

ENVIRONMENTAL MANAGEMENT SYSTEMS IMPLEMENTATION IN THE CROATIAN WOOD INDUSTRY

15th INTERNATIONAL SCIENTIFIC CONFERENCE WoodEMA

Kristina Klarić

Josip Graho

Lucija Marković

Introduction

ISO 14001

- the most widely adopted environmental management system (EMS) in the world
- stakeholders can interpret ISO 14001 certification as evidence of superior environmental stewardship commitments and treat ISO 14001 "club members" more favourably
- countries with more ISO 14001 certifications have lower levels of air pollution compared to water pollution and ISO 14001 is associated with air pollution reduction only in countries where the government's environmental policies are weaker (Prajash, A and Potoski M)

Introduction

ISO 14001 - history

1992

- · BS 7750 standard launch
- Declaration of Rio de Janeiro on Environment and Development

1993

- Committee is created to develop ISO 14000 framework
- The European Commision developed EMAS

1996

ISO publishes the first version of ISO 14001:1996

2004

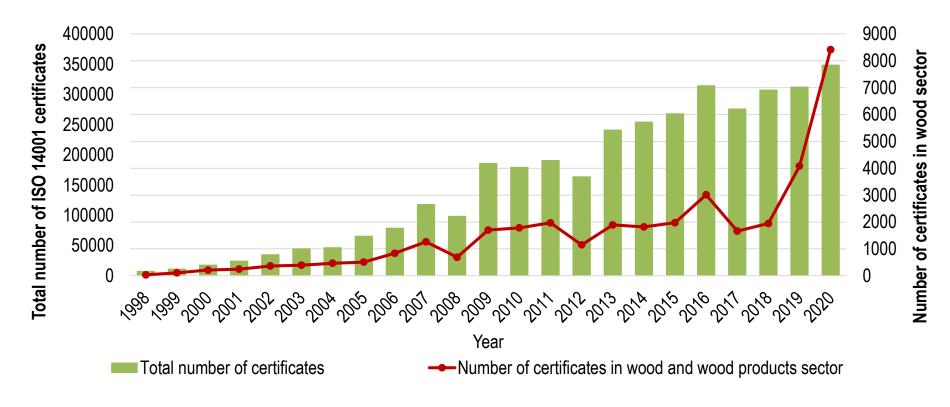
 ISO updates the Environmental Management System to ISO 14001:2004 revision

2015

 ISO updates the Environmental Management System to ISO 14001:2015 revision

Introduction

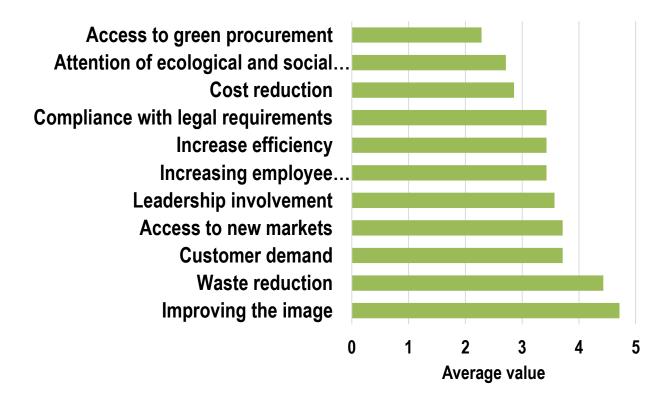
• ISO 14001 has been implemented in almost 350,000 organizations in 195 countries worldwide



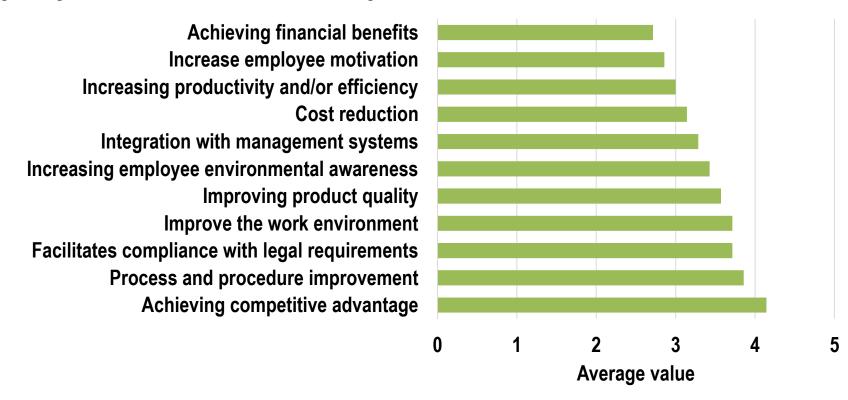
Materials and methods

- Primary data questionnaire CH (Certificate Holders) of ISO 14001 from wood industry sector in the Republic of Croatia, collected by e-mail
 - 6 parts: general data; other certificates; reasons for implementation; barriers to implementation; benefits of implementation; the impact of the outbreak of the SARS-CoV2 virus on business (Corona crisis)
- Secondary data Bisnode financial database
 - Financial performance financial indicators: Earnings before interest and taxes – EBIT; Efficiency of total equity – EU; Return on Assets – ROA; Return on Equity – ROE; Return on Sales – ROS

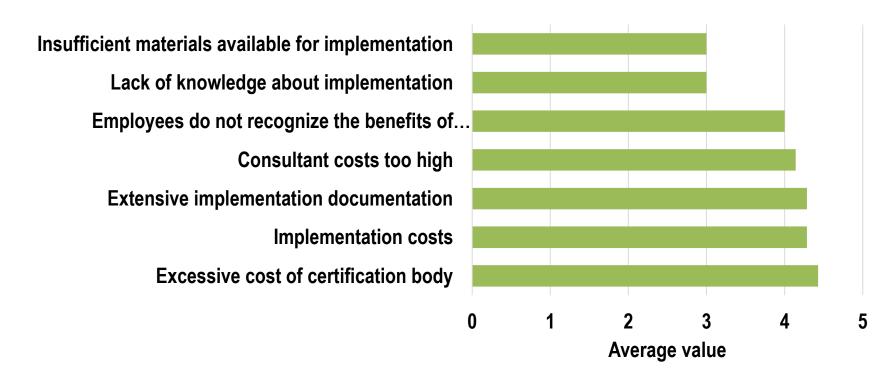
Reasons for ISO 14001 certification



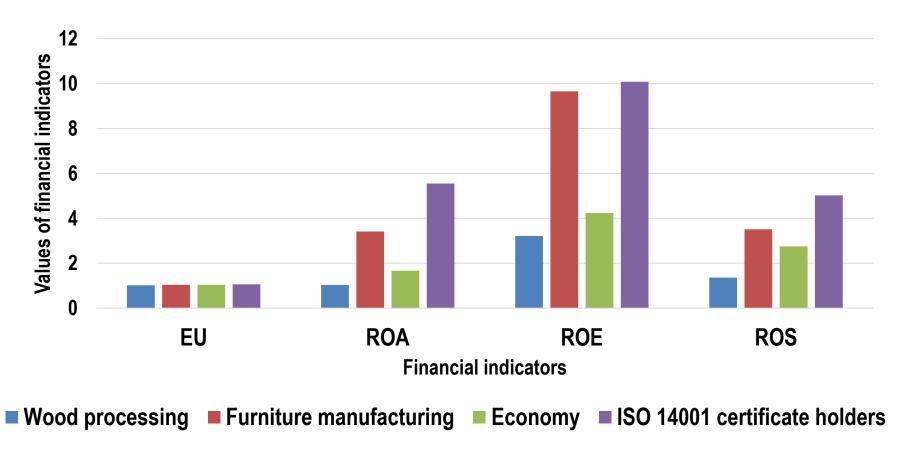
• Benefits from ISO 14001 certification



Obstacles during the implementation of ISO 14001



• Financial performance of ISO 14001 CH



Type of governmental support Corona Crisis **Nothing** 14% **Impacted by Corona crisis** Other 0% 14% YES **Deferred payment of VAT** 0% NO **Income tax exemption** 0% Micro loan for rural developement 0% **COVID-19 loan** 14% Financial support for preserveing jobs 71% 86% 0% 50% 100%

Conclusion

- CHs believe that ISO 14001 had a positive effect achieving competitive advantage, improving processes and procedures and meeting legal requirements
- Motives for certification improving their image and gaining an advantage over competitors and waste reduction were main motives for conducting the certification process
- Obstacles to certification financial side of certification and extensive documentation
- Better financial performance of ISO 14001 CHs

Thank you for your attention!