

# Opportunities and Options for Government to Promote Corporate Social Responsibility in the Czech Republic

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**Abstract**—The concept of corporate social responsibility (CSR) in the Czech Republic has evolved notably during the last few years and an issue that started as an interest- and motive-based activity for businesses is becoming more commonplace. Governments have a role to play in ensuring that corporations behave according to the rules and norms of society and can legislate, foster, collaborate with businesses and endorse good practice in order to facilitate the development of CSR. The purpose of this paper is to examine the opportunities and options of CSR in government policy and research its relevance to a business sector. An increasing number of companies is engaging in responsible activities, the public awareness of CSR is rising, and customers are giving higher importance to CSR of companies in their choice. By drawing on existing CSR approach in Czech and understanding of CSR are demonstrated. The paper provides an overview, more detailed government approach of CSR.

**Keywords**—Approach, corporate social responsibility, government policy, instruments.

## I. INTRODUCTION

**B**USINESS has played a significant historical role in societal development, through philanthropy, or by having a motive beyond moneymaking. For the past half a century, there has been a call by society in general for corporations to assume responsibility beyond mere financial gains for the shareholders. The term Corporate Social Responsibility (CSR), which denotes the responsibility of corporations towards society and the environment, has emerged from these discussions. Several aspects of the performance of businesses, such as reputation and risk management, employee satisfaction, innovation and learning, and access to capital and financial performance are directly or indirectly linked to their role in managing their social responsibilities.

Corporate responsibility as a governance approach entails governments establishing conditions in which CSR can flourish. States make the rules and devise incentives for corporate social responsibility. Creating a policy environment that facilitates, provides incentives, encourages or even mandates responsible business activities is crucial to building a sustainable and inclusive economy. Governance CSR activities to date have largely been derived from a series of external and internal drivers that collectively generate a public policy case for CR [1].

The contemporary CSR agenda is founded on the premise that businesses are part of society, their relationship with society is interdependent, and they have the potential to make a positive contribution to societal goals and aspirations. This role of business in promoting positive social progress is well recognized by governments in many developed and developing countries and they have begun to adopt this type of CSR agenda and encourage business in taking initiatives toward positive social development. At the national level, the role of CSR has been put forward as both a mechanism to address welfare deficits, and a means of promoting national competitiveness [33]. At the international level, CSR is understood as the mechanism for companies to contribute to sustainable development. For example, CSR is considered the strategic solution for socio-environmental challenges in developed economies and was officially adopted by member governments at the European Commission [8]. Although there is broad consensus that CSR has a business-driven approach and that the main focus of CSR development is the business sector, attention must also be paid to the development and application of CSR within the framework of other stakeholders, such as governments, from a relational perspective.

The objective of this paper is to understand the role of governments in opportunities and options in promoting CSR. Our purpose is aimed to analyses governments' CSR public approaches and initiatives in order to define the governments' interest in CSR, which comprise the main instruments and themes of CSR policies.

The presented empirical research provides output of an analysis of CSR approach in the Czech Republic. The country approach shows in terms of governmental actions promoting CSR. First, we classify public policies and initiatives based on the framework and second we analyze "internal" initiatives and activities generated in the Czech Republic. The research is combinations of a theoretical approach and analysis of CSR issues in the Czech Republic and hence involves understanding the theoretical basis of the relevant matters. The requirements for carrying out such a research include obtaining literature regarding issues in CSR, the role of government in development of CSR activities, policies of country.

Over the last decade, governments have joined other stakeholders in assuming a relevant role as drivers of CSR [16] and adopting public sector roles in strengthening CSR [32]. At the start of the century, these governmental initiatives converged with the actions of different international

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organizations such as the UN Global Compact and the European Commission (Green Paper) [9], both of which began to promote and endorse CSR, recognizing that the role of public administration and public policy initiatives were key in encouraging a greater sense of CSR [23].

The paper is structured as follows. Firstly, we examine the governments' interest in CSR to analyze the governments' issues about the concept. Secondly, we present the instruments and themes of CSR policies used to analyze a systematic account of how governments address CSR. Thirdly, we present the result of the empirical research that explores the CSR approach in the Czech Republic. Lastly, we offer some developments in CSR government policy and considerations based on these results.

## II. GOVERNMENTS INTEREST IN CSR

The challenge for governmental agencies in promoting a CSR agenda is to identify priorities, raise awareness, create incentives and support, and mobilize resources from cross-sectoral cooperation that are meaningful in the national context, as well as building on existing initiatives and capacities. Given the management focus and widely accepted voluntary character of CSR, why do governments care about the concept at all? This question can be answered by the following five literature-based propositions [31]:

First, governments are interested in CSR because the respective business efforts can help to meet policy objectives on a voluntary basis. This motivation touches not only on policy objectives related to sustainable development and environmental protection, but also to foreign policy goals such as human development and development assistance [36]. Reference [6] states that CSR is concerned with redistributing corporate resources to public causes. As the CSR critic Henderson puts it provocatively, CSR is now "a common body of doctrine" that requires businesses to "play a leading part in achieving the shared objectives of public policy and making the world a better place" [31].

Second, CSR policies are regarded as an attractive complement for hard-law regulations in cases where new regulations are politically not desirable or infeasible (in particular at the international level; for examples see [36]. Compared to hard-law regulations, the soft-law character of CSR and CSR policies implies comparatively low political costs in terms of resistance by special interest groups [15], [18]. Third, governments inevitably define CSR negatively with conventional social and environmental regulations because the 'voluntary business contribution to sustainable development' starts where the legal framework ends [31]. Fourth, a look into the governance literature of recent years shows that the soft approach of CSR policies coincides with a broader transition of public governance altogether, which leads away from hierarchical regulation towards more network-like and partnering modes of self- and co-regulation [13], [14], [21], [29], [30]. Fifth and finally, since CSR is concerned with managing business relations with a broad variety of stakeholders, the concept obviously reshapes not only management routines but also the roles of, and relations

between, businesses, governments, and civil society [31].

### *Roles of the Government*

From the industrial revolution to recent years, social objectives have been almost entirely the responsibility of government. Social movements, non-profit organizations' activities and pressure groups during the 1970s and 1980s led to the mobilization of public opinion demanding from corporations to demonstrate a socially responsible stance. Since the earlier twentieth century, European as well as other countries all around the globe have developed legislation to control the relationship between employee and the company, health and safety at work, issues of environmental interest, discrimination and equal opportunities at workplace. In Europe, state owned companies were created to pursue commercial and social objectives, whereas private sector companies were allowed to pursue their commercial objectives almost exclusively.

Legislation, regulation and taxation have been the favorable tools employed by governments to promote and protect social objectives. In the area of the environment, command and control techniques have been favored by the European countries since the 1970s whereas a shift towards shared responsibility between government and industry is another favorable policy approach since the mid-1990s.

A question of interest therefore is, whether government should assist business to exceed its legal obligations and hence commit itself to socially responsible behavior, as defined in current terms. Interestingly, recently published studies [32], [4], suggested that government might play a role to encourage and promote the social responsibility of business.

The recent movement of CSR to a proactive orientation is not only a result of increased knowledge but also mirrors and works within a context of evolving global standards of human rights and the increased collaboration of corporate, non-governmental and governmental organizations in the development, monitoring, and implementation of human rights and environmental protection standards. Especially practical connections between human rights and CSR are very powerful. Both human rights and CSR are concerned, among other freedoms, with the freedom of speech, freedom of movement and the right to earn a living wage for a day's work.

The emerging generation of CSR carries with it the recognition that a global framework is important for all organizations, both large and small. A global CSR is responsive to the multiple cultures, value sets, and communicative practices of different nations while recognizing that organizational contexts are no longer bounded by the nation state. Fundamental changes are emerging within the new generation of CSR. This transformation is strongly associated with dynamic processes of globalization including:

- The intensification and deepening of material, political, and cultural exchange;
- The development of global consciousness through processes of reflexivity;

- The disembodiment of events and institutions, which permits new realignments, and restructuring of social interaction across time and space;
- Compression of time and space; and
- The rapid diffusion of ideas and knowledge enabled through new information technologies [27].

Globalized CSR no longer distinguishes “out there” from “in here”. One of the most important features is that it embodies dynamic, intense, and extensive communicative, economic, cultural, and political exchanges and practices. In its early conceptualizations, CSR represented an individual’s freedom from organizational wrongdoing by virtue of the corporation not violating the legal mandates of a particular society at a particular time. Those who fell outside the purview of a particular law or context were not included within the corporation’s responsibilities [12]. Boundaries between nation states were strictly adhered to, and acceptable corporate behaviors were widely variable. On the other hand, today, modern corporations with operations scattered around the globe are different animals from its predecessors. Principles of CSR and sustainable development have become more widely recognized by corporations around the world and increasing numbers of them are publicly discussing their activities [3].

CSR standards represent a response to the failures of national and international business regulation. According to [19] analysis, economic globalization, as measured by the growth of international trade and the expansion of international investment, has created a governance deficit. Much of the growth of global civil regulation is rooted in the perception that economic globalization has created a structural imbalance between the size and power of global firms and markets, and the capacity, willingness, and ability of governments to regulate them [22].

Some key roles, which a government can actively choose to engage to support a CSR agenda, include (but are not limited to), the following: regulating, facilitating, brokering, and warranting [32]. While CSR is normally seen as voluntarily going beyond local requirements, governments can use stricter regulation. This can come in the form of laws, regulations, penalties, and associated measures to control aspects of business investment or operations. Governments at different levels can regulate the behavior or practice of business by defining minimum standards for business performance embedded within the legal framework.

Governments can combine public resources with those of business and other actors to leverage complementary skills and resources to address issues within a CSR agenda [25]. Government can act as a broker in partnering public sector agencies, businesses, civil society organizations and other stakeholder groups in tackling complex social and environmental challenges. Government can do this by initiating dialogue in multi-stakeholder processes; supporting joint government-industry collaboration in capacity building and developing sectoral CSR guidelines; engaging stakeholders in standards-setting processes; promoting public-private partnerships for community development; and

mobilizing resources. In this role as broker, government can also stimulate the engagement of key actors in a CSR agenda.

Government can provide political support and public warrant of a CSR concept. In particular, this can be done for specific types of CSR-related initiatives in the marketplace. Warranting can take various forms, including commitment to implement international principles; education or awareness raising programmes; official policy documents; publicity of good CSR practice conducted by other leading companies; specific CSR related award schemes; or, endorse specific pro-CSR indicators, guidelines, systems and standards [35].

### III. INSTRUMENTS AND THEMES OF CSR POLICES

We completed an account of governments instruments address CSR. The proposed typology (adapted from [31]) characterizes CSR with five types of policy instruments. It is based on a comparison of existing CSR policy typologies and empirical research.

According to [26]: “Policy instruments are tools of governance. They represent the relatively limited number of means or methods by which governments affect their policies.” Although “There is no single agreed characterization of government resources or instruments in the literature on public administration” [5], one can distinguish a widely acknowledged standard set consisting of informational, economic and legal policy instruments [2], [24], [26]:

- Informational instruments are based on the resource of knowledge.
- Economic instruments are based on the resources of the taxing authority and money. Their rationale is to influence behavior with financial incentives and market forces.
- Legal instruments prescribe the desired choices and actions by making use of the state’s legislative, executive, and judicial powers.

All three types of these instruments can also be found in the context of CSR policies, but the following two deviations are obvious. First, the economic and legal instruments assume uniquely soft characteristics. If legal CSR instruments have a mandating character that goes beyond recommendations, they are either not universally binding (businesses, for example, do not have to obey label regulations if they do not want to apply them), or enforcement is non-existent or weak. The second deviation is that the tripartite instrument set has to be expanded by two additional instrument types, i.e. partnering and hybrid ones [31]:

- Partnering instruments build on a co-regulatory networking rationale, assuming that different actors are interested in working together towards shared objectives. Due to the voluntary character of CSR, one would assume that CSR policies make extensive use of stakeholder forums, negotiated agreements, and public-private partnerships [32].
- Adding hybrid instruments as a fifth type is necessary because either numerous government initiatives on CSR combine or two or several other instruments as mentioned above.

### *Figures Types of Government Intervention in CSR*

In selecting the appropriate types of policy intervention, governments must take into account local socioeconomic, political and cultural contexts as well as the specific problems or action areas in and through which social change is desired. Governments may wish to combine different types of intervention in order to address social challenges effectively. Practical experience shows that various types of government interventions can comfortably coexist, and can in fact be complementary. There are at least four types of government intervention that can usefully be distinguished [32]:

Awareness-raising instruments represent an important tool for governments in disseminating the idea of CSR and providing incentives for business to adopt it. Aimed at demonstrating how companies can contribute to sustainable development, these tools are often used to create a common understanding of CR among companies and their stakeholders. Raising awareness is an important first step leading to public sector engagement in CSR.

Partnering instruments lie at the heart of the CSR public policy agenda. Partnerships combine the expertise, competencies and resources of the public sector with those of business and other societal actors to address action areas within the CR agenda, thus creating benefit for all. In these partnerships, governments may be the initiator, moderator or facilitator.

Soft law interventions to promote CSR are no regulatory interventions. Examples of soft law policies include the promotion of universal principles such as the UN Global Compact and the OECD Guidelines for Multinational Enterprises, the inclusion of corporate responsibility criteria in public procurement procedures, and the establishment of a national action plan on CSR.

Mandating instruments are often used to set and enforce minimum standards for business performance in CSR-relevant areas such as environmental protection, anti-corruption and labour laws. These standards can come in the form of laws, regulations or sanctions, which regulate and enforce business activities. Legal frameworks for corporate responsibility vary widely depending on a country's socioeconomic and cultural framework

Based on empirical research and analysis of several approaches, CSR policies can be characterised. The following part contains the fields of action in the Czech Republic that these policies, instruments and themes are employed in.

#### IV. CORPORATE SOCIAL RESPONSIBILITY APPROACH IN THE CZECH REPUBLIC

Another aspects of corporate responsibility, compliance with the law and efforts to be accountable and transparent and to 'do no harm' should be the starting point for leading companies. At the same time, as the public problems faced by individual nations and by the international community become increasingly complex and intractable, and pose ever greater risks and opportunities for business, there will be a growing need not only for product and process innovation on the part

of companies, but also for institutional and policy innovation on the part of governments, non-governmental organizations, and the private sector [11], [20].

CSR cannot be imposed against the will of enterprises, but can only be promoted together with them under involvement of their stakeholders. The first step to promote CSR in a country is necessarily to fill the knowledge gaps about the significance and contribution of CSR to business success and sustainability, as well to increase awareness and acceptance among relevant actors. The government can play a crucial role in establishing CSR value and knowledge among the business and the public through recognition for CSR achievement and spreading CSR information to attain a better understanding of CSR among the public. Initiative can come in the form of publicity, awarding success, campaigning for awareness, networking opportunities, and funding. Characterizing the range and approach of public policies on CSR across the Czech Republic is the part of the purpose of the present paper. Thus, the research documented was guided by the following areas:

- To identify current government's approach to the CSR issues and non-governmental instruments in the Czech Republic.
- To define how the instruments are used for regulations or voluntary approaches.
- Perform an analysis of international or national standards that relate to CSR.
- The theoretical and practical contribution of addressing CSR issues is in follows parts.

#### *An Overview of CSR in the Czech Republic*

In the post-communist Central and Eastern Europe, environmental and social concerns have tended to receive less attention than the significant economic challenges associated with the transition to market economy. However, CSR awareness and implementation in the region are advancing rapidly. In contrast to Western Europe, it is mainly companies themselves – often multinational corporations – that are the main agents of change, whereas external pressure from civil society, media and public authorities has so far been fairly low [34].

In the Czech Republic at the beginning was the impulse of most companies involved to focus purely on philanthropic donations. Over the time, a number of companies have steadily been growing and companies are engaged in a remarkable range of activities. Today, Business Leaders' Forum's mission is promotion and enforcement of CSR in line with European methodology and best standards. In this respect, the Forum closely cooperates with the European Commission and European Commission's Directorate-General for Employment, Social Affairs and Equal Opportunities.

The results of our research show from the perspective of CSR Policies and Legislation that most legislation related to CSR priorities is implemented nationally, the most important of which are the National Labor Code, Consumer Protection Law, and Law on general product safety and Environmental Law. The Czech government adopted the National Quality

Policy in 2000, which includes CSR as a priority. The coordination responsibility of this policy at the national level lays with the Council of the quality of Professional Section for CSR composed of representatives of organizations and government working to promote the concept of CSR in the Czech Republic. The strategic objectives for 2013 are to create the basic prerequisites for the coordination of activities of major organizations around the promotion of CSR, participation in the implementation of the National Quality Prices (Price per CSR), cooperation in the implementation of professional activities on the issue of CSR towards the public and the creation of a discussion forum on terminology and content of social responsibility in the Czech Republic.

The harmonization of Czech law with EU legislation, and the Czech Republic's accession to the European Union, contributed to major advances in the promotion of CSR. As long ago as 1998, the Czech Republic adopted, among other things, rules for the introduction of Eco-Management and Audit Scheme (EMAS), and prepared the first National EMAS Program. The program was updated in 2002 and is currently governed by EC Regulation no. 761/2001. In order to fully participate in this program, companies must, among other things, introduce an environmental management system, which contributes to the continuous improvement of their environmental conduct. In 2013 there were 25 Czech organizations registered in the EMAS Registry, and another 1.500 in the EMS system (ISO 14001) from Czech Environmental Information Agency. The milestone in building foundations of CSR was August 2003, when the Sustainable Development Council of the Czech Government was established as a standing advisory body of the Government for sustainable development and strategic management. Increasing interest in CSR and a trend in implementation of CSR reflect also surveys of the Business Leaders' Forum. CSR awareness has also been increasing thanks to international corporations operating in the country as they belong among main supporters of CSR and have brought essential knowledge.

Neither legislation nor formal policies exist that oblige companies to report on their CSR activities. While there are a few certification bodies who can verify whether a CSR report is below GRI standards, this does not aid in promoting CSR reporting. We have identified the key drivers of CSR: According to surveys in the business sector, it appears that the main CSR-related priorities are the environment, well-being and philanthropy. The key players in the field of CSR can be assigned these main CSR Actors: Ministry of Human Rights and Minorities; Ministry of Labour and Social Affairs; Ministry of the Environment; Ministry of Industry and Trade; Business Leaders Forum; Association of Fair Business; Czech Society for Quality. Companies in the Czech Republic use the following international norms and standards as references for their CSR activities: OHSAS 18001 – (System of management of occupational health & safety), EMAS – (Eco-Management and Audit Scheme), ISO 14001 – (System of Environmental Management), SA 8000 – (Social Responsibility), ISO 26000 – (Corporate Social Responsibility).

Public awareness on CSR is widespread, but information is lacking as to specific CSR topics. Many CSR-related activities are of common public knowledge but they are understood as concepts in and of themselves and not within the CSR context. However, the broader concept of CSR is slowly taking root in educational institutions such as universities. It is often covered in courses on Corporate Governance, Business ethics and in some cases; it exists as a separate course as well. The first of its kind accredited to the University of Economics in Prague. The number of researches that focus on the topic of CSR has been increasing and there exists an award for the best thesis in CSR, despite the fact that the courses on CSR are not taught widely among Czech universities.

From environment perspective exists key policy "National action plan". The current policy on climate change is in the process of modification. The main environmental challenges in the Czech Republic include lowering emissions that exist as a results of transport, home heating and CO<sub>2</sub> incinerated fixed sources, as well as incomplete construction of a sewage treatment plant, insufficient share of renewable energy in the consumption of primary energy sources, deforestation, increase in public waste and finally, the role of environmental pollutants in the broadest sense (e.g. tobacco smoke, exhaust fumes, food additives) that contribute to the increase in childhood allergies).

The energy and eco-efficiency focus is currently decreasing energy intensity, increasing total consumption of primary sources and decreasing domestic solid fuel (price and availability). Environmental awareness is largely promoted through the Czech Republic's National Cleaner Production Program. In addition, there are a number of educational programs that reach out to the younger generations, introducing them to important personal practices such as sorting waste.

Czech companies are often found within the supply chain of many multinational companies. The most common issues companies when dealing with suppliers in Czech Republic are ensuring suppliers are competent in their field, legal capacity and integration of statutory bodies, financial correctness related to the state administration bodies, data security and company transparency. The responsibility for monitoring and addressing "human rights" lays within several government councils include the Council for Human Rights, for National Minorities, for Roma Community Affairs, for Health and Safety at Work, for People with Disability, among others.

The main trend in "equal opportunities" is for companies to focus on opportunities in work-life balance, diversity in the workplace, and ensuring inclusion of employees in the 50+ range. The latest trend is to establish company kindergartens. The Labour Code plays a strong role in this area as well as the pressure from the Czech-Moravian Confederation of Trade Unions. The task for "community engagement" is focus on perceived role of businesses in the local community: Czech businesses currently benefit from a positive image within local communities. This is largely due to the strict adherence of business to legal obligations. Business community involvement is generally not innovative. While normative

projects and activities are carried out, ongoing dialogue and cooperation between businesses and communities is not common. The Czech Republic's National Trademark on Quality is given to products that meet certain standards regarding quality/sustainability. The program consists of approximately 20 trademarks, including several that focus solely on environmental impact of the product. It was mentioned that company best practices is implemented into the Business Leaders' Forum. Currently, has collected and disseminated practical CSR tools and guidelines via its web portal [7].

Some of the traditional media start presenting CSR topics, but the amount is till minimal and interest of media in this topic is still very low in general. The exception is the magazine CSR Forum published by agency Publicon which focuses on topics from CSR. This agency also organizes an annual CSR summit, where the most recent issues in the field of CSR are discussed. In the Czech Republic also exist a few competing CSR Awards: Czech National Award for CSR, Top Responsible Company of the Year, and other. There also exist surveys in the field of CSR – CSR Research is a survey conducted yearly and other studies are prepared mainly by NGOs.

#### V.CONCLUSION

There is a strong link between CSR and inclusive and sustainable development. CSR provides a strategic and competitive opportunity. It is considered a cross-governmental issue, with a broad agenda related to social, environmental and international issues. Government should therefore seek to develop frameworks within which to assess local or national priorities as they relate to a CSR agenda.

It is the argument of the paper that government has been a major, but not the only, driver of the increased and increasingly institutionalized CSR in the CR. Other drivers of CSR can be broadly categorized into business and society. Business drivers include imperatives acting on companies from investors, suppliers, partners and customers, as well as imperatives identified by corporations themselves, such as reputation (with government or with other actors and publics), marketing, branding, employee relations and knowledge. Social drivers can include demands from consumers, particular publics (e.g. residents of specific geographic areas affected by a business), organizations claiming to act on behalf of society (e.g. non-governmental organizations, community groups) and employees. It can be expected that government drivers will often be acting in relationship with some of these other drivers.

Although the conclusion of this paper is that, the state is not captured by business but rather retains areas of autonomy [28] some researchers may wish to explore the possibility of the evidence provided in the foregoing as a function of business pressure. This can be imagined in very general terms such that there is a general business interest in taking over governmental responsibilities [10]. With more specific reference to CSR, another question that arises is whether high performing CSR companies will encourage governments to be a driver of CSR.

This could be for reasons either of wishing to increase competitors' costs or of wishing to penalize free riders, which enjoy the reputational goods and propitious governance systems that CSR may generate for business in general [16], [17].

We adapted the model from [23] for government corporate social responsibility policy framework applicable in Czech Republic conditions. The government CSR policy topic use application through vision, objectives, strategies and priorities. For position of political figure; organizational structure; centralized or decentralized is concern of internal government CSR structure. Important is crosscutting policies; regional and local government for creation of CSR responsibilities at different levels of government. Scope of CSR policy is focus on domestic vs. international approach and CSR role of other organizations is in order to government agencies, intermediary organizations, multi-stakeholder and international organizations.

CSR in the Czech Republic is considered by the government to be a cross-governmental issue with a broad agenda touching on social, environmental and international issues. In Czech country, different ministries introduce CSR initiatives into their specific policy areas in parallel; however, there is often limited coordination between them. There is a strong connection between CSR and sustainable development. Government can help by mapping existing needs, opportunities and constraints in the local or national context in order to define appropriate modes of intervention within an overall national strategy. As for the current state of development of CSR in the Czech Republic, one can observe that this initiative is principally driven by the striving for standardization in the field of social and environmental reporting, coordinated by the Ministry of Environment. Nowadays corporate environmental reporting is motivated by the tendency to include the environmental problems into sustainability reporting, which covers a wide area of corporate performance and should include economic and social aspects. Main CSR challenges for large corporations, the main challenge is to ensure consistency between what is done in practice and what is written in theory in the form of CR strategy. CSR is still largely seen as a means to greater corporate reputation. Therefore, the challenge lies in creating a deeper understanding of CSR. In regards to SMEs and the public sector, the greatest challenge, is to position CSR as a potential driver for business.

However, there is pressure from the ministry to introduce special environmental standards as a compulsory part of official company reports in the Czech Republic. Nevertheless, these attempts have been around for some time and so far, only voluntary reporting is taking place. Apart from this governmental effort, there is also the specialized non-governmental agency CENIA, which aims at publicly available environmental information and facilitates creation, collection, validation and reporting the cross-media environmental information to support better sustainability and environmental policies. This agency develops and manages an integrated environmental information system, including

primary data validation and information synthesis.

Conversely, we found that within the framework of governmental policies, companies demand a well-defined and level playing field with basic rules for all players. Government has an important role to play in defining clear policy frameworks of action to influence and encourage other organizations (businesses and different levels of government) and in leading by example. Governments should also be consistent in their policies, both in their own practice and through promoting an advanced CSR agenda internationally. They can act as brokers between sectors, working both on the supply side of CSR (companies, consultants, industrial associations) and on its demand side (citizens, consumers, investors, stakeholder groups). NGOs also think that governments should reward good practice, e.g. by supporting social enterprises whose activities benefit the community. To sum it up, the governmental efforts in Czech Republic are centered on the activities of the Ministry of Environment and nongovernmental agencies and the governments' general preferences are for a partnership approach with the business community, raising awareness, capacity building, stakeholder engagement, and facilitating voluntary initiatives.

Finally, governments all around the globe should play an important and active role in promoting and mainstreaming CSR. Governments should be helping business to achieve corporate social responsibility through regulation (i.e. setting appropriate legal framework), control and enforcement environment, subsidies and tax incentives. Especially governments should be the first to apply CSR standards within their operations, e.g. within their procurement policies, and in this way also promote CSR practices. Substantial progress in this respect have made European countries, which are today at the forefront of CSR movement.

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