

AmCham MAGAZINE macedonia

SPRING 2018 / ISSUE 57 / PRICE 300 MKD
www.amcham.com.mk



SPOTLIGHT: CORPORATE SOCIAL RESPONSIBILITY – DOING WELL BY DOING GOOD

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AmChams in Europe
Visit to the US
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Albania Members

Perspective of the
Directorate for Personal
Data Protection on
GDPR Implementation



With roots to 1869, Wabtec Corporation is a leading global provider of value-added, technology-based products and services for the rail and transit industry.

Through its subsidiaries, the company manufactures a range of products for locomotives, freight cars and passenger transit vehicles and provides aftermarket services. The company employs 20.000 people in over 100 production and overhaul facilities located throughout the world.

In everything we do and at all times we implement our guiding principles: Safety, Customer Focus, Continuous Improvement, Teamwork and Leadership.

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Dear AmCham Macedonia members and friends -

I am delighted to introduce the spring 2018 edition of *AmCham Macedonia Magazine* dedicated to Corporate Social Responsibility (CSR).

Our members don't only do well, they also do good. I am excited to see an increased recognition of the role the private sector can play in society and that our companies are stepping up to fulfill that role. Whether they invest in education and employee development or they take action to protect the environment and minimize their footprint, AmCham member companies understand that creating a better life for all is everybody's business.

For this issue we reached out to our members to hear what being a socially responsible business means to them and the actions they are taking to implement that vision. We also reached out to representatives of the United Nations agencies in Macedonia to learn how to approach solving societal problems in a strategic, thoughtful, and effective manner. They have also agreed to address our members to help us identify the pressing needs in the country and where to focus our activities for maximum impact. Stay tuned for these announcements through our weekly e-newsletter.

Last but not least we bring you an account of our events in the first three months of this year: the series of events on the General Data Protection Regulation (GDPR), our first-ever Young Professionals Networking evening (which was an absolute hit and will become a tradition), and the Executive Director's trip to Washington, DC and Chicago for the annual meeting of AmChams in Europe.

Finally, I would like to thank all members who responded to our Opportunities and Challenges survey. The survey results were essential in informing the Board of Directors' discussion on the strategic direction of the Chamber in 2018. The outcome of the discussion and the Board's decisions will be publicized shortly.

I have already met with 30 of our companies and will continue to visit the rest to hear about your needs, ideas, and suggestions on how to make AmCham work for you.

In anticipation of meeting you all,

Dijana Despodov
Executive Director

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LIFE IS FOR SHARING.

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ETHICAL BUSINESS – THE FOUNDATION OF CSR

Many business people believe that caring about social and ethical issues is the job of the governments and the job of the business is to do business. This may mean that it is justified for the businesses to be slightly immoral, does it not? Not really!

Attitudes toward the moral stance of business seem to have changed over time. While in the 1980s it was acceptable to talk how “greed is good,” a line used by the famous Gordon Gekko in the movie “Wall Street,” it would be completely the opposite today.

About a decade earlier, in the early 1970s, the distinguished economist Milton Friedman showed disgust for the term “social responsibility”, calling it a “fundamentally subversive doctrine” in a free society. He further states that in a free society (capitalism), the only social responsibility of business is to use resources in a way to increase its profits. However, Friedman also adds that in their striving for profits, the businesses needs to stay within the rules of the game, to engage in open and free competition without deception or fraud.

Nowadays, the discussion seems to have been modified. The 2008 financial crisis may have helped develop a different vision on the issue. Much harm was created to society by the proponents of the “greed is good” philosophy.

The concept of corporate social responsibility (CSR) gradually developed to a point where the world-famous MBA programs started to compete to include CSR and ethical topics in their



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Analysis and Advisory
Group

curricula, alongside traditional efforts of teach future executives how to read financial statements or manage people and organizations. The issues that are covered in these curricula run along the following lines: how to run a business, or build a factory without affecting the local environment; how to treat employees responsibly; how to take care about their health, safety and welfare; how to treat men and women equally; how to be inclusive of ethnical minorities; how to involve and engage the disabled; how to treat farmers and other suppliers fairly; how to run the business sustainably; how to support the local community; how to run a transparent and accountable business; how to prevent corruption, both public and corporate; how to employ good business practices ... how to be a good corporate citizen and not harm others, including all stakeholders involved or connected to the business.

Businesses operate in a complex environment which gets more complex every day. Businesses are increasingly globalized and they become subject to various complex legislation they need to comply with. Social media allows the fast spreading of information, both good and bad, and breaches of privacy and compliance where even the perception of a breach can be damaging. A multitude and diversity of NGOs contribute toward the dialogue for or against certain business practices. Many watchdogs observe corporations’ behaviour and watch for possible misconduct.

What would an ethical business look like? The good ethical positioning of the business should be expressed in the values it espouses. These values should not only be derived from consultation with employees, resulting in policy and a Code of Conduct, but they should also be believed and lived with, first of all by the leadership and then by the employees. Leaders who promote ethical behaviour and make ethical choices in their decision-making process will be much more successful in creating a culture of ethical business. Ethical business demonstrates integrity in its everyday dealings with stakeholders, it acts openly and honestly, with respect and concern for the people and places it affects. Such companies attract the affection and loyalty by their customers, their staff, their suppliers, and the local communities which give them licence to operate.

Investments that take account of environmental, social, and governance (ESG) issues have started to flourish in many countries and they attract much attention from governments, NGOs, and local communities.

There are several guidelines and standards from the International Labour Organization (ILO), Organisation for Economic Co-operation and Development (OECD), UN Global Compact

and other standard-setting bodies on various aspects of good governance, such as ISO 14001 (for the environment), SA 8000 (for human rights), ISO 2600 (on social responsibility) etc. Some of those standards are implemented by proper application, some others insist on the “comply or explain” principle. The rationale for the latter is that by reporting on principles, the managers and other responsible people in the company will pay attention to the substance and might gradually adopt better and more socially acceptable behaviour.

We have witnessed a multitude of corporate scandals involving companies and their leaderships’ misbehaviour and failure to comply with ESG or CSR, or simply ethical rules. The latest one – the case of Facebook and the political consultancy, Cambridge Analytica, has again surprised the public with the blatant misconduct. Cambridge Analytica has allegedly misused the personal data of some 50 million Facebook users for political campaigns. Such misbehaviour doesn’t usually go unpunished: The US Congress and other institutions around the world requested that Mr. Zuckerberg explain himself to a select committee.

There is a danger though that by insisting on too many rules, no matter how socially desirable they are, the very economic activity and the overall economic growth may be jeopardised, which will in turn



provoke additional social problems, such as unemployment, but also corruption and unfair government practices. This is why economists have been reluctant to embrace the concept without raising a brow. There are many examples of investors fleeing or disregarding countries with burdensome regulation. As a response to the clamour for better business practices many companies engage in various forms of charitable

giving, but they do so for the wrong reasons, either to appease the public and their own conscience, or without really considering the real priorities of society and giving thoughtlessly. Are the much-spoken rules of good governance after the 2008 crisis a real commitment of business, or are they just a lip-service to a trendy concept by employing well-promoted but not so relevant activities, remains to be seen ... and experienced. ■

NEW MEMBER HIGHLIGHT



ARC Automotive, Inc. is a global manufacturer that produces a full complement of automotive airbag inflators (driver, passenger, side and curtain). With of 70 years of design expertise in propellant and inflator technology, ARC Automotive is committed to providing customers innovative, high quality products and

services. ARC Automotive, Inc. with headquarters in Knoxville, TN USA has strong automotive expertise and a long history in both propellant and inflator technology with successful track record of bringing new technology to the market. They have active certifications of IATF 16949 & ISO 14001 and accredited to ISO17025 per USCAR. ARC Automotive Macedonia is the first production facility in Europe that is part of ARC Automotive, Inc. The Macedonia plant started operations in December 2015 and currently employs ~200 people.

SUCCESS IS THE RESULT OF STRONG PARTNERSHIPS AND STRATEGIC APPROACH TO COMMUNITY INVESTMENT

Genuine success is possible if we share it with our community. This seemingly simple sentence is one of the essential benchmarks and values of the corporate culture of Pivara Skopje. At the same time, it represents a driving force for inclusion and volunteer engagement for all of us - the employees of Pivara Skopje, in the implementation of the numerous socially responsible activities and long-term projects of the company.

In creating and implementing activities and platforms for corporate social responsibility, Pivara Skopje has a well thought-out, long-term and strategic approach. In this process, we are driven by the determination to focus our efforts, resources, and energy on areas that have a great significance for the quality of life of the entire community. In doing so, we are trying and investing ourselves in creating strong partnerships with the institutions at the state and local level, in the scientific and educational institutions and, of course, the civil sector organizations. Cooperation with them enables us to better understand the needs of the community, and then to create and implement appropriate activities. Certainly, in doing this, we benefit greatly from the experience and support we have from the systems of Coca-Cola HBC and HEINEKEN where our company belongs.

Our work in the segment of social responsibility has a really wide scope, starting with the many donations, sponsorships,



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and long-term support of various cultural and sports events, and all the way to providing the necessary assistance to the people most in need, especially when dealing with social and natural disasters. At the same time, I would like to emphasize that we are focusing our efforts on the implementation of many socially responsible platforms in areas such as: education and development of young people; raising awareness for maintaining a clean environment and protection of water resources; health, safety, and the importance of active lifestyle; moderate and responsible consumption of alcohol; and the strengthening of the role of women in society.

We are proud and happy that through our work as a company, but also as volunteers, we have achieved remarkable results in all these areas. One of them, in which we are particularly active, is education and support for the development of young people. For that purpose we established the Educational Center two decades ago, and it is one of the most renowned centers for training and acquiring additional knowledge and skills in the country. Over the years, the management and employees of Pivara Skopje, as well as representatives of our partners and associates, have been transferring their professional knowledge and experience to thousands of young people. In 2016, we started a new program in the Educational Center called "Skills for success," which consists of free trainings for young unemployed people, especially from socially vulnerable categories. With this program, we want to motivate and encourage young people to take their future into their own hands by providing them with the skills that will help them find jobs or start their own business more easily. In this way we open new perspectives for young people, we contribute to increasing the employment and we further develop the entrepreneurial culture in the country. We expect the number of young people who will acquire new skills through trainings to exceed 5,400 in the first five years of the program.

Another area that we are focused on is, of course, the protection of the environment and water resources. Along with the other members of the Coca-Cola HBC Group, our company has won first place in the world beverage industry for the fourth consecutive year, according to the results and commitments for sustainability and environmental protection in the ranking conducted by The Dow Jones Sustainability Indices. This huge success that did not come randomly. It is the result of countless specific activities and investments in increasing the thermal efficiency and energy saving, recycling and saving of water used in the production process, for which we have built the most modern water treatment, as well as in reducing the weight of plastic (PET) packaging, which significantly reduced our environmental footprint. In



addition to such investments in the production process, we also invest in the education and the raising of public awareness on the need for selecting and recycling waste. Together with our partners - the company Pakomak - we organize volunteering eco-actions featuring a large number of our employees, members of the management team, as well as many of our friends with whom we share the same values, including the ambassadors and staff of diplomatic representative offices in the country. So far, we have organized such eco-actions to clean the quay of the river Vardar in the center of Skopje and Lake Matka, which sent a message to the whole community about how we should all treat the environment, especially water resources. At the same time we have contributed to achieving the national targets for the collection and recycling of packaging waste in the country. Additionally, within this platform, which is under the motto "Are you recycliNg!?" we and our partners joined an educational caravan aimed at children from the first to the fifth grade. The goal of this project, which is realized through an innovative theater play "Green Planet," and visited by about 10,000 children in ten cities over a few months, is motivating the new generations to act responsibly toward the environment through entertainment and thus contribute

towards creating a sustainable future for all.

Since we saw that the combination of education and entertainment works best, especially among the young, we decided that in cooperation with the municipalities we will implement a program through which to educate the children in primary schools about healthy habits and the right attitude towards the rules that provide safe and healthy school days. Thus, in the past four years, a large number of volunteers from Pivara Skopje showed over 18,500 students in 16 municipalities and cities across the country in an interesting and vivid way how to maintain proper body posture while sitting in a school chair or while working in front of a computer, how to properly carry the school backpack, how to prevent injuries caused by slipping, stumbling or falling and how to behave in the event of a fire in the school. Encouraged by the great interest of the children so far, we decided to continue this educational program this year as well. In addition, in order to promote active lifestyle as an effective recipe for a healthy life, and again in cooperation with local institutions, we constructed "Coca-Cola active zones" in 10 municipalities in the country and equipped them with modern fitness equipment for outdoor workout. We also built open bicycle parks, which

provided direct benefits to 55,000 and which, together with our partners, sent a clear message to the public about the use of bicycle as an energy efficient means of transportation that protects the environment and health of the people.

We have set for ourselves a long-term obligation to expand the culture of responsible consumption, starting from the fact that as the biggest beer producer in the country and the market leader we also have the biggest obligation to educate the public on all aspects related to this topic that has great social significance. In spreading the messages of moderate and responsible consumption, in addition to employees, associates, and partners, we included a large number of public figures, such as top athletes, who serve as an example for other people, especially for young people, because to their success and lifestyle. To this end we utilize all communication channels of the company, including the web platform "Glass Full" where, among other things, we upload regular contents for responsible consumption, active lifestyle, protection of the environment and water resources, health and safety, and other socially important topics.

These socially responsible platforms and activities show that we treat the sustainable development of the company strategically, which will provide clear benefits for the community. We endeavor to involve a large number of partner organizations, institutions, and individuals, and of course our employees and associates, by promoting volunteering. As part of the team of Pivara that implements these activities, I can freely say that we are very satisfied with what we have achieved so far. Our results show that the community has clear benefits from our efforts and the investments of the company. I believe that I am speaking on behalf of all my colleagues when I say that our results so far give us additional energy to continue to do even better. They are also an incentive for other companies to follow the example of Pivara Skopje, which undoubtedly is the benchmark for strong integration and partnership with the community for 94 years already. ■

PUBLIC-PRIVATE PARTNERSHIP IS THE BEST SOLUTION TO ADDRESS THE PROBLEM OF PACKAGING WASTE

We live in a fast and dynamic consumer society, which creates a lot of packaging waste, which inevitably imposes a greater environmental concern and requires a more efficient waste management system. In Macedonia more than 700,000 tons of various waste is produced annually, of which over 100,000 tons are packaging waste, over 15,000 tons electronics and electrical, over 70 tons of small batteries and over 3,500 tons of accumulators. There are a number of landfills where waste is delayed, which in turn affects soil quality and reduces arable land, damaging the quality of the air and water and the quality of the environment overall.

This imposes the need for an efficient waste management system and waste separation and recycling. Recycling significantly reduces the amount of waste that is stored in landfills, thereby reducing methane emissions, the gas generated by the decomposition of waste. European practice shows that a public-private partnership is the best solution to address the problem of the failure of the Public Utility Company in Macedonia, which has a monopoly in the collection of packaging waste.

In order to permanently solve these problems, Pakomak was one of the main initiators and founders of the Association for Management of Special Waste Streams, which comprises of Pakomak and Euro-Ecopak as packaging companies, as well as companies managing battery,



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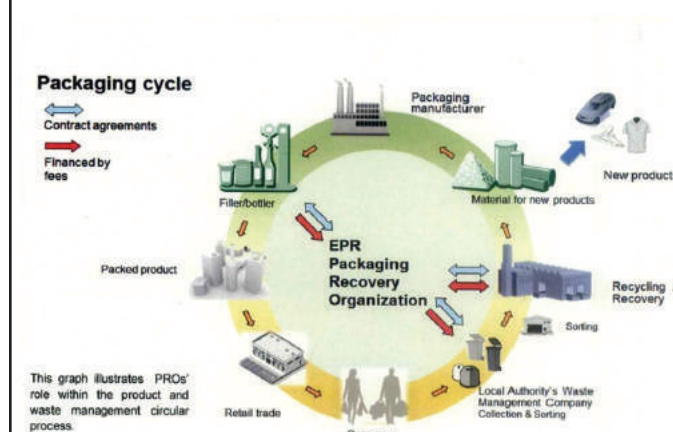
accumulators, and electrical and electronic waste: Zero Waste, Elcollect, Econ Electron, and Tab-Mak. Cementarnica USJE is an independent member of the waste treatment association.

The Association aims to contribute to more efficient management of special waste streams, to promote cooperation with municipalities, and to solve the problem of informal collectors and encourage inspection controls from state authorities in order to consistently apply legal obligations related to specific flows waste. This leads to the sanctioning of companies that put special flows waste on the market and do not finance systems for its collection and recycling, which damages the budget of the country to the sum of 3-4 million EUR per year.

The environment is an irreversible resource, and we should behave responsibly with it. Responsibility is on all of us - packaging waste management companies, municipalities, relevant institutions, and of course citizens themselves, on whose behavior and relation to the immediate environment many things depend.

The State Inspectorate for Environment and the State Market Inspectorate should control whether all producers and importers are members of a collective waste management system and are

Packaging cycle



 **retap**



The Retap Bottle is especially designed for drinking water. You will notice how pleasant it is to drink directly from the bottle. This is mainly because of the shape and the material. The bottle is made of borosilicate glass which is lightweight and sustainable.



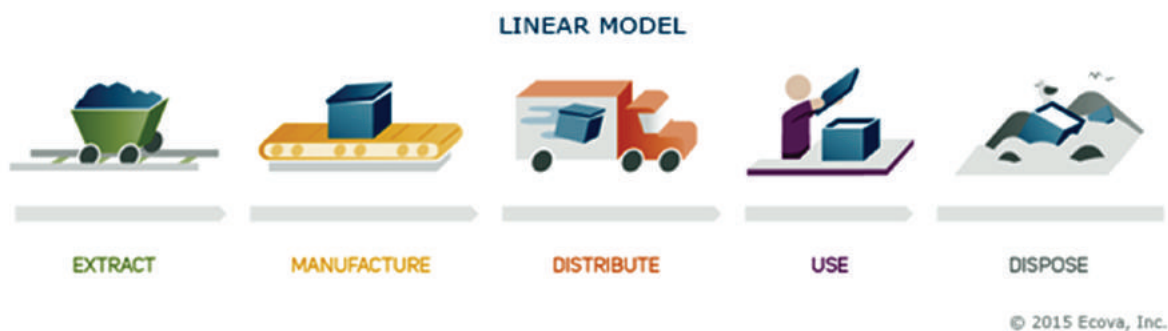
The Retap lids are made of thermoplastic elastomer, which is 100% safe (BPA and phthalate free).

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Traditional economy



The traditional economy is based on buying a product and then replacing it when it no longer works.

Circular economy



- In the circular economy the life cycle of products is extended.
- The product has improved durability, more efficient waste management or a better design that makes it easier to repair, reuse or remanufacture old products.
- It could also involve new business models based on leasing, sharing or selling used products.

a general paying organizations. If they are not, they have to pay retroactively and be sanctioned according to the law. Also, utility companies should not become an obstacle in the processes for primary waste selection.

If we do not solve these problems, we will hardly reach the European targets for the quantities of recycled packaging waste that we have an obligation as a country to fulfil, which are much higher than those we currently manage.

“The culture of separating and recycling packaging waste is something to be nurtured continuously. Our results say that we achieve progress and success year after year, but until each household and catering businesses adopt this common practice we can’t claim that we have achieved our goals. We are still in the process of developing an application of this idea. Through various projects, we want to educate and guide primarily the younger ones educating them about the importance of recycling but also informing the wider community.

It would be ungrateful to not feel satisfied considering the overall progress from the beginning to date. When we started this eco-trip, we came across a situation on the ground where the separation of waste was at a very low level, and it the topic was not subject of public discourse. Today the issues are discussed and awareness has been raised on a high level, but there is still room for work.

RESULTS FOR 2011 – 2017

PAKOMAK MEETS NATIONAL TARGETS FOR THE SEVENTH YEAR IN A ROW



42,090 tons	for 2011
40,557 tons	for 2012
40,753 tons	for 2013
42,008 tons	for 2014
43,833 tons	for 2015
46,141 tons	for 2016
48,700 tons	for 2017

Pakomak continuously improves its operations to stay at your service as the safest, most efficient and quality-oriented business solution on managing packaging waste. In 2018, we are continuing the circle of recycling.

6,198 tons	for 2011	(14.7% of the reported quantities)
7,595 tons	for 2012	(18.7% of the reported quantities)
9,302 tons	for 2013	(18.7% of the reported quantities)
11,500 tons	for 2014	(22.8% of the reported quantities)
15,567 tons	for 2015	(35.5% of the reported quantities)
18,717 tons	for 2016	(40.6% of the reported quantities)
22,662 tons	for 2017	(46.5% of the reported quantities)

In accordance with the Law on Management of Packaging and Packaging Waste, Pakomak continuously is exceeding the national targets. Based on these results, the company got an extension of its license for operations and it guarantees safety to its clients.

CEMENTARNICA USJE'S COMMITMENT TO DOING MORE GOOD

Corporate Social Responsibility (CSR) is an integral part of TITAN Group's philosophy and to a great extent directs and drives the way Cementarnica Usje, as a member of the group, operate and exercise our business activities.

TITAN's and Usje's CSR Vision is to conduct our business in an ethical and socially responsible manner doing less harm and endeavoring to do more good.

Our sustainable growth depends on aligning our strategic priorities, policies and practices with our stakeholders' needs. This means understanding and responding proactively to the needs of the employees, business partners, institutions and the community where we operate.

Usje's CSR Policy is implemented in those areas where the TITAN Group has particular



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Cementarnica Usje

knowledge and experience – a necessary condition for the added value we intend to generate: stakeholder engagement, environment, our people, health and safety at work, community support, and education.

Usje joined the United Nations Global Compact (UNGC) Network in 2008 and signed the pledge of respecting the ten universal UNGC principles. Since then USJE has been an active member of UNGC and communicates its progress on sustainability every year by issuing a Sustainability Report. Transparency and open communication are essential to our process of engagement with all our stakeholders. To this aim, our eighth Sustainability Annual Report published in 2017 discloses information on our social, environmental and governance-related performance issues which are of material significance to our business and our stakeholders. This year for the first time the report presents our financial results as well. The Report's materiality is aligned with the UN Sustainable Development Goals 2030 and is asserted in all material respects, in accordance with UN Global Compact principles and advanced level criteria by the independent Business Assurance Company. We believe that this approach, in line with what is today increasingly viewed as best practice, better reflects the fact that sustainability is not secondary to our business, but constitutes an integral part of it. Moreover, we share our Sustainability Annual Report with more than 100 stakeholders, including the local community, customers, contractors and suppliers, other businesses, as well



as representatives from the Ministry of Environment and Physical planning (MOEPP), NGOs, academia, etc.

Following our strategic determination for building strong local partnerships and responding to the needs of the community and society at large, the Company continued with collaborative action programs. These included, among other things, study visits for practical training of students from technical high schools. As part of this activity only in 2017 a total of 140 students from the Faculty of Technology, University American College Skopje, international students members of BEST, and high school students from the Secondary Chemical School had the opportunity to visit the company and learn about our production process and operations.

USJE supports the European Pact for Youth in an effort to increase youth employability through implementation of an internship program for 42 young graduate engineers and other talented graduates. This program enables participants to expand their knowledge and gain practical skills that will help them in their professional development. One of the interns from last year was offered employment in Usje in 2017. Additionally, Usje granted three scholarships to postgraduate students at the University American College

Skopje and also offered scholarships to the children of our employees.

Doing less harm and more good is our environmental commitment and we honor this commitment by mitigating negative impacts and actively contributing to worthwhile local and international initiatives. In pursuing our vision we strive to be recognized as one of the industry leaders on sustainability and environmental stewardship. Being aware that Usje's operations are heavily dependent on the use of natural resources, we are committed to actions that reduce our operational impact on the environment. Monitoring, measuring, reporting, cooperating, continuously acting and improving is how we address environmental issues. Monitoring emissions is a pre-condition for controlling and reducing environmental impacts from cement production. USJE operates a 24-hours automatic continuous monitoring system by independent means that measures and records its emissions in real time. In 2004 and 2006 Cementarnica USJE received the internationally-recognized certificates for Quality System (ISO 9001:2000) and Environmental Management System (ISO 14001:2004) for the quality of its production processes and its environmental performance.

We constantly strive to raise the safety performance of direct employees and contractors, while urging suppliers and third parties to adopt

similar practices. We recognize that health and safety are material issues not only in the work place, but also beyond it – at home, at school, or in the community. To support this belief we are developing and implementing selected initiatives that create a wider culture of awareness and care. Building a safety culture together has evolved into creating partnerships with communities and institutions and this has spawned significant improvement projects. Since 2010, the OHSAS 18001 system has been in place in Usje. Conformity is verified by regular annual internal and external audits.

With respect to our people, we foster long-term employment relationships, seeking to promote lifelong learning and build our people competencies, preparing them to address current and future challenges. In 2017, the company provided 11,260 training hours for our people, with particular emphasis on further developing and strengthening knowledge in health and safety, technical know-how, environmental sustainability areas, as well as management and leadership skills and non-technical development.

As a responsible company, we continue to invest in quality partnerships with the municipality in which we operate, as well as with NGOs, educational, and other institutions not only on a company level, but also at societal level.

NEW MEMBER HIGHLIGHT



Infinite Solutions, as a Microsoft Dynamics partner, has a unique value in the development, integration and implementation of MS Dynamics AX, D365, .Net, and Azure-based projects. They have a highly skilled Microsoft team of project managers, consultants and developers who are proven in large scale projects with more than 1.000 users. They also have special expertise in custom software development - providing specialized products, IT services, and custom end-to-end solutions to our enterprise customers.

In the past 10 years Infinite Solutions has worked on more than 150 projects and has a large customer base of more than 50 customers in 20 countries in Europe, America, and Asia, offering considerably lower priced services than EU Industry norms.

Infinite Solutions is a company which intends to be in front of client's needs, deeply understanding clients' business and delivering and optimizing IT solutions from the initial phase of scoping the requirements, up to the final delivery, maintenance, and continuous upgrade. Together with their partners, Infinite Solutions will continue delivering best-of-breed solutions to customers.

DOING WELL BY DOING GOOD - CORPORATE SOCIAL RESPONSIBILITY AS A BOON FOR BUSINESS

In the development world, “business” used to be something of a dirty word. This is because the profit-centered competition driving the capitalist economy was seen as running counter to efforts to promote equality, protect the environment, and ensure decent living conditions for all. This negative image (in fact often a caricature) helped to spur the emergence in the 1960s of the concept of “corporate social responsibility”- the idea that private companies ought to pay heed to the impact that their operations have on their employees, their communities, and the natural environment.

Times have changed since then. Particularly since the adoption of the Sustainable Development Goals (SDGs) by all the UN member states in 2015, the private sector is being embraced as an essential ally and even a pioneering partner for development.

“We know that public resources will only go so far in securing SDG achievement,” explains UNDP head Achim Steiner. “We are committed to strengthen our partnerships with the private sector and to help support the alignment of business interests and investments with the SDGs.”

The evolution of corporate social responsibility (CSR) has a lot to do with this change of attitude. Initially the idea was understood as corporate charity or simple public relations. Executives viewed CSR as mainly a cost, so when times turned tough, CSR initiatives were the first thing chopped.

The turnaround in attitudes is in part due to the work of the Global Compact, the UN framework for corporate social responsibility. Since its creation in 2000, the



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Resident Coordinator
and UNDP Resident
Representative

Global Compact has signed on 12,500 participating entities and helped build 85 local networks in more than 160 countries. This scope makes it the world's largest voluntary network for responsible business practices.

The Global Compact set out to demonstrate how companies of all shapes and sizes, in all sectors and in every corner of the world, could play a role in improving life for both people and the planet.

The ten simple principles that underpin the UN Global Compact are derived from the founding documents of the United Nations. Together they provide a concise roadmap for socially responsible business practices, in the areas of human rights, labour freedoms, the environment, and corruption.

To appreciate their simple comprehensiveness, it's worth enumerating them here:

- First, businesses should support, respect and protect internationally proclaimed **human rights**;
- Second, they should make sure that they are not complicit in **human rights abuses**.
- Third, they should uphold the **freedom of association** and the right to collective bargaining;
- Fourth, they should eliminate all forms of **forced and compulsory labor**;
- Fifth, they should abolish **child labor**;
- Sixth, they should eliminate **discrimination** in respect of employment and occupation.
- Seventh, they should support a precautionary approach to **environmental challenges**;
- Eighth, they should promote greater **environmental responsibility**;
- Ninth, they should encourage the use of **environmentally friendly technologies**; and
- Tenth, they should work against **corruption** in all its forms, including extortion and bribery.

It is not enough for companies to make a rhetorical promise to obey these “ten commandments.” After initial complaints that companies were using the Global Compact merely to add sparkle to their brands, the UN put muscle behind the initiative by



requiring members to submit annual reports called “Communications on Progress” to document their adherence to the ten principles.

This ambitious code provides a good illustration of how far the concept of being a good corporate citizen has evolved in the past few decades. A company's duty to the community was once seen as fulfilled through simple philanthropy. Now it is seen as central to business strategy and operations.

Indeed, the mission of the UN Global Compact is a transformative one. Its aim is to encourage companies to re-orient the way they do business and to shift from an exclusive focus on profit towards a broader engagement in addressing social, environmental, and ethical concerns – something that in management lingo is known as the “quadruple bottom line,” comprising – in addition to profit – the imperatives of people, planet and “purpose,” or the greater good.

This movement has been aided by a growing body of empirical evidence showing that corporate social responsibility is not just the right

thing to do, but it also makes good business sense. Research finds a clear correlation between responsible business practices and good corporate results. One can have a “chicken and egg” debate over which comes first, but what is clear is that the two go hand in hand. Or, as our Secretary-General puts it, “principles and profits are two sides of the same coin.”

Here in this country, as in many other settings where adherence to the rule of law is sometimes shaky, corporate social responsibility has been slow to gain traction. This is at least in part owing to a fear by executives and owners that playing by the rules is a “sucker's game” – complying with laws, paying taxes and eschewing corruption looks like surrendering a crucial competitive advantage.

There are some good examples, however. In 2016, for instance, the Usje cement company contributed EUR 50,000 to an energy-efficiency overhaul of the Krume Kepeski primary school in the company's hometown of Kisela Voda that was co-funded by UNDP

and the municipal administration. In its truest meaning, though, corporate social responsibility also means transforming standard business practices. In Croatia, for many companies the first step in this overhaul was the inclusion of persons with disabilities in the corporate workforce. As is the case now in Skopje, for Zagreb-based firms this was initially seen as an act of beneficence – or something that was essentially forced on business by levying fines on firms that failed to hire their quota of employees with disabilities.

However, many Croatian companies soon found that hiring staff with disabilities brought unexpected rewards, through the extreme loyalty of new recruits and also the discovery of entirely new markets. This is what management consultants are calling “disability confidence” – the idea that creating a welcoming atmosphere for both employees and customers with disabilities is good for business. Rather than look at disability as a potentially expensive hurdle to overcome, companies are coming to see becoming disability-friendly as a way to stand out in a highly competitive marketplace.

Moreover, global experience shows that being flexible for persons with disabilities makes companies more flexible for all groups – an important advantage in markets where people expect more customized service. The example of Tesco is instructive; the UK retailer found that customers preferred the website it had created for people with impaired vision to its regular site because it was so easy to use. Similarly, airports find that rushed travelers prefer to use toilet facilities that are designated for the “handicapped” because they offer ample room for luggage. What these examples confirm is that adapting for extremes (or “universal design”) opens doors to new customers.

In the Macedonian context, where the participation of persons with disabilities in the mainstream workforce is still a rare exception, this may seem like science fiction. But UNDP is working to change attitudes and pilot new practices, so we expect companies will soon recognize what has been grasped elsewhere, namely that “doing well by doing good” is the new golden rule for business. ■

FOR A BETTER A TOMORROW, WE NEED TO WORK TOGETHER TODAY

The long-term economic, social and democratic development of the country - including competitiveness - goes hand in hand with doing the best for our children. This is not only in the interests of parents and governments, but also of the private sector. The private sector is a social actor whether it likes it or not. The economic growth that this society has benefitted from in the past decade or so generates the surplus which underpins investment in health, education, and social protection and creates employment - the single most effective weapon in fighting child poverty.

But child poverty in this country remains high at 28%. Investment of millions of Euros in health equipment and hospitals in the past decade has ran tragically alongside a period when this has been the only country in the region with growing infant mortality - we now have the second highest neonatal mortality rate in Europe after Moldova.

Most critically for business, our education system continues to languish at the bottom of global comparators. Our 35% pre-school coverage is the lowest in Western Balkans and far behind the EU rate of around 93%. A little over half of the country's 15-year-olds scored below basic proficiency levels at the international OECD Programme for International Student Assessment (PISA) in 2015. But, the pace of reform in the sector is a fraction of the reform process in education in high-performing European neighbours - this means the gap between us will grow and our competitiveness as a society will reduce. This is happening at a



Author:
Benjamin Perks,
UNICEF Representative

time of economic transformation. The average job that today's 5-year-old will be doing when they enter the workforce has not yet been invented and we project that whereas our generation would expect to reskill and change their career one or twice in a life span, today's 5-year-olds will have to do so several times.

When you come to the country and talk to civil society or business actors alike on these problems, they often don't talk about or think in terms of solutions, outcomes or change - they talk about projects and donations. If one thought like that in business, one would go bankrupt. The resources used through donations do not always add up to more than the sum of their parts in delivering lasting change for society.

There has to be a sense of urgency in addressing the most pressing social problems that blight our society. For real change to happen, government, society, and business need to unite in some key areas. I would just highlight three:

We need to get child mortality down as soon as possible by strengthening prevention through ensuring that every pregnant woman has a minimum of 4 health checks during pregnancy, that neonatal intensive care units and maternity hospitals are better managed and that we address external issues such as smoking during pregnancy, obesity, and the impact of pollution - all of which causes complications during pregnancy.

Through science we have learnt over the past couple of decades that 85% of human emotional, cognitive, and social development occurs before the age of five. Almost every high-income country is now ensuring universal access to pre-school (for education, not just caregiving) from 3 to 6 years of age and ensuring that visiting health nurses also teach all parents stimulating and nurturing parenting strategies in the first years of life. The Nobel prize winning economist James Heckman concludes that public spending on early childhood has the best return on investment of any public funding with US \$17 for every US\$ 1 invested. Government has committed to advance in both early parenting support and pre-school in the current government programme, with World Bank and UNICEF support, but much more support is needed from across society including the private sector.

We need to accelerate reform in primary and secondary school, not just by focussing again on curriculum or buildings, but on the one single thing that drives quality more than anything - quality of teaching. We need to ensure that head teachers in schools are equipped and able to motivate and inspire improved performance from teachers. We need to ensure teachers can not only teach memorisation of facts but also nurture emotional and social learning in schools and to help children develop values and ethics that will help them create the kind of society we would like them to live in in the future. We are also making efforts to develop new approaches on innovation, action learning and creativity in schools - core foundations for success in a knowledge economy.



Photo by Ljubo Stefanov/UNDP

The transformation required often costs less than the inefficient service delivery we currently have. Oftentimes the changes are simple and straightforward and obvious - especially when you shift the focus toward outcomes and solutions and away from inputs and projects. We should take some of the spirit of the recent Western Balkan Digital Summit in Skopje to promote

a culture of innovation in education and beyond. Small countries often excel in innovation - it can be a comparative advantage and we have a growing and dynamic network of start-up and tech thinkers in the society who can help drive that forward.

The business sector needs to be a partner not just through corporate social responsibility but also by

bringing its unique knowledge and capacities to thinking about reforms and transformation. Together we need to create a shared vision on how we build a dynamic, innovative, and competitive society where all people can flourish and where we invest in children not only because they have human rights, but also because they are our core asset in building a better tomorrow. ■

NEW MEMBER HIGHLIGHT

Taskforce BPO

Taskforce BPO is an American owned company which provides business process outsourcing (BPO) services to the US financial, insurance and healthcare industries. Taskforce is headquartered in Knoxville, Tennessee with global service centers in Bitola and Skopje. They have over 50 years of combined experience in insurance, healthcare and consulting

services. Founded in November 2015, Taskforce BPO has established its niche in the BPO industry growing to 150+ employees and 20+ clients in just over two years.

Taskforce BPO boasts an on-site managerial team of expert US expats who are there to assure that your company receives the perfect blend of American and European standards and quality.

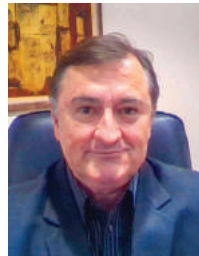
HOW SASA DOES SUSTAINABILITY

Sustainability is the new catch phrase for Industry, but what does it mean in practice?

Evaluating the impact of an organization or operation using costs and benefits by classical economic measurements such as net present value (NPV) and internal rate of return (IRR) tends to ignore or undervalue indirect or non-intrinsic elements. The concept of sustainability is to broaden this focus to determine all factors and impacts that an organization or operation has on the receiving environment so that the true impact of a project can be determined.

Sustainability issues include such factors as: environmental impact, climate change, waste management, human rights, governance, and social well-being. The goal of undertaking activities to improve sustainability is to create social, environmental and economic benefits for all the stakeholders in an organization. The most detailed definition of the activities and factors associated with Sustainability has been set out under the Global Reporting Initiatives (GRI) Sustainability Reporting Guidelines (www.globalreporting.org).

Reporting on sustainability is becoming a legal requirement in many jurisdictions. In December 2014, the European Commission adopted a new directive obliging large multinational corporations to provide non-financial disclosure to the markets. The law applies to public companies with more than 500 employees. Companies are required to report on environmental, social and employee-related, human rights, anti-corruption and bribery matters. Additionally, these large corporations are required to describe their business model, outcomes and risks of the policies on the above topics,



Author:
Neil Stevenson, General
Manager, Sasa Mine

and the diversity policy applied for management and supervisory bodies.

In a somewhat dated publication, KPMG reported that in 2011, 95 percent of the world's largest 250 corporations produced annual sustainability reports, (up from 80 percent in 2008) and in addition 86 percent of the largest U.S. companies.

In the financial year 2016, 2,500 companies voluntarily produced sustainability reports; the GRI predicted that this would rise to nearly 7,000 by 2017.

At the Sasa mine we view our activities toward sustainability in terms of the following areas of effect: Environment, Health and Safety, and Community Engagement and Support. I will detail some of the initiatives we have put in place or commenced activities in these areas.

ENVIRONMENTAL MONITORING

Environmental monitoring seeks to determine if there is any impact on the natural environment as a result of the activities associated with the work undertaken. This encompasses water sampling of all the surface water flows entering and leaving the project area. Water samples are analyzed chemically to not only determine compliance with Macedonian water discharge criteria but also to determine compliance with the IFC guidelines of water quality. This is done as these two standards differ on what elements are required to be analyzed. Sample and analysis for bacterial criteria is also undertaken. Air monitoring is undertaken for particulate matter with the installation of two continuous monitors, one located at the mine site and one located in Sasa village which is the closest settlement to the mine area. These air sampler monitors are designed to determine dust reading at the PM10 sizing. They also allow a physical sample of the dust to be taken to allow chemical analysis of the dust to determine the actual constituent particles that make up the dust to determine if this poses any health threat to the community. The mine also undertakes measurements of noise levels to ensure this does not exceed the legal limits.

BIODIVERSITY

The mine, located in the Osogovo Mountains, had never had a detailed survey or study of the biodiversity of the area conducted. The most detailed work done was in a country-wide study undertaken in 2003, Country Study for Biodiversity of the Republic of Macedonia.

Sasa has commissioned the Skopje-based company, Farmahem, to undertake a detailed biodiversity study of the fauna and flora in the catchment area of the mine from the crest of the surrounding mountains to the Kamenica Lake. Farmahem have assembled a project team including academics and professors from Macedonian educational institutions to be involved in the study. The study has a 12 month field work component to ensure that all migratory species are included in the analysis. The study will result in the production of a Biodiversity Management Plan to assist the mine in undertaking future planning and possible impacts.



HAZARDOUS WASTE AND WASTE MANAGEMENT

As part of mining activities hazardous waste is generated. Sasa undertook a detailed study of the wastes generated from different parts of the process, developed mechanisms for initial storage at the site of waste generation, and transport to permanent storage and disposal. The Ministry of Environment and Physical Planning has a list of authorized & licensed companies for the handling of hazardous waste on their web site. Sasa contacted three of these companies to determine their capacity for handling our waste materials. The selected company, EkoClub from Bitola, was then subjected to a supplier audit. They send the hazardous waste to Polyeco in Athens. This waste consists of oil filters, hydraulic hoses, NaCN metal barrel and reagent packaging of: NaCN, CuSO₄, Potassium Ethyl Xanthate and Potassium Amyl Xanthate. Sasa sent members from our environmental team to inspect their facilities and check the licenses to determine that the disposal complied with the required legal requirements. In addition, we have sourced local suppliers to handle other waste: waste oils are handled by FPIM Minol- DOOEI Shtip; old vehicle batteries are handled by DT Ival-Trade, Shtip; small size used

batteries are handled by Nula Otpad DOO, Skopje; empty packages from chemical are handled by the supplier EuroChemical, Skopje; packaging (cardboard, plastic, metal recycling) are handled by EkoPacking DOO Export-import Tetovo; and PET plastic is handled by the supplier Tea-Mil DOOEL, Delcevo. A contract for the collection of waste paper for recycling with Eko-Pak-Hit, Kocani has just been finalized.

GREEN HOUSE GAS EMISSION MONITORING

The requirement to determine emissions of Green House Gases is likely to become an issue for future regulation as Macedonia seeks to implement European standards and conventions.

To establish a base line of current emissions with which to measure the effectiveness of future emission reduction strategies, Sasa has commissioned EcoMosaic, Skopje to undertake training in line with the Greenhouse Gas Protocol (www.ghgprotocol.org) to enable Sasa to determine emissions according to accepted guidelines.

NURSERY

As part of the IFC Performance Standards and Guidelines it is a requirement for mines to produce a

closure plan that defines what activities will be undertaken at the end of the mine life to decommission the facilities and re-establish a natural landscape. This will require a large exercise in reconfiguration of mine excavations and re-vegetation. This, in combination with the concept of "environmental offsets" that seek for a mining operation to implement, over its life, a programme of regional reforestation to encompass a land area of larger footprint than the mining area of impact, has led Sasa to commence the establishment of a plant nursery facility. In collaboration with the Faculty of Forestry at St. Cyril and Methodius University in Skopje, a Memorandum of Understanding has been signed for the establishment of nursery facility at Sasa. The main mission of the Faculty is education and it is anticipated that the University will utilize the nursery as a training facility for their institute. For Sasa it will provide plant material to undertake mine site rehabilitation as well as in coordination with the University and local government and communities to undertake regional reforestation.

ENERGY MANAGEMENT

Industry accounts for about one third of global final energy consumption and greenhouse gas emissions.

Industry in the Republic of Macedonia is the second biggest consumer of energy.

The United Nations Industrial Development Organization (UNIDO) in partnership with the Ministry of Environment and Physical Planning, the Ministry of Economy and Energy Agency of Macedonia, through funding from the Global Environment Facility (GEF), is implementing a project “Catalyzing market transformation for industrial energy efficiency and accelerate investments in best available practices and technologies in the Former Yugoslav Republic of Macedonia”.

The Project aims to support Macedonian enterprises to achieve continually improving energy efficient operations and to reduce production costs through the provision of technical training and expert assistance on energy management systems implementation and steam system optimization.

Sasa has joined this programme and will, during 2018, with the assistance of a power management specialist from UNIDO, evaluate our current power consumption and determine mechanism for power usage reduction and optimization.

SUSTAINABILITY IN
COMMUNITY ENGAGEMENT

Sasa, as an operation, has existed since the 1960s. Up until 2005 it was a state-owned enterprise controlled by the government. Upon privatization Sasa had to establish itself as a separate entity and form new relationships with all those people and groups who are impacted by the operation. No formal mechanisms for this existed previously. In late 2017 Sasa contracted EcoMosaic to undertake a Baseline Socio-economic study of the area and to undertake a Stakeholder study to allow for the development of a Stakeholder Engagement Plan.

The purpose of the Stakeholder Engagement Plan is to identify all entities: individuals, groups, institutions, and areas of government who interact with and are impacted by the operation. The plan then seeks to determine appropriate mechanisms to communicate with these groups and structure interactions.



As part of this effort Sasa established a Community Relations Department within its organizational structure to facilitate communications between the organization and the stakeholders. In addition, Sasa is in the process of establishing an internet site that will principally be intended as a mechanism of communication between the operation and the stakeholders.

Additionally and in coordination with the local municipality, Sasa established a community funding committee in which the identified local community stakeholder groups were included in the process of decision making on which projects the mine should fund in 2018.

Sasa is the major sponsor of all sport teams in Makedonska Kamenica including: women's football (1st division), men's football (2nd division), basketball clubs, handball clubs, fishing and hunting clubs. Sasa also funds activities and provides facilities and equipment for the association of pensioners and the association for people with disabilities.

In order to build the next generation of experts, Sasa has established a mining studies programme in coordination with the local high school in Makedonska Kamenica. Students

who wish to pursue a career in mining are able to undertake this course that can lead to admission at the mining programmes at the University of Shtip. Sasa also offers study scholarships at the University and currently funds the study of four students at universities outside Macedonia.

HEALTH AND SAFETY

Sasa is the leading mine in Macedonia in terms of workplace health and safety. In the last 3 years an extensive programme of hazard identification, risk analysis and control was undertaken. This has led to the development of management systems to determine unsafe acts and conditions that may result in hazardous situations. An extensive programme of employee training has been enacted to ensure that all employees understand the new systems. In the entire history of the Sasa mine from its founding in the early 1960s the maximum period in which no employee was injured in a workplace accident (LTI) was 210 days. Following the implementation of the new systems of control, Sasa achieved a new record of 483 days without a significant injury. The period of non-accident was only halted due to an injury sustained

by a sub-contractor engaged to undertake a construction task. The operational activities at Sasa as of mid-April are 533 days without a significant accident.

As a part of our operational reviews it was determined that the preparedness for an emergency situation was not at an acceptable level. To rectify this situation an Emergency Management Plan has been developed that will determine how the management of an emergency event will be undertaken. The review also identified that the Sasa Mine Rescue team did not have sufficient equipment or training to manage all emergency situations that were predicted as potential. New equipment has been purchased and upon arrival, training will be undertaken to ensure that the teams are able to operate effectively in an emergency situation.

Sasa has also commenced discussions with regional fire-fighting, police rescue and governmental emergency personnel about the formation of a North-Eastern Macedonian rescue group that would seek to

coordinate the activities of all these different groups so that in an emergency situation they are able to work together to overcome the situation.

INTERNATIONAL
ACCREDITATION

The Sasa mine has been audited by international organizations for our compliance with international standards.

Sasa has been shown to have systems, practices, and procedures that allow certification of the operation as compliant with ISO 14001:2015 – Environmental Management System. This certification sets out the criteria for an environmental management system and maps out a framework that a company or organization can follow to set up an effective environmental management system. It can be used by any organization regardless of its activity or sector. Certification to ISO 14001:2015 provides assurance to company management and employees, as well as external stakeholders, that environmental impact is

being measured and improved. Sasa has also been accredited as compliant with BS OHSAS 18001:2007 - Occupational Health and Safety Management System and ISO 9001:2015 - Quality Management System.

BS OHSAS 18001 sets out the minimum requirements for occupational health and safety management best practice. Organizations use the ISO 9001 standard to demonstrate their ability to consistently provide products and services that meet customer and regulatory requirements.

The Sasa mine continuously works on implementing actions to improve the sustainability of its operation. This involves assessment of the impacts the operation has and determining mechanisms to eliminate, minimize, or mitigate these. Rather than seeing this exercise as a cost to the organization we believe that the ultimate benefit will outweigh the associated costs and increase the value of the organization as a member of society.

Central Asia Metals Plc is a London listed company that produces lead and zinc concentrates from its Sasa mine in Macedonia and LME Grade A copper from its Kounrad operation in Central Kazakhstan.

In November 2018, Central Asia Metals Plc (CAML), acquired the Sasa Mine. The Sasa mine is an underground lead and zinc mine that has operated in Macedonia for at least 50 years and has a long history of producing high quality lead and zinc concentrates.

The company is a leader in operational excellence and has achieved compliance with international standards ISO 14001 and BS OHSAS 18001 for Environmental and Safety Management and is a leading contributor to the social development of the Eastern Macedonian Region.

Through the acquisition of Sasa, CAML now moves into the future as a diversified business in terms of operation, geography and commodity. The Company looks forward to many more years of continued operations in both Macedonia and Kazakhstan

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Energy for *life*



GROUP OF COMPANIES

LONG TERM CSR PRACTICES - AN IMPERATIVE IN TODAY'S BUSINESS SURROUNDINGS

It is becoming universally accepted that socially responsible businesses bring benefits to the companies themselves, the community, and the wider environment.

It is a fact that the purpose of the existence and operation of every company is to make a profit. In addition to offering a major competitive advantage though, the social responsibility of companies is, in the long run, assumed to be a condition for market survival as research shows that companies with a commitment to Corporate Social Responsibility (CSR) have a higher average performance of around 13%.

In today's the modern business world CSR is treated as an investment rather than as an expense. No business, regardless of its scale, is separated from the society in which it exists and operates. The success or failure of one entity is conditioned by the success or failure of others.

Investing in the quality of life in a society in which the company operates on the one hand, and the concern for the satisfaction of people working within the company on the other are the two aspects of social responsibility - external and internal. In our country, it is still a voluntary commitment, although in the last few years social responsibility has been recognized and debated as an integral part of a new, sustainable economic model which understands the new position and importance of the business sector in modern society and the responsibility that arises whence.



Author:
Bekim Ilazi,
Marketing Manager,
VezeSharri

Business concepts based on socially responsible operations are a step ahead in this game. Guided by the German practice and experience, we at VezeSharri implement this exact concept.

The ecological dimension of our company's responsibility, for example, reflects the impact of our daughter company's Elektro Sharri on the environment and ecosystems on which it depends. It measures the utilization of waste materials and energy in the production processes, biodiversity, recycling or reuse rates, and degree of compliance with the existing regulations and norms. This new way of doing business is not tied to profit alone, but above all to performing a socially useful practice with the rational utilization of natural waste and garbage which protects the environment.

The concept of socially responsible work should not be just a one-off or a temporary activity, but a long-term imperative in the business world, which sooner or later will have to be adopted by all companies if they want to survive and keep their place on the business scene. This is why there are countries in the world in which corporate social responsibility is a legal obligation, not just an ethical standard or image-building exercise.

Although we are lagging behind on this trend, practice and expertise show that even the smallest type of regulation improves the chances of companies applying the principles of socially responsible action. While this does not necessarily mean that there is a strong regulatory framework, the role of the state in improving CSR practices should be and will be recognized. ■





B2B WITH AMCHAM ALBANIA MEMBERS

In January AmCham Macedonia hosted an Albanian business delegation led by AmCham Albania & FM Consulting for an introductory B2B event with the goal of increasing economic cooperation & knowledge sharing between the Macedonian and Albanian business communities.

Representatives from financial services, ICT, agriculture, pharmaceutical, and consulting services industry took part in an hour-long networking and explored potential business and investment opportunities in the two countries.



OPEN A DOOR

INTERNSHIP | PROGRAM

Could You "Open a Door" for an Intern?

For the third year, the AmCham Executive Office has been helping university students from low income households gain access to internship opportunities with our member organizations

throughout the year. Please contact the Executive Office at: 3214 716 or communication@amcham.com.mk if your organization is willing to accept at least one intern this year.

Success Story



Bojan Radicevski – Pivara Skopje Intern

“ I would describe my internship experience in Pivara Skopje as quite interesting and fulfilled with work assignments and support from my colleagues. During my internship period, I learned a lot of practical things, including: P&I diagrams and their application, filling out and updating data for wastewater analysis, processing beer production flows, specifically explained for the CO2 section, for H2O, heating, technical water etc.

To young people who think about internships, I would recommend that they definitely apply for an internship and especially recommend Pivara Skopje as an excellent internship placement.



AMCHAMS IN EUROPE ANNUAL VISIT TO THE US

In April AmCham Macedonia's Executive Director Dijana Despodov attended the annual AmChams in Europe visit to the United States to network, exchange experiences, advocate with the US Government, and visit innovative companies. The trip consisted of two parts: an advocacy-focused part in Washington, D.C. and company visits in Chicago.

The Washington D.C. portion included meetings with representatives of the US Chamber of Commerce, including President Tom Donohue, and participation in the Transatlantic Business Works Summit; visit to the Department of Commerce; meetings on Capitol Hill with the staffers of Senators Thomas Carper (D-DE) and Bob Corker (R-TN); and briefings by Hill+Knowlton Strategies, the Pew Research Center, and the Obama Foundation.

In Chicago, the executive directors took part in a series of outreach meetings and site visits to various member

companies, including: Underwriters Laboratories, AbbVie, 1871, Northern Trust, and Motorola. The executives also had a meet-and-greet

and photo opportunity with Chicago Mayor Rahm Emanuel and attended a speech by former Secretary of State Madeleine Albright. ■



PERSPECTIVE OF THE DIRECTORATE FOR PERSONAL DATA PROTECTION ON GDPR IMPLEMENTATION

On March 28 AmCham hosted a learning session where the Secretary-General of the Directorate for Personal Data Protection (DZLP) Ivan Kuzevski spoke to more than 20 representatives of member companies on the comparison between the General Data Protection Regulation (GDPR) and the existing Law on Personal Data Protection (LPDP) in the Republic of Macedonia.

He also shared very useful insights into the elements of the new draft LPDP and emphasized the Government's efforts to protect personal data.

In the last part of the session, Kuzevski answered questions from the participants in order to help Macedonian companies to embark on the road towards harmonization with European regulations and preparation for the new Macedonian legislation.



INSIGHT INTO PIVARA SKOPJE'S SOCIO-ECONOMIC IMPACT STUDY

On January 25th, Pivara's Lambro Patce, Public Affairs & Communications Manager and Dushan Mitrev, Chief Financial Officer, offered a "behind the scenes look" at the creation of Pivara Skopje's first Socio-Economic impact Study.

Lambro Patce stressed that they share a common goal with all investors and business entities in the country - a stable and favorable business climate that will stimulate development and predictable regulation that would be amended and supplemented through dialogue and cooperation with the business sector. He pointed to presenting the company's operation to the entire public in a transparent, independent and objective way and its impact on the domestic economy and the wider community as their main motive for the preparation and publication of the study.

Dushan Mitrev provided a number of practical tips on gathering and analyzing the huge data presented in the study. He also gave kudos to the team that was assigned to this task,



for precisely identifying and quantifying the key parameters of Pivara Skopje's operations that have direct, indirect, and induced influence on the development of the Macedonian economy.

The group joined the discussion by sharing their main challenges in

producing a similar study for their businesses. The conclusion was that every industry has its own quantifiable data, which could be accessed and analyzed and transformed into facts that would be later used for supporting the company's direction and strategy.

PREPARING FOR GDPR COMPLIANCE WITH PWC MACEDONIA

On February 28th, AmCham hosted an event focused on the upcoming General Data Protection Regulation (GDPR). The session was facilitated by PricewaterhouseCoopers's Ivan Mishev and Daniel Jordanovski, who covered the requirements needed for businesses to implement the GDPR and protect the personal data and privacy of EU citizens.

In the first part of the session, Ivan Mishev focused on GDPR's legal aspects and the strict new rules around protecting customer data, which is expected to set a new standard for consumer rights. He gave several examples on GDPR's wide view of what constitutes personal identification information and explained key legal terms incorporated in the regulation, such as providing a "reasonable" level of protection for personal data, stressing that the regulation does not define what constitutes "reasonable."

Daniel Jordanovski focused on the



actual GDPR implementation challenges and how they influence the businesses, their employees, partners, customers and legislators. He emphasized that the time is running out to meet the deadline, so businesses need to know about the GDPR and its requirements. Many of the requirements do not relate directly to information security, but the processes and system changes needed to comply could affect existing security systems and protocols.

Over 60 participants, raised many interesting questions, ranging from "micro" obstacles that their businesses might face, to "macro" challenges that tackle the eventual transposing of the GDPR in the Macedonian legislation.

The group concluded that the GDPR leaves much to interpretation and it gives the GDPR governing body a lot of leeway when it comes to assessing fines for data breaches and non-compliance.

GDPR: IT ASPECTS AND PATH TO COMPLIANCE WITH PIPEREVSKI & ASSOCIATES

AmCham Macedonia continues to focus on the General Data Protection Regulation (GDPR), a European regulation that affects all companies that collect personal data from EU citizens.

On March 28 we hosted Piperevski & Associates, a premier cyber security company and AmCham member, for a three-hour workshop on the path to GDPR compliance. Over 60 members attended the workshop and had questions on how to go about aligning their companies' internal data protection mechanisms with the European legislation.





FIRST-EVER YOUNG PROFESSIONALS NETWORKING EVENT



More than 80 young professionals from AmCham member companies, government institutions, international & civil organizations and the diplomatic corps attended the first-ever AmCham Macedonia Young Professionals Networking (YPN). The main purpose of this event was to inspire young professionals to expand their network, to learn about and become more involved with AmCham Macedonia, and to get to know their peers in the business community, thus building their personal and professional networks. It was a perfect opportunity for the

participants to share their personal experience, failures, successes, and lessons learned, while enjoying the lively atmosphere and great food of our gracious hosts, MAD Kitchen & Bar. The evening concluded with a raffle and many attendees went home with prizes, thanks to the generous support of our members AMSM, Avon, Tinex, Tikves Winery and University American College Skopje. The huge turnout is a proof that we should (and we will!) continue organizing similar events focusing on the up-an-coming stars in our business community. ■



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