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Chairwoman of Clear Wave Council
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Basel



BEGINING – back to 2006-2007s in Lithuania

Shadow economy

18,9 % of GDP + illegal activities

up to 20% salaries payed in the “envelopes”

High tolerance towards shadow and “envelopes” both from society and business

First steps of CSR topics with Global Compact Network in Lithuania

In 2006 Global Compact network in Lithuania announced declaration of 32 companies for the “Transparent wage policy”.

Krekenavos byla: nubaustos darbo inspektorės

Daiva BARONIENĖ

2006 06 07 0:00



Dalia Budrevičienė atleista dėl to, kad viešai prabilo apie „vokeliuose“ mokamą dalį algos.
Gintaro Mačiulio nuotrauka

A-A+

Užfiksavusios procedūrinį pažeidimą atleidžiant iš darbo mėsos sūdytoją, bet už tai nenubaudusios gamybos direktoriaus, pareigūnės gavo pastabą ir papeikimą

15MIN > AKTUALU > LIETUVA

Publikuota: 2008 rugpjūčio 6d. 15:37

„Krekenavos agrofirmai“ – beveik 44 tūkst. Lt bauda



Šarūno Mažeikos/BFL nuotr. / „Krekenavos agrofirma“ nubausta už algų mokėjimą „vokeliuose“.

Šaltinis: BNS



Mėsos perdirbimo įmonei „Krekenavos agrofirma“ už „vokeliuose“ darbuotojams mokėtas algas Panevėžio miesto apylinkės teismas skyrė 350 minimalių gyvenimo lygių (MGL) dydžio, tai yra 43 tūkst. 700 Lt, baudą.



BEGINNING

Clear Wave founded in 2007, as a counterweight to a big scandal of envelope wages in particular business sector.

Collective action initiative started with the collective action.

Initiative group: representatives from

Association 'Investors' Forum'

United Nations Development Program in Lithuania

'Transparency International' Lithuanian department,

Civic initiative "Dalių sąskaita"

The Lithuanian Business Support Agency

Main idea: social label with a purpose to help customers indicate fair businesses.

Primary focus - promote companies, which maintain transparent accountability and payment to their employees.

Expanded agenda lately:

Company maintains transparent accountability and payment to their employees;

Comply with the laws of the Republic of Lithuania and honestly pay the fees and taxes provided;

Take transparent and fair participation in the Tenders (public procurement)

Other business ethics' issues in perspective

Main Stages in Launching 'Clear Wave'





Key Success Drivers

(I) CLEAR IDEA

"No envelope wages"

- + Easy to communicate.
- + Understood by the public.

However..

- ! 'Low' topic for advanced companies.
- ! Deliberate communication when agenda expanded.



Key Success Drivers

(II) FINDING THE KEY DRIVING PARTNERS

International companies already having ethical business practice and operating in Lithuania:

- Lifosa
- TEO LT (Telia)
- RIMI Lietuva
- Nordic Sugar Kėdainiai



Key Success Drivers

(III) CREDIBILITY BY PARTNERSHIP WITH GOVERNMENTAL INSTITUTIONS

Patroness of the Initiative 'Clear Wave'

President of the Republic of Lithuania

H.E. Dalia Grybauskaitė



Partners:

Ministry of Finance of the Republic of Lithuania

Tax Inspectorate of the Republic of Lithuania

State Investigation Service of the Republic of Lithuania

State Labor Inspectorate

Credit bureau



Key Success Drivers

(IV) MEDIA PARTNERS

Active communication to get ether on the particular topic
Getting ads & banners pro bono from media (if possible)





Key Success Drivers

(V) **DOING IT BUSINESS WAY**

Having a roadmap

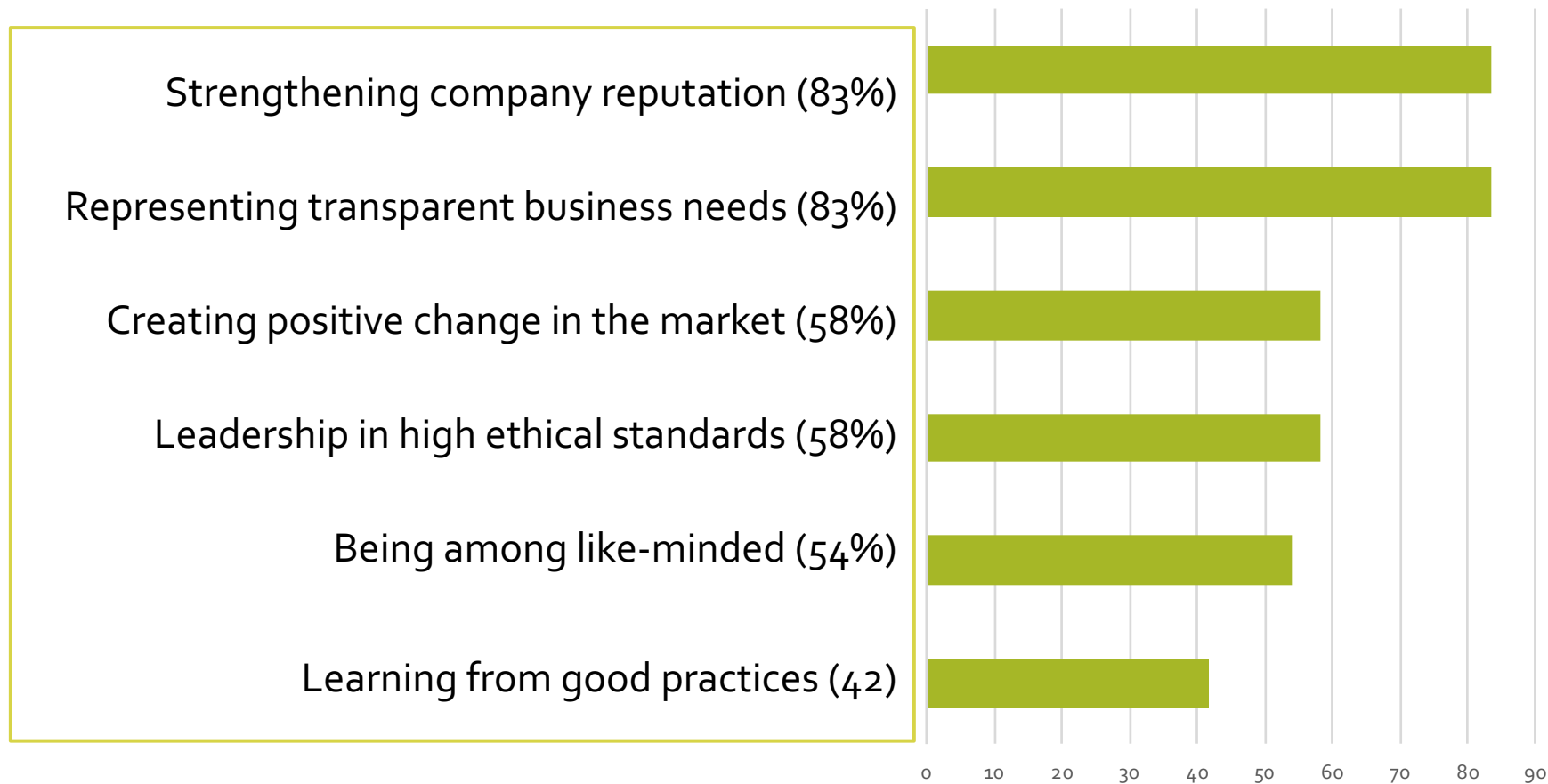
Showing the value for the companies

- Credits for reputation and customers' confidence

- More publicity

- Possibility to influence the market being as a role model and by active actions

HOW DOES CLEAR WAVE CREATE VALUE TO YOUR COMPANY?





Key Success Drivers

(VI) COMMITMENT AND EXPERIENCE FROM ADMINISTRATION AND COUNCIL MEMBERS

Contribution from business association Investors' Forum: knowledge, networks and credibility to start and develop the initiative.

Council members representing different business sectors and respectful organisations.



MAIN CRITICS FROM ...

The ones in the shadow market

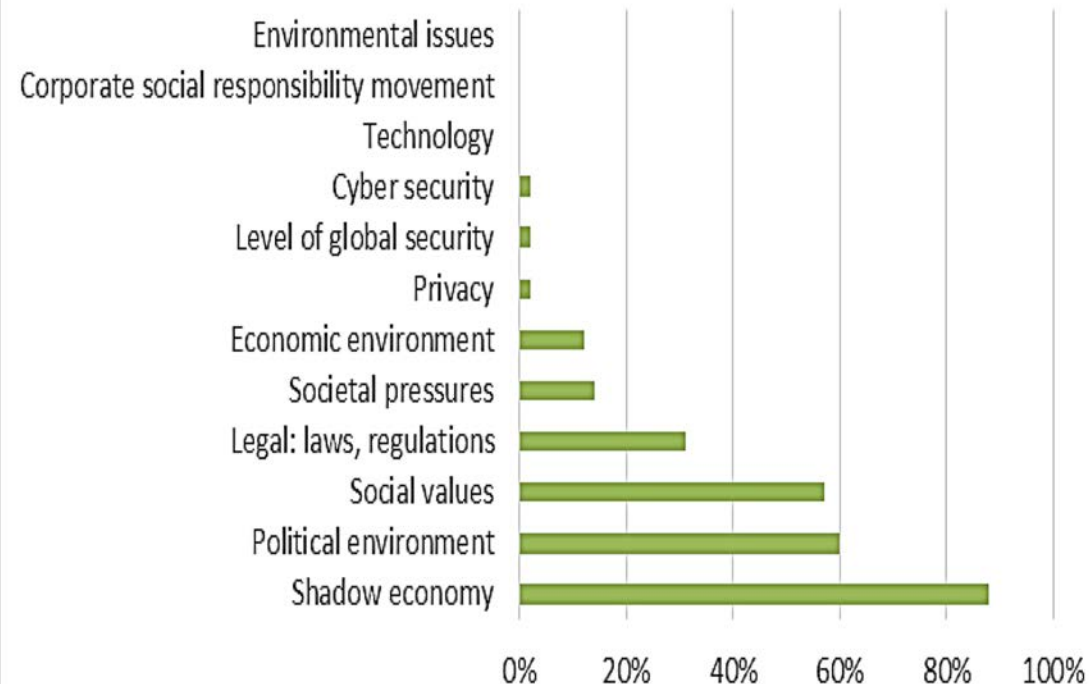
Fair market players



CHALLENGES FACED

- 1) **What to do when company enters into the scandal**
- 2) **Accelerating**
 - Getting and motivating more members to join
 - Finding attractive ways of communication with business and community
 - Funding
 - Getting members involved in promotion of 'Clear Wave'
- 3) **Other environmental factors**

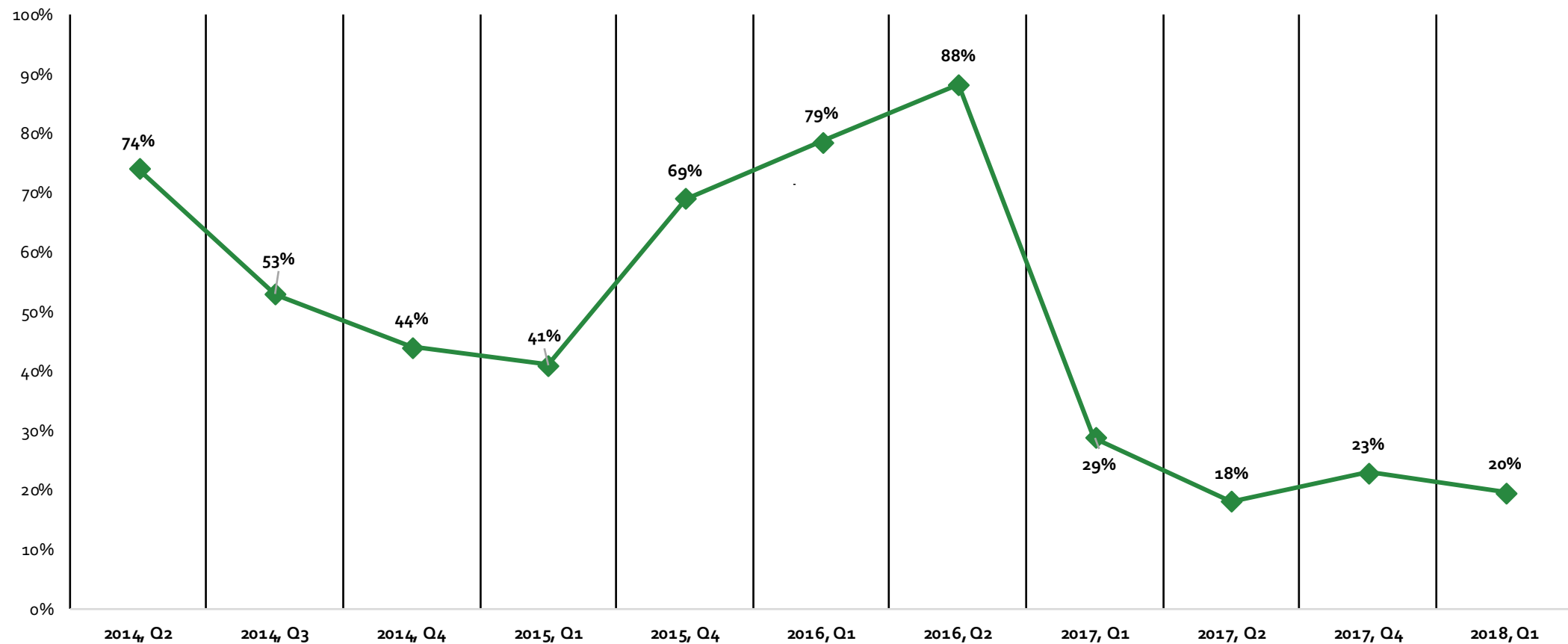
What are the business environment barriers impeding business ethics in Lithuania today?





CHALLENGES FACED

AREAS that need to be improved in Lithuania: TRANSPARENCY





OPPORTUNITIES

1) Awareness of initiative and recognition of the label is growing

In Lithuania 'Clear Wave' label is recognized better than



2) Changes in consumer preferences

3) Businesses become more conscious



Business driven initiative to promote business integrity and transparency

Members recognized by social label 'Clear Wave'



Benchmarking good business practice, education and trainings for business and community.

Members from SMEs to MNEs





Other tools & means provided

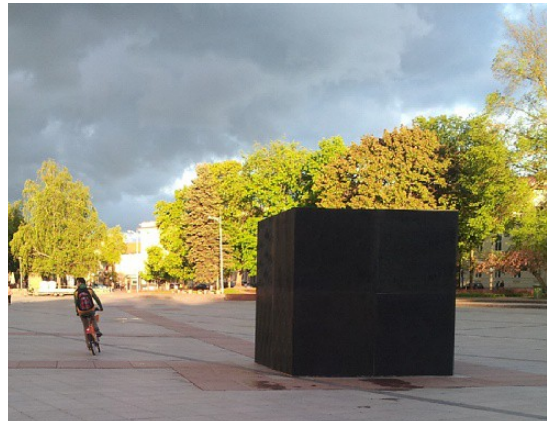
1. **TRACK. Transparency** (information disclosed on company's website) **evaluation of every initiative member:**
 - In cooperation with Transparency International Lithuania.
 - Decision to adopt methodology by members (volunteering).
 - Result of the 1st evaluation: **positive change of 4%.**
 - Roadmap for the companies to improve anticorruption and transparency policies and to compare how they look among the others.
2. **Events, seminars, workshops to raise awareness** in a relevant topic. Encouraging peer-to-peer learning from the real cases and best company practices.
3. **Public procurement working group.**
4. **Public actions and initiatives, such as 'No country for shadow'** involving business, governmental institutions and society and encouraging direct dialogue among all three parties.



NO COUNTRY FOR SHADOW

One of the best example of NGO, business and public sectors' cooperation for the joint action.

- **Aim:** to develop a responsible, active and conscious society as well as to invite citizens to make a change in their daily choices, which could affect the scale of shadow economy in the country.
- Over 1000 participants from different organisations (Public, NGO, Business) join the initiative every year.
- Covered in all Lithuanian regions.





2018

- Started as a transparent business labelling initiative 'Clear wave' expands its agenda and seeks to become more as a reference point for the companies, looking for the favourable platform to exchange knowledge and best practices on how to improve their business integrity.
- Unifies up to 60 companies – members.
- Acknowledged by Lithuanian Government, Public and International organizations.
- **Next task – go on a massive scale.**

www.baltojibanga.lt
www.facebook.com/baltojibanga

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