



AL-INVEST IV INFORMS

N°43 - APRIL 2013



AL-INVEST IV - EUROCHAMBRES - Avenue des Arts, 19 A/D - B-1000 Brussels - info@al-invest4.eu



www.al-invest4.eu

CONTENTS

Special Report: Corporate Social Responsibility

Letter from the editor:

The Evolution of CSR in Companies in Latin America.....1

Special Report:

‘Enterprise 2020’.....2

Workshop: “From Awareness to Action:
How to implement CSR in SMEs”.....2

Second course of CSR.....3

Interview with...

Marlen Contreras, General Coordinator of
COMUCAP.....4

Activities:

CADEXCO commits to CSR training for
its SMEs.....5

Future webinars on the EU- Peru and
EU- Central America FTAs.....5

COEXPORT visits the Expo & Conference
AgriTrade Fair.....5

How to take advantage of the international
market.....6

Success story:

The company ‘Mi Fruta’ to export raisins to
the UK market.....6

Great opportunities through PBSI.....6

Brussels talks about...

MEPs advance negotiations on the
EU- Mercosur Association agreement.....7

Upcoming events and publications.....7

Contact.....7

Special Report: Corporate Social Responsibility

LETTER FROM THE EDITOR

The Evolution of CSR in Companies in Latin America

At the moment, there is a growing interest in CSR and sustainability issues in Latin America. The push to pay attention to these issues is not only coming from global companies with headquarters in Europe and the United States, but also coming from large national companies facing new competition and “Multi-Latinas” defined as privately owned Latin-American based firms with operations in at least one other continent like CEMEX, Petrobras, Pollo Campero, Grupo Bimbo, Natura and others.

These “Multi-Latinas” are introducing CSR to SMEs connected to their supply chains. There is also a young global movement with a new twist toward CSR and sustainability that has arrived in Latin America. Triciclos in Chile, Narnajo in Colombia and over 100 other companies in Latin America are following this movement. These companies incorporate as “Benefit Corporations,” and by law they must create a positive impact on society and the environment while making a profit. In addition, a new type of consumer has emerged in the region that is pushing the CSR agenda.

Market research studies show that this consumer allowed abuses and mistreatment coming from corporations in the past, but now is ready to confront companies and demands better behavior. Finally, new CSR legislation is appearing all over the region and making companies pay attention to the topic.

The CSR landscape looked very different in Latin America 10 years ago. CSR was defined as philanthropy by national and global companies, and their main CSR activities centered on money donations to charitable causes in the community. Between 2005 and 2009, the CSR concept became more than philanthropy when a group of global companies, “Multi-Latinas” and large national companies recognized the importance of identifying and building relationships with their stakeholders to preserve the company’s license to operate, build reputation and manage risk.

These companies developed CSR strategies, began to introduce CSR into their management systems and published CSR reports. By 2009, a few leader companies like Florida Bebidas in Costa Rica, Natura in Brazil and others realized CSR could add value the business and it became one of the pillars of the companys’ strategies. Until the last 2-3 years, small and medium companies (SMEs) were not part of the CSR conversation and consumers were not aware of the movement.

What does the future look like for CSR in companies in Latin America? It looks the same as in the rest of the world. Even though CSR has advanced a lot in the last 10 years, the challenges ahead are huge. It is not enough to be less bad, companies must transform their business models in order to survive in the future in a world that will have fewer natural resources, more complex environmental and social problems, and a growing population. According to John Elkington, author of the book “The Zeronauts,” the change should happen in the next 10-15 years.

Will companies in Latin America rise to the new CSR challenge? Yes, they will. But this time the leadership for the transformation will come from the “Multi-Latinas,” “Benefit Corporations” and social entrepreneurs. CEMEX is a “Multi-Latina” and it is building green cities using recycled cement. Triciclos is a “Benefit Corporation” and it is educating people on how to generate less trash through its recycling centers. Finally, Chunchino, an SME in Argentina that manufactures ecological baby clothes, is teaching consumers how to make sustainable purchases.

Celina Pagani-Tousignant
President Normisur International
Twitter: @celinapt



Support to the SMEs' internationalization
in Latin America



‘Enterprise 2020’

‘Enterprise 2020’ is a CSR Europe initiative, which addresses the challenges of Corporate Social Responsibility in Europe and around the globe. At present it is working on six major projects which support the European Commission. The company firmly believes that “one cannot succeed in addressing current social challenges in isolation”.

Commitment to CSR in Europe

The European Commission supports the initiative

‘Enterprise 2020’ is an ambitious ‘CSR Europe’ initiative which addresses European and global challenges. Questions are increasingly being raised

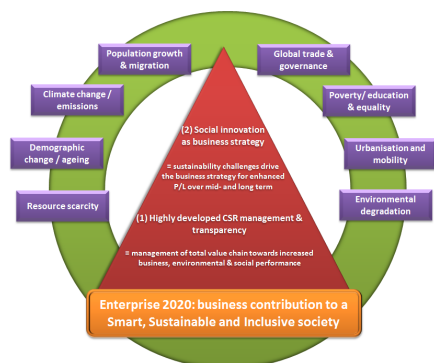
about the issues particularly with respect to current patterns of life, work, learning, communication, consumption and sharing of resources.

The initiative advocates that companies today must develop their business strategies taking into account how

human rights violations, the financial crisis, environmental degradation and poverty.

Some companies and stakeholders have been trained to lead collaboration projects in ‘Enterprise 2020’ and develop practical tools for firms and their stakeholders.

For the period 2011-2013, ‘CSR Europe’ has prioritized six collaboration projects. In this connection, CSR Europe will endeavour to provide information through webinars, conference calls, meetings and events for members of the platform.



the world will be in the future.

Through ‘Enterprise 2020’, ‘CSR Europe’ also aims to provide value added services to its members, which not only build confidence in business leadership, but also allow for continuous improvement and a transition towards a more sustainable economy.

Since its launch, ‘Enterprise 2020’ has become the European movement for companies committed to the development of innovative business practices and collaboration with stakeholders to provide solutions to the changing needs of society.

‘CSR Europe’ defines ‘Enterprise 2020’ as a company that has fully integrated CSR into its business strategies, an activity that contributes to smart, sustainable and inclusive growth.

The balance between minimizing risks through accountability and maximizing opportunities through transparency and social innovation are the keys to this initiative.

Social Innovation

Social innovation means new ideas, business models, products and services, and the solution to sustainability problems such as demographic change,



In a recent statement on CSR, the European Commission noted that ‘Enterprise 2020’ is an initiative “to help business leadership in the field of CSR, which is particularly relevant to EU policy objectives”.

The EU executive helped to review the first results of this initiative in late 2012, and helped to define the next steps.

‘CSR Europe’ welcomes the European Commission’s support to strengthen the ‘Enterprise 2020’ initiative, as it believes that no successful company, regulatory authority or organization can work in isolation to deal with the current social and environmental challenges.

For more information

Workshop: ‘From Awareness to Action: How to implement CSR in SMEs’

2-3 May, Montevideo, Uruguay



The National Chamber of Commerce and Services of Uruguay, a partner of AL-INVEST IV, is to participate, via a group of companies, in the workshop called ‘From Awareness to Action: How to implement CSR in SMEs’. The workshop will take place on 2 and 3 May in Montevideo, Uruguay.

The event is being organized by the Organization of American States (OAS), through its Social Responsibility Program (CSR), in coordination with Deres under the auspices of the Canadian International Development Agency (CIDA).

Contact

For more information

Second course of CSR

AL-INVEST IV is backing Corporate Social Responsibility again, by organizing a new course on “CSR as a competitive factor for Latin American SMEs”. The online session will take place during the months of April and May. The on site session will take place in July in Costa Rica.

AL-INVEST IV continues to support Latin American SMEs in implementing CSR policies

Following the success of the first CSR course, the AL-INVEST IV program has backed the subject again, by organizing a new course on “Corporate Social Responsibility as a competitive factor for Latin American SMEs”.



CSR is an essential element for companies who want to undertake business whilst maintaining respect for their economic, social and natural environment. This enables them to make a contribution to the development of communities, with standards that preserve

human rights, business ethics and the fair treatment of their workers.

The course is aimed at managers and staff working in the area of CSR, whose aim is to become experts in intermediary organizations in Latin America. The aim of these sessions is to support the entrepreneur in the implementation of CSR policies.

Attendees at the previous workshop have described it as “very innovative and practical.”



Carlos Fariña, Manager of the Consulting Unit of the Paraguayan Industrial Union, mentioned the “superior” quality of the classroom course and level of professionalism of teachers. He also pointed out some of the difficulties of implementing CSR in Paraguayan companies. “The corporate culture, especially that of small businesses, is not to invest in assistance consulting programs for the implementation of CSR”, he said. “More education is required along with an increase in the benefits to those who take Social Responsibility into account”, he added.

For his part, Martin Salces, Project Manager for the Chamber of Exporters of Santa Cruz Bolivia (CADEX), emphasized that it was possible to apply CSR within his organization due the knowledge acquired, the tools presented and the support network consolidated during the course.

The possibility of applying it in forestry has been identified, through making a project proposal called ‘the CSR articulation model between forestry companies and communities’. The project was presented to the Denmark cooperation (Special Projects of the Danish Embassy in Bolivia) and was well received.

Martin Salces explained the idea of this project in detail: “One of the main problems affecting forestry sector enterprises in Bolivia is connected with the supply of raw materials. Another problem is that indigenous forest



During the previous CSR course of the AL-INVEST IV program

communities have been unable to develop sustainable relationships with the forestry companies. The project aims to bring the forestry companies and indigenous communities in the Chiquitana region of the country together, to try and reduce the gap between them through the implementation of an articulation “model” including CSR. It might be possible to replicate this model in other forest regions.

The aim is to develop skills in organization, management, participation and resource generation for both community and private companies. One of the challenges of this project is for stakeholders to commit to the long-term strategic challenges for the development of the sector, leaving aside the strictly functional relationship of the purchase and sale of wood, to make way for a sustainable relationship on three dimensions: economic, social and environmental. “

And it does not end here, since the Project Manager of CADEX anticipates the implementation of other CSR projects in the area, but this time applied to SMEs in the food sector.

Contact

For more information

Marlen Contreras, General Coordinator of COMUCAP

The Coordinator for Rural Women (COMUCAP) of Marcala in La Paz (Honduras) is an association of 256 women Lenca farmers organized in 16 constituencies. It was set up in 1993 to enable women to understand their rights as individuals. Five years later, with the goal of reintegration into productive and social processes, COMUCAP boosted production projects to ensure their sustainability and environmental protection. Marlen Contreras, General Coordinator of COMUCAP, tells us how the association has become a successful exporter.



Today COMUCAP is made up of several women’s companies: EACP Alpha and Omega (food processing factory, wines and jellies), the EACP Always Alive (aloe vera processing centre which produces soaps, shampoos and aloe vera gel), the Sacred Heart EACP (chocosoya production) and EACP New Awakening (organic aloe vera production).

Apart from the above, COMUCAP as an organization has an organic compost plant and a facility for extracting aloe vera. Also, all members grow aloe in the courtyards of their homes.

Apart from representing its members, the organization also helps them in the management processes required for their development, processing and marketing of their business products and to export to Europe.

What do you think makes COMUCAP special?
COMUCAP maintains the human philosophy under which it was originally established. This means providing support to women and helping them get started in production and business processes. This is not only for their own livelihoods and that of their families, but also for the creation or participation in a competitive enterprise that contributes economically, socially and environmentally to the community and the country.

Does COMUCAP have any certification?
Yes, in coffee production we have three certificates: organic, fair trade and appellation of origin. In addition we have two for aloe vera: organic and fair trade.

How does having these COMUCAP certificates help?
They have helped us gain access to new markets and obtain better prices, to benefit from the programs and production projects implemented by the cooperatives members and to obtain financial resources and training.

Has the support offered by FIDE under the umbrella of the AL-INVEST IV program been important over the last five years?
Yes, it has. Through our participation in international trade fairs we have been able to market our products to potential buyers from Europe, Latin America and North America. Furthermore, with the support

provided by FIDE, prior to and during these events, we have gained knowledge about negotiation techniques, the market and our competition. Without the support of the program we would not have had access to an international trade fair stand or the necessary contacts to generate business.

Have the trade fairs or business conferences helped close any deals?
Yes, of course. We managed to close a contract with ‘Interamerican’, a German firm, for the sale of seven lots of ‘Café Oro’ equivalent to \$560,000 this year. We are also in talks with an Italian company that wants to buy aloe vera gel. The important thing with contacts is to give them adequate follow up so that they eventually create business.

Based on the experiences gained from participating in international trade fairs and business conferences, what recommendations would you make to SMEs wishing to start an export business?
Firstly they should clearly understand that it is no easy task to enter the international market. It is therefore important to study the market, know how to negotiate, and understand and manage the entire process from production to marketing. Also you must know and meet export requirements, clearly understand the costs and charges and keep your finances in order to avoid making losses.

What countries do you currently export to?
We currently export coffee to Switzerland and Germany.



Sector: Women’s guild organization of organic products

Coordinator: Marlen Contreras

Number of participants: 256

Headquarters: San Miguel, Marcalan, La Paz (Honduras)

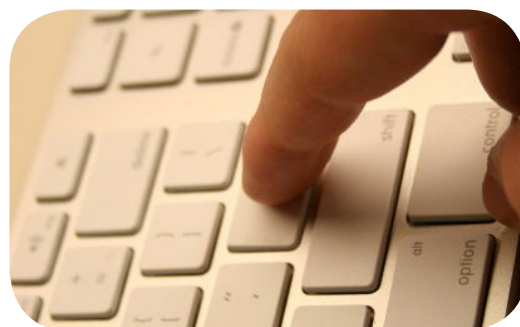
CADEXCO commits to CSR training for its SMEs

Key to maintaining a social and environmental balance

Corporate Social Responsibility (CSR) is a topical issue in Costa Rica, and companies are aware of the need to generate proposals that are responsible with respect to society and the environment.

Due to the AL-INVEST IV program, the Chamber of Exporters of the country (CADEXCO) has been able to offer targeted training to SMEs, to teach them how to become sustainable in both business and environmental terms.

The agency is also developing the 'Reach' program, which seeks to encourage companies and organizations to adopt responsible practices that achieve sustainable production processes.

[Contact](#)[For more information](#)

Future webinars on the Trade Agreements EU-Peru and EU- Central America

The Coordination and Services Consortium of the AL-INVEST IV program led by EUROCHAMBRES is organizing a series of webinars next month on Free Trade between the EU and Peru, and the Association Agreement between the EU and Central America.

The webinars are part of a series of sessions organized to raise awareness of new business prospects in the European market, Peru and Central America.

To participate, all you need to do is register on the following website once the dates are set.

[Contact](#)[For more information](#)

COEXPORT visits the Expo & Conference AgriTrade fair

March 14-15, Guatemala

Seven Salvadoran companies exhibited their products at the Agri-Trade Expo & Conference trade fair, the most important international agricultural event in Central America. The event is held once every two years and is organized by the Agricultural Commission of the Guatemalan Association of Exporters, AGEXPORT.

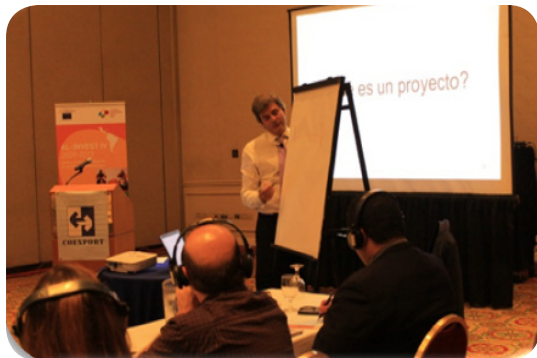
Among the products on display were jellies and natural dressings, marinated sauces and spices, processed and frozen foods, and drinks produced from fruits and dried herbs among others.

This is the first international involvement of one of the SMEs, which has made favourable contacts through the support provided by CO-EXPORT, the Costa Rican Chamber of Export.

[Contact](#)[For more information](#)

How to take advantage of the international market

COEXPORT provides training to Salvadoran firms



The El Salvador Export Corporation (COEXPORT) conducted a series of training sessions during the months of March and April, under the umbrella of the AL-INVEST IV program.

A total of 17 companies attended the sessions entitled 'Developing export focussed business plans'. The training sessions enabled participants to acquire the necessary tools to develop their business plans and they will shortly undertake the technical assistance training.

Apart from the above, 17 SMEs in the agri-food, craft, technology and services sector received training on how to prosper in Central American markets. The session was aimed at giving companies the tools necessary to explore markets and understand their competition, potential customers, needs, services and demand for products in order to make the most of the missions and international activities.

[Contact](#)[For more information](#)[Contact](#)

Success Story

The company 'Mi Fruta' to export raisins to the UK market

The Chilean company, 'Mi Fruta S.A.', has formalised a trade agreement with a client in the UK as a result of its participation in the SIAL 2012 trade fair and the mission organised by Eurochile and the Enterprise Europe Network, together with the AL-INVEST IV program.

The British client commissioned a total of 20,000 kilos of raisins, after learning about the products of Mi Fruta in the SIAL trade fair held in France last October. Export will begin in May. This has been a very important first step for the Chilean company, since "the English market is demanding," said Cristián Lepe, President of the firm.

The representative said that nothing would have been possible without the collaboration of Eurochile, which gave them a plane ticket in recognition of the company that had been the most outstanding within Eurochile in the previous year. He also thanked the staff of the AL-INVEST IV program and of Eurochile for their "commitment" and "professionalism" in providing solutions and the creation of missions for the partners.

[Contact](#)[For more information](#)

Great opportunities through PBSI

The Brazilian Industrial Symbiosis Programme (PBSI) was formed in 2011 by CNI, with the coordination of the Federation of Industries of the State of Minas Gerais and the Federation of Industries of Alagoas, Parana and Rio Grande do Sul, in the context of the AL-INVEST IV program.

The PBSI managed to connect companies, institutions, universities and research institutes and contributed well to the sharing of resources through a network of business professionals operated by properly trained participating federations.

Opportunities for companies have been created through the program as well as environmental benefits based on the reduction of waste and more efficient energy use.

In late February, the results of PBSI were presented by the British company, DataBuild, which notably included a reduction of 5,056 tons of CO2 and the diverting of 45,283 tons of waste from landfills.

[Contact](#)[For more information](#)

MEPs advance negotiations on the EU-Mercosur Association agreement

The first week of April concluded the mission of the Foreign Affairs Committee of the European Parliament in Brazil, the first mission of its type in the country. The main objective was to discuss the EU-Mercosur Association agreement, which still has a long way to go.

Elmar Brok, MEP from the German Democratic Party, headed the delegation. With him travelled Jelko Kacin, Slovenian liberal MEP, Pawel Kowal, conservative Polish MEP, Ana Gomes, Portuguese socialist MEP and the two conservative Spanish MEPs, José Ignacio Salafranca and José Millán Mon.

"We have focused on the prospects of a Mercosur Association Agreement, because negotiations are ongoing, even though they are quite slow," said Spanish MEP, Millán. "It is expected that Mercosur and EU authorities will exchange the conditions and offers for market access before December 31", he added.

Brazil is the fourth largest investment destination for the EU and makes up the Mercosur block together with Argentina, Uruguay and Venezuela (Paraguay left recently). The parties are still negotiating the agreement.

Upcoming events and publications

Events

Training support for the innovation of SMEs
April to September 2013 (online) (CS)

BITS International Business Meeting
May 14-15, 2013, Porto Alegre, Brazil (MCV)

Course on Corporate Social Responsibility and SMEs
April-May 2013 (online) (CS)
July 2013, on site, Costa Rica

Latin American Academy
24-28 June 2013, Ecuador

Workshop: 'From Awareness to Action: How to implement CSR in SMEs'
2-3 May 2013, Montevideo, Uruguay (CS)

More events: <http://www.al-invest4.eu/calendario/656>

Contact

For more information visit our website
www.al-invest4.eu,
or Check our Facebook profile



AL-INVEST IV Services Consortium



@ALINVESTIVCS



ALINVEST4CS

Contact:

info@al-invest4.eu

Share your comments!

Publications

"Social Responsibility and SMEs" Report

Guide on exporting services

Guide "How to export to Europe"

Leading editors:

Paolo Baldan, Director of the Coordination team

Simona Obreja, Communication Expert

AL-INVEST IV - EUROCHAMBRES- Avenue des Arts, 19 A/D - B-1000 Brussels -

info@al-invest4.eu

"The AL-INVEST IV Program is one of the most relevant regional economic cooperation programs of the European Commission in Latin America. The main goal of the IVth phase of the Program is to promote social cohesion by supporting Latin American SMEs in their consolidation and internationalization, sharing innovation and knowledge and creating economic relations with their European counterparts".