

الشبكة العربية للمسؤولية  
الإجتماعية للمؤسسات  
Arabia CSR Network®

CSR ARABIA

# Arabia CSR Network

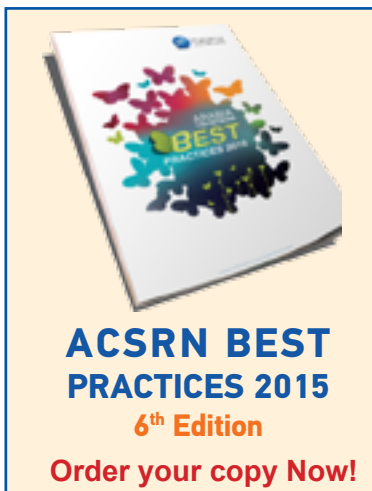
newsletter

August 2016 Issue 60

Under the patronage of The League of Arab States



## Arabia CSR Forum and Awards 2016 less than three months away



**ACSRN BEST  
PRACTICES 2015**

**6<sup>th</sup> Edition**

**Order your copy Now!**



Certified Training Partner  
GRI  
Arabia CSR Network  
in United Arab Emirates

► 9<sup>th</sup> - 11<sup>th</sup> August, 2016

**Certified Training on  
Sustainability Reporting  
using the Global Reporting  
Initiative's (GRI) G4  
Framework**

Arabia CSR Awards and Arabia CSR  
Forum Updates

Pg 2

ACSRN Upcoming Events

Pg 3

Case Study from the Archive  
(Medcare Hospital)

Pg 6

**WE ARE SOCIAL!**

**Follow us on:**

**LinkedIn**

<http://www.linkedin.com/groups/Arabia-CSR-Network-3835323>

**Facebook**

<https://www.facebook.com/arabiaccsrnetwork>

**Twitter:**

<https://twitter.com/ArabiaCSR>

and help us expand our outreach one click at a time!



## Note from the President & CEO Arabia CSR Network

August 12th will be celebrated the world over as International Youth Day. According to the World Employment Social Outlook: Trends 2016 released by International Labour Organisation (ILO), the labour participation amongst youth is low and unemployment forecasts are worrisome in Arab countries outside the Gulf Cooperation Council (GCC) region. At 28.4% in 2015, the youth unemployment rate in the MENA region is almost five times higher than the joblessness rate for older adults, according to the ILO report. The high rate of joblessness among young people is also a reflection of an over-reliance on public sector employment, notes the report. Furthermore, the situation is dire along the gender divide. Women are almost three times more likely to be unemployed than

men, despite the fact that more young women than men in the Arab world are graduating from universities these days. The report further states that, with the preponderance of the informal sector, economies of the region are plagued by precarious labour and child employment. The MENA labour force accounts for more than 9.2 million children, - further hindering a viable solution to unemployment. Some of the issues that need our undivided attention include:

- Youth Green Entrepreneurship, the growth of SMEs and social enterprises in promoting green growth and tackling unemployment and poverty (green SMEs youth entrepreneurship, innovation and technology development).
- The economic and social inclusion of youth with special needs
- Rural youth and agriculture – need for youth-oriented modern agriculture and innovative agricultural technologies for sustainable agricultural productivity and to minimize movement of youth from rural to urban centers
- The role of governments in creating an enabling environment for youth empowerment and participation
- Role of the private sector, international organizations, development partners and civil society in youth employment and entrepreneurship
- Role of governments and private sector in supporting green start-ups
- Initiatives and best practices for education, training, entrepreneurship, SME development and employment creation in green industries;
- The power of the Internet and social media in mobilizing youth platforms that intensify sustainable development efforts

In last year's Arabia CSR Forum youth delegates strongly opined that there is a general lack of focus on youth issues from world leaders, both political leaders and business leaders alike. They urged the CSR Forum to shed light on the sustainability needs and challenges facing youth, primary of which is unemployment and lack of empowerment. To honour their demand, the 2016 Arabia CSR Forum will have a session entitled 'The Nexus of Youth, Innovation and Social Enterprise.' This session will direct focus to the intertwined issues of youth, employment, enterprise and innovation for sustainability.

## The Arabia CSR Awards & Forum

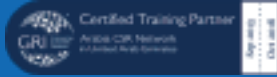
The Arabia CSR Awards 2016 cycle's submission process is wrapping up. More than 100 applications have been submitted to the Awards Secretariat, which will be shared with the independent expert jury in the coming months. Among the entrants are 62 public and private organisations representing 28 sectors and 13 countries from the Arab Region. Latecomers have been granted an additional two weeks to submit their applications and the Secretariat will continue to receive applications until the middle of July. All the sector specific award categories, such as Energy, Financial Services, and Social Enterprise have received more applications this year, and an increase has been witnessed in the number of participating countries. The latest country to participate in the award, for the first time, is Tunisia. The Secretariat has facilitated the submission process with full effort, receiving queries and explaining the application to many organisations on a daily basis. Says Habiba Al Marashi, President & CEO of the Network, *"I am delighted with the spurt of applications that have come in constantly throughout the past few months, and am very heartened by the growing interest in the award across the Region. I am hoping to see the same level of interest in the Arabia CSR Forum from people in the Arab Region, and hopefully, even beyond."*

The Arabia CSR Forum will be held on October 19th and 20th in Dubai under the theme **"Accelerating the Arab Sustainable Development Agenda through Innovation and Collaboration"**. It is being organized under the auspices of the League of Arab States and in partnership with United Nations Environment programme (UNEP) for the third year. The session topics will throw light on various angles of the Sustainable Development Goals (SDGs) and how they will impact the Arab world. Special focus will be given on collaboration, innovation, youth and social enterprise. Expert speakers and sustainability leaders are being roped in to present the latest thinking into these interesting and challenging subjects. The registration process will begin soon and will be available on the Arabia CSR Network website ([www.arabiacsnetwork.com](http://www.arabiacsnetwork.com)). A range of partnership and sponsorship opportunities are available to anyone interested to associate themselves with the Region's premier CSR forum.



## UPCOMING EVENTS

► 9<sup>th</sup> - 11<sup>th</sup> Aug, 2016



**Certified Training on  
Sustainability Reporting  
using the Global Reporting  
Initiative's (GRI)  
G4 Framework**

► 13<sup>th</sup> - 15<sup>th</sup> Sep, 2016



**تدريب معتمد عن تقارير  
الإستدامة باستخدام الإطار  
الرابع لوثيقة الإرشادات  
G4 الصادرة عن المبادرة العالمية  
لإعداد التقارير GRI**

► 6 - 8 Sep 2016

**A Certified Training  
on Fundamentals of  
CSR & Sustainability**







Under the Patronage of  
the League of Arab States

# ARABIA CSR FORUM 2016

Accelerating the Arab Sustainable Development Agenda  
Through Innovation and Collaboration

**19 - 20 October 2016**

**Register Now!**

Organized By  
  
الشبكة العربية للمسؤولية  
الاجتماعية للمؤسسات  
Arabia CSR Network

Strategic Sponsor  
  
اينوك  
ENOC  
Tel: +971 (4) 344 8120 / +974 (4) 344 8622

Platinum Sponsor  
  
معادن  
MA'ADEN  
Tel: +971 (4) 344 8120 / +974 (4) 344 8622

Gold Sponsor  
  
DIAMOND  
DEVELOPERS  
Fax: +971 (4) 344 8677

Silver Sponsor  
  
جيبك  
GPIC  
Email: admin@arabiaccsrnetwork.com

Strategic Supporters  
  
UNEP

Environmental Partner  
  
EEG  
Environmental Engineering Group

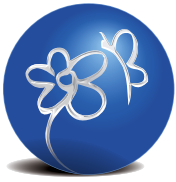
Media Partner  
  
7DAYS  
E-Marketing Supporter

## GENERAL NEWS

### **Economic development equals greater carbon footprint and greenhouse gas emissions**

Must greater prosperity necessarily lead to a greater carbon footprint and increased greenhouse gas emissions? "In theory, no, but in practice this seems to be the case", says researcher Max Koch from Lund University in Sweden. His study of 138 countries is the first ever to take a global approach to the connections between growth, prosperity and ecological sustainability. The study was recently published in the journal article Global Environmental Change. "Some people argue that extensive investments in green production and sustainable consumption can increase economic growth without increasing the emissions of greenhouse gases. We wanted to test how this connection holds up in reality, taking a global perspective", says Professor in Social Work Max Koch. Together with his colleague Martin Fritz from the University of Bonn, he divided the world's countries into four groups based on their gross domestic product (GDP) per capita: poor countries, developing countries, emerging countries, and rich countries. There is also a fifth group, which consists of only eight countries and is called overdeveloped countries, in which the average annual income exceeds USD 50 000 per person. Apart from USA, Singapore and Switzerland, this group includes rich oil nations, such as Norway and Qatar.

The prosperity of the different groups was then measured according to three separate categories: ecological sustainability, social inclusion and quality of life, in the form of life expectancy, literacy rates and subjective well-being. In all three categories there was a clear connection to GDP: there was greater social inclusion and the quality of life improved as the countries became increasingly wealthy at the expense of environmental sustainability such as greater emissions and carbon footprint. "We are not saying that it is impossible to separate economic growth from ecological issues; however, our study of global development shows a clear connection between economic development and increased greenhouse gas emissions that cannot be ignored", says Max Koch. One of the researchers' conclusions is that because of the urgent need to reduce emissions globally, the possibility for an economic degrowth should be seriously considered – that is, a deliberate de-prioritisation of economic growth as a policy objective. The study was conducted using data from the World Bank, the Global Footprint Network and OECD. Source: <http://www.alphagalileo.org/ViewItem.aspx?ItemId=163049&CultureCode=en>



## Members Update

### **ABB delivers efficiency to KSA Cement Company**

ABB has recently commissioned an electrical upgrade using automation systems for the Eastern Province Cement Company based in Saudi Arabia. The move comes on the wake of EPCC's efforts to improve plant availability and reliability. To avoid unexpected shutdowns and improve the reliability of the cement production lines, EPCC decided to modernize the 30-year old Medium Voltage Switchgears for Lines 1 and 2. The evolution to latest automation and power technology will help EPCC manage production at the highest level of efficiency and quality while meeting various international standards. "ABB's integrated power and process automation solutions will allow EPCC to achieve optimal operating conditions," said Max Luedtke, ABB's Product Group Manager for Mineral Processing. "Our well established relationship with the customer combined with ABB's long-term experience with the cement production process were major factors for winning this order." To read the full article please go to <http://www.abb.com/>



### **wasl properties builds 'wasl Oasis Mosque'**

wasl properties, a subsidiary of wasl Asset Management Group, recently completed construction of the wasl Oasis Mosque in the wasl Oasis II project in Muhaisnah. This was a charity initiative taken up during the celebration of UAE's National Day in 2014 and concluded during the holy month of Ramadan this year. Funded by donations received from 128 employees, the mosque will be available to wasl tenants in the wasl Oasis II development. The new mosque can accommodate more than 800 male and female worshippers with parking spaces for about 40 cars. The mosque also includes two portions for the Imam and Moazen near the project's main supermarket building, with a total built up area of more than 2000 sq. ft. Source: <https://www.wasl.ae/press-releases>



### **EGA products obtain international rating for sustainable building**

Emirates Global Aluminium has earned the distinction of having received international accreditation from US Green Building Council's Leadership in Energy and Environmental Design ("LEED") rating system and the Deutsche Gesellschaft für Nachhaltiges Bauen ("DGNB", the German Sustainable Building Council) for their products. These products have been declared to be suitable for sustainable building practices, and the products represent EGA's ongoing quest to manufacture "green metal" and advance sustainability as a key market differentiator. "Laws have been enacted by the government of the UAE, whereby the incorporation of sustainable measures is mandatory in all new construction projects in the country. The suitability of our products is tangible evidence of EGA's support for the government's green building agenda, simultaneously confirming the success of our efforts to produce 'green metal' as part of our overall strategy to minimise the impact of our business on the environment. To read the full article please click on <http://www.ega.ae/en/media/newsdetail?id=5931>

## Feature Article

## *It's Time for Companies to Be Strategic About Energy*

Last year, networking giant Cisco Systems worked with one of its contract manufacturers in Malaysia to deploy 1,500 energy and temperature sensors on its manufacturing equipment. These more "intelligent assets" read performance data, giving Cisco a detailed view of energy consumption — one that had not been available before.

Last week, at an internal Cisco meeting, the company's VP of Supply Chain, proudly reported that the project had identified ways to cut energy use by approximately 30%, which will likely save \$1 million

per year. (Disclosure: I was at the meeting as a paid speaker on sustainability strategy.) When Cisco rolls out the sensors globally, these savings will add up. But to me, the most fascinating thing about the whole initiative is the organizational mindset shift it's creating: a realization about the value of getting smarter about how — and where — operations use energy. As he put it, "We always manage costs so closely, but we weren't really measuring energy — we didn't know how much we spent! Through digitization initiatives such as this, we now have a way to measure, monitor, and manage energy... this is huge since energy is typically a factory's largest variable cost."





In many of the most sophisticated companies with top tier operational practices, energy has mostly been treated as a cost line item, watched only by mid-level managers or execs, if at all. This black box approach can't last. It's time to move energy into the C-suite so executives can manage this critical component of operational performance in a more strategic way. In addition, with the global climate accords signed now by 175 countries, the world is clearly turning attention to carbon emissions. How a company manages its carbon footprint and approach to energy in general is becoming a top-tier operational issue — and a big deal to regulators, customers, employees, and investors.

Some sectors have woken up already. In the tech world, for example, energy is now the largest component of variable costs for running a datacenter. Logically then, many of the companies investing most heavily in renewables are tech giants like Google, Apple, and Facebook. Heavy industry is also diving in, and companies like 3M and Dow have bought many megawatts of renewable energy and found billions of dollars in energy savings. In agriculture, carbon emissions and energy use throughout the value chain are increasingly a core operational issue as well.

Every sector should be taking energy this seriously. Even if it's not a large cost or risk issue in direct operations, it certainly is somewhere else in the value chain. The importance of energy to the global economy, to geopolitics, and to corporate bottom lines — plus the pressing need to tackle carbon emissions to ensure a stable planet and global wellbeing — all combine to make a powerful case for managing energy much more strategically at all levels, from facilities to total operations to strategy.

This basic argument, and its repercussions, are laid out in a new strategy guide that I co-authored with PwC's George Favaloro and Tim Healy, the CEO of EnerNOC, a leader in energy intelligence software. For our paper, Energy Strategy for the C-Suite, we analyzed research and data on energy use at hundreds of companies, and included perspectives from an advisory council that included corporate energy executives and government and academic thought leaders (I also sit on that advisory group).

Aside from describing the mega-trends coming to bear on companies — such as climate change; new expectations of increased transparency about business operations; tech breakthroughs like big data and the internet of things; and dramatic shifts in how energy markets work and how to source energy — we identified 15 emerging best practices that can help companies create more value.

Here are a few examples of what we recommend in this new framework:

**Develop a global energy strategy with C-suite and cross-functional accountability.** We believe energy could be viewed in many organizations as a “keystone metric” — i.e., a primary indicator that aligns the whole organization around the pursuit of operational excellence. Optimizing energy and slashing carbon can drive overall operational improvements.

**Set ambitious, science-based goals for energy and carbon.** Dozens of leaders, from many sectors have set goals to cut carbon 40 to 100% in line with climate science (Cisco, Disney, Alcoa, Sony, J&J, EMC, and many more).

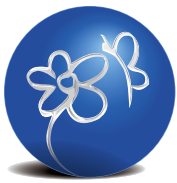
**Track energy data at all levels, from the enterprise down to the product,** using new tools to understand better how energy connects to overall business performance and metrics (like cost of goods sold). For example, Saint Gobain's Ohio factory produces 30,000 different products, each with its own energy demands. Much finer energy intelligence data has helped the company understand its true cost per product line. It has adjusted its product prices accordingly, improving margins or just finding a more competitive price point in the marketplace

**Use advanced financing mechanisms to expand energy project options.** In addition to power purchasing agreements (PPAs) for corporate renewables, companies are increasingly able to buy energy as a service, not a product. Consider McCormick & Co, a Fortune 1000 spice manufacturer. When the company needed to replace old air conditioning units, it contracted with Constellation Energy Group to build a brand new chiller plant. Constellation owns the chiller and charges McCormick for cold air, freeing up McCormick's capital to invest in other operational improvements and the business itself, not in energy infrastructure.

In total, energy is one of the largest components of company cost structure, and it's a complicated operational issue. But it's rarely seen as something that can provide deeper strategic insight. With new tools in a much more connected world, executive can better manage this most basic of inputs into the economy. Energy is just too important to be managed as a line item.

*This article is written by Andrew Winston.*

*He is the author of The Big Pivot. He is also the co-author of the best-seller Green to Gold and the author of Green Recovery. He advises some of the world's leading companies on how they can navigate and profit from environmental and social challenges. Follow him on Twitter @AndrewWinston.*



## Case Study from the Archive - Medcare Hospital

### Abstract

Medcare Hospital is among the most popular healthcare providers in the UAE currently. In order to raise the bar in the services it offers, Medcare has adopted a strategic view of using sustainability to competitive advantage. According to Medcare, "CSR and sustainability are integrated business platforms that build long-term shareholder value." They see these platforms as highly effectual tools that foster innovation, drive operational efficiency, improve environmental performance, reduce costs, strengthen employees' relationships with customers and in the end, create business advantage. They have utilized sustainability to improve their relations with stakeholders, improve internal processes and operations, and improve environmental performance. There is strong cognizance of the fact that the success of the business is heavily reliant on their ability to provide satisfactory patient experiences, as well a safe and secure environment. They also focus on their people in order to be able to attract and retain skilled and talented personnel. They keenly feel the need to contribute to sustainable development through their business activities.

### Conclusion

Hospitals and healthcare facilities are not without a significant environmental footprint. By virtue of large scale consumption of energy, water and other resources and the wastes created, they leave a strong impact on the environment. Therefore it is imperative that the healthcare sector wakes up to its social responsibilities and commits to sustainable practices.

The healthcare industry is also associated with social impacts. Inclusiveness is a vital factor that should be considered by all in the industry including Medcare. The hospital does provide special services for special needs and the differently abled.

However, much more can be done in this regard to make it a truly outstanding sustainability performer. Medcare is committed to reducing its environmental footprint and acting upon its corporate citizenship. It could work with others in the sector to make sustainability a norm and a culture. In other areas, although it has been reporting since 2013, Medcare should consider maturing to the GRI reporting standard and apply the globally espoused principles and framework.

This will add great value to its extensive communication efforts with stakeholders. The hospital can do much more in the sphere of community investment, particularly for example offering free of cost services to the poor and marginalized sections of society. All in all, Medcare is a true exemplar and promises to make great headways in the future with its sustainability commitments.



### Arabia CSR Best Practices: 2015

This abstract has been taken from the ACSRN publication titled 'Arabia CSR Best Practices: 2015'. For more details on Medcare Hospital and other companies that have been recognized for their innovative and effective CSR strategies write to us at [admin@arabiaccsrnetwork.com](mailto:admin@arabiaccsrnetwork.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 more about 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@arabiaccsrnetwork.com](mailto:admin@arabiaccsrnetwork.com) For more information on the Arabia CSR Network visit [www.arabiaccsrnetwork.com](http://www.arabiaccsrnetwork.com)