

# SUSTAINABILITY IN 3D



## Development - Dedication - Diligence

An AmCham Romania study  
of its members impact in Romania, beyond business



## Purpose of the Study

Generating meaningful impact and effecting lasting change requires a fair understanding of the issues faced by a community, identifying needs, allocating resources, forging partnerships to implement programs, as well as measuring the impact of corporate programs addressing the needs of such communities.

The Sustainability in 3D Study commissioned by the American Chamber of Commerce in Romania (AmCham Romania), sponsored by Metropolitan Life and elaborated by the Association for Community Relations (ARC) is meant to offer a comprehensive overview of the positive impact that AmCham member companies have on the Romanian economy, society and environment. It focuses on four key areas of society: education, health, environment and community development.

## Study Description

The study aimed to analyze key economic indicators collected from public sources, to challenge AmCham member companies towards the strategic effort of measuring the impact of their corporate social responsibility activities (CSR) on the society from a quantitative perspective, and to illustrate different approaches in achieving a positive impact through the qualitative analysis of several case studies.

## Context

In the context of a national economy highly dependent on foreign direct investment (FDI), with half of the EUR 290 billion turnover of the local economy generated by companies with foreign capital (Mihai- Andrei & Ciriperu, 2018, p. 22), with FDI inflows of EUR 70,113 million in 2016 alone, the impact of such companies is critical for the Romanian economy and as our study will show, their positive impact goes beyond business as they rank high in terms of sustainability and ethical programs, investments in CSR projects and a have a strong commitment for the wellbeing of the communities where they operate. *The study aims to chart the 3 dimensions of their impact, by outlining the overall economic impact of AmCham Romania members, referred to as Development, their overall impact on the society, referred to as Dedication, and their care for the environment, referred to as Discipline.*



# Executive Summary

## Development Contribution to the Romanian Economy



### 2016 PROFIT TAX CONTRIBUTIONS TO THE NATIONAL BUDGET\*

Aggregate	US	Non-US
<b>Over 321,4 million USD</b> N = 298 member companies	<b>159,8 million USD</b> N = 100 member companies	<b>161,5 million USD</b> N = 198 member companies

### 2016 CONTRIBUTION LEADERS BY SECTOR

**69,7 million USD** – IT and Telecommunications  
**57,6 million USD** – Banking & Financial Services  
**47,2 million USD** – Tobacco  
**39,2 million USD** – Energy  
**31,3 million USD** – Manufacturing / Production

### 2016 CONTRIBUTIONS TO THE JOB MARKET

Aggregate	US	Non-US
<b>3,405 jobs added</b> N = 281 companies	<b>1,936 jobs added</b> N = 95 companies	<b>1,469 jobs added</b> N = 186 companies

### 2016 CONTRIBUTION TO THE JOB MARKET BY SECTOR

**1,034 jobs added** – IT and Telecommunications sector  
**842 jobs added** – Consulting & HR  
**620 jobs added** – Manufacturing / Production  
**540 jobs added** – Healthcare/Pharmaceutical

\*Data for 298 member companies

## Diligence Care for the Environment



### 2016 – CARE FOR THE ENVIRONMENT\*

More and more companies are incorporating the concept of sustainable development in their business, valuing profit as well as the care for the people and the planet. Concern for the environment is present in many forms in the activities of AmCham member companies. While some have institutionalized environmental programs to reduce the waste of energy, water and paper, others have implemented selective recycling systems and programs meant to raise the awareness of employees with regards to environmental issues. Some already enforce environmental screening for suppliers and contractors, use raw materials from renewable sources and have buyback programs at the end of product life-cycle.

<p><b>142</b> environmental community programs financed  <b>43</b> community partners  <b>12,154</b> volunteer employees</p> <p>*Data disclosed by 45 Member companies</p>	<p><b>21</b> companies measure their carbon footprint  <b>17</b> companies report their carbon footprint  <b>14</b> have programs to offset their carbon footprint</p> <p>*Data disclosed by 23 Member companies</p>
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## Dedication Impact on the Romanian Society



COMMUNITY INVESTMENTS*	
<b>2016</b> <b>24,8 million USD</b> by 31 member companies	Since established/present in Romania <b>204,3 million USD</b> by 23 member companies
2016 SPONSORSHIP POTENTIAL	
<b>55 million USD</b> (data for 242 member companies)	
2016 COMMUNITY PROGRAM INDICATORS	
<b>1,112</b> Total community partners <b>552</b> NGOs <b>396</b> Non-profit institutions (museums, Hospitals, Schools, etc.) <b>91</b> Public Administration institutions <b>73</b> Other	Rank of charitable areas by investment 1. Education 2. Health 3. Community development 4. Culture 5. Environment
<b>1,264</b> Total community projects <b>5</b> philanthropic areas with projects implemented	<b>340</b> community development projects <b>312</b> education projects <b>142</b> health projects <b>142</b> environment projects <b>79</b> cultural projects <b>39</b> other projects

\*Data disclosed by 77 member companies

## Conclusions

Beyond the direct economic impact, the philanthropic projects financed by corporate and individual donors in the past 29 years have helped individuals, families and communities in need, have offered talented individuals access to quality education, have contributed to the preservation of nature, have brought culture to large audiences and have improved health care or access to health care for many Romanians.

Relevant data collected for 2016 indicates that these companies contribute decisively to the effort of addressing societal, environmental and economic needs faced by the Romanian society. Their dedication is reflected by the number of projects financed in key areas such as education, community development, health, culture and environmental protection, as well as by the number of community partners that they continue to support ensuring a functional network of programs that take on the pressing societal needs that most often, the public services fail to cover.

The most important effect of the corporate programs addressing the environment protection, besides the waste management company policies and systems, or the number of environmental community programs financed, is the large number of volunteers among corporate teams that participate in environment related projects. This is a result of sustained educational programs, and it is a valuable gain for the long run, not only for the company, but also for the entire society, as these people become influencers in their families and communities.

## Vision for the Future

In order to achieve long lasting, national-wide systemic and fundamental progress on a social issue (i.e. impact) a concerted effort on behalf of funders, community partners and government is needed. Solving certain societal issues require massive resources, empowered civil society partners, strategic vision, collaborative action and long-term commitment both on behalf of funders, implementors/facilitators (civil society and public

of funders, implementors/facilitators (civil society and public entity partners) and the government. Maintaining current corporate fiscal facilities, consolidating and expanding of fiscal facilities for individual giving, and providing a predictable economic and fiscal climate is essential in achieving lasting positive societal change.

In our shared vision, we at AmCham, Metropolitan Life and ARC boldly predict a future where companies are working together alongside each other and a set of consolidated strategic civil society partners to achieve an augmented (and measurable!) impact in the fields of community development, education, environmental protection and health. 41 participating companies have indicated their willingness to participate in a major nationwide project in collaboration with other AmCham members, provided that the project had the potential of a significant meaningful positive impact on the Romanian society and was developed

and carried out under the patronage of AmCham Romania.

Respondents indicated that they would be most willing to participate in a concerted national project in education (32%), followed closely by health (25%) and community development (23%). Few have indicated their openness to participate in high-impact potential programs in multiple areas (all of the 4 major areas 11%).

*We applaud the determination of our members to invest in community projects, their commitment to the communities in which they operate, as well as their audacity in pooling their resources to increase the impact of programs aimed at solving pressing societal issues. Because only in strong, educated and healthy societies can businesses and people thrive and work towards their dreams. We dare to dream, we kindly ask you to do the same!*



