

الشبكة العربية للمسؤولية
الإجتماعية للمؤسسات
Arabia CSR Network®

Arabia CSR Network

newsletter

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Volume 6 | Issue 72



Arabia CSR Network delivered the second certified training course on the newly launched GRI Standards



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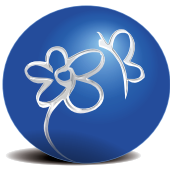
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WE ARE SOCIAL!



Note from the President & CEO Arabia CSR Network

Why is Sustainability Reporting so important for organisations? According to GRI, the value of the sustainability reporting process is that it ensures organisations consider their impacts on sustainability issues, and enables them to be transparent about the risks and opportunities they face. Organisations increasingly find themselves under the arch light as socio-economic conditions change and new trends and patterns emerge. As a famous business leader once remarked, "The brands that will be big in the future will be those that tap into the social changes that are taking place." Stakeholders, the ubiquitous group that exists across an organisation's value chain, are finding new ways to voice their opinions and translate their views into decisions.

These decisions impact organisations in so many real ways that none can ill afford to be oblivious or nonplussed by the gravity of stakeholder needs and expectations. The process of producing a sustainability report, as designed by GRI, is such that it brings organisations very close to their stakeholders. At various stages of reporting, stakeholders' inputs shape the outcomes that are reflected in the final published report. This makes sustainability reporting a powerful tool of stakeholder management, and an imperative for any organisation. GRI provides for an excellent structure for sustainability reporting, and the new GRI Standards have much to offer to any organisation, big or small, public or private. The internal benefits and the external knock on effects on an organisation that GRI reporting ensures make it a strategic investment for many. Our training sessions on GRI have helped many organisations understand the deep impacts of sustainability reporting, and in particular GRI reporting. This has been the single most important learning from our GRI sessions, and one that participants have taken back into their organisations. The extra points that have been saved for sustainability reports within the Arabia CSR Awards evaluation methodology has spurred many organisations to espouse reporting. This has prompted a rise in the practice of sustainability reporting in our Region. We are proud to have contributed to this trend and we are determined to inspire and motivate many more to embrace transparency and reporting.

The 10th Arabia CSR Awards are drawing to a conclusion. The jury is engaged in the final evaluation of applications and the results will be made known next month. The anniversary gala will certainly be an event to watch, and we are hoping to see you there. If you are interested to bring in your partners and associates to the event, please contact the awards secretariat from now on to ensure availability of seats. As the curtains will rise on the 25th of September to reveal the winners of the 10th Arabia CSR Awards, we will celebrate their tremendous achievements and learn from them about the business case of sustainable development and how it empowers organisations to grow and excel.

Arabia CSR Upcoming Trainings



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26 - 28 SEP 2017

GRI Standards (English)



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17 - 18 OCT 2017

Intergrated Reporting Training



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19 OCT 2017

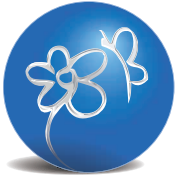
Materiality Matrix Workshop



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20 - 23 NOV 2017

CSR Advance (English)



Arabia CSR News

Arabia CSR Awards 10th cycle applications are now with the jury

The entries to the tenth Arabia CSR Awards have been compiled and sent to the jury for evaluation. Results will be out in a month and winners will be declared on the 25th of September in a grand award function at the JW Marriott Marquis Hotel. Those that have applied to the awards this year will need to wait until then to find out how they have fared. We are optimistic that your hopes will be fulfilled. Although there will only be a limited number of finalists, we would like to congratulate every one for making the effort to fill up and submit the awards application.

For further information on the Awards, and for booking of seats please contact the Awards Secretariat via email awards@arabiacsnetwork.com; admin@arabiacsnetwork.com or by phone +971 4 3448 622 +971 4 344 8120.



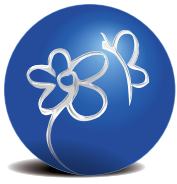
Farewell to Swedish Ambassador

President & CEO of Arabia CSR Network attended a farewell reception on 2nd June that was held at the residence of HE Mr. Jan Thesleff, outgoing Ambassador of Sweden to the United Arab Emirates, Kingdom of Bahrain and State of Kuwait. HE Mr. Thesleff had been a cherished friend of the Arabia CSR Network. ACSRN has been working closely with the Swedish Embassy and Business Sweden for a number of years as an outcome of a MOU that was signed in 2012.

Training on GRI Standards



Arabia CSR Network delivered the second certified training course on the newly launched GRI Standards for sustainability reporting. The training was held from July 25th to 27th in the Millennium Plaza Hotel in Dubai and was attended by a group of professionals representing various organisations in the UAE, Saudi Arabia and Bahrain. The course comprised of an introduction and background to the GRI, an overview of the GRI Standards, an in-depth look at the GRI Standards, the GRI reporting process and additional resources to help reporting organisations. The three day course combined lectures, explanations, discussions, case studies, interactive and course exercises. The interesting training course has been developed by Global Reporting Initiative, headquartered in Amsterdam, The Netherlands, with local cases contributed by ACSRN. The trainer took participants over the material extensively during the three days, fortifying their experience with her own vast experience as a sustainability expert and reporting advocate. The training opened with a presentation put together by ACSRN President & CEO Habiba Al Mar'ashi, who spoke about the 17 Sustainable Development Goals and the importance and relevance of these goals to the business scenario.



ACSRN was the first certified training partner of GRI in the Region, and since 2011 has been bringing various GRI training modules to interested participants in the Arab Region. Many reports have been launched by organisations taking part in these trainings, having gained both knowledge and technical know-how related to sustainability reporting based on the GRI structure. Successful participants have also received a formal certificate from GRI Headquarters for undertaking the training. Participants with the certificate can take the GRI Standards test that has been introduced last month to validate the knowledge and understanding gained through the trainings. Speaking about the training Mrs. Al Mar'ashi said, "The GRI Standards offer a modular and structured format for sustainability reports, aiding organisations to produce high impact, comparable reports that can help stakeholders make informed decisions about the organisations. We are delighted to be a certified training partner of GRI, which is renowned worldwide for driving sustainability reporting across the globe. To date we have delivered 35 sessions on GRI reporting, that have spawned a large number of reports and built the capacity of hundreds of individuals. As more organisations come to realise the value of transparency and accountability, sustainability reporting will become the preferred vehicle of communication and exchange in the near future."

Members Update

DEWA reiterates solar commitments

Dubai has become one of the pioneering cities in innovating new techniques and practices to improve energy efficiency while rationalising its use and finding alternative solutions for conventional energy. The Dubai Clean Energy Strategy 2050 intends to provide 7% of Dubai's total power output from clean energy by 2020. This target will increase to 25% by 2030 and 75% by 2050. Dubai is the only city in the region to have launched such a promising strategy, with set goals and timelines that map the future of energy until 2050. DEWA is spearheading ambitious initiatives to increase the share of solar power to achieve the vision of the country's wise leadership, who realised early the importance of renewable energy in achieving a balance between development and the environment to protect the right of future generations to enjoy a clean, healthy, and safe environment. DEWA continues to build renewable and clean energy projects in Dubai, most notably the Mohammed bin Rashid Al Maktoum Solar Park, which will generate 5,000MW by 2030. The 200MW second phase was inaugurated last March by HH Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai. It provides clean energy to about 50,000 residences in Dubai, contributing to the reduction of 214,000 tonnes of carbon dioxide emissions annually. DEWA also launched Shams Dubai initiative to install solar panels on buildings to produce electricity and connect them to DEWA's grid. The generated electricity is used onsite and surplus is then exported to DEWA's network. Eventually, Dubai will have solar panels installed on all building roofs by 2030.. Source: <https://www.dewa.gov.ae/en/about-dewa/news-and-media>



General News

World hunger on the rise again due to conflict and climate

Almost 20 million people are facing starvation because of fighting and drought in South Sudan, Nigeria, Somalia and Yemen. The number of hungry people in the world is rising again after years of decline, as millions suffer from the combined effects of conflict and climate change, the head of the UN food agency said on Monday. A total of 19 countries are facing protracted crises, where conflict and violence are often combined with shocks such as drought or floods caused by global warming, he said. Achieving zero hunger by 2030 is one of the UN's Sustainable Development Goals adopted by member states in 2015. The head of the UN World Food Programme (WFP) said the goal had "zero chance of succeeding in the atmosphere that we have in the world today" due to conflicts. Of the 13 countries where WFP spent the most money, 10 faced food insecurity due to man-made crises. Bringing just a few of the world's major conflicts to an end would free enough resources to eradicate hunger, he added. Source: <http://www.eco-business.com>





New Index for investable city

Mayors and other local leaders will soon have a new tool to analyse how attractive their cities are to investors. The “Investable Cities Index” is the latest addition to a growing number of standardised city metrics for urban performance. The World Council on City Data (WCCD) announced the new initiative at the Global Cities Summit, a three-day meeting of officials from local and national government, the private sector and academia. The three-year-old council is based at the University of Toronto and has been involved primarily in spearheading a series of global standards by which cities can compare themselves along hundreds of metrics. The index is in the process of being finalised and should be ready by mid-year. It will incorporate key indicators from the ISO 37120 standard, a global benchmark for how cities perform in term of services and quality of life. The index will draw upon, for instance, the standard’s metrics around safety, crime rates, air quality, quality of services and governance, with the aim of showing how these affect a company’s ability to do business in a particular city. All investors, for instance, are interested in a city’s strong talent base, its ability to create an ecosystem of complementary industries, and government support that makes it easier to do business, said the chairman of Jusco, a subsidiary of Tata Steel that provides municipal services to the city of Jamshedpur in India. But they’re also keenly focused on a city’s liveability and good urban development, he noted.

Source: <http://citiscopes.org/story/2017>



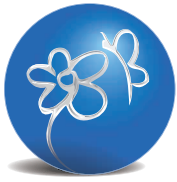
Feature Article

Zakat requires Muslims to donate 2.5% of their wealth: could this end poverty?

Usman, a fisherman in North Sumatra, used to have a rickety fishing boat that could only take him as far as the mouth of the river, just before it meets the sea. He could not catch enough to feed his family of five but last month, he was able to buy a new boat with the help of Islamic donations. Now he can sail further into the sea, he catches more fish and his income can pay for school fees and even some pocket money for his children. This is just one of countless examples of how zakat can improve livelihoods and reduce poverty worldwide.

For Muslims around the world, the month of Ramadan is a time of deep reflection, sacrifice and joyous family gatherings. It’s also a time when Muslims make donations known as zakat; the giver is believed to be purified through the act of transferring wealth to the poor. Zakat is also a powerful source of good with untapped potential for contributing to sustainable development in communities, such as the small fishing village in North Sumatra.





There are some striking commonalities between the sustainable development goals (SDGs) and zakat. In the Islamic faith, five foundational goals – known as Maqasid al Sharia – include the protection of faith, life, progeny, intellect and wealth. Much of the SDGs – goals to alleviate poverty and hunger, improve health, education and access to water and sanitation, reduce inequality and protect the environment – are reflected in these Islamic values.

As one of the five pillars of Islam, zakat is mandatory giving; all Muslims eligible to pay it must donate at least 2.5% of their accumulated wealth for the benefit of the poor, destitute and others – classified as mustahik. It is one of the largest forms of wealth transfer to the poor in existence.

But despite its tremendous potential for contributing to the SDGs, zakat organisations have been overlooked by development organisations as an influential partner and source of finance. Between \$3tn and \$5tn is estimated to be needed per year to achieve the goals, but current investment falls short at around \$1.4tn. By working together with religious organisations, development bodies can fill the \$2.5tn investment gap, while also promoting peace and development.

Roughly 22% of the world's population is Muslim. Islamic finance, including zakat, was estimated at almost \$2tn in 2015 and is expected to surpass \$3tn by 2020. In addition, between \$200bn and \$1tn is spent in the form of zakat across the Muslim world annually.

Zakat is often channelled informally between individuals – a cash payment to an acquaintance in need, for example. Just a quarter of contributions are thought to be channelled through formal certified organisations. But there is growing recognition among Islamic organisations that giving to more intractable issues, such as poverty reduction, can reach more people, thus providing a more sustainable solution. Shifting the public mindset so that zakat is seen as a programme needing professional management for positive change, rather than simply charity, will enhance its development impact. These shifts could increase the development impact of zakat in African and Asian countries that have large Muslim populations and high levels of poverty and hunger.

As the fourth-most populous and the largest Muslim-majority country in the world, there is enormous potential in Indonesia for zakat to reduce poverty and inequality, and contribute to sustainable development. Some 28 million Indonesians live in poverty – 11% of the population – and a further 40% are vulnerable to falling into poverty, with incomes hovering just above the poverty line.

Many Indonesians regularly contribute zakat and it could comprise up to 3% of GDP, but 64% of adults in Indonesia do not have a bank account. Technological advances such as online banking and mobile money will make it easier for people to contribute zakat and for it to be distributed, while also improving the efficiency and effectiveness of the programme.

People also need to trust that zakat institutions will spend their money wisely. In return, institutions need to show that they are transparent and well governed by developing their capacity to collect revenues and through monitoring, reporting and evaluation. Greater emphasis on communicating development impact and contribution to SDGs is also important.

Zakat authorities and development organisations have enormous potential to work together to formalise these funds for sustainable development by:

- Raising awareness and increasing understanding among zakat organisations of the importance of the SDGs and how they are relevant.
- Supporting zakat institutions to create incentives for people to contribute through formal channels, including financial inclusion programmes that use new technologies.
- Building on the development experience, learning and networks that Islamic organisations offer, including Islamic principles regarding financial inclusion and social solidarity.
- Identifying alternative sources of funding to fill the SDGs financing gap; looking beyond governments and traditional donors to find ways for Islamic finance to support good investments, society and the environment.
- Zakat organisations have much to learn about the SDGs, and development organisations have much to learn from Islamic finance principles. At a time when Islam is under fire in some quarters due to its association with violent extremism, it is important to look at what the Islamic faith means to believers and how it can contribute to a better society.



This article has been authored by Zainulbahar Noor, who is deputy director of BAZNAS Indonesia and Francine Pickup, who is the deputy country director of UNDP Indonesia and was published in The Guardian.



Case Study from the Archive - Al Futtaim Carillion

Abstract

Al Futtaim Carillion embarked on its journey towards sustainability way back in 1999 and has continued to traverse many milestones. The sustainability practices in the UAE and the Middle East region are informed by the Carillion Group sustainability strategy, objectives and commitments. The first sustainability policy was drawn up in 2001 and has been followed by various developments that mirrored their sustainability commitments in response to changing times. Currently the company is guided by the Sustainability 2020 Strategy that was launched in 2011 which provides a ten year roadmap covering 6 'positive outcomes', and data over 50 targets. The company is also in the process of linking up the strategy with the Sustainable Development Goals to adopt an overarching framework for contribution towards sustainable development. With such a robust framework of commitments in place it is no wonder that Al Futtaim Carillion has carved out a leadership role for itself within the Construction sector globally, regionally and locally. This is in evidence in the awards and recognition that Al Futtaim Carillion has received including being a winner of the Arabia CSR Awards in two cycles; obtaining the Dubai Chamber CSR Label, Construction Week Award and others. From 2016 Carillion has also taken up sustainability reporting at the local level, by publishing region specific sustainability reports. In 2016 Al Futtaim Carillion notched up praiseworthy achievements in several of the 'positive outcomes', including 75% reduction of diesel purchase; 11% reduction of waste generated; 54% reduction in water use; 19% of employees involved in volunteering work, and 8% of employees engaged with hard to reach community groups in collaboration with local partners.



Conclusion

A performance driven approach to sustainability is evident in Al Futtaim Carillion's case, which makes it an outstanding example of leadership in this area. From a clear strategy to clear targets and KPIs, the process is driven by the need to create strong results and positive outcomes. The organisation has identified key social and environmental risks for the future; - failure to support local and SME businesses, resulting in loss of work with public sector organisations and lack of diversity in supplier base, Climate change impacts affecting the business, failure to comply with local legislation or contract biodiversity requirements, waste to landfill - Financial implications as costs rise, reputational damage in the communities where we work, leading to a reduction in repeat business, and failure to understand clients and local community requirements and to respond to them. This shows that the company is responsive to current and predicted changes in the environment and takes adequate measures to prepare and act. An interesting set of future commitments reflects the ongoing focus on sustainability:

- Targets set for local and SME spend; SME charter and support through initiatives such as Supply Chain Sustainability School
- Continued commitment to climate change mitigation and business continuity plans to mitigate localised regional risks
- Building mutually beneficial partnerships with organisations such as The Wildlife Trust to develop environmental management policies, backed up by specific, targeted training and systems for managers and operational teams
- Reduce costs by diverting waste and assess scope to realise value from waste
- Enhancing reputation in the community with a strategic programme of investment in sustainability and community engagement
- Tailoring Community Needs Plans and programme delivery to suit the local needs and appropriate expectations. 2020 target: maintain 100% contracts to have a Community Needs Plan and 1% pre-tax profits donated to community activities either in cash or kind.

The company can be said to be dominating the landscape at the moment with its 360 degree view of value creation. If it continues to exert in the same way in the future then Al Futtaim Carillion will certainly become one of the known sustainability pioneers in the Arab Region. What it will need to do is continue to look for ongoing improvement, focus more on finding creative solutions through green building and sustainable supply chain management, among others, and focus on rallying customers and partners to scale up the demand for sustainable products and services and shape the market of the future.

Arabia CSR Best Practices: 2016

This abstract has been taken from the ACSRN publication titled 'Arabia CSR Best Practices: 2016'. For more details on Al Futtaim Carillion' and other companies that have been recognised for their innovative and effective CSR strategies write to us at admin@arabiacsrn.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 organisation will benefit from it, call us at +971-4-3448120 or write to us at admin@arabiacsrn.com
For more information on the Arabia CSR Network visit www.arabiacsrn.com