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Arabia CSR Network®

CSR ARABIA

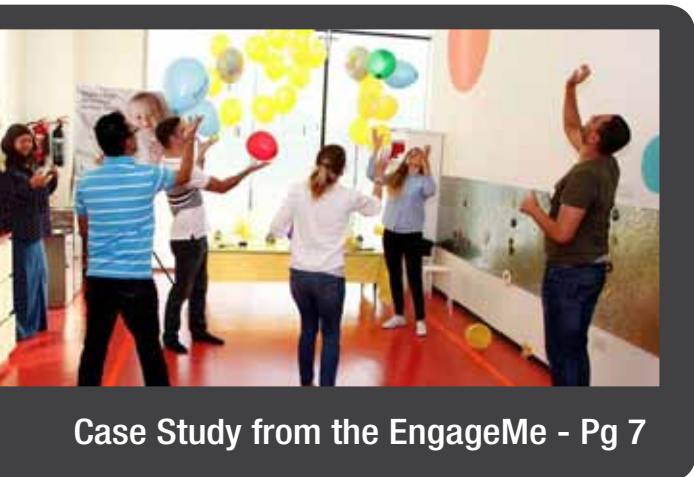
Arabia CSR Network

newsletter

October 2015 Issue 50



SAVE THE DATE ARABIA CSR FORUM & AWARDS 2015



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Note from the President & CEO Arabia CSR Network

"Business is a vital partner in achieving the Sustainable Development Goals. Companies can contribute through their core activities, and we ask companies everywhere to assess their impact, set ambitious goals and communicate transparently about the results." These words came from the UN Secretary General Ban Ki-moon, commenting about the significance of business contribution to the Sustainable Development Goals (SDGs). September 2015 will go down in history as the year when for the first time, the world officially set its sights on a sustainable future. The kind of future where poverty has been eradicated, social equity has been established and economic growth has not pushed the planet beyond its carrying capacity. It has been a long journey

undoubtedly. Even fifteen years ago, as a civilization we were not aware enough of the importance of sustainable development to identify it as the overarching framework of universal development.

The outcomes of the Millennium Development Goals (MDGs) clearly indicated that a more transformative agenda was required to effectively deal with global issues and challenges. And the SDGs are ambitious and transformative; and this is attributable to the sheer enormity of the issues and challenges like poverty, climate change, inequity, social exclusion, etc. Initiatives that bring incremental gains cannot help us achieve sustainable development, which is a difficult aim to begin with. A complete re-assessment of where we stand today and where we are headed is the need of the day. A re-thinking of growth strategies is an integral component of any aspiration for sustainable development. And business is a key collaborator in the process.

Unlike the MDGs, the SDGs are a fruit of cross-sector collaboration, and they represent the inputs and feedback of all the key actors, - government, business, academe, civil society, and communities. Each actor has a key role to play in implementing the goals and targets for sustainable development. Efforts are already underway to help each fulfill their role. For example, GRI, the UN Global Compact and the World Business Council for Sustainable Development have launched a SDG Compass in the wake of the launch of the goals. This will act as a guide for business action on SDGs and can be found on the website www.sdgcompass.org. Many more resources, tools and kits will be developed in the future. It will be up to the companies to choose one that best fits their objectives and priorities. To quote the SDG Compass; - The SDGs present an opportunity for business-led solutions and technologies to be developed and implemented to address the world's biggest sustainable development challenges. The SDGs will also be the platform where business can engage with multi-actors to create synergies between business and operational goals and universal aspirations and priorities.

Update on the Arabia CSR Forum & Awards 2015

Final preparations for the Arabia CSR Forum are underway. Registration is still open; make sure you book your seat on the most prestigious CSR platform in the Arab World. The Arabia CSR Forum will take place under the title of "Beyond Responsibility: Towards Transformational Sustainability" on the 27th and 28th October in the H Hotel, Dubai, UAE. The forum is gathering a galaxy of experts and sustainability thinkers that will shed the light on the latest developments and trends and challenges in the field of CSR and sustainability.

In its 6th cycle, the forum will explore the subject of transformational sustainability from different angles while highlighting how the public and private sectors can play roles in promoting sustainable developments. A special session is dedicated for the SDGs in the first day, with high profile speakers from different International Organisations such as the League of Arab States (LAS) and the United Nations Environment Programme (UNEP) as well as local and regional organisations. The second day is designed with three creative labs that will examine in depth pioneering sustainable models addressing different topics. The second day is designed in a way to allow more interaction between the panelists and participants. For more information about the Forum and the agenda please visit our website.

The Arabia CSR Awards Ceremony will be held on the evening of the 28th October. The winners of this years cycle will be announced during the ceremony. Sponsors of the Forum are, Maaaden, (Exclusive Strategic Sponsor), Petrochemical Industries Company (Platinum Sponsor), ENOC, NATPET and Gulf Petrochemical Industrial Company (Gold Sponsors), and Diamond Developers (Industry Sponsor), RasGas (Publication Sponsor), Canon Middle East (Imaging Sponsor). Emirates Environmental Group is the Environmental Partner, DNV-GL its assurance provider, and Media Partners are Arabian Business, News Services Group Middle East ME Newswire, Gulf News, Omnicom Media Group, 7DAYS, Eye of Riyadh and Blu Lowe Kuwait.



Meetings & Events



Sustainability Reporting training held in Dubai

The Arabia CSR Network conducted a three day training in Dubai to deliver a certified course on the GRI G4 framework of sustainability reporting. The course is accredited to the Global Reporting Initiative, which has developed the most widely used framework and guidelines on non-financial reporting. The Arabia CSR Network is a certified training partner of GRI and is responsible for providing the accredited courses to participants in the Middle East. The training focuses on the fundamental elements in the GRI developed framework, as well as on the essential concepts within CSR and sustainability.

All trainings are imparted using a combination of lectures, discussions and course work. The trainings culminate with an interesting report review exercise wherein participants get to evaluate their freshly acquired knowledge by examining and assessing a couple of actual GRI reports issued by entities in the Region. Through this and other interactions, trainers ensure that participants become equipped with the right level of understanding that would be required if they were to write a report based on the GRI principles and criteria. The participants belonged to a cross-section of companies spread over the Arabian Gulf, and represented key economic sectors like Oil & Gas, construction, healthcare, logistics, retail and so on. A delegate from the Qatar Green Building Council attended the training.

GRI Stakeholder Council meets in Netherlands

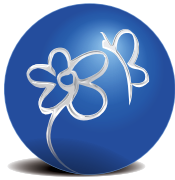
The Global Reporting Initiative convened the annual meeting of its multi-stakeholder governance bodies in the Netherlands last month. The leading event was the GRI Stakeholder Council meeting. All the other stakeholder council meetings in the year had been conducted via electronic means; this was the first and only in-person meeting in 2015 the remaining meetings till end of the year will be virtual as well.

A great deal of the discussion centered on the GRI's new strategy and anticipated developments surrounding it. Other important agenda points included the standardization process whereby GRI is working on becoming a standard of sustainability reporting, local developments in various countries and regions where GRI reporting is prevalent, results of the SC election, etc. The SC presented a set of recommendations to the GRI board at the conclusion of the meeting. The event was held from September 28th to 30th.



Petrofac stakeholder consultation

The Arabia CSR Network recently took part in a consultation exercise conducted by Petrofac. The stakeholder engagement activity was a part of the sustainability reporting process underway in Petrofac, whereby they are consulting with key stakeholders to gather inputs for their sustainability report. The objective of the consultation was to understand key material aspects that the organisation should address within their CSR and sustainability initiative, and why stakeholders think that they are important for Petrofac to focus on. The results will be shared with the participants and also published in the sustainability report.



Upcoming Trainings & Events - Register today!



PLANNER 2015	EVENTS	OCT	NOV	DEC
	CSR Workshops / Trainings		November 10-11-12 CSR Fundamentals (Arabic) November 15-18 CSR Advanced (English)	December 14-15-16 CSR Strategy & Leadership (English) December 21-22 Integrated Reporting (English)
	Arabia CSR Forum & Awards	October 27 - 28		

Members Update

Chalhoub Group releases white paper on sustainability in the luxury industry

The Chalhoub Group published a white paper entitled “Luxury in the Gulf: A Sustainable Future?”, to highlight the emergence of sustainability consciousness in the Arabian Gulf region. Based on a consumer research conducted by the group, it points out that consumers in the Gulf are increasingly becoming aware of the sustainability of products and organisations manufacturing or retailing them. Although the Gulf holds the record in having the highest international spenders, with considerable spending on beauty, fashion and gifts; there is a growing wave of consciousness, particularly about corporate responsibility, which is clearly noticeable. According to the report, “Overall, consumers expect corporate sustainability engagement in the areas of employee, community and environment.”

Source: <http://www.chalhoubgroup.com/#/media>

DEWA launches innovative Al Saada initiative

Dubai Electricity and Water Authority (DEWA) have recently launched a smart entertainment platform called Al Saada, which will use human kinetic energy and mechanical energy generated during exercise to create electricity. Specially designed recreational equipment will achieve this wonderful feat, also promoting the sustainable use of renewable energy. The user-friendly equipment will be easy to use and can be operated by children above six years old and people with special needs. DEWA sees it as a highlight of its CSR, which is aimed at supporting social development and contributing to the people's happiness and welfare. The initiative also recognizes and supports Dubai's healthcare objectives such as fighting obesity. Energy produced during exercise can be stored for use at the same time or at a later stage for such purposes as charging phones or smart devices, lighting, cooling water, etc. The energy produced by exercising adults can be used by children to play games on the platform, which is also built to produce energy.

Source: <http://csrpulse.com/dewa-launches-new-corporate-social-responsibility-initiative/>

Ministry of Labour felicitates Securitas

Securitas UAE was recently honoured by the UAE Ministry of Labour for their efforts to improve the welfare of the labour community residing in the country. This was a corroboration of the positive outcomes of their CSR, which was manifest in a bunch of initiatives promoting interaction among employees and labour through social and sporting events. To coincide with the observance of the International Labour Day, the Ministry felicitated thirty one public and private organisations for their exemplary work in the area of labour welfare and labour rights. Source: <http://www.securitas.com/Global/United%20Arab%20Emirates>



Emirates Global Aluminium releases new code of conduct

EGA (Emirates Global Aluminium) has just launched a Code of Conduct to reflect a strong commitment to ethics and values. The launch coincided with a "Compliance Week" that was observed for the first time in EGA's Jebel Ali and Al Taweelah sites to acquaint employees with EGA's new compliance programme and give them guidance on how to apply the code. The code is entitled "Our Values at Work", and is based on the EGA's values, Protect, Provide and Perform). Source: <http://www.abudhabinews.net/index.php/sid/236468721>

General News

SDGs launched at historic UN summit

"The 2030 Agenda agreed to today by 193 nations is an important and unique moment in our shared history. For the first time, we have a development agenda that is focused on sustainability in both the developing and the developed world. The 17 Global Goals, which are at the centre of the 2030, crucially incorporate environmental sustainability and social equity with economic progress. That integration will be critical to a sustainable pathway forward for the planet and its peoples." - said UNEP Executive Director Achim Steiner at the Sustainable Development Goals Summit in New York held from September 25-27th. The SDGs were adopted at the summit as the global framework of development for the next fifteen years. A global agenda was unveiled at the summit, called 'Transforming Our World: The 2030 Agenda for Sustainable Development'. "In these Goals and targets, we are setting out a supremely ambitious and transformational vision", it says in the document. The goals are ambitious and transformational, because nothing short of that will be effective in solving the monumental challenges that face the world.

The inclusive goals are a result of extensive cross-consultation involving governments, business, civil society and other constituencies. The main essence of the goals is eradication of poverty, social inclusion and growth within planetary limits. The goals come with a set of 169 targets, meant to drive local level commitments for the attainment of sustainable and inclusive growth. The areas that have been identified as crucial and around which the SDGs have been formulated are, People, Planet, Prosperity, Peace and Partnership.

- See more at: <https://sustainabledevelopment.un.org/post2015/transformingourworld>

Feature Article

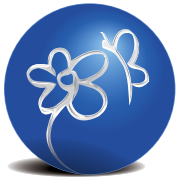
Why CSR is not enough to create a sustainable world

It's time to reinvent CSR. In fact, it's time to reinvent business strategy. In the last two years, companies have been transforming. Now, recession is being replaced by reinvention. The shapes have been unclear. But today the fog is lifting and a new shape is beginning to emerge.

The new shape has a name. It is sustainable business. A sustainable business acts to achieve short, medium and long term success. Sustainable means successful today and tomorrow. If I were an American, I would say that I can be "real specific" about the characteristics of a sustainable business. There are fifteen characteristics. They emerge from a study of business action and business leaders. But 15 would be a list. So here are three underlying principles. Let's call them secrets. Oddly, however, these secrets are hidden in plain sight.

The first secret is a focus on the long-term.

Sustainable businesses anticipate the future and act to create stronger, richer markets for business to sell into. We know what doesn't work. As Samuel J Dipiazza Jr, president of PricewaterhouseCoopers has said "the current financial crisis is the result of short term and unsustainable business models". The result of unsustainable business models, as Lord Turner, Chairman of the Financial Services Authority explained is that "hundreds of thousands of British people are newly unemployed; tens of thousands have lost houses to repossession; and British citizens will be burdened for many years with either higher taxes or cuts in public services". He might have added that massive global businesses have been bailed out. Others have gone to the wall. This is what, in the new lexicon, will be seen as long term value at risk.



The flip side of this is long term marketing strategy. Companies will look to the future, differentiate between the likely future and their preferred future and act collaboratively to create stronger, richer markets. Coca Cola teased us with this in their 2008 annual report when they said: “by anticipating and preparing for the changing world we will be poised to deliver refreshment and value to our consumers and shareholders in the years ahead”. John Chambers, Chairman and CEO of Cisco gets it when he says: “we are at an inflection point unlike any other in history, and I believe Cisco has an opportunity to help countries, communities and citizens achieve their social and economic goals”. Jeff Immelt, CEO of General Electric Company, gets it when he said: “we are going to solve tough customer and global problems and make money doing it”. This ambition is transformed into action through the second secret of sustainable business – a focus on action or, in the new lexicon, behavior change.

The second secret of sustainable business

The second secret of sustainable business is that long term success is based on how employees and customers act today.

This is about the actions of executives. For example, this year, Richard Evans, president of PepsiCo for UK and Ireland has promised to be a “powerful agent of positive change” in the food and drinks sector. A major part of this involves a promise to “renovate the core of our business....by 2020 I want our profit and growth to be driven by healthier products.” In the new lexicon, this is the world of choice architecture and choice editing. This is about the actions of customers. Companies will support customers who wish to act to recycle more, reduce food waste, save energy or eat well. This is the new world of corporate social marketing – mentioned by the marketing gurus Philip Kotler and Nancy Lee in 2004 as the “best of breed” in CSR strategies by linking real social change with measurable commercial benefit.

And this is also about the actions of employees. Again, the research is out there in plain view for those who wish to look. Gallup have analysed employee engagement surveys from 12.5m employees in 150 countries and identified the key features that drive employees and, as a result, drive growth. The CFO of Wells Fargo Howard Atkins is quoted as saying: “we don’t want to just measure results, we want to measure what drives results, and that includes team-member engagement”. This focus on action, on behaviour change, also requires a new deeper understanding of what motivates people to act. The old two dimensional model of people was based on an assumption that if you give people the right information and the right incentives and disincentives, then they will always act on their own interests. We now know that this is not so.

This two-dimensional model of behaviour is being replaced by a three dimensional model which also considers factors like habit,

the behaviour of others, emotion and fear of loss. Leaders in the new world will need to know this stuff as a core skill. It ain’t fluffy stuff. It’s hard edged. The seminal work of the New Economics Foundation showed the relevance for this to economic theory through behavioural economics. This understanding is even percolating its way into “behavioural investment”. Roger Urwin and Claire Woods in a recent paper on sustainable investing principles explore in some detail how current investment decisions are influenced not just by cold hard economic analysis but by three-dimensional factors like loss aversion and group decision-making.

The third secret of sustainable business

This focus on action leads naturally on to the third secret of sustainable business. Sustainable success is based on freedom to innovate within a strategic framework. People with an interest in your world are actively involved to help you achieve your purpose.

Companies will increasingly define a sustainable business model that is fit for purpose for their business. Unilever have their vitality framework and Procter & Gamble have their sustainability report card. But once the framework has been defined, ideas are invited from others through open innovation. It’s an approach actively championed with measurable commercial results by companies like Philips, Procter & Gamble and Reckitt Benckiser. IBM held a web-based “innovation jam” in 2006 that involved 150,000 people in 104 countries and led to 10 new IBM businesses. In the new world, we all have power. So here, in the new world, each of us uses our power for positive change. Where we live and where we work; in board rooms, committee rooms and living rooms, in homes and high streets, consumers and citizens, employees and shareholders are acting individually and together to create a stronger, richer world.

In this world, we are all catalysts. We all have a role to help the private sector achieve long term success, the public sector achieve public policy results and to help the third sector achieve their social goals. For business, improving lives and achieving commercial success are not at odds. They are indissociably linked. The new approach to sustainable business is a commercial opportunity. The alternative is a business risk. So, if your current CSR model is based on compliance and an annual CSR report and your approach to business is based solely on short term financial targets, you may wish to look again. The world has turned. Sustainable business is here and it is here today.

This article is excerpted from a blog written by John Drummond, Chief Executive of Corporate Culture, which was published in The Guardian. Source: <http://www.theguardian.com/sustainability/blog/sustainable-business-csr>



Case Study from the Archive

Abstract

EngageME Consulting FZE is a small sized start-up business that provides consultancy services in employee communication and engagement in the specific areas of internal communication, HR communication, change management, corporate strategy, crisis communication and brand building. Social responsibility and sustainability is seen as central planks, anchoring its business to developing an engaged, inspired and empowered employee workforce across the Middle East region.



Advocating a change in the way a company interacts and engages with its key internal stakeholder constituency, i.e., its people; EngageME clearly sees its linkage with sustainability principles such as human rights, ethics, empowerment, diversity, inclusion, and so on. EngageME's CSR stands on three pillars closely tied to the objective of creating a positive impact on stakeholders; - ConnectME (identifying relevant events in the community that are actively broadcast across their social media channels), SupportME (volunteering, fundraising and donations), and ReachME (messaging related to social impact through infographics, posters, etc.)

They are in line with the company's core business, and allows it to leverage its skills and competencies. This benefits the company substantially, since it does not require resources to be outsourced and saves the company from additional costs. The chief executive is the driving force of responsible entrepreneurship. The day to day assignment of responsibility has been allocated to a dedicated function that has been created for CSR. It is commendable that an organization with only six people has invested in resource and capacity to practice CSR and sustainability. The main drivers of implementation are building a corporate culture of responsibility within and advancing sustainability integrated business offerings and fostering a network of like-minded entities.



Conclusion

On an overall, EngageME have done remarkably well in integrating sustainability in small doses into their operations, offerings and outreaches. Their intention to embrace social responsibility and accelerate it across their spheres of influence and their network is clearly evident. However there are many potential areas where EngageME can make greater impact. For example, corporate governance, ethics, human resources are all domains that no CSR minded organization can afford to delay venturing into.

The lack of integration is also apparent in the company's vision, mission and value statements, and in the lack of defined policies, processes and procedures to manage environmental and social impacts. What is commendable is that as a new and a startup business, EngageME seems to have made an excellent head start in becoming a responsible business. Going forward, it will be required to embed a more robust and structured CSR system and demonstrate transparency and accountability towards its stakeholders through reporting and disclosures. It should not see its size as a barrier to leapfrogging sustainability because incremental benefits can only be a short term approach and does not create sustainable, long running value.

Arabia CSR Best Practices: 2014

This abstract has been taken from the ACSR Network publication titled 'Arabia CSR Best Practices: 2014'. For more details on EngageME and other companies that have been recognized for their innovative and effective CSR strategies write to us at admin@arabiacsnnetwork.com and book your copy now! Please mention "Arabia CSR Best Practices" in the subject.

The Arabia CSR Network welcomes new members to be a part of its CSR journey. To learn how to be a member, and how your organization will benefit from it, call us at +971-4-3448120 or write to us at admin@arabiacsnnetwork.com For more information on the Arabia CSR Network visit www.arabiacsnnetwork.com