політики у секторі НПФ та їх фінансово-ресурсної бази (мета, принципи, чинники, об'єкти, суб'єкти, умови активізації, напрями удосконалення, очікувані результати) сприятимуть структурним змінам, які у підсумку посилять їхню економічну та соціальну ефективність.

БІБЛІОГРАФІЧНИЙ СПИСОК:

1. Про недержавне пенсійне забезпечення : Закон України від 09.07.2003 № 1057- IV. URL: http://zakon0.rada.gov.ua/laws/show/1057–15

2. Яворська Т.В. Державне регулювання страхового підприємництва в Україні : спеціальність 08.00.03 – економіка та управління національним господарством. Автореферат дис. на здобуття наукового ступеня доктора екон. наук. Львів, 2013. 36 с.

3. Лазур П.Ю. Державне регулювання малого і середнього підприємництва. Львів : «Новий Світ-2000», 2006. 400 с.

4. Третяк Д. Суперечності розвитку недержавного пенсійного забезпечення в Україні / Д. Третяк // Вісник Київського національного університету імені Тараса Шевченка. 2014. № 1. С. 89–93.

5. Брагін С. Недержавні пенсійні фонди на неефективному фондовому ринку: приклад України / С. Брагін, О. Макаренко // Вісник НБУ. 2011. № 2, с. 44–47.

6. Бородіна Н.З. Українська пенсійна реформа в контексті досвіду країн Центрально-Східної Європи та СНД / Н.З. Бородіна // Вісник Львівської державної фінансової академії. 2010. № 18. С. 193–197.

7. Національна Комісія з цінних паперів та фондового ринку. URL: https://www.nssmc.gov.ua

8. Конищев С.А. Применение стратегии иммунизации при управлении инвестиционным портфелем негосударственного пенсионного фонда / С.А. Конищев, Л.Р. Мурзаева // Управління розвитком. 2010. № 3 (79). С. 104–105.

9. Болотіна Н.Б. Право соціального захисту: становлення і розвиток в Україні / Н.Б. Болотіна. К. : Знання, 2005. 260 с.

10. Небаба Н.О. Вплив макро- та мікроекономічних чинників на розвиток недержавного пенсійного забезпечення в Україні / Н.О. Небаба // Проблеми і перспективи розвитку банківської системи України. 2014. Вип. 38. – С. 360–366.

11. Талько М.О. Діяльність недержавних пенсійних фондів в Україні / М.О. Талько // Науковий вісник Херсонського державного університету. 2013. Вип. 1. С. 52–55.

ECOLOGICAL COMPONENT OF CORPORATE SOCIAL RESPONSIBILITY AND ITS IMPACT ON THE MARKET VALUATION OF THE COMPANY

ЕКОЛОГІЧНИЙ СКЛАДНИК КОРПОРАТИВНОЇ СОЦІАЛЬНОЇ ВІДПОВІДАЛЬНОСТІ ТА ЙОГО ВПЛИВ НА РИНКОВУ ВАРТІСТЬ КОМПАНІЇ

UDC 336.25

Chepka V.V.
PhD, Professor
Chair of Corporate Finance
and Controlling
Kyiv National Economic University
named after Vadym Hetman
Sudak G.G.
Student
Kyiv National Economic University
named after Vadym Hetman

The article deals with the study of the essence of corporate social responsibility (CSR) as an alternative form small, medium (SMEs) and large "green" projects financing for enterprises. Taking into account current economic and political situation in Ukraine, the paper considers the advantages of CSR as one of the most prospective methods of fundraising for enterprises, namely for a SMEs and large "green" projects of different businesses.

Key words: *corporate social responsibility, environment, social, governance, business, project, sustainable development, strategy.*

У статті висвітлено прагматичні проблеми дослідження сутності корпоративної соціальної відповідальності (КСВ) як інноваційної форми фінансування «зелених» проектів підприємств. Доведено переваги застосування КСВ як одного з найбільш перспективних способів залучення коштів малими, середніми та великими підприємствами у сучасних економіко-політичних реаліях України.

Ключові слова: *корпоративна соціальна відповідальність, довкілля, управління, бізнес, проект, сталий розвиток, стратегія.*

В статье отражены прагматичные проблемы исследования сущности корпоративной социальной ответственности (КСО) как инновационной формы финансирования «зеленых» проектов предприятий. Доказаны преимущества применения КСО как одного из наиболее перспективных способов привлечения средств малыми, средними и большими предприятиями в современных экономико-политических реалиях Украины.

Ключевые слова: *корпоративная социальная ответственность, окружающая среда, управление, бизнес, проект, устойчивое развитие, стратегия.*

Statement of the problem. Over the past several decades, corporate social responsibility (CSR) has grown from a narrow notion into a complex and multifaceted concept. Every day more corporations and investors consider CSR in decision-making process. The article outlines the evolution of CSR concept and its ecological component in particular as well as its influence on a stock market and market capitalization of a company. Also examined features for companies, which consider CSR in its operations and opportunities for Ukrainian businesses.

Analysis of recent research and publications. Many scholars in writings expressed their views on the impact of corporate social responsibility on the company's activities, among them O. Sushchenko, R. Schwarze, J. Emerson, I., M. Porter, M. Kramer. The importance of this issue has not been highlighted for Ukrainian nowadays circumstances.

The purpose of the article. The main task is to outline possibilities for Ukrainian businesses, examine CSR potential and start to implement green technologies in Ukraine in behalf of both, society and businesses.

Topic disclosure. For the first time the idea of corporate social responsibility appeared in the paper of John Perkins "The modern Corporation" (1908), where the author states that "the larger the corporation becomes, the greater become its responsibilities to the community" [1].

CSR can be characterized as part of the sustainable development strategy, in accordance with the company takes into account the interests of the society and assumes responsibility for the impact of business on society and the environment, in particular:

– reduction of CO2 emissions;

– implementation of green technologies, etc.

In other words, corporate social responsibility, often abbreviated "CSR" is a company's practices and initiatives to take responsibility for the benefit of society.

There is a classical way to raise the revenues and combat these risks – to impose a carbon tax or use other forms of environmental taxation. Emission trading markets can also offer effec- tive instruments for mobilizing the climate finance and combating the climate change. In both cases we will face some transaction costs associated with monitoring, reporting and verification of the emissions as a tax base or the results of emission reduction projects as a base of crediting and creating tradeable emission allowances [2, p. 7].

Involving companies and financial institutions into the process is crucial to ensure sustainable development of the world economy and to improve the quality of environment.

Concept of corporate social responsibility (CSR) in the modern terms of dynamic changes of external and internal conditions of the functioning of companies is one of the most actual directions for research both from the side of practice and academic researches.

Considering disadvantages of CSR concept, M. Porter and M. Kramer offered its new version, called Creating Shared Value (CSV – creating shared value) [3]. According to the authors, this concept allows to move from the commitments to the process of creating a common (shared) value as a result of related activities. However, this concept left many questions, since neither the company nor the potential lenders or investors can "feel" such value on their balance sheet.

In fact, we can find a wide range of shortages in the new concept of CSV [4]:

– high level of transaction costs (there is no widely used and accepted approach on how to report, evaluate and verify the results of related projects);

– it is difficult to incorporate social and environmental results into the financial statements of the company;

– does not encourage investors to finance and creditors to lend the money for related projects and activities (it creates no assets and no additional products, which can be considered as a "hedge").

The "ecological" component of CSR has become, in recent years, the most important from constituents and plays a significant role in the corporate sector, influencing the market capitalization of the company. In addition, companies by implementing "green technologies" in production process can not only raise additional funds for the renewal of fixed assets on preferential terms, but also pay a reduced rate of CO2 emissions." With a total amount of pollutants in 3078.5 thousand tons in 2016 in Ukraine, tax economy with a reduction of emissions by only 1% would amount to 2.28 million UAH" [5].

As previously noted, the company's "ecological image" can affect the price of shares. One of the known examples there are consequences, that were caused by the spill of British oil (BP) in April, 2010. The last entailed pollutin of a large marine environment along the Gulf of Mexico and today is considered the largest oil spill in US history. At the day of the incident, the price of BP shares was $59.5 (Figure 1).

By the end of June 2010, the price fell to $28.9. Thus, ecological problems have considerable impact on the cost of shares and corporate finance in particular.

According to the Responsible Investment Association Trend Report, 75% of professional investors consider the company's environmental, social and governance (ESG) position before making a investment decision.

Analysts from the investment giants Bloomberg and Goldman Sachs point out that the leader companies in the field of sustainable development outperform in this plan companies, which don't consider CSR in its operatins. That is result from the activities of professional investors who take into account company's CSR in the investments.

According to a UN (United Nations) Principles for Responsible Investment (UNPRI) survey of more than 800 pension funds, investment managers, and other institutional investors, nearly 70 percent of fixed-income assets incorporated ESG considerations.

Examples include the two largest Malaysian pension funds, Employee Provident Fund (EPF), which adopted ESG integration and have issued mandates on ESG investment as part of their fundamental strategies to drive long-term value and diversification strategies. The New York State Retirement Fund, and the Connecticut Retirement plans and trusts funds all require ESG considerations within investment policies.

From the above-mentioned it is clear that the sustainable investments prevail today at the stock market. Across the world around 60 trillion USD is man-

Figure 1. BP shares price dynamics

Source: complied by the author using the source [6]

aged by more than 1300 investment agencies that have signed the UNPRI.

Although, in 2006 there were only 100 signatories who controlled about 6.5 trillion dollars (Figure 2).

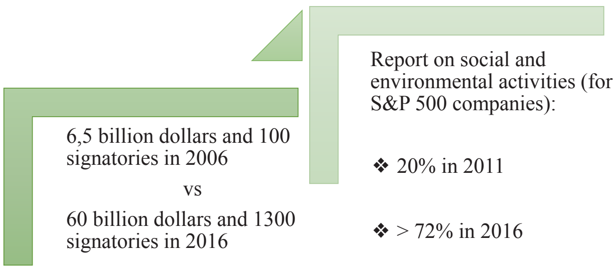

Figure 2. UNPRI signatories and S&P 500 companies comparison (report on S&E activities)

Source: built by author.

Increasingly, leading global companies are addressing social and environmental challenges as operational and strategic necessities. More than 72 percent of the S&P 500 companies now report on their social and environmental activities, a significant increase from the 20 percent of S&P 500 companies that did this in 2011.

The Figure 3 outlines the size of each of these strategies as well as the examples of growth within each strategy. The total social finance market size is valued at US$22 trillion and consists of four major strategies:

– Environmental Finance (green bonds)

– Development Finance (private development finance flows)

– Impact investing (global impact capital investments via investment agencies, $60 billion)

– Socially Responsible Investing (75% of professional investors that consider the company's ESG position before making investment decision)

The World Bank developed the first green bonds in 2008 in response to demand from Scandinavian pension funds and Skandinaviska Enskilda Banken AB (SEB) for fixed-income instruments that address environmental issues. Scandinavian pension funds and the corporate bank SEB, which served as the lead manager and underwriter, worked closely with the World Bank to create green bonds as part of the World Bank's “Strategic Framework for Development and Climate Change” initiative to encourage public-private partnerships.

Today, the World Bank's green bond issuance has grown to more than US$8 billion through more than 80 transactions in 18 currencies (Figure 4). These bonds support more than 67 eligible projects, including renewable energy and energy-efficiency projects.

Now, the green bond market includes diverse issuer groups such as corporations, energy companies, multilateral development banks, municipalities, and government agencies.

Indexes also seek to make social finance more accessible by providing portfolio managers with best-in-class performance for stock selection. For example, the Dow Jones Sustainability Indexes use a best-in-class approach that includes companies that outperform industry peers across various ESG metrics.

Conclusions. On the financial market everyone is worried only about financial results. Other issues are of secondary importance. It looks completely different, however, when there is a possible way to solve global problems, while simultaneously increasing the

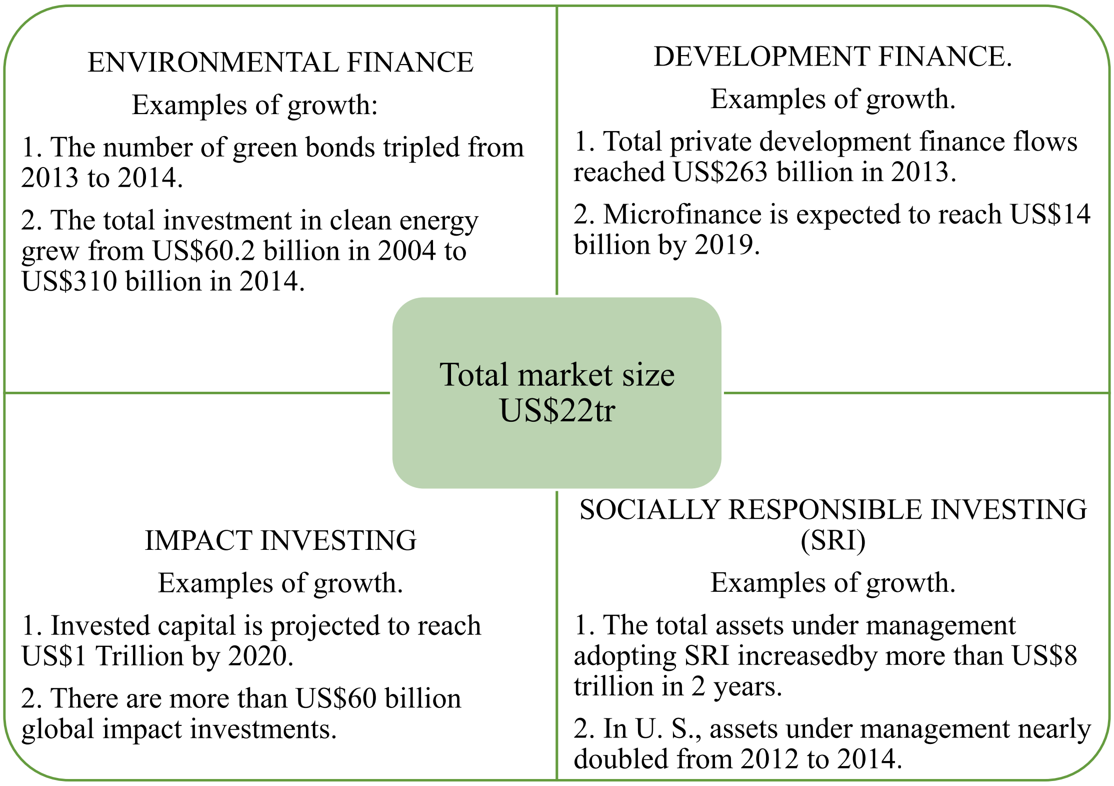

Figure 3. Total "green" market size

Source: complied by the author using the source [4]

Table 1

World Bank Green Bonds Milestones

November 2008	First Green Bond
April 2009	First US Dollar Green Bond
February 2010	Green Bond Program Reaches US$1 Billion 10 Green Bonds in 10 Different Currencies
October 2012	50th Green Bond
March 2014	First Euro Green Bond
July 2014	First Equity-Index Linked Green Bond
February 2015	Largest Green Bond with the Longest Maturity: US$600 Million, 10-Year
June 2015	100th Green Bond
April 2017	Green Bond Program Reaches US$10 Billion

Source: complied by the author using the source [7]

value of assets and improving the key performance indicators. The same applies to the businesses whose purpose is also to make a profit in face of significant dependence on the creditors and shareholders.

Companies with developed CSR are stronger financially and have a lower cost of equity than companies with underdeveloped CSR. The last have more narrow circle of investors, a more expensive price to raise capital and pay taxes at the higher rates, which affects the financial stability and market capitalization.

REFERENCES:

1. Jed Emerson (2003). The blended value map. Tracking the Intersects and Opportunities of Economic, Social and Environmental Value Creation. Access mode: http://www.hewlett.org/uploads/files/BlendedValuemapFinal.pdf
2. Sushchenko O., Shwarze R. (2016). Carbon taxation and market financial instruments for mobilizing climate finance, vol. 36, p. 7
3. Porter M.E., Kramer M.R. (2011) Creating Shared Value: how to reinvent Capitalism – and Unleash a Wave of Innovation and Growth. harvard Business review, January/ February 2011, pp. 63–70
4. Davis Pluess, J.; Govan, S.; Pelaez, P. 2015. "Conditions for Scaling Investment in Social Finance." BSR Report, BSR. Access mode: https://www.bsr.org/reports/BSR_Conditions_for_Scaling_Social_Finance_2015. pdf
5. Скакальський Ю.С., Судак Г.Г. «Зелені фінанси» як актуальний інструмент фінансування корпоративного сектору економіки України. Access mode: http://kneu.edu.ua/userfiles/ Financial_economical_department/news/vseukr_kafedra_konf.pdf
6. Tools.bp.com. Access mode: http://tools.bp.com/investor-tools/share-price-history/lse
7. THE WORLD BANK GREEN BOND IMPACT REPORT 2017. Access mode: http://pubdocs.worldbank.org/en/343311520466168445/report-impact-green-bond-2017.pdf