiveness was prepared in frame of the research at NTNU (Norwegian University of Science and Technology), "Road-CSR" project advisory partner. This document is published on project website and is available to all stakeholders and other participants of Action 2. All events and activities of action 2 are mainly focused on SMEs.

III.3 ACTION 3: Integration of socially responsible principles into Public Procurement

1. The background

Sustainable procurement is a spending and investment process typically associated with public policy, although it is equally applicable to the private sector. Organizations practicing sustainable procurement meet their needs for goods, services, utilities and works not on a private cost–benefit analysis, but with a view to maximizing net benefits for themselves and the wider world. In doing so they must incorporate extrinsic cost considerations into decisions alongside the conventional procurement criteria of price and quality, although in practice the sustainable impacts of a potential supplier's approach are often assessed as a form of quality consideration. These considerations are typically divided thus: environmental, economic and social.

Sustainable procurement involves a higher degree of collaboration and engagement between all parties in a supply chain. Many businesses have adopted a broad interpretation of sustainable procurement and have developed tools and techniques to support this engagement and collaboration.

Responsible procurement is very topical in the Czech Republic in these days and there is a great effort to bring responsible procurement into practice. Ministry of Labour and Social Affairs realize important EU project to incorporate public procurement principles into legislative framework. They cooperate with National CSR Platform (JAIP is an active member of this platform). In the 1st phase of the project JAIP initiated a cooperation with České Budějovice municipality (capital of South Bohemia Region) to incorporate responsible procurement principles into the public procurement directives and guidelines (as a pilot action which could be given as the best practice example after submitting and practicing responsible procurement principles). With well-considered public procurement, organizations can legally take into account their social, regional and environmental priorities. Companies that are ready to offer responsibly placed contracts will have a competitive advantage. Public sector purchases are thus becoming an important market segment for socially responsible companies.

2. Interregional context

In the 1st phase of “Road-CSR” project we were asked by project advisory partner (NTNU) for other requirements for further development of CSR in partner countries / regions. According to our experiences and opinion we find useful to inform about possibilities of responsible procurement in

all sectors – public sector, non-profit sector and in business. We have noticed very few examples of responsible procurement in the Czech Republic. Project advisory partner is far more experienced in this topic, they have passed through several research activities focused on responsible procurement and they operate with results of this activities structured into studies. We have prepared this action in close cooperation with project advisory partner – Norwegian University for Science and Technologies and we will continue in the set cooperation while implementing this action as well. We also discussed the topic of public procurement with project partner from Spain - Extremadura, they included the action concerning responsible public procurement into their Action Plan developed within the project (Action 1.1 Promote socially responsible public procurement).

Responsible procurement discussions were also introduced at the last stakeholder meeting organized within the project in November 2018 in Venice, Italy. Stakeholder from the Czech Republic is the representative (councilor) of České Budějovice municipality responsible for public procurement and he was very interested in experiences and best practices from other partner countries. In connection with the discussion České Budějovice municipality will cooperate with JAIP on development of responsible procurement principles for České Budějovice municipality management. And in the same time JAIP will help businesses (especially SMEs) to be prepared to participate in responsible tenders as contractors.

In the 1st phase of Road-CSR project we presented good example of responsible procurement of TS Tábor (South Bohemian company) in Best practice book, at international project team meeting, at the regional thematic seminar for MSP in South Bohemia and in course of university lectures held for disseminating knowledge on CSR among university students. We found presenting best practices as very effective way of raising awareness on responsible behaviour in business decisions and we will continue with this activity in the 2nd phase of the Road-CSR project as well.

Best practices in project partners' countries:

- Partner 4 Norway – Norwegian University for Science and Technology (advisory partner): Research activities and studies concerning responsible procurement.
- Partner 3 Extremadura, Spain – Action Plan: Action 1.1 Promote socially responsible public procurement

The “kick-off” process of responsible procurement in the Czech Republic will be structured into a brief practical roadmap how to implement responsible principles in building supplier chains. The roadmap will be presented at the international project meeting.

3. The link with the Policy Instrument

Ministry of Industry and Trade agrees that Action 3 is consistent with National Action Plan for Corporate Social Responsibility in the Czech Republic and its actions. The Ministry of Industry and Trade promise to support and promote the implementation of this action (see Statement of Support in the end of this document).

Operational Programme Employment (OPE) operated by the Ministry of Labour and Social Affairs is aimed to improve the human capital of the population and public administration in the Czech Rep.

Improving the Policy Instrument through this Action Plan - suggested Action 3:

Priority Axis 3 Social Innovation and Transnational Cooperation - relevant activities:

- Supporting the capacities for the development and dissemination of innovations.
- Creating and developing capacities for innovation-related offer and demand.
- Encouraging social experimenting, the gathering of good practice and functioning principles and their dissemination.
- Exchange of experience and good practice between EU member states.
- Encouraging the formation of thematic networks and inter-project cooperation.
- Development of new instruments for verification, validation for public administration (PA) - Introduction of methods of quality beyond usual quality standards (Increasing transparency of PA, Socially responsible procurement, Socially responsible employing).

Ministry of Labour and Social Affairs also tries to improve the current situation in procurement in the Czech Republic through activities under the project „Support for the Implementation and Development of Socially Responsible Public Procurement“ co-financed by Operational Programme Employment. They approved an internal Strategy for Responsible Public Procurement and they try to present it to other project partners. We will be consistent with the outcomes of this project and we will cooperate on disseminating manuals how to implement responsibility into supplying process of business companies, especially SMEs (taking into account the good experience of Norway).

4. Activities

Set of actions was defined with aim to cover the meaningful possibilities of cooperation on integrating social responsibility into public procurement at all territorial and institutional levels.

- 1. Ensuring continuity in collecting best practices, lessons learned
- 2. Disseminating knowledge on responsible public procurement, changing behaviour and attitude

- 3. Cooperation with stakeholders
 - 3a. cooperation on national level
 - ✓ cooperation with Ministry of Labour and Social Affairs
 - ✓ cooperation with Ministry of Industry and Trade
 - ✓ cooperation with other national initiatives dealing with responsible procurement
 - 3b. cooperation with regional stakeholders – municipalities (České Budějovice municipality as a pilot activity in responsible procurement), local businesses (collecting and presenting best practices, providing information about responsible procurement to have local businesses prepared to take part in responsible procurement in role of responsible contractors), public organizations and others
 - 3c. international cooperation (project partners, others) to learn and present international CSR practices and principles – especially Lead Partner (Cyprus), Partner 4 (Norway) and Partner 3 (Extremadura, Spain)

5. Players involved

- JAIP - Jihočeská agentura pro podporu inovací o.p.s. (South Bohemian Agency for Support to Innovation; JAIP)
 - coordinate responsible procurement activities in South Bohemia Region
 - initiate cooperation on national level
- Ministry of Labour and Social Affairs
 - solves responsible public procurement within the specific project in realization
- Ministry of Industry and Trade
 - coordinate responsible business behaviour at national level
- South Bohemian Chamber of Commerce
 - communicate and cooperate with regional businesses
- Regional Development Agency of South Bohemia
 - communicate and cooperate with municipalities and NGOs
- Regional businesses, municipalities, public organizations and others
 - receivers of information
 - cooperation in applying responsible principles
 - České Budějovice municipality – capital of South Bohemia region, will be the pilot municipality with aim to become an “opened office” with responsible behaviour (responsible public procurement included)
- “Road-CSR” project partners
 - cooperation on sharing experiences and good practices in responsible procurement

6. Timeframe

1. Collecting best practices, lessons learned	01/2019 - 12/2020
2. Disseminating knowledge on responsible public procurement, changing behaviour and attitude	01/2019 - 12/2020
3. Cooperation with stakeholders	01/2019 - 12/2020
<i>3a. Cooperation on national level</i>	01/2019 - 12/2020
- <i>Ministry of Labour and Social Affairs</i>	01/2019 - 12/2020
- <i>Ministry of Industry and Trade</i>	01/2019 - 12/2020
- <i>other national initiatives</i>	01/2019 - 12/2020
<i>3b. Cooperation with regional stakeholders</i>	01/2019 - 12/2020
<i>3c. International cooperation</i>	01/2019 - 12/2020

7. Costs and funding sources

As described in the Part I of this Action plan, there is no special Operational Programme for CSR. On the other hand the Ministry of Labour and Social Affairs has ongoing project on the main topic Responsible public procurement from Operational Programme Employment. Development of this topic in the region will be financed mainly from internal sources of involved players, mainly regional municipalities and public institutions. The estimation amount for 2 years of implementation of activities is EUR 10 000,-- .

8. Measurable results

- Brief Roadmap for responsible procurement
- Number of organizations involved in the process of introducing responsible procurement

9. Supporting SME Competitiveness

Responsible procurement is aimed at both, public and private sector. In the view of high number of SMEs in private sector, applying responsible principles to their procurement will bring a high benefit to the community and regional development.

Part IV - Monitoring an Impact of the Action Plan

This Action Plan will be monitored by the Action Plan coordinator – Jihočeská agentura pro podporu inovací, o.p.s. The coordinator will work on continual supporting of this Action Plan implementation within the second phase of Road-CSR project.

The coordinator will prepare a brief report of Action Plan implementation in the end of each project reporting period. This report will be submitted to the Road-CSR project lead partner. Results of Action Plan implementation will be also presented to other project partners and stakeholders as well as to the regional stakeholders. Before each project partner / stakeholder meeting the Action Plan coordinator will request the responsible actors of each action for the brief information about the current state of their activities. Before the last project meeting, at the end of the second phase of Road-CSR project, the implementing actors will be requested for complete report of the implementation. In the final report the implementing processes will be described and the results displayed. Reports should include analysis of the specific outcomes of each action and analysing the overall results of the action. The Road-CSR project lead partner will analyse the impact of the all regional action plans and present the results to the stakeholder group and project partners. Although the overall numbers will be considered, e.g.:

- number of actively participated implementing organisations and companies
- number of the stakeholders / stakeholder groups involved
- number of initiated projects / activities (regional / national / international)
- number of social or responsible innovations in the region.

The commitment of the implementing actors has been ensured (as far as possible) in the process of designing and developing the actions. All of the actions have been developed together with the implementing organisations. The actions are responding to actual needs and creating innovative possibilities and alternatives for business and public organizations in South Bohemia region.

Signature

This document has been developed in the frame of the project „A Roadmap for Integrating Corporate Social Responsibility into EU Member States and Business Practises“ (www.interregeurope.eu/road-csr). The Action Plan is considered as a partner contribution to the strategic project outcomes (documents) and is designed as a regional strategic document, specifically “Action Plan for Corporate Social Responsibility Development in South Bohemia Region, Czech Republic for the period 1.1.2019 – 31.12.2020”.

The document has been developed by the South Bohemian Agency for Support to Innovation (Jihočeská agentura pro podporu inovací o.p.s. – project partner no. 6), in kind cooperation with other supporting organizations (especially Ministry of Industry and Trade of the Czech Republic, Regional Development Agency of South Bohemia, South Bohemia Regional Authority, South Bohemian Chamber of Commerce and other organizations listed above).

Date: 14th June, 2019

Organization: JAIP, o.p.s.

Name and position: Michaela Navotná

Signature:



Stamp of the organisation:

JAIP - Jihočeská agentura
pro podporu inovací, o.p.s.
Na Žitné stoce 1819
370 05 Česká Budějovice
E-mail: info@jip.cz www.jip.cz
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Vážená paní
Ing. Michaela Novotná
ředitelka
Jihočeská agentura pro podporu inovačního podnikání o.p.s.
Na Zlaté stoce 1619
370 05 České Budějovice

V Praze dne 31. ledna 2019
Č. j.: MPO 9479/19/31100



Vážená paní ředitelko,

děkuji za možnost připomínkovat Akční plán společenské odpovědnosti Jihočeského kraje pro období 1. ledna 2019 až 30. června 2020.

Na základě jeho podrobné analýzy jsme došli k závěru, že Akční plán společenské odpovědnosti Jihočeského kraje je v souladu s celkovou koncepcí garanta společenské odpovědnosti na nadcházející období a aktuálním vývojem v této oblasti v České republice.

Plán přispívá k prohlubování zájmu o téma společenské odpovědnosti a ke zvyšování motivace subjektů k implementaci prvků společenské odpovědnosti do jejich strategického řízení a rozhodování. Zároveň vytváří i prostor pro vzájemnou diskusi a spolupráci mezi subjekty v daném regionu.

Věřím, že se tento dokument stane vzorem i pro další subjekty zabývající se oblastí společenské odpovědnosti v ostatních krajích České republiky.

S pozdravem

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**MINISTRY OF
INDUSTRY AND TRADE**

Ing. Pavel Vinkler, Ph.D.
Director of the Business Environment and Internal
Trade Department

Dear Mrs.
Ing. Michaela Novotná
Director
JAIP
Na Zlaté stoce 1619
370 05 České Budějovice

In Prague, 31st January 2019
File No. MPO 9479/19/31100

Dear Mr. Director,

thank you for the possibility to comment the Action Plan for the Social Responsibility of the South Bohemian Region for the period from the 1st January 2019 to 30th June 2020.

Based on the detailed analysis, we came to the conclusion that the Action Plan for the Social Responsibility of the South Bohemian Region is in accordance with the total concept of the guarantor of the social responsibility for the future period and current development in this area in the Czech Republic.

The plan contributes to deepening the interest for the topic of the social responsibility and to increasing the motivation of the subjects for implementing the elements of social responsibility into their strategic management and deciding. Simultaneously it creates also the scope for the mutual discussion and co-operation between the subjects in the respective region.

I believe that this document will become the model also for the other subjects dealing with the area of social responsibility in other regions of the Czech Republic.

Yours sincerely

Signature illegible

Na Františku 32, 110 15 Prague 1 –
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Tlumočnická doložka:

Jako soudní tlumočnice jazyka německého a anglického, jmenovaná rozhodnutím Krajského soudu v Českých Budějovicích, Česká republika dne 9. dubna 1992 pod číslem 348/92, potvrzují tímto, že český text souhlasí s překladem do angličtiny.
Překlad je zaznamenán pod číslem *2952* mého tlumočnického deníku.

Clause of interpretation:

As interpreter for the English and German languages, nominated by the decree of the Regional Court in České Budějovice, Southern Region of the Czech Republic, dated April 9th 1992 under the No. 348/92, this is to certify that the text of the Czech document attached hereto corresponds to the translation into the English language.
The act of interpretation is registered in my journal under the consecutive No. *2952*

In Č. Budějovice, date: *16 March 2015*

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