



FOREWORD

Dear readers,

Is small and medium-sized business sustainable? Yes! Today's advantages are speed and the ability to adapt. Those who have stood still for a while are standing aside. And it is the small businesses and sole traders that are lightning-fast able to do this, unlike large corporations. That is why innovation is also born in small and medium-sized enterprises (SMEs), which are able to make quick decisions at one table and adapt to customer and client demands.

Until recently, the abbreviation "CSR" and the issue of sustainability were relatively unknown terms in the SME segment. However, visionary entrepreneurs have naturally started spreading them. The rapid economic dynamics of the last two years have resulted in very good economic results for both corporations and the SME segment. However, a major global blow to business was dealt by the new coronavirus in early 2020, completely changing the business environment. SMEs and sole traders have become the most vulnerable group.

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Given that SMEs make up 99% of companies in the Czech Republic and employ around 62% of all employees in the country, it is certain that their functioning is absolutely crucial for the economy. This situation has forced entrepreneurs to think about new ways of dealing with problems and assessing the situation, which has led to ideas that have a positive impact on sustainability – more efficient use of resources, support for cooperation, mobility, digitalization and innovation, sustainable production and consumption, higher added value ... but also a greater degree of belonging, social awareness and mutual help. Let's believe that we are on the right path to sustainability and that everything can be managed with prudence!

The Association of Small and Medium-Sized Enterprises and Crafts of the Czech Republic (Asociace malých a středních podniků a živnostníků České republiky – AMSP ČR) is one of the three most important business groups in the Czech Republic.

ABOUT THE ASSOCIATION

The Association of Small and Medium-Sized Enterprises and Crafts of the Czech Republic is one of the three most important business groups in the Czech Republic. Founded in 2001, it is the main representative of the broadest business segment in the Czech Republic. It represents small and medium-sized enterprises, sole traders, as well as societies, guilds and associations representing specific professional interests of small entrepreneurs.

Through its expert committees, it is a point of comment and support for upcoming legislation, export policy, research, development and innovation, financing, taxation, social policy, subsidies and education. The Association's main activities are directed towards ten groups of small and medium-sized businesses: start-ups, family businesses, craft workers, women in business, business establishments, small restaurants, small growers, entrepreneurs 55+, digitalization of business, and rural entrepreneurs. In each of these segments, the Association creates information and event services for its members. Specific services are the SOS unit, which deals with bullying of small entrepreneurs, or online counselling services focused on current issues (electronic records of sales, GDPR, Ukraine Regime, etc.).

The Association publishes the Trade News magazine, a number of business manuals and books, and professional newsletters. It also manages nine portals. It announces annual competitions for the best family business, start-ups and enterprising women, recognizes the best rural entrepreneurs and the most active craft guilds, and provides dozens of patronages. The Association purposefully collects all data on the SME segment, publishes its own analyses, manages statistics and conducts research. Thus, it has the most extensive database mapping the small business segment, which is used both by its members and by public institutions, schools or the media. Every year, it announces a programme focusing on an important business area (Year of Crafts 2016, Year of Rural Business 2017, Year of Family Business 2018, Year of Digital Business 2019, Year of Small Business 2020). The Association is a member of most government or departmental committees. In April 2015, the Association was among the first 17 Czech signatories of the UN Global Compact (the largest CSR network sponsored by the UN).



The topics of CSR, sustainable development and the circular economy are coming to the fore not only in multinational companies, but also in medium-sized business segment. Given the cooperation of the Association with large commercial partners and some partial experience, it was decided to prepare this strategic material reflecting the main interests of cooperation. These are the following: supporting policies for the development of micro, small and medium-sized enterprises, supporting local supply chains and local products, supporting and spreading quality technical and vocational training, increasing economic productivity by supporting diversification, technological development and innovation and, last but not least, assisting in the development and adaptation to digitalization.

THE ASSOCIATION AND THE SUSTAINABLE DEVELOPMENT GOALS

The Association of Small and Medium-Sized Enterprises and Crafts of the Czech Republic provides support to small businesses. However, in its activities it also aims to have a positive impact on society as a whole and to contribute to the achievement of sustainable development.

The Association is committed to ensuring that its activities are meaningful not only for its members but also for society as a whole. It has therefore identified several Sustainable Development Goals (SDGs) to which it contributes through its activities, and plans to further develop its activities in these areas.



THE ASSOCIATION AND THE SUSTAINABLE DEVELOPMENT GOALS

What we do:

- Partnerships for the goals
- Business, innovation, diversity and local production
- Quality education
- Women, youth and equal opportunities

What is expected of us in the future:

- Modern energy
- Climate change

PARTNERSHIPS FOR THE GOAL

Partnerships between countries, but also between organizations and the private and public sectors, is a prerequisite for achieving the goals. It is the creation of partnerships and coordination to achieve a healthy and stable economy that is the mission of the Association. The Association serves as a liaison for partnerships between the private and public sectors, contributing to effective collaboration.



17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.



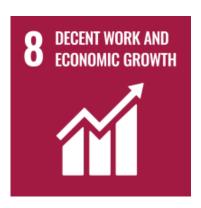
SDG 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development.

BUSINESS, INNOVATION, DIVERSITY AND LOCAL PRODUCTION

The Association's contribution to sustainable development is based on the very nature of the organization – to support small and medium-sized enterprises and sole traders. Diversity of the economy, local chains, production in the Czech Republic and responsibility towards the environment are natural manifestations of sustainability of small companies. The Association brings them together, informs, educates and helps them to solve common obstacles. In this way, small and medium-sized enterprises and sole traders can prosper and enrich the Czech economy with their sustainable values.

There are still many challenges to achieving a healthy and stable economy in the Czech Republic. It is the support for economic diversification, technological development and innovation for small and medium-sized enterprises that builds a long-term balanced system.

8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.



<u>SDG 8.</u> Promote inclusive and sustainable economic growth, employment and decent work for all.

The Association also acts as a legislative point of contact for small and medium-sized enterprises and advocates for policies that support productive activities, the creation and growth of micro, small and medium enterprises and entrepreneurship in general. It is the development of entrepreneurship of young people and women and the emergence of start-ups that holds the potential for quality development of the economy and society.

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services.

The Association also acts as an intermediary transferring small business experience abroad and contributing directly to the prosperity of developing countries in the Global South (Aid for Trade). The Association will continue to help enterprises and entrepreneurs to develop their activities, thereby also helping developing countries.

8.a Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries.



SDG 12. Ensure sustainable consumption and production patterns.





QUALITY EDUCATION

The Association is committed to supporting and improving apprenticeships and education in general in technical and other vocational fields. By developing, promoting and improving the prestige and quality of education, it increases the competitiveness and adaptation of the economy to new trends in the economy. The Association reflects the challenges faced by the education system and actively engages in the debate on the form and benefits of education in technical fields. The Association has initiated a number of changes in the Czech education system, particularly in technical education and crafts, and has established a university and secondary school platform for targeted discussion among experts from both companies and educational institutions.

4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.



<u>SDG 4.</u> Ensure inclusive and quality education for all and promote lifelong learning.

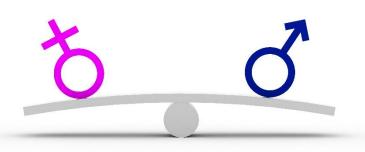
WOMEN, YOUTH AND EQUAL OPPORTUNITIES

The Association has long been committed to supporting women and young people in business and employment, and supports them with its own long-term projects. It is women and young people that hold enormous potential in contributing to decision-making in political and public life, as well as in the economic environment. The Association is committed to equality of opportunity in employment, business and decision-making. Young entrepreneurs and women are given the space to share and work together to address obstacles and challenges.

<u>5.5 Ensure women's full and effective participation</u> and equal opportunities for leadership at all <u>levels of decision-making in political, economic and public life.</u>



<u>SDG 5.</u> Achieve gender equality and empower all women and girls.



8.5 By 2030, achieve <u>full and productive employment</u> and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.





SDG 10. Reduce inequality within and among countries.

MODERN ENERGY

There is growing interest and potential among Czech companies to increase energy efficiency and use modern clean energy. The Association is interested in supporting the development and spread of modern technologies and processes in the energy sector. The Association's contribution lies primarily in educating and connecting smaller enterprises with technologies, innovations and smart solutions that are beneficial both to the enterprise economy and the environment.





SDG 7. Ensure access to affordable, reliable, sustainable and modern energy for all.



CLIMATE CHANGE

Interest in the impacts of climate change and ways to prevent it is growing both in society and in the private sector. The Association is therefore committed to expanding prevention options and activities that will increase the resilience and adaptability of enterprises to future changes.





SDG 13. Take urgent action to combat climate change and its impacts

CONCLUSION

The Association's core contribution to sustainable development is not only to support the emergence and prosperity of small and medium-sized enterprises, but also to transfer knowledge to developing countries through development programmes such as Aid for Trade. The Association advocates for a long-term stable and balanced economy that is resilient to economic and environmental risks and is also beneficial to the development of the economies of the Global South. The Association will continue to build a healthy and diversified market in the Czech Republic. It will bring awareness and support in facing new challenges to achieve a prosperous, responsible and sustainable economy.

WHAT ARE THE SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) were adopted by the UN General Assembly in 2015. These are 17 goals in the social, environmental, economic and political spheres that the world should achieve by 2030. Both developing and developed countries are getting involved in the goals, and enterprises and other organizations are also coming forward with their commitments and contributions. A core principle of the SDGs is a global partnership between states, organization s and companies to achieve the goals.



ABOUT THE STRATEGY

The "Sustainability Strategy" prepared by the Association is based on the analysis of many factors, including current issues and projects carried out by the Association, the results of surveys conducted, the opinions of the employees and members of the organization, the National Strategic Framework of the Czech Republic 2030 and the analysis of trends in philanthropy in the Czech Republic. The strategy was prepared in cooperation with Fair Venture s.r.o. Its contents and purpose have been communicated to the Board of Directors, employees and members of the Association. The strategy is one of the cornerstones for decision-making on the Association's activities and further cooperation with third-party entities.







































