

“In Armenia the business community is ready to practice CSR...”

Interview with Sevak Amalyan
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CSR WeltWeit: What is the understanding of CSR in Armenia? And how is this understanding influenced by the cultural, religious, political and historical background of the country?

Sevak Amalyan: There are several characteristics of the Armenian nation that noticeably affect the current understanding of CSR by the business community of the country. Being one of the ancient nations Armenians were first to adopt the Christianity as the official religion, hence the values and dogmas of that religion lay in the core Armenian “world-view”. The idea of people equality was always present in the Armenian mentality and demonstrated by the societies; and a good evidence of it is that historically Armenians never practiced slavery. Culture of giving is quite strong among Armenians.



Finally, Armenian culture and values are based mostly on the notions of “shame and honor” rather than on those of “right and wrong”. In view of the above-mentioned, it is not surprising that for the most of Armenian business circles CSR is just another name for philanthropy and for small and short-term oriented businesses apparently dominating in the country, CSR is a “luxury” PR that can be afforded by a few big companies only. Those few large businesses operating in Armenia practice corporate philanthropy under the name of CSR and mostly for the purposes of PR. Of course, there are some exceptions in terms of companies with participation of foreign capital bearing the right understanding of and practicing real CSR, however, this experience is not well communicated and it is not as well perceived by society as the corporate philanthropy.

In summary, in Armenia we deal with a business community which is rather open for new ideas and is ready to practice CSR. However, for this we do need to advocate the business community on advantages and values of the real CSR.

CSR WeltWeit: Who gave the initiation to launch a local Global Compact (GC) network in Armenia? And what are the main goals and areas of activity of the GC in Armenia?

Sevak Amalyan: UN Global Compact was re-launched in Armenia by the UNDP Country Office in 2006. Before that, in 2003 there was an attempt to bring the GC to Armenia, but due to the lack of interest displayed by business community it was decided to wait for “better times”. It should be considered that the overall businesses in Armenia are considerably dependent on the politics and most of the companies in the country, feeling themselves still vulnerable, prefer to stay oriented on short-term profit and ignore long-term, strategic vision.

The Global Compact network in Armenia consisting of 38 members has approved its “Governing Principles” and established the Steering Committee of the Network in May, 2009. According to the mentioned document the main mission of the Network in the country is to make Armenia a better place for future generations through promotion of the socially responsible business models and practices in Armenia and through creation of the business partnership opportunities. The Network is to serve as a country forum for learning and constructive exchange of Corporate Social Responsibility practices and to encourage and support its members to develop joint initiatives and implement partnership projects to contribute to the achievement of the mission of the network. The Steering Committee of the Network fully pursues the mentioned directions, and in 2010 we will witness very concrete projects and actions contributing to the main values and mission of the Network.

CSR WeltWeit: In your perspective, what are missing drivers for CSR in Armenia? May the recently announced opening of the border with Turkey lead to additional pressure on Armenian companies in terms of CSR becoming a competitive force?

Sevak Amalyan: CSR should be of demand and encouraged at least either by the government or by the society. In reality, there are a few incentives for a company in Armenia to become a Corporate Citizen. As known, in such small markets like Armenia competition in most of the sectors is weak and therefore one cannot hope for CSR to become a subject to competition among businesses. Also, proceeding from the idea that CSR should neither be a subject to legislation, little can be expected from the government. Open borders and new markets can obviously bring some changes to the situation, however, still an aware and an active society is of crucial importance for making companies responsible in Armenia. In this regard, all stakeholders promoting CSR in the country have to devote proper attention and resources to inform and make the society demanding toward businesses – working with the society is as needed now as working with the businesses.