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"Green Pack" in Function of Green Marketing as a Form of Social Responsibility in Serbia

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Abstract. Green marketing is defined as a partnership of all interested stakeholders to sustainable development. This form of marketing is a relatively new form of social responsibility in Serbia and as such it is subject of this paper. The necessity of integration of green marketing in a social responsible behavior is justified by the fact that purely commercial marketing business ignores the possible conflict between short-term desires and long-term benefits of market entities and society, with regard to global environmental problems. The laws are the lower limits of business and the community social responsibility, which includes green marketing, a higher level. Whereas the National Assembly of the Republic of Serbia in May 2009 adopted 16 laws on environmental protection, that is called the "Green Package". Laws were passed with the aim of regulating the business and social responsibility and green marketing and development. The aim of this analysis is the "Green Package" as a basis for application of green marketing in Serbia. The work will result in efficiencies that are realized by applying the law of "green package" and point to existing gaps.

Keywords: green marketing, "Green Pack", social responsibility

JEL Codes: Q5, Q28, Q56, Q58

1. Introduction

If we compare man's environment (social, environmental and economic) and patterns of behavior of market operators, it can be concluded that the behavior is closely connected with the state of the environment and that the damage to the environment is mainly the result of social and irresponsible behavior of market actors. For example, the consumer basket includes the different kinds of detergents, acids and chemicals, as well as plenty of non-biodegradable packaging. Social responsibility is behavior means of increasing the positive impact and reduces the negative effects on society, usually related to company. So, for example, often puts an accent on necessity of knowledge of consumer rights while rarely given the importance of consumer responsibility. This one-dimensional observation of social responsibility is a paradox, with regard to that the social responsibility and sustainable development puts an accent on principle of joint responsibility with differentiated.

The necessity of the integration of social responsibility and marketing is justified by the fact that clean commercial marketing ignores the potential conflict between short-term desire of market subjects and long-term benefit of society, considering to the global environmental, economic and social problems. The importance of the synergy of marketing and social responsibility behavior confirm the fact that the UK in the state paper on public health marketing spoken as a powerful social tool that effectively influence to the development of awareness and behavior change, recently. One of a kind of "sustainable marketing" is a green marketing. Green marketing, in the narrow sense, refers to the exchange between market subjects based on the products favorable to the environment. The wider meaning of green



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marketing includes the socially responsible behavior that is beneficial to the environment, and as such it is subject of this paper.

"The law is the bottom line of business while a socially responsible marketing business is higher level of legal" (Siropolis, 1995, pp.607), is common to all subjects in the market and for all markets. The law governs the way of business and imposes mandatory business framework as such as sanctioned the socially unacceptable behavior. As such as, it is base of construction of socially behavior of all market players. Today, the laws require that to overcome the limits of "traditional law" and that the term "marketing subject" replaced with the term "citizen", who is interested to achieve the utility not only for them but for society as a whole. And if the first ball seems that the goals of the law in different areas are different, we can conclude that basically there is no single objective which is reflected in the behavior of market subjects in a way that is economically, socially and environmentally sustainable, and behavior based on the principle of sustainable development (Wilhelmsson , 1998). In May 2009 The National Assembly of the Republic of Serbia, at the suggestion of the Ministry of Environment, Mining and Spatial Planning, adopted a "Green Package" which includes 16 laws on environmental protection. "Green Package" necessarily inside the principle of sustainable development. The aim of this paper is to examine how "Green Package" influences the development of green marketing in Serbia. That is, how the laws of the "Green Package" influence to the development of social responsibility which is reflected in the behavior favorable to the environment. The work will result in utility that is achieved by applying the law of "green package" and point out the shortcomings of the current authors.

The paper consists of three parts. The first concerns is about the green marketing as a social behavior that includes protection of the environment and behavior based on the principle of sustainable development. The second section deals "Green Pack" as an institutional basis for progressing civilization social responsibility towards the environment in which we live. The third part is a conclusion that is by seeing how "Green Package" influences the development of social responsibility which is reflected in the behavior favorable to the environment.

2. Green marketing

The first theoretical discussion about green marketing emerged in the early seventies. The American Marketing Association (AMA) is the first defined green marketing as "the study of positive and negative aspects of the marketing activities of destruction, the depletion of energy and non-energy resources" (Prakash, 2002, pp.286). Green marketing was defined as "a set of activities designed to generate and facilitate exchange intended for satisfy the needs and desires of consumers with minimal negative impact on the environment" by Stanton and Futrell 1987 years. (Strizhakova, Coulter, Price, 2010.). Narrower definition of green marketing was created by Pride and Ferrell 1993 years. They defined it as "the process of designing, promoting, pricing and distributing products that will not harm the environment" (Strizhakova, Coulter, Price, 2010.). In other words, is defined as the actions to the principles of (environmental) sustainability of all concerned stakeholders.

The development of awareness of environmental social responsibility has experienced boom nineties, because of that, that the period is called the "decade of environment" and the "decade of Earth". Green marketing is both a cause and consequence of the development of social awareness on environmental. Green marketing came from the concept of social responsibility in marketing. Green



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marketing belongs to types of marketing "Marketing to the social order" and "Socially responsible marketing". The most common synonyms for green marketing are Eco Marketing and Environmental Marketing. However, today the majority of consumers based their purchasing decisions on the quality of products, brands, physical accessibility or prices. The ecology as a factor plays significant role in purchasing decisions only at a small number of consumers. In the U.S., 70% of the consumer prefers products that are currently useful instead of "environmentally responsible" products (Wilhelmsson, 1998, pp.70). Fifty-three percent of consumers would not be paying higher prices for products that are "environmentally responsible" (Wilhelmsson, 1998, pp.70).

Socially and environmentally irresponsible behavior creates opportunity cost. Opportunity cost can be reflected in: increased government expenditures in clean water, air, in the treatment of epidemics, in the repair of damages caused by natural disasters; to reduce the company's income due to reduced purchasing environmentally irresponsible products, etc..

Green marketing is based on the personalized activities of market subjects. "People give to get something in return. The participation of market players in the green marketing is not a transfer, it is the transaction. Subjects give to get a reaction, the recognition, fix the social pressure or felt caring" (Kotler, Kartajaya, Setiawen, 2010, p.183). Participation in the green marketing is a form of pro-social behavior³, through which market subjects achieve satisfaction, through the positive action on the environment. If the market subjects are more familiarize with ecology problems, the environmental factors will more influence as a factor of buying. Green Marketing is a micro approach to solving problems macro problems.

Conventional marketing concept is exclusively oriented to the consumer, with the aim of construction of the long-term partnerships between consumers and companies, as a source of profit companies. The new paradigm of social responsibility has led that the marketing turns to consumers which satisfies their needs, desires and solve problems based on the principle of sustainable consumption. Today, some authors believe that the integration of social responsibility and marketing one of the principles of the marketing concept. So, production, distribution, purchase, consumption, etc. should be environmentally sustainable.

Green marketing can be represented as a formula "3R's" (reduce - reuse - recycle):

- Reduce (reduce)-reduced use of natural resources (for example, replacement non-renewable natural resources witch renewable natural resources).
 - Reused (reuse)- again use product packaging or their parts.
- Recycled (recycle)-organized collection of used products or its packaging and process of recycling.

It should be noted that environmental awareness is not just knowledge about the relationship between nature and society, the disruption of ecological balance and the need to protect the

¹ Marketing to the social order has aims to change attitudes, beliefs and behaviors of individuals or organizations for social welfare.

² Socially responsible marketing refers to the responsible marketing practices.

³ Under the pro-social behavior are considered different aspects of behavior, which is directed towards the welfare of the community, cooperation and helping others, which involves understanding the problems of others, cooperation and together work. Parenthood, friendship, compassion, and solidarity are just some of the forms of this type of behavior.



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environment, but also the conscience and the willingness of individuals and society as a whole to engage in such protection and that a responsible and environmentally justified relating to the environment in which they live. Today, the green marketing criticized because of: a lack of credibility and confidence of stakeholders; confusion regarding the promotion of green and sustainable products, potential reputation risk of "false claims", the risk of so-called "green washing a"; higher prices of (environmental) products, etc.

In the Republic of Serbia is underdeveloped environmental awareness. In order to green marketing could be applied in practice and to develop environmental awareness and environmental behavior, it is necessary to meet certain conditions, which are divided into internal and external. Under the internal conditions are considered the awareness of managers about the importance of marketing environment and the sensitivity of company to changes in the enterprise environment. The exterior includes: consumer sensitivity to environmental issues, the intensity of competition, the level of legislation, education at the state level, justified environmental investment, and so on.

3. Legal aspects of environmental protection

Given that the legislation falls outside the terms of development of ecological awareness, it is the subject of our further work. In May 2009 The National Assembly of the Republic of Serbia, at the suggestion of the Ministry of Environment, Mining and Spatial Planning, adopted a "Green Package" which includes 16 laws on environmental protection. Adopted laws are in line with EU directives. These laws govern the management of waste disposal and improve the already existing Law on Environmental Protection. Goals of "Green Package" law are the protection of all segments of the environment and the edition of fields of proper use and storage of hazardous chemicals, waste storage, maintenance and disposal of all that in any way threatens the environment and human health, animals and plants. The Laws of environmental protection give greater powers and responsibilities in environmental protection to local authorities.

3.1. The Law on Environmental Protection

The law on environmental protection is a basic law that regulates the field of environmental protection. This law regulates the internal system of environmental protection that ensures the realization of the human right to live and develop in a healthy environment and a balanced relationship between economic development and environmental protection in the Republic. According to this law, the subjects of environmental protection systems in addition to the Republic, autonomous province and local governments are also every company, scientific and other public services and citizens. They need to preserve and enhance the environment. The law provides the basic principles of environmental protection such as: the principle of integrity, the principle of prevention and precaution, preservation of natural resources, sustainable development, the principle of responsibility of polluters and their successor etc. The law regulates the management of natural resources and their protection, preventive measures to protect the environment, measures to protect against hazardous materials, elements of the National Programme and Action Plan for Environmental Protection, as well as the rehabilitation plan adopted by the Government, environmental monitoring by the Republic, autonomous provinces and



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local governments. The law obligates the Serbian government to give in an annual report on the environmental situation in Serbia to Parliament, and appoints competent authorities to inform the public about the state of the environment. Supervision and control of environmental are performed by the Ministry of Environment, Mining and Spatial Planning, i.e. within it Inspectorates for Environmental Protection. The law prescribes the duties, powers and responsibilities of the inspector for environmental protection. The law also regulates the liability for environmental pollution by making the polluter responsible for the damage done by the principle of strict liability. For environmental pollution are responsible legal bodies and natural person whose illegal or improper actions enable or allow pollution of the environment. Polluter is responsible for economic crimes and violations committed. The sanctions in this law are fines.

3.2. Waste Management Law

Waste management is an activity of general interest. The aim of this law is to enable a larger volume of recycling all types of waste, not only at national but also at local government level. Law on Waste Management determinates the types and classifications of waste, waste management planning, waste management operators, responsibilities and obligations in waste management, management of specific waste streams, and conditions permitting, cross-border movement of waste, the financing of waste management, monitoring, and other issues relevant to waste management. The goal of adoption of this law is to provide and ensure the conditions for reducing waste (the development of cleaner technologies and more efficient use of natural resources), re-use and recycling, separation of recyclable materials from waste, use waste as fuel, and proper waste disposal. (Official Gazette of the Republic of Serbia, No. 36/09, May 15, 2009)

3.3. Law on Packaging and Packaging Waste

The main objectives of the Law on Packaging and Packaging Waste are to ensure the conservation of natural resources, environmental protection, development of modern technologies of production of packaging, and the establishment of the management of packaging and packaging waste. ("Official Gazette of the Republic of Serbia, No. 36/09, May 15, 2009)

3.4. Air Protection Act

For efficient management of air quality a unified system of monitoring and controlling the level of air pollution and maintaining a database on air quality is introduced. Prescribed measures to improve air quality include: prescribing limits emissions of pollutants from stationary and mobile sources of pollution, regulation of allowable amounts of certain pollutants in certain products, reduce emissions of greenhouse gases, a gradual reduction of the use of substances that deplete the ozone layer, as and other measures to prevent and reduce pollution and establish accountability for implementing the measures. ("Official Gazette of the Republic of Serbia, no. 36/09, May 15, 2009)



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3.5. Law on Chemicals

The main objective of this legislation is to improve traffic safety of chemicals. The regulation governs the manufacture, import and use chemicals in a manner that is safe for human health and the environment. A particular aim is to improve traffic safety of chemicals with other countries, as well as encouraging the development of safe replacement for high-risk chemical products. Implementation of this improvement will be felt first by workers who handle hazardous chemicals, due to law provides them receiving more information about the substances they use in their work. The law provides establishment of Chemicals Agency and a joint body for the integrated management of chemicals, which will be used as two independent bodies to deal with efficient and safe management of chemicals and biocide products. (Official Gazette of the Republic of Serbia ", no. 36/09, May 15, 2009)

3.6. Act on Biocide Products

Act on Biocide products should establish and improve a unique system of marketing and use of biocide products on the territory of the Republic of Serbia, with adequate notification of users about how to use them. Biocide products are chemical substances and mixtures composed of chemicals and microbes, fungi and viruses, which is common to have a negative effect on the unwanted organisms. This law provides a higher level of protection of human health and the environment as well as improving the free circulation of biocide products with Member States and other countries. This law allows using the preventive measures to risk during the use of biocide products has been reduced to a minimum. (Official Gazette of the Republic of Serbia ", no. 36/09, May 15, 2009)

3.7. The Law on Environmental Protection

Law on Environmental Protection foresees adoption of the National Strategy for Sustainable Use of Natural Resources and National Environment Programme. This law is running category of "areas of special state interest in protecting the environment" and determined that the Government shall prescribe the criteria and measures the area of special state interest in protecting the environment, and the amount and method of payment for environmental pollution in these areas. (Official Gazette of the Republic of Serbia ", no. 36/09, May 15, 2009)

3.8. Impact Assessment Act on Environment

This law regulates the procedure of impact assessment for projects that can have significant impacts on the environment, the contents of the EIA Study on the environment, participation of authorities and organizations and the public, cross-border notification of projects that can have significant impacts on the environment of another state, control and other issues of importance to assess the impact on the environment.



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3.9. Nature Conservation Act

Nature Conservation Act provides the identification and assessment of the situation in nature, protection of natural resources, establishing a system of monitoring natural resources and protected areas, nature conservation and landscape in regional plans and project documentation, making effective management of natural resources and raising awareness of the need to protect nature the educational process. (Official Gazette of the Republic of Serbia", no. 36/09, May 15, 2009)

3.10. Law on Protection against Ionizing Radiation and Nuclear Safety

The main reason for the enactment of this Act is the need for harmonization of regulations in this area with those of the European Union and for tightening the regime of nuclear and Radiation security in Serbia and the achievement level that can respond to the increasing demands of security that have arisen as a result of significant changes in the world during the last decade. The law envisages the establishment of the Agency for Radiation Protection and Nuclear Safety of Serbia, thereby increasing the efficiency of control and supervision over the safe use of ionizing radiation. (Official Gazette of the Republic of Serbia ", no. 36/09, May 15, 2009)

3.11. Law on Non-Ionizing Radiation Protection

This Act provides the decentralization of the establishing measures, conditions and supervision by competent authorities at all levels, while using non-ionizing radiation sources by different operators. This will lead to more effective enforcement measures for protection against non-ionizing radiation and oversight by local governments, provinces and ministries. (Official Gazette of the Republic of Serbia ", no. 36/09, May 15, 2009)

3.12. Law on Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction

Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, the Republic of Serbia joined the 2000th year. States Parties to this Convention have pledged to disarm by destroying all stocks of chemical weapons and have all the facilities for their production, including the abandoned weapons. Serbia is through the enactment of this Act implemented the Convention into its legislation and allowed its implementation. Specifically, the jurisdiction of implementing the Convention is given to the two bodies. In the part relating to the manufacture and use of chemical substances for military purposes permitted by the Convention jurisdiction for implementing is given to the Ministry of Defense, and when these substances are used for other purposes (industrial, agricultural, medical and pharmaceutical) the Ministry of Environment, Mining and Spatial Planning is the authority. (Official Gazette of the Republic of Serbia ", no. 36/09, May 15, 2009)

3.13. Law on the Protection of Environmental Noise



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Law on Protection from noise regulates: subjects of protection against noise in the environment, measures and conditions of environmental noise, measurement noise in the environment, access to information about noise, supervision and other issues of importance to environmental protection and health. (Official Gazette of the Republic of Serbia ", no. 36/09 May 15, 2009)

3.14. Law on Protection and Sustainable Use of Fishery Resources

Law on Protection and Sustainable Use of Fishing Resources aims to achieve the following objectives: management of fish resources in the fishing waters, which includes the protection and sustainable use, catch, utilization and trade of fish, sustainable use of fisheries resources that contribute to the conservation of biodiversity, establishing the conditions for commercial, recreational and sports, like fishing for scientific and research purposes and electro-fishing; establishing the conditions for trafficking fish, the establishment of effective oversight, which includes the rights, duties and powers of inspectors; tightened penal policy. (Official Gazette of the Republic of Serbia", no. 36/09, May 15, 2009).

3.15. Law on Ratification of Amendment to Annex B of the Kyoto Protocol to the United Nations Framework Convention on Climate Change

With ratification of this amendment to the Kyoto Protocol, the Republic of Serbia has contributed to its effectiveness, and to the accession countries of Belarus in Annex B of the Kyoto Protocol, and determining the obligations of meeting quantified emission reduction of greenhouse gas emissions. (Official Gazette of the Republic of Serbia - International Treaties no. 38/09, May 25, 2009)

3.16. Rotterdam Convention on the Consent of prior notification for certain Hazardous Chemicals and Pesticides in International Trade

The main objective of the Rotterdam Convention is to establish a shared responsibility and cooperation in the international trade of certain hazardous chemicals, all in the purpose of correct handling of hazardous chemicals, in order to protect human health and the environment (through the exchange of information about the properties of these chemicals). Rotterdam Convention protects the country importing dangerous chemicals. (Official Gazette of the Republic of Serbia - International Treaties no. 38/09, May 25, 2009).

3.17. Convention on Access to Information, Public Participation in Decision Making and Access to Justice in Environmental Matters (Arches Convention)

The Aarhus Convention is an international agreement in the environmental field that links human rights with the procedures and instruments of modern politics and law in the environmental field. The Convention sets out specific obligations for Member States in terms of three sets of issues: access to environmental information, public participation in decisions concerning the environment and the right to legal protection in the field of environment. Arches Convention defines public participation especially in the following cases: in making decisions on whether to authorize the deliberate release of genetically modified organisms into the environment in developing plans, programs and policies in relation to the



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environment, during the preparation of executive regulations and /or generally applicable legally binding normative instruments. (Official Gazette of the Republic of Serbia - International Treaties no. 38/09, May 25, 2009)

4. Conclusion

Comprehensive regulation of environmental protection through the laws should bring the awareness of the need of environmental protection to a higher level than it was before. Adoption and publication of laws on environmental protection include not only obligation for the citizens of Serbia to respect the Law, but also their responsibility to know it. The goal of enacting these laws is to regulate the field of environmental protection but also to impact on the social awareness of citizens of Serbia and the bring citizens themselves realize the importance and benefits of a healthy environment for them with further aim to adjust their behavior to preserve the environment. Thus, legislation affecting the development of awareness of market forces for the protection of the environment and the Profiles of conduct for sustainable development which is a green marketing.

Although the issue "Green Package Code" provides fines for polluters who violate legal provisions of these laws, the importance of these laws is not only in their sanctioning and penal character. The fact that man is part of nature and that man's survival and quality of life on earth depend on man's relation with nature, and the more common examples of negative impact of human behavior to a healthy environment, resulted in the fact that Serbian citizens understand the importance of environmental protection. As a positive example of the influence we enacted legislation to emphasize action "Clean up Serbia", which this year conducted June 4, 2011 to commemorate World Environment Day, which is June 05. In this action, Serbian citizens have found themselves in the role of volunteers and in a big number responded to the call in an effort to contribute, cleaning their surroundings.

Authors believe that the fines envisaged by the aforesaid laws for polluters, are not effective enough punishment for them. Specifically, fines are directly dependent on the height of fine and costs of care. If the cost of punishment is lower than the cost of preserving the environment through the means of protection or a more expensive raw materials and processes, companies will probably opt for paying the fine, and vice versa. Also, fines are a revenue budget of Serbia, which can be used for other purposes, which aftereffect that the environment and pollution still remain. Authors believe that beside monetary sanctions, polluters should impose a measure of the community, since in that way they would participate in cleaning the environment that they, among others, polluted. Also, authors believe that Serbia should hire more inspectors that would control the application of these laws. Revenue generated from fines should be used to improve the environment, to create a landfill, to purchase cleaner technologies... Also, the law should obligate the Government to more frequently report on the state of the environment to Parliament, at least quarterly, as the Government is now obligated to submit only once annually.

The authors believe that the promotion of the law will significantly contributed that the low perform its function and increases awareness of social responsibility. From the promotion mix are proposed: Public Relations, direct marketing and advertising. Education for the development of social responsibility also is a very important part. As the most effective educational activity, that is aimed at young consumers, the author stands, learning in schools. Seminars, forums, workshops and courses are just some of the educational activities, aimed at all market segments, and whose educational impact should not be ignored.



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