



# The Macedonian Red Cross

## and cooperation with the private sector

Case study

 Црвен крст на Република Македонија  
Kryqi i kuq i Republikës së Maqedonisë  
Macedonian Red Cross

In partnership with



International Federation  
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Cover photo: Floods in Macedonia, February 2015.  
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*MRC volunteer delivering assistance to vulnerable people affected by the floods in Macedonia, Bitola region, February 2015.*

# Executive summary

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In 2011, the Macedonian Red Cross received contributions of 19,000 euros (CHF 23,000) from the private sector, about 2.1 per cent of its annual budget. By 2013, private companies were contributing 81,300 euros (CHF 98,000, 7.6 per cent of annual income) towards Red Cross programmes and the National Society's core costs.

Volunteers from the corporate sector also participate in Red Cross projects and fundraising. Through these partnerships, the Macedonian Red Cross has been able to access new and additional resources to meet the needs of vulnerable people.

This positive and growing engagement with the private sector is not the result of chance. It is the outcome of a strategic effort to build relationships with corporate actors at national and branch level, and to make the Macedonian Red Cross a 'good partner' for companies. The National Society's leadership has been at the forefront of this effort.

In some respects, the Society has been lucky. It was one of the first organizations in Macedonia to engage with the rather new concept of corporate social responsibility (CSR). However, the National Society has been able to make the most of this opportunity, by developing new approaches and competences.

In the course of this experience, the Society has learned that:

- Cooperation benefits both companies and the Red Cross. The corporate sector recognizes the Red Cross as a strategic partner for national and local cooperation, based on the relevance of its work and its good image.
- Continuous investment is needed to sustain and promote cooperation. The National Society has needed to:
  - develop policies, strategies and oversight mechanisms to guide this work.
  - create management tools (such as a donor contact database).
  - train staff and volunteers at all levels to create and manage corporate relationships.
  - dedicate human and financial resources to this area of work.
- For companies, the strength of its human resources and its network structure give the Red Cross a comparative advantage over other civil society organizations.
- Competence, transparency and good reporting have been key preconditions for building corporate sector confidence in the Red Cross.
- Willingness to publicly acknowledge corporate support has attracted companies and encouraged them to stay engaged.

For the Macedonian Red Cross and its corporate partners, this has been a journey of mutual learning. It is expected to become increasingly significant as companies support the non-profit sector more and engage with it more deeply.

The Macedonian Red Cross sincerely hopes that its experience will inspire other National Societies to initiate similar processes, adapting the learning from this case study to their own contexts.

# Introduction

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## What is this case study about?

This case study has been prepared to illustrate a theme of the 2013 National Society development framework: How can National Societies become domestically sustainable?

It describes how the Macedonian Red Cross (MRC) has established and promoted corporate sector partnerships to mobilize resources for its work. Initially, support for this initiative was provided by the Norwegian Red Cross and the International Federation of Red Cross and Red Crescent Societies (IFRC); it was largely implemented independently by the Macedonian Red Cross.

The case study seeks to answer the following questions:

1. What potential support can the corporate sector offer Red Cross programmes? How does such support fit within MRC's strategy? What value does it add to the National Society (NS)?
2. How interested is the corporate sector in cooperating with the Red Cross?
3. What preconditions need to be in place to relate effectively with companies?
4. What changes in conduct or organizational improvements did MRC need to make to mobilize corporate sector support effectively?

The case study also assesses the degree to which corporate partners have been satisfied by their cooperation with the Red Cross: it finds that their positive perceptions of MRC operations, and the transparency and accountability of the relationship with MRC, have been key elements in MRC's ability to build long-term and sustainable partnerships.

The case study also shares some of the opinions that MRC branches have expressed about their cooperation with the corporate sector.

## Why is the case study important?

The 2013 National Society development framework notes that a significant number of National Societies have become dependent on international funding to survive. It emphasizes that National Societies need to develop diversified and sustainable domestic support to avoid dependence on one or a few sources of support.

In many countries the corporate sector is a viable source of domestic support. Corporate support could typically take a variety of forms:

- **Resourcing.** Financial and in-kind donations to programmes, or to the NS in general.
- **Volunteering.** Company employees volunteer for the NS, either in their own time (encouraged by the company) or in work time.
- **Technical support.** Companies offer their expertise to strengthen management processes, for example in marketing, or financial oversight.
- **Joint advocacy.** With the National Society, companies can raise issues of mutual concern with other actors, notably government.

At the same time, as with any partner, a National Society must manage risks to its image and reputation that might arise because of its association with private companies. This study is useful because it describes how one National Society has invested re-



Signing of MoU's for cooperation with the economic chambers in Macedonia, September 2010.

sources to develop significant relationships with the private sector, significantly increasing its income in the process.

### How was the case study developed?

Between May and June 2014, an MRC project team visited ten Macedonian Red Cross branches and invited them to evaluate their experience of collaborating with private companies. It also interviewed senior executives from ten companies that have supported the Red Cross, and asked them to assess their satisfaction and interest in future cooperation.

Interviews took the form of semi-structured questionnaires. The interviews with Red Cross staff focused on the different forms of cooperation that have emerged between local branches and the local corporate sector. The interviews with company executives explored their interest in supporting Red Cross initiatives, the degree to which they were satisfied by their experience of cooperation with the Red Cross, and their expectations of future cooperation.

### Further information

We are grateful to all those in the corporate sector, in Macedonian Red Cross branches, in the Organizational Development Department of the International Federation of Red Cross and Red Crescent Societies, and to Ms. Amela Ljubuncic of the Norwegian Red Cross, for their contributions to the development of this study.

For more information, please contact Sasho Taleski, Head of Programme Sector, Macedonian Red Cross ([taleski@redcross.org.mk](mailto:taleski@redcross.org.mk)), or the IFRC's organizational development team in Geneva ([od.support@ifrc.org](mailto:od.support@ifrc.org)). More information on the development of the Macedonian Red Cross can be accessed in *Evaluation of Capacity Building Fund support to the Macedonian Red Cross 2008–2011*.<sup>1</sup>

<sup>1</sup> At: [www.ifrc.org/en/publications-and-reports/evaluations/](http://www.ifrc.org/en/publications-and-reports/evaluations/).

# 1. General country context

The Republic of Macedonia gained its independence peacefully from Yugoslavia in 1991 and was admitted to the United Nations in 1993. Macedonia is a parliamentary democracy whose government is composed of a coalition of parties. The judiciary is independent; there is a constitutional court. Local government functions are divided between 78 municipalities.

Macedonia has a multi-ethnic population of just over 2 million people. 64.18 per cent are Macedonians, 25.17 per cent Albanians, 3.85 per cent Turks, 2.66 per cent Roma, 1.78 per cent Serbs and 0.4 per cent Vlach. The main sources of income are agriculture and industry.

Macedonia's most pressing economic problems are its low GDP per capita PPP (around 10,000 US dollars per year), and high unemployment (31 per cent).<sup>2</sup> 55 per cent of young adults are unemployed, one of the highest rates in the world.

Health issues in Macedonia compare with those of other countries in the region. Circulatory diseases are the leading cause of death, accounting for approximately half of all deaths. Injuries, poisoning and respiratory diseases (such as bronchitis, emphysema and asthma) are also major concerns.

Macedonia has had 15 natural disasters since 1980 (including a drought, an epidemic, floods, storms, wildfires and extreme temperatures).

## The Macedonian Red Cross

The Macedonian Red Cross was founded on 17 March 1945. It is a voluntary, independent, non-governmental humanitarian organization, established by citizens of the Republic of Macedonia. It implements programme and projects through 34 Red Cross branches and the City Red Cross organization in Skopje, where almost half the population of Macedonia lives.



Macedonian Red Cross Annual Report, 2013.

### Structure of the Macedonian Red Cross

750 grassroots Red Cross organizations are registered with the Macedonian Red Cross, of which 230 are in urban communities, 274 in educational institutions, and 246 in companies. They are supported by a network of 34 branches, which also run their own programmes. The National Society has 138 paid staff and about 80 staff on part time contracts working on different programmes. The Republic of Macedonia is not a big country and Red Cross activities and services reach all urban and rural communities.

At the latest count, the Society has about 8,000 members and 7,200 volunteers, more than 3,500 of whom participate regularly in programme activities and service delivery. Young people comprise about half the volunteer base, and work mainly through youth clubs that function in each Red Cross branch. Red Cross youth clubs have about 1,450 active members throughout the country.

<sup>2</sup> European Commission, Republic of Macedonia 2012 - Progress Report.



## Main programmes and services

Macedonian Red Cross programmes focus on reducing vulnerability and providing useful services to the public. They include:

- disaster management (disaster preparedness and disaster response)
- dissemination and promotion of International Humanitarian Law
- health promotion activities (HIV/AIDS, tuberculosis, psychological support, first aid, blood donations)
- support for refugees and asylum seekers
- social services (for older persons, homeless people, sex workers, alcoholics, drug addicts, etc.)
- youth programmes (education, social support, development)
- water safety and mountain rescue
- other community support and development initiatives.

Until 2005, Macedonian Red Cross programmes predominantly assisted refugees from Bosnia and Herzegovina and Kosovo (after the wars in former Yugoslavia), and individuals displaced by the conflict in Macedonia in 2001. These programmes were supported by the IFRC, the International Committee of the Red Cross (ICRC), and the UN High Commissioner for Refugees (UNHCR), as well as a number of national Red Cross Red Crescent Societies.

After the crisis in the region ended in 2005, the Macedonian Red Cross started an intensive process of internal restructuring and capacity building.

From 2005 to 2008, it implemented small programmes, designed to strengthen its institutions, with the support of the Red Cross Societies of Norway and Germany.

The programmes and activities developed between 2008 and 2014 helped the Macedonian Red Cross to become a leading humanitarian organization in Macedonia and a respected partner in the Red Cross Red Crescent Movement.

### Strategic planning 2010-2020

The MRC's long term development strategy (2010-2020) is designed to prepare the organization to cope with new and emerging challenges. Key objectives include:

- build Red Cross branches that function well, mobilize diversified support and fulfil their humanitarian mandates
- enable vulnerable groups to access health services more easily

- reduce inequalities and encourage action to promote the underlying social and economic conditions for good health
- develop participatory social and health programmes that maximize the benefits available to vulnerable groups
- tackle stigma and discrimination and promote activities that will raise social awareness of the need to address such issues
- raise awareness of climate change and its influence on health
- strengthen the capacities of communities and their ability to mobilize resources
- promote and secure respect for basic human rights, notably those that protect vulnerable groups and guarantee access to social and health services.

Building on this document, the Macedonian Red Cross has developed programme strategies and long term operational plans for the next five years.

### Partnerships

The MRC has agreed a wide range of partnerships, with ministries and other official institutions, with private companies and Macedonia's three chambers of commerce, and with civil society organizations. Memorandums of understanding with different partners provide a framework for cooperation and joint implementation of programmes and projects.

### Quality and accountability

The MRC's restructuring process introduced strong monitoring mechanisms to enhance quality and strengthen reporting and transparency.

A six-month review of Red Cross branches is conducted every three years, which includes visits to each branch and analysis of data, reports and programmes. The review generates a substantial report that documents evidence of progress, identifies challenges, and makes recommendations with respect to every branch in the country.

To date, the MRC has conducted three assessments.<sup>3</sup> These review the overall situation of the National Society, and identify measures that the Society and its branches should take to improve the quality of the services they provide to the public.

The National Society publishes annual reports and annual plans of action. The quality of its reporting gives the Society a comparative advantage compared to other civil society organizations. By regularly sharing information with the public and partners, about its programmes, revenues and expenditure, the Society demonstrates its transparency and competence.

## Building public trust and confidence

The Macedonian Red Cross attaches importance to public opinion and public confidence in its work. It commissioned Gallup International to carry out independent surveys in 2006 and 2008 to ascertain public attitudes to the Red Cross. The findings were integrated in the Society's organizational development strategies.

The second survey indicated a significant improvement in the Society's reputation and in public trust and confidence. Two separate public surveys regarding civil society organizations in Macedonia found that the Macedonian Red Cross is the lead agency in civil society. It enjoyed the highest level of public confidence for delivery of humanitarian, health and social programmes, and disaster preparedness and response.

Annual external audits and audited reports are always integrated in the annual reports. All annual reports, plans of action, strategies, and other important documents, are translated into Macedonian, Alba-

nian and English, to ensure that information is available to all Macedonians and also internationally.

## Macedonia's private sector

Approximately 45.000 small, middle-size and large companies are registered in Macedonia. Economic experts consider that this number will increase rapidly in the next decade, particularly when the country joins the EU and becomes a member of NATO.

### Changing corporate values

Since 1995, Macedonian private companies have been establishing new values in their business operations. In the past, most companies fulfilled their economic and legal obligations and operated in the interests of their owners. More recently, however, principles of corporate social responsibility (CSR) have begun to influence business operations: companies increasingly recognize that they have some responsibility to invest in the community and its wellbeing.

Research conducted in Macedonia in 2013 revealed that three principal factors encouraged Macedonian companies to make CSR commitments:

- recruitment concerns and the motivation of employees
- CSR policies of other companies (associates or competitors)
- pressure by consumers and the Government to adopt CSR policies.



<sup>3</sup> See Assessment and Analysis of the operation of Macedonian Red Cross branches and the City Red Cross of Skopje, 2009-2011, and 2012.

Larger companies in Macedonia have increasingly adopted and practised CSR policies; it has become an integral element of their business model. Most companies align themselves with the ISO 26000 standard (*Guide for social responsibility*). To implement these CSR principles in practice, companies almost inevitably need to establish strategic partnerships with the non-profit sector.

## Government support to CSR in Macedonia

The Ministry of Economy coordinates CSR activities in the public sector. In 2014 the Ministry established a Sector for Encouraging Social Responsibility, organized through two departments, which focus on CSR policy and on encouraging socially responsible practices and building partnerships respectively.

The Ministry also hosts the secretariat of the National Coordination Body on Corporate Social Responsibility, which is composed of 16 institutions and organizations from the public sector, private sector and civil society. The Coordination Body developed the first strategic document in Macedonia on social responsibility (the *National Agenda on Corporate Social Responsibility for the Republic of Macedonia 2008-2012*). This document significantly increased awareness of CSR among the public as well as among corporate managers, drew attention to the tools and instruments available for implementing CSR, and generally helped to create conditions that encourage companies to adopt CSR policies.

*“Our cooperation with the Macedonian Red Cross in the past three years has been great. It has also been a privilege for me. Our corporate social responsibility efforts are part of the overall business policy of Komercijalna Banka AD Skopje. They have had a strong impact on the corporate culture of the bank, and raised the awareness of employees, and of the bank’s corporate social responsibility policies, reputation, and image.”*

Hari Kostov  
General Manager and Chairman of the Management  
Board of Komercijalna Banka AD, Skopje.

## 2. Macedonian Red Cross efforts to mobilize funds from the corporate sector, 2008–2014

### Strategy and approach

One of the principal challenges for a National Society is to develop a balanced portfolio of funding sources, ensuring that its operations remain sustainable. With respect to corporate funding, the Macedonian Red Cross set out to present its work to as many companies as possible, regardless of size, with the objective of establishing strategic partnerships that would raise support for its programmes and project activities across the country.

### Policy and governance oversight

The Society’s *Policy for Mobilization of Funds* (2013) developed a systematic approach that defined the objectives of fundraising and their forms. It aimed to harmonize fundraising from different sources (the EU, international sources, government, companies, individuals, etc.) and defined the general fundraising responsibilities of the Red Cross, the specific responsibilities of individuals who fundraise, and accountability and reporting obligations with respect to partners and donors. The policy applies to all individuals who raise funds on behalf of the Red Cross from private and pub-

lic companies and agencies, and helps to ensure the integrity of the National Society when it deals with potential partners.

The policy describes the National Society's fundraising norms, and the methods it uses to mobilize resources for its own sustainable development and for national and local activities. It complies with the standards set out in the ICRC's *Manual for mobilization of resources*.

The policy also defines the roles and responsibilities of different parties in relation to fundraising across the MRC's structures, includes a fundraising management organigram, and defines the criteria (size and reach) that should determine whether a particular corporate relationship is managed by a branch or the Society's national office.

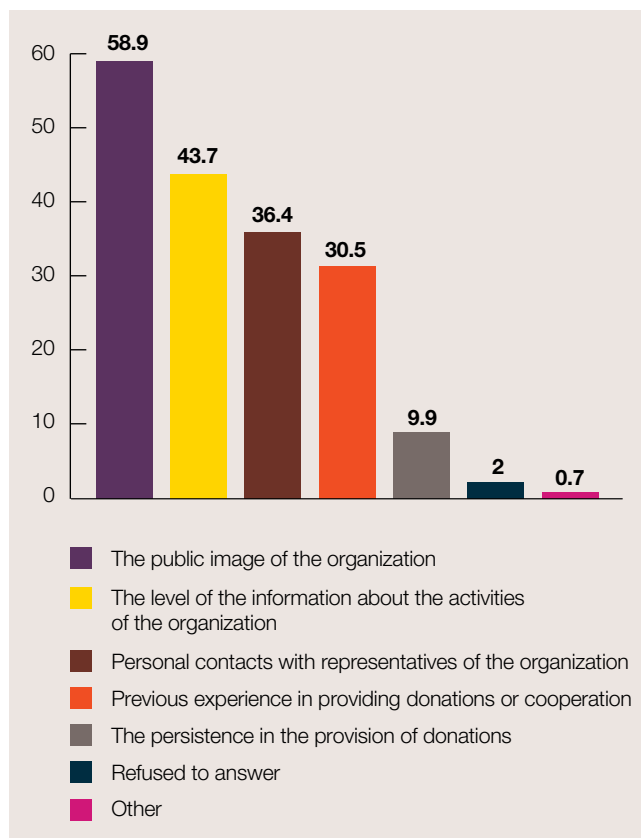
The MRC's Commission for Mobilization of Funds makes an active contribution to the Society's national fundraising effort. An advisory body to the Governing Board, it is composed of members of the MRC's Assembly and fundraising experts. Similar commissions have been formed at branch level.

The MRC is currently establishing a Council of Partners. An advisory body composed of volunteers and experts, it will provide guidance and advice that should significantly improve the effectiveness and results of the National Society's fundraising. It plans to establish the Council before the end of 2014.

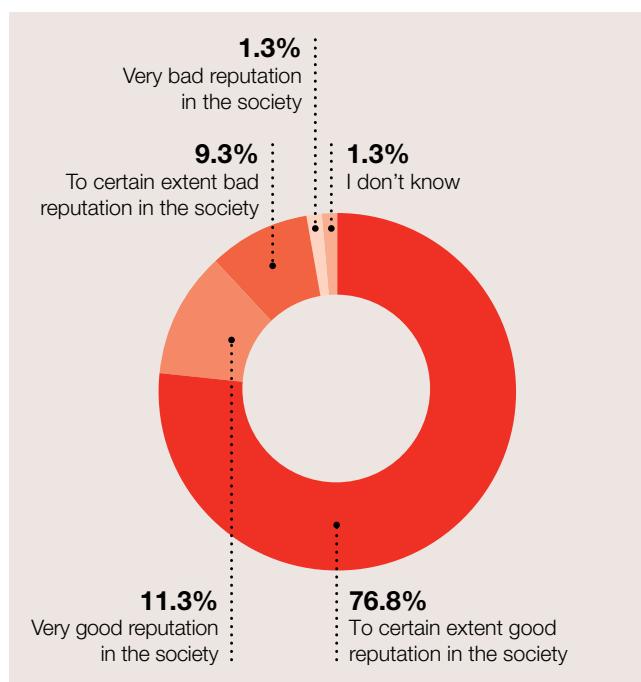
### Survey of the corporate sector

To find new partners and support, in March 2008 the Macedonian Red Cross commissioned a survey of 151 companies.<sup>4</sup> It focused on cooperation with local companies and explored their interest in volunteering and participating in Red Cross activities. The findings were as follows:

- Most of the companies surveyed (59 per cent) considered that public image was the most important factor influencing their decision to cooperate with a humanitarian organization. The second most important factor was the quality and volume of information available about its activities.



- 88 per cent of the companies surveyed considered that the Macedonian Red Cross had a good reputation.



- The survey suggested that, to attract company support, the MRC should invest more in communicating its humanitarian values and activities.

<sup>4</sup> Brima Galup International, Analytical Report, Standpoints and opinions of the corporate sector about Macedonian Red Cross, 2008.

- The survey revealed that 8 per cent of companies donated regularly, and most companies (64 per cent) had donated funds for humanitarian purposes on several occasions. 7 per cent had made a one-off donation to a humanitarian cause.
- The survey suggested that some social issues were of particular interest to companies. More than 66 per cent of the companies surveyed expressed interest in donating funds to orphans and single mothers, and 66 per cent expressed interest in donating funds to help handicapped persons.
- Most companies (70 per cent) wished to support specific Red Cross projects; 25 per cent said they wished to provide more support to the Red Cross.
- In terms of benefits to companies, 92 per cent of respondents stated that they did not expect to receive any benefit in return for their donations.
- Respondents said that their main aims in cooperating with the Red Cross were to promote volunteering among their staff, and relations with the media.

### A fundraising strategy for the corporate sector

Based on these findings, and its own experience, the National Society developed a strategy for the period 2008-2010<sup>5</sup> that was subsequently revised and extended to cover the period 2010-2015.<sup>6</sup> The strategy identifies the main development objectives of the National Society. To evaluate progress, each year the Society evaluates its fundraising activities in terms of their compliance with the strategy.

### MoUs with chambers of commerce

Macedonia possesses three chambers of commerce. They promote the market economy, an entrepreneurial culture, vocational training, technical and technological development, and other issues that interest their members.

The Macedonian Red Cross signed cooperation agreements with all three chambers of commerce in 2010, to undertake joint initiatives to promote social and community development. Subsequently, the MRC presented funding proposals to members of the chambers and their managing boards on several occasions. These meetings demonstrated the MRC's commitment to CSR and to improving the lives of vulnerable people in the country.

### Partnership meetings

To encourage companies and other organizations to cooperate with the Red Cross and its programmes,

for the last five years the Macedonian Red Cross has regularly organized partnership meetings with the corporate sector, government institutions, international agencies and civil society, to present its activities and highlight good practices of the Red Cross and partners.

For these meetings, the MRC prepares a project catalogue (with attached CD-ROM), in English, Macedonian and Albanian, that lists the projects developed by Red Cross branches and the national office. The catalogue describes MRC's national and local cooperation with companies (and other partners) to deliver humanitarian programmes and improve the lives of vulnerable communities. The latest edition references good practices of the corporate sector and Red Cross and is a promotional tool for Red Cross partners in the country.

Partnership meetings are supported by the Ministry of Economy. The 2014 event was organized under the patronage of EVN Macedonia (an electricity company), the biggest corporate supporter of Red Cross community support programmes. In 2014, for the first time, the MRC organized two partnership meetings (in May and June). The second was held at the request of the American Chamber of Commerce in Macedonia, reflecting the corporate sector's increased interest in cooperating with the Red Cross.



MRC Partnership Meeting, May 2014.

<sup>5</sup> Macedonian Red Cross, Strategy for Mobilization of Funds from the Corporate Sector, 2008–2010, 2008.

<sup>6</sup> Macedonian Red Cross, Strategy for Mobilization of Funds from the Corporate Sector, 2010–2015, 2010.

## Awards to companies<sup>7</sup>

To mark its successful cooperation with the corporate sector, the Macedonian Red Cross decided to recognize companies that provide substantial support to Macedonian Red Cross programmes. The awards encourage companies to continue and increase their cooperation with the Red Cross. A policy defines the criteria, conditions and types of award. Currently:

- a 'bronze medal' is awarded for support valued at up to 10,000 euros
- a 'silver medal' is awarded for support valued at up to 20,000 euros
- a 'gold medal' is awarded for support valued at more than 20,000 euros

Each December, the MRC organizes a presentation event, supported by the Ministry of Economy as part of its support for CSR in the country.

The Ministry of Economy and the Coordination Body of Corporate Social Responsibility also organize an annual CSR event to present best practice awards to Macedonian companies. Several of the companies that have worked in partnership with the Red Cross have received prestigious national CSR awards at this event, for their 'investment in the community'.

## Managing partnerships with the corporate sector

### Management capacity

Partnerships are managed by a dedicated team that works closely with companies on a daily basis. Wherever possible, the secretary general of the National

*'For me and for EVN Macedonia the "Gold Medal" Award is of great importance, and is an additional incentive in the next period to engage even more in this field, and to implement a series of activities together with the Red Cross that will bring benefits to groups that really need support. I sincerely hope that with our actions we have managed to make some lives easier and bring joy.'*

Mr. Werner Hengst  
Chairman of the Management Board  
of EVN Macedonia.

Society participates in initial meetings with a company, to demonstrate the importance that the National Society attaches to the relationship.

### Internal coordination

Care is taken to avoid competition between different levels of the Society. Companies are approached by a branch or by the national office, according to their location and size, and the budgets available for support. Large and mid-sized companies are approached by the national office because such companies can provide significant support nationally and can support work in several municipalities. The national office's Department for Mobilization of Funds is responsible for coordinating contacts and cooperation with companies.



MRC Event for presentation of awards to companies, December 2013

<sup>7</sup> See Macedonian Red Cross, Policy for Awarding Recognitions to Companies, 2013.

Red Cross branches are entitled to approach small companies that operate at local level. The support they provide is spent in local communities. Programmes focus mainly on social welfare and health. Some local projects are also supported from the centre with funds from large companies.

### Reporting and transparency

The Red Cross provides regular and annual narrative and financial reports (and additional documentation that donors require) on every project that receives support from the corporate sector. Projects are regularly controlled by the MRC's Finance Commission and Commission for Internal Control, and project accounts are independently audited. Partners are particularly satisfied by the auditors' reports. The comments of auditing companies are published in annual reports and posted on the MRC's web page, enabling partners and those who benefit from Red Cross programmes to inform themselves about its finances.

The Red Cross attaches great importance to maintaining good relations with the corporate sector. Examples for this include regular contacts with company staff responsible for CSR, invitations for participate in Red Cross events, and joint field visits.

*“From the Red Cross we always get regular reporting and feedback on the implementation of our joint projects.”*

*Mr. Werner Hengst  
Chairman of the Management Board  
of EVN Macedonia.*

### Visibility for corporate partners through other materials

Partners are also pleased by the Red Cross e-newsletter, which circulates project information to 70.000 recipients every week. The newsletter includes the logos of companies that support its work, which is excellent promotion for the companies involved.

The MRC's success in achieving coverage of its activities in the media is also a vital component of successful corporate relationships.

### Outcomes of cooperation

The Macedonian Red Cross continues to approach new corporate partners, and its position in this sector is now such that it is regularly contacted by companies. In consequence, corporate support has sharply

increased the resources that are available for the National Society's work with vulnerable people.

### Financial support

The table below shows the growth in corporate support for the Red Cross between 2011 and 2013.

#### Income from the corporate sector in the last 3 years

Year	Value (in euros)	Proportion of the annual budget (%)
2011	19,000	2.09
2012	43,750	3.89
2013	81,300	7.61

Most of this income is spent directly on project activities. By agreement with donors, however, a part supports wider organizational costs. As trust grows between the Red Cross and its partners, companies have gradually come to see the value of, and need for, wider organizational investment and support that are not directly associated with project implementation.

Emergencies also provide an opportunity to approach the corporate sector. During the recent floods in Bosnia and Herzegovina and Serbia, companies in Macedonia contributed financial and material assistance worth 700,000 euros to the Macedonian Red Cross appeal.

### Volunteers

Through company partnerships, volunteers from the corporate sector regularly give time to the Red Cross, both in their paid work hours and their free time. Volunteers also fundraise on behalf of the National Society in their workplaces or at events. Some participate in social projects that their companies support, though MRC has not so far collected data on this.

### Technical support

The Macedonian Red Cross has not yet requested technical support from corporate partners. This remains an option in the future, as relationships develop.

### Joint advocacy

The Macedonian Red Cross has not yet carried out joint advocacy activities with corporate partners. However, it has joined Chambers of Commerce in calling for legal reforms that would allow corporate donations to be tax deductible. Such a change would encourage companies to donate to non-profit organizations, benefiting both the Red Cross and other civil society actors.

### 3. Examples of cooperation with private companies

*“EVN Macedonia needed a partner that has a long tradition in implementing projects for socially endangered categories of citizens. The Red Cross has proved to have the right capacities to implement projects in different endangered communities in Macedonia, and great experience. These make the Red Cross a real choice. Our cooperation and partnership with the Red Cross are important, because we give to the community more than just a secure and stable electricity supply.”*

*Mr. Werner Hengst  
Chairman of the Management Board  
of EVN Macedonia.*

#### EVN Macedonia

EVN Macedonia is one of the biggest companies in the country. It has been a Red Cross partner for many years, supporting numerous projects and programmes for older people, Roma communities, families at risk, and children with special needs.

#### Home care for the elderly

This project improves the quality of life of older people, and promotes active ageing and inter-generational solidarity, enabling older people to have a dignified life and feel integrated in society. It reaches 240 older people (above 65) who live alone and are frail, in 5 municipalities. Every week they are visited by a nurse and Red Cross volunteer. The nurse provides health and nutrition counselling, and basic health tests. Volunteers are young people or pensioners who purchase groceries, newspapers or medicines, arrange payment of bills, help with household chores, prepare drinks or meals, or simply sit and talk. Altogether 80 volunteers and 8 nurses work on the project.

In addition to its financial contribution, EVN Macedonia provides volunteers for a day centre for older people in Skopje. Company employees participate in the centre’s activities and advise older people on how to reduce their electricity consumption.

Activities for home care supported by the company EVN Macedonia.





## Komercijalna Banka AD Skopje

Komercijalna Banka AD Skopje is one of Macedonia's largest banks. It has been a Red Cross partner since 2011, and its employees participate actively in local projects for children and young people with special needs. In addition, the bank has opened a Red Cross Club in its HQ, which encourages staff to donate blood and to volunteer.

### Young people with special needs

This project enables mobile teams of volunteers to support foster children and their families in 8 municipalities. The teams hold creative workshops in day centres, run games and sports activities, go to the cinema, arrange excursions, offer psychological support to children and parents, and give first aid training. The project reaches about 340 children and young adults with special needs between the ages of 3 and 26. The project also works in special needs day centres. Komercijalna Banka funds the project and also provides volunteers.



## Alpha Bank AD Skopje

Alpha Bank AD Skopje has consistently supported Red Cross programmes in the last five years. In addition, it holds a staff 'Volunteering Day', as part of its commitment to CSR. Activities focus on humanitarian assistance to families at risk, and citizen involvement in MRC's humanitarian work in local communities.

### Clothing for people at risk

In cooperation with Alpha Bank AD Skopje, the MRC placed 6 containers for second hand clothes and 15 boxes to collect cash in different locations across Macedonia, and opened premises to store, select and distribute clothes to people at risk. The project aims to protect the integrity and dignity of persons at risk by providing useful material assistance.



Activities supported by Alpha bank AD Skopje.

## Alkaloid AD Skopje

Alkaloid AD Skopje is a large pharmaceutical company. It supports a range of social and humanitarian activities. The company has recognized the Red Cross as a strategic partner in its CSR programme.

### Blood donation centre

The Macedonian Red Cross has traditionally promoted blood donation and maintains a list of blood



donors. It opened a dedicated centre for blood donations in the capital Skopje, where donors can donate blood, share ideas and experiences, and find information. The Centre is supported by Alkaloid AD Skopje and processes 800 blood donations a year.

### Sava Insurance AD Skopje

Sava Insurance AD Skopje provides support to marginalized groups in society that require assistance. SAVA employees participate actively in the MRC's humanitarian activities.

#### Refuge for homeless people

Supported by the company, the Red Cross runs a centre for homeless people in Skopje, which assists 125 homeless people per year. They receive a meal, hygiene and barbershop services, clean clothes, a medical examination and medicines, and psycho-social support from a social worker. When necessary, the Centre can also provide accommodation.

In the past four years, cooperation with the Red Cross has steadily increased. Sava Insurance supported the

first aid competition in Skopje, and helped to equip the blood donation centre in the Home of Humanitarian Organizations 'Dare Dzambaz'. Employees of Sava Insurance also participated in the Hunger Day campaign and Week of Solidarity, and supported the magazine *Face to Face*, which is sold by people from marginalized groups. These are often small financial contributions, but the company's engagement raises public and staff awareness of CSR.

### Ohrid Red Cross branch and Euro Jeans (Ohrid)

Euro Jeans is a small Ohrid textile company with 80 employees. It is linked to the German company HB Schutzbekleidung GmbH Co. KG. For three years, Euro Jeans and the Ohrid branch of MRC have worked together to implement a series of local community and health projects. Annually, funding has amounted to about 1,500 euros.

Activities supported by Sava Insurance AD Skopje.



## Prilep Red Cross branch and Comfy Angel (Prilep)

Comfy Angel is a mid-sized textile company with 900 employees. It is one of the largest donors and supporters of the Prilep branch of the MRC. The company has supported the MRC's Hunger Day and blood donation campaigns and company volunteers have participated in Red Cross humanitarian activities. Prilep Red Cross has trained Comfy Angel's employees in first aid. Annually, Comfy Angel has contributed roughly 2,000 euros to the budget of Prilep Red Cross. Recently, the company expanded its support, by donating over 10,000 duvets to all the kindergartens and children's hospitals in Macedonia. After recent floods, it provided duvets and bedding to people in Serbia and Bosnia and Herzegovina.

## 4. How is cooperation perceived?

### Cooperation with the corporate sector: the experience of Red Cross branches

In focus group discussions, interviewees from Red Cross branches emphasized that local cooperation with the corporate sector occurs but it is limited in scope and scale, because bigger companies are concentrated in Skopje. Small and mid-sized companies based in other locations have limited resources to offer civil society organizations.

They noted that corporate donations are frequently in-kind, whether the gifts are for services, specific groups, programmes, or national or local campaigns. Support usually takes the form of a one-off gift in response to a request by a local Red Cross branch.

A major challenge is that small and mid-sized companies know very little about CSR. This limits the opportunities to cooperate and partner in community initiatives.

A key conclusion of the Red Cross focus groups was that local branches already had many of the skills required to work with the corporate sector, but still need to build their capacity to mobilize funds from local private companies. More training and new fundraising tools are needed, as well as more consistent application of the skills and competences that branches already possess.

## Cooperation with the Red Cross: the experience of companies

Visits and interviews took place with representatives of ten companies that are important national or local partners of the Macedonian Red Cross. The companies selected were a representative mix of small, mid-sized and large companies. The interviewees were asked to say how satisfied they were with their relations with the Red Cross, and how interested they were in continuing to cooperate.

All the respondents expressed satisfaction with the professional attitude of the Red Cross in terms of transparency and accountability. They said that this had increased their confidence, and that the Red Cross is their first choice for cooperation because of its competence, its image in the country, its capacities and resources, its responsible attitude when implementing joint initiatives, and its cost-effective management and distribution of resources.

They noted that the branch network of the Red Cross enables them to reach all parts of the country and all target groups.

They also said that partnership with the corporate sector is still in an early phase, and it is therefore not yet possible to judge what impact projects have made, or the progress made towards long-term objectives.

Finally, they considered that the involvement of employees in volunteer activities with the Red Cross was valuable, and supported their companies' commitments to CSR.

*"The Macedonian Red Cross is a very respectable and efficient institution with considerable experience of improving the lives of vulnerable populations in society... Our cooperation with the Red Cross has continued, this year as well, to cover even more children who need social support and development of skills and competencies for easier inclusion in society."*

*Hari Kostov, General Manager and Chairman of the Management Board of Komercijalna Banka AD Skopje.*

The discussions indicated that the managers interviewed do wish to continue to cooperate with the Red Cross on a range of social programmes and initiatives. They are particularly keen to promote volunteer involvement of their employees, both as a personal development opportunity and because volunteering motivates staff and builds a team ethos.

Financially, the companies foresee that they will continue to fund social initiatives of different kinds. They consider the Red Cross to be a strategic partner that can implement such activities on their behalf.

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# The Fundamental Principles of the International Red Cross and Red Crescent Movement

**Humanity** The International Red Cross and Red Crescent Movement, born of a desire to bring assistance without discrimination to the wounded on the battlefield, endeavours, in its international and national capacity, to prevent and alleviate human suffering wherever it may be found. Its purpose is to protect life and health and to ensure respect for the human being. It promotes mutual understanding, friendship, cooperation and lasting peace amongst all peoples.

**Impartiality** It makes no discrimination as to nationality, race, religious beliefs, class or political opinions. It endeavours to relieve the suffering of individuals, being guided solely by their needs, and to give priority to the most urgent cases of distress.

**Neutrality** In order to enjoy the confidence of all, the Movement may not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.

**Independence** The Movement is independent. The National Societies, while auxiliaries in the humanitarian services of their governments and subject to the laws of their respective countries, must always maintain their autonomy so that they may be able at all times to act in accordance with the principles of the Movement.

**Voluntary service** It is a voluntary relief movement not prompted in any manner by desire for gain.

**Unity** There can be only one Red Cross or Red Crescent Society in any one country. It must be open to all. It must carry on its humanitarian work throughout its territory.

**Universality** The International Red Cross and Red Crescent Movement, in which all societies have equal status and share equal responsibilities and duties in helping each other, is worldwide.

In 2011, the Macedonian Red Cross received about 2.1 per cent of its annual budget from private sector contributions. By 2013, 7.6 per cent of annual income – about 81,300 euros (CHF 98,000) – came from the private sector, contributing to National Society programmes as well as core organisational costs.

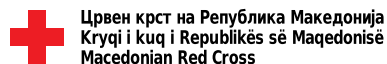
This positive and growing engagement with the private sector is not the result of chance. It is the outcome of a strategic effort to build relationships with corporate actors at national and branch level, and to make the Macedonian Red Cross a ‘good partner’ for companies. The National Society’s leadership has been at the forefront of this effort.

This case study describes how Macedonian Red Cross has developed in order to become a preferred partner for the private sector in Macedonia, as well as some of the opportunities and challenges that this has involved.

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