

Evolution of CSR in Bangladesh and Future Challenges

Dr. Atiur Rahman, Governor, Bangladesh Bank



Introduction

Corporate Social Responsibility (CSR) has been gaining grounds during last few years in our country and today it is undoubtedly seen as an integral part of doing business globally. The definition of sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" also implies the continuation of the company as a going concern apart from serving society and natural capital.

A company cannot realize the full economic value of doing business, both now and in the future, if the operating environment is not environmentally, culturally, legally, politically and socio-economically conducive to doing business. In our country, now-a-days, many companies are demonstrating deep commitment for infrastructure development, local capacity building, education, health, job creation, disaster relief and many other socially responsible activities. All this goes beyond philanthropy.

Indeed, this business for development role has the blessing of the UN Global Compact which urges companies to take action and engage in partnerships with other institutions to advance broader UN development goals, particularly the Millennium Development Goals (MDGs). In the process they are expected to contribute toward the transition of MDGs to Sustainable Development Goals (SDGs).

Since poverty directly creates many social problems (crimes, low level of education, low productivity, malnutrition etc), this issue must be addressed quickly and strategically especially when the United Nations' related Millennium Development Goal (MDG) has indicated that global poverty should be reduced significantly by 2015. And it is evident that a vibrant non-government sector as well as private sector bodies and the efforts of the common people must work hand in hand with the government to achieve the above. CSR is regarded as a medium through which the private sector can contribute to poverty reduction and other social objectives.

Broadly speaking, CSR is not only about doing philanthropy/charity or protecting the environment; it also aims at eradicating poverty and reducing deprivation amongst the poor/underprivileged segment of the society. Enhancing CSR as a means for poverty reduction and achieving sustainable development requires combined initiatives by all stakeholder groups involved: governmental bodies, Non-Government Organisations (NGOs), and private corporations. In our country, besides Government and NGOs, banking community is playing the most important role to make use of CSR as a link between business and development, and their CSR programmes are their significant contribution to development.

CSR in Bangladesh

The banking sector has already emerged as the most important player in practicing CSR in the country. CSR practices by them not only improve their own standards but also revolutionize the socially

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Conceptualising and Contextualising CSR

Moazzem Hossain, Editor, The Financial Express

Embedding corporate social responsibility (CSR) as an integral part of long-term sustainable strategy has now emerged as a growing practice in the domain of business. This has heightened the need for understanding and appreciating what CSR does really mean all about. This is all the more so because CSR, notwithstanding everything said and done about it, involves a voluntary process; there is otherwise no legal compulsion on the part of businesses, whatever their extent of operations is, to engage themselves in CSR activities.

As the CSR is a voluntary operation in its essence, it is not any add-on factor for business entities in pursuit of their primary goal of making profits in the near, short, or medium-term. The finer line of difference between 'compulsion' as part of business operations and 'voluntary' as a matter of free choice must not be forgotten or lost sight of. For any company, CSR is an option beyond any mandatory legal requirement for supporting CSR activities out of profits that are made in the usual course of doing business activities after fulfilling, or complying with, all the legal requirements for running the affairs of their organisations or ventures.

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Effective advocacy can help widen sustainable CSR activities

It is a well-augury that policy advocacy over the recent years has now provided a better ground for the businesses to play a more active role, as part of a voluntary process, in CSR (Corporate Social Responsibility)-related activities. Advocacy means here articulation of support or argument for a cause, policy etc. It is somewhat similar to that of campaign that connotes 'an organised course of action' for a particular purpose, especially to arouse public interest. It has, however, a narrower focus than that of advocacy, as the Oxford, Macmillan and Collins give its meaning in their dictionaries. 'Lobbying', implying soliciting the support of any influential person or group of persons or, at times, of members of the people, to influence particularly the members of legislature is much narrower or more limited in its areas, scope and purpose. And it does not necessarily give a positive picture, on some real or perceived grounds, about efforts made in the course of related efforts or activities, particularly in the context of the situations prevailing in most developing or low-income countries. Hence, the choice of semantics here in favour of 'advocacy' is deliberate to connote the activities made so far in Bangladesh to help nurture and nourish a CSR-oriented culture among the businesses. It has been preferred so, in order to underline the positive endeavours that have been made for a synergy of supportive actions in favour of garnering support among various stakeholder groups including, among others, the businesses and the relevant government bodies or agencies for promoting or embracing the idea of CSR.

The Management and Resources Development Initiative (MRDI) has been the country's peer advocacy group on the CSR front. Its efforts under a project that has been aimed at mainstreaming CSR to address poverty, with the support by Manusher Jonno Foundation, one of the leading non-government organisations (NGOs) in Bangladesh, have involved an active group of people who have worked together to achieve the goal of synergising actions by raising awareness on a wider scale about, and arousing a pro-active interest among all those concerned in, promoting the cause of sustainable CSR activities by the businesses. It has also focused its attention on public policy supports, particularly those relating to fiscal measures, as and where necessary, to encourage actively the businesses to embrace CSR as one of their core long-term goals, through well-designed and well-articulated strategies. Meanwhile, a number of other organisations have also been working to promote CSR in Bangladesh through their operational activities in different ways in varying degrees or to a divergent extent.

On its part, the MRDI has consistently concentrated on its advocacy role, involving the policy-makers, the relevant key functionaries of the government particularly those at the Bangladesh Bank and the National Board of Revenue, academicians, leaders of the chambers and trade associations including their apex-body, business operators, professionals, various stakeholder groups including those at the grassroots, the target beneficiary groups and last but not the least, the media personnel. Its advocacy programmes at different levels have been singularly purported to providing a momentum to CSR-related activities. In the process of such interactions, the MRDI has made efforts to delineate clearly the conceptual and contextual perspectives about CSR. All such efforts have been meant to help evolve a rational conceptual framework for CSR. This is, indeed, a daunting task under the given circumstances in Bangladesh where many companies or business entities do still prefer to liken CSR to philanthropy or charity, with 'sustainability factor', a key operational aspect of CSR-related programmes or projects, missing largely in the process. This is, however, no strange phenomenon in view of its long traditions of making such charitable contributions or individual-level philanthropic activities on the part of those having wealth or riches. In such a background, many of to-day's business entities or companies or corporates have some strong reasons to view CSR as a natural extension of the age-old concept of giving something back to society as donation, charity or an act of philanthropy at the individual level, in Bangladesh.

With advocacy programmes in favour of CSR in its proper present-day perspectives, it has been possible, to a substantial extent, to change the mindset of the businesses and all other relevant stakeholders about the true purposes of CSR and also expectations about it. CSR is still emerging as a way of doing sustainable business in Bangladesh, with the global activism about CSR helping further to catalyse such changes in the business culture. It is an on-going process; advocacy for the purpose does need to be made on a sustained basis in the coming days so that the businesses come forward in greater numbers, of course, on a voluntary basis, to integrate responsible business practices into their core operations and strategies.

A strong motivation, supported by an equally effective cultural mindset in the corporate world, will certainly lead to making decisions as part of long-term sustainable business strategies, by the businesses themselves. That will help build a healthier, more equitable and prosperous world for all. In course of time, this can also

lead to adoption of an economic model in support of sustainable development that focuses on building business prosperity for the medium-and long-term. It is a welcome development to note in this context that it is now increasingly becoming the norm for the businesses to play an important role in creating the future that all concerned want, alongside political and civil society leaders.

Furthermore, it is noteworthy that even though CSR involves a voluntary process of operation on the part of the businesses, there is evidently now a remarkable trend about making real social responsibility, as part of their gradings or rankings. Already, the Bangladesh Bank, as the country's monetary watchdog, has introduced this for the banks and non-banking financial institutions operating in Bangladesh. If this could be done on a wider scale by all other regulatory bodies or the like, the coming years may see the development and graduations of its present and future generation of the captains of businesses who will consider CSR and responsible leadership as being one of the fundamentals for their business success. If that happens, it will encourage the growth and expansion of real CSR activities involving commitment, sustainability and responsibility. Here, commitment is towards advancement of the communities in which a company operates. Sustainability means undertaking the CSR activities not on an ad hoc basis but as parts of goal-oriented strategies. And sustainability does essentially imply following up activities in order to ensure attainment or achievement of their intended impacts.

Against this backdrop, the proposal for appointment of a CSR ombudsman or establishment of an independent body for monitoring of, and advising the business entities on, CSR-related activities merits attention of all concerned authorities. For such purposes, various possible models for keeping a track on the private sector's CSR performance as well as different ways of organising related advisory services, can be explored or examined, before institutionalising the proposed arrangement.

A set of ethical guidelines or CSR-standards for the businesses/companies to follow, along with accountability, transparency and sustainability of related activities coming under some form of public scrutiny, is likely to contribute effectively to more value addition to CSR and to help bolster the image of the pace-setting business entities. In the process, this can also encourage others to follow the standards and related guidelines in better and more effective ways. All such things will ultimately lead to proper branding of companies which is of much relevance to sustainable successes of businesses in to-day's globalised economy.

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responsible actions of other businesses. Banking industry itself can also gain from the positive effects of CSR on the society as a whole, particularly on its clients. So, the role of banks for pursuing appropriate CSR practices in the society, especially in a developing country like ours, need to be properly stressed.

There were no precise policies on CSR in Bangladesh prior to 2008. In 2008, Bangladesh Bank (BB) took initiatives for formalizing CSR in the banking sector of Bangladesh and issued a detailed directive titled "Mainstreaming Corporate Social Responsibility (CSR) in banks and financial institutions in Bangladesh". In addition, as an environmentally responsible body, Bangladesh Bank issued circulars and guidelines on Green Banking and Environmental Risk Management.

As a result of caring and supervision of Bangladesh Bank, the CSR practices in the banking sector of Bangladesh have been getting significant appreciation. The engagements of banks in terms of direct monetary expenditure, financial inclusion, environmental banking, community investment and CSR reporting have considerably increased. Besides direct expenditure in CSR initiatives, banks have been engaging enthusiastically in the ongoing financial inclusion campaign launched by BB, reaching out with financial services to excluded population segments and underserved economic sectors. They are now increasingly engaged in CSR practices focusing on social and financial inclusion of excluded and underserved population segments and economic sectors. This will certainly make long-term impact on the pace of poverty reduction in the country.

Poverty-related deprivations in health, education and asset ownership are major causes of financial and social exclusion. Physical and mental disabilities, discrimination by gender, social disruptions from prolonged conflicts are among other causes of financial and social exclusion. CSR expenditures of banks as both passive one-off donations to voluntary/civil society organisations, and continuing active involvement in beneficiary selection and disbursements in such schemes as scholarships for higher secondary and above courses of studies, financial aid for healthcare services etc., lessen such poverty-related deprivations and exclusions. Financial and social inclusion certainly leads to notion of inclusive growth -- a growth process which is participated and benefitted by all population segments.

Importantly, access to financial services helps the poor insure themselves against income shocks and equips them to meet emergencies such as illness, death in the family or loss of employment. Needless to say, financial inclusion protects the poor from the clutches of the usurious money lenders. The more obvious benefit is that financial inclusion provides an avenue for bringing the savings of the poor into the formal financial intermediation system and channels them into investment.

Bangladesh Bank has been taking initiatives to reach the under-served and unreachable people with the help of CSR initiatives of the banking community. Banks have responded very much positively to this call and undertaken programmes for speeding up financial inclusion of the large socially disadvantaged rural and urban population segments. As a part of this strategic move, credit facilities have been extended to farmers, small entrepreneurs, who have been a 'missing middle' long time. BB has kept open refinance lines for banks against their loans to small and medium enterprises (SMEs); multilateral development partners such as the International Development Association (IDA)/Asian Development Bank (ADB) are

supplementing BB's refinance programmes with their co-financing lines. In fiscal year (FY) 2010, BB has also introduced a first ever refinancing line against loans to landless sharecroppers in a group-based special program designed by a major micro-finance institution (MFI).

BB also declared a comprehensive SME credit policy giving priority to small and woman entrepreneurs. 'Cluster' and 'Area' approaches are strongly recommended in the policy. A revolving refinance scheme for about Tk 1000 crore (provided by BB, ADB and Islamic Development Bank (IDB) has been facilitated to SMEs. At least 15% of the refinance fund has been allocated for woman entrepreneurs. And BB closely monitors this programme.

Banks are engaging in multiple activities for deeper financial inclusion, including increased rural bank branch presence, mobile phone banking, and opening of bank accounts for low income population free of charge with a nominal amount of initial deposit. In terms of direct monetary expenditure, engagements of banks in CSR initiatives are increasing. In 2012 CSR expenditure of banks totaled Taka 3046.69 million; sevenfold larger than in 2008.

in million taka

Sectors	2008	2009	2010	2011	2012
Humanitarian & disaster relief	58.60	125.10	460.41	188.03	788.37
Education	30.50	94.80	400.79	612.48	983.69
Health	112.10	245.50	689.07	520.42	435.43
Sports	49.80	1.20	265.23	359.07	183.85
Art & culture	0.80	0.30	328.91	171.52	213.31
Environment	-	-	59.78	138.07	140.23
Others	158.90	86.90	125.58	198.73	301.81
Total	410.70	553.80	2329.80	2188.33	3046.69

Distribution of blankets/warm clothes among rural and urban poor in this winter was an activity broadly embraced by most banks. More than five million blankets and winter clothes were distributed by them this year.

What more can be done?

In Bangladesh CSR is still in an archaic condition of development because of its strong attachment to corporate philanthropy and social compliance. Recent developments in CSR activities have shown that the concept and the practice are developing and that organizations are beginning to align their CSR with international norms. Organizations should view CSR within four areas of responsibility to establish CSR as effective tool to development: economic, legal, ethical, and philanthropic. The first two are obligatory areas for corporations to be compliant with, while ethical responsibility is expected of them. The last responsibility - philanthropic - is desired by civil society from corporations.

In our country the economically disadvantaged regions seem to have disproportionately less scope for financial access. To overcome this, banks should take necessary steps to ensure access to appropriate financial products and services needed by vulnerable groups of the society as well as delivery of financial services at an affordable cost in a fair and transparent manner. Financial inclusion programmes of banks should not restrict to credit. It must involve financial awareness, knowledge about banking facilities and channels. Access to affordable financial services especially credit and insurance will enlarge livelihood opportunities and will empower the poor.

About one-fifth to one-fourth of the population of Bangladesh are still below extreme poverty line. Many of them are not capable of undertaking microcredit-supported self-employment initiatives. Financial inclusion as a part of CSR activities is, therefore, a high policy priority in Bangladesh, for faster, more inclusive growth. Financial inclusion by way of the poor's access to small-sized loans for income generating self-employment activities should be extensively employed in Bangladesh as a tool for combating poverty-related deprivations.

Deeper financial inclusion in all population segments and all productive sectors will lead to financial deepening which will progressively contribute to the country's increased Gross Domestic Product (GDP). Bangladesh Bank intends to reap the fullest possible benefits from financial inclusion in the coming days through CSR engagements in terms of inclusive environmentally sustainable economic growth at sustained high rates and steeper decline in poverty.

In response to the stakeholders across the globe to carry out business in an ethical and responsible manner the corporate sector, including banking industry, should-

- use CSR resources to create proactive and retroactive sustainable business responses, techniques, and technologies in order to reduce their direct environmental impacts. Further, environmental education and sustainable community development should be significantly provided. Organisations may choose to invest in local economic development as part of CSR engagement. Contribution to infrastructure such as roads, ports, and city centers are always beneficial for local trade.
- focus on educational development for helping people become more self-sufficient by acquiring necessary skills that will make them more productive members of society. This type of corporate social responsibility strategy creates valuable human capital. This would consist of supporting primary to tertiary schools in order to invest in local human capital, instead of one-time donation/grant.

- provide community education on basic hygiene, nutrition, and sanitation to general people as well as to their employees. Corporations which help open access to basic medicines reduce the risk of many common illnesses that could be avoided or significantly reduced. All of these benefits contribute to stronger, healthier, and more productive employees.
- introduce female leadership programmes, increase corporate employment of women, provide microfinance loans for female entrepreneurs, and establish strict corporate policies to stop sexual harassment as gender equality initiatives. By empowering women, more people are added to the work force, more businesses are developed, and gender relationships are more equalized. As a result, the community becomes increasingly competitive and yet peaceful.
- focus more on long-term benefits of practising CSR such as improved financial performance, reduced risk exposure, enhanced brand image, increased customer loyalty, improved recruitment and retention performance, motivated employees, improved trust, community development, enhanced corporate reputations, improved governance and reduced costs through environmental best practice leading to sustainable profitability.

Conclusion

It is heartening to note that CSR is being mainstreamed in Bangladesh. In recent years there has been a strong emphasis on CSR as the term includes environment, governance, gender equality, ethics and much more. Our development efforts must provide benefits across all social groups and regions to be on a just and stable basis, and not worsen inequality further by neglecting the deprived. CSR programmes of businesses must be pervasive for lessening deprivation and widening the access of rural and urban poor to essential social and financial services required for healthy, progressive and productive life.

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Conceptualising and Contextualising CSR

But this difference between corporate governance issues and CSR does unfortunately tend to be glossed over, in varying degrees, causing some misunderstanding about conceptual and contextual aspects of the latter. That leads to confusion over, or mingling of, corporate (or business-related) governance issues with CSR. The former i.e. corporate or business-related issues essentially relate to maintenance of rules or codes of conduct about labour, environment, working conditions and abiding by all lawful requirements about regular payments of wages and salaries to workers and employees, meeting properly all financial obligations and payments of taxes and going by the rules and regulations about corporate affairs. The two -- corporate governance framework and CSR -- are distinctly separate matters. There is no scope to mix them up or parade either of them as the other side of activities or operations by business enterprises. Adherence to the laws of the land or meeting the legal requirements for business operations is, by and large, a governance issue. This by itself is no CSR. The activities under CSR go beyond the domain of corporate governance matters.

However, it must be admitted, in all fairness, that no company/ business entity/corporate

body is expected to engage itself in CSR activities which are, to all intents and purposes, are voluntary. Furthermore, only those businesses are in a position to engage themselves in CSR-related activities when they earn post-tax profits. This is because CSR activities or programmes do not involve funds to be considered as costs of operations on the part of businesses in the course of their usual activities and are supported or funded out of their post-tax net profits. This factor is being noted here only to underline the importance or relevance of an overall positive business environment that enables the businesses to earn profits or surpluses that can be considered as 'reasonable' rates of return on their capital or invested amount of funds -- of course, being subject to proper accounting and auditing scrutiny by all relevant authorities -- after complying with all legal requirements that are in force at any given point of time.

If the businesses do not earn post-tax profits, there will hardly be any scope for their proactive engagement in CSR activities as a voluntary process of operations. CSR activities are not considered as allowable or deductible costs or charges, from the point of view of taxation, by the revenue-collecting authorities. Such activities are essentially voluntary in

nature and as such, there is no legal obligation on the part of businesses to carry them out as part of their normal activities.

CSR activities primarily concern business entities in the private sector that is the prop of capitalism. For Oxford, capitalism "is an economic and political system in which a country's trade and industry are controlled by private owners for profit, rather than the state." That is the old definition of capitalism that has been in trouble, particularly in the aftermath of the recent global financial and economic turmoil in which the state has been found to have made inroads. Capitalism, however, is considered adaptable, and dictionary definitions have morphed over time.

Wikipedia, in its most recent definition, cites capitalism as an example of free market thinking, if even there is one, saying that "it is more concerned with the private ownership (not control) of capital goods and the means of production, with the creation of goods and services for profit. As such, central to capitalism include "capital accumulation, competitive markets and a price system" -- but not the absence of the state.

This conceptual aspect of capitalism is closer to current ones of capitalism and all its

elements remain intact. This framework does in no way invalidate what has been noted earlier about the contextual aspects of CSR remaining a voluntary activity of the businesses and not as any legally binding one.

So far so good. Conceptual clarity about CSR, however, is of critical importance, in order to pursue effectively its real goals and objectives. Mere 'do-gooding' angle does not help promote its cause -- helping society about which no one can really argue about. Many company bosses and investors do still think CSR is just about aiding society and have no benefit to their firms' bottom-line. Neither is CSR solely about the environment or merely about doing some charity work. These are misconceptions and do not hold true on any proper scrutiny.

CSR is essentially about long-term sustainability of a company. It has direct impact on a company's triple bottom line -- financial, environmental and social. To put it in its right context, CSR incorporates internal and external dimensions that reflect its true triple bottom-line -- people, profit and planet. Internal CSR represents core business activities that have an external impact on the society, environment or economy.

CSR is all about what companies do on a voluntary basis, going beyond their compliance with existing legislation and rules in the country in which they are operating. It essentially involves the endeavours of companies for integrating their social, environment and other relevant concerns into their day-to-day operations as well as into their dealings with stakeholders.

Profitable companies in countries across the globe have now come to appreciate it well that they can make important contribution to society, in addition to carrying out their business-as-usual activities. While the main task of the companies is to create value and generate financial results within the society under country-specific conditions and legislative framework, they also take it now into consideration that they are operating, not just in a market but also within a culture, a local community and a political system.

From this perspective, CSR is concerned with the role the companies play in their broader social context. In the process, their motivation and ability to demonstrate their social responsibility is strengthened through increasing openness, dialogues and exchanges of experience with their share-holders, various stake-holder groups, the authorities concerned and the broad private sector, within a framework of guidance and advisory measures, albeit voluntary ones.

In this changing scenario, companies in increasing numbers, both at home and abroad, are thus found to be the thinking about how far their responsibility can extend beyond compliance requirements. They are becoming now more pro-active than before, about integrating CSR into their operations and decision-making processes as much as in the debate over developing some forms of strategy or rules and norms relating to CSR. In the course of such on-going developments, businesses all over the world are making considerable progress in integrating social responsibility into their business practices.

There is no denying here that the ethical aspects of CSR has become more apparent as a result of

globalisation. Companies worldwide are thus found to be transitioning themselves from a classical business model that focused on maximising profits to the one that incorporates responsibility and accountability to all stakeholders.

In this context, the UN Global Compact, initiated in 2000 to involve the private sector, on a voluntary basis, in the process of achieving the Millennium Development Goals (MDGs) -- eradicating extreme poverty and hunger, attaining universal primary education, promoting gender equity and empowering women, reducing child mortality, improving maternal health, combating HIV/AIDS, malaria and other diseases, ensuring environmental sustainability and developing global partnership for development -- as expeditiously as possible, has also generated a fresh momentum towards the 'embrace' of CSR by the private sector. It has further reinvigorated the recognition that some form of convergence of long-term strategic goals of businesses with national, societal or community development objectives can help raise living standards, particularly in low income or emerging economies.

Tailoring the concept of CSR for pro-profit business organisations which is the goal of most businesses to the need for practice, is no easy task. Such models, those of social enterprises, benefit corporations, employees-owned companies, mutuals, cooperatives etc., are the products of a global re-examination of corporate structures and have evolved particularly after the recent financial and economic crises in the developed countries.

It requires a synergy of proper understanding, in both conceptual and contextual aspects, of CSR and appreciation of its purposes -- goals and objectives, application of appropriate skill, demonstration of priorities etc., by using organisational ability and business knowledge to deliver the right set of values under the given circumstances. All these can synergise actions to put theory into practice that can help build stronger communities and forge close cooperation with all those in the supply-chain and all other stakeholders. Creativity, knowledge and entrepreneurial spirit are all important matters to develop innovative ideas and build stronger communities for the purpose.

As its ultimate goal, CSR is about benefiting society in ways that also benefit businesses in the long term. Companies are often found to describe CSR in different ways. These include corporate citizenship, corporate shared value, socially responsible business and corporate sustainability. Businesses, however, all agree that CSR is about creating value for communities in ways they are sustainable and acting as responsible concerns. It provides an opportunity to the businesses to build better relationship with all stakeholders by paying closer attention to how they can fulfill their social, economic, environmental and ethical responsibilities.

Viewed from this point of view, CSR typically reflects the nature of the businesses and their motivation to practise it for the purpose of giving back to the community through efforts for creating shared value for society. This is mainly done as a sort of response to the needs of a caring society in a community or country. Though CSR has no

link with a company's earning profits though related activities in the near-, short- or medium-term, it nonetheless helps to create the opportunities to it to forge better relationships with all categories of stakeholders by paying closer attention to how they fulfill their broader responsibilities, be they social, economic, environmental and ethical. In the process, CSR can ensure growth, expansion and profit in the long-term, by being, thus, socially responsible. The main focus of CSR is on sustainability and responsibility.

Now there is a strong need to dispel the misgiving, particularly in the context of Bangladesh, about CSR meaning only philanthropy and charity. That perception, however, is changing gradually. Though the businesses here have still different perceptions of what CSR means and are at different stages on the journey to becoming responsible ones, they are in a much better position today than before to comprehend the fact that their CSR programmes can contribute to development in different ways, in a sustainable manner. The sustainability of CSR programmes or projects is a critical factor that differentiates it from philanthropy or charity at the individual level that is more often than not a one-off operation.

As companies or business undertake CSR activities keeping a particular eye on their sustainability, it becomes all the more important to integrate responsible business practices into their core operations. This has brought to the fore the case for developing proper CSR strategies, keeping sustainability factors into consideration while measuring performance against what is known as the triple bottom-line: people, profit and planet. Developing inclusive business models in which communities are integrated and their needs are accommodated in the CSR programmes or projects into the supply-chain as either suppliers, distributors or consumers or stakeholders has, therefore, assumed a great deal of significance in order to create sustainable opportunities. Furthermore, it has to be appreciated that a real CSR project or programme is the one that is not-for-profit, that directly impacts the lives of the beneficiaries, evokes social change and has a lasting impact on the community.

Such needs can be addressed well when the business schools and other related academic institutions become pro-active ones to train graduates with appropriate skill to supply an adequate number of professionals in the domain of CSR. The businesses can then be enabled better to draw up proper CSR strategies to provide a rationale in support of their business successes and certainly for not being considered as an add-on or inconvenience. Even then, it might still remain a challenge to find a reasonable and accurate way to measure real and lasting impact of CSR projects or programmes. But it is surely the effort that is worth pursuing on a continuous basis, with the support of well-articulated and properly-disseminated CSR strategies. Last but not the least, governments need to support the cultural change among the businesses to embrace CSR on a wider scale as a strategic device to promote community or social development in different areas within their affordable means, through a proper set of embedded incentives.

Changes in the field

Learning by seeing

It was an exceptional view. Women of two communities - Basatpur and The Sundarbans - were gossiping in a happy mood, exchanging floral wreaths and friendship bands, entertaining with traditional home made cakes and sharing their personal feelings as if they had long been known to each other. But the fact is different. That was the first occasion these women met each other. The factor behind this bridge of bondage is the CSR advocacy initiative of MRDI. Women of both communities are common beneficiaries of the initiative.

CSR interventions at Basatpur of Jessore and Bon Laudob and Koilashganj of The Sundarbans created opportunities for the women to develop skills in tailoring and stitching, thus empowering them.

During these visits women exchanged ideas about quality of products, marketing options, probable areas of mutual cooperation and sustainability of the initiative. The women of two vulnerable communities discussed about realizing their dream 'Gaon Swapna'.



School building for off-shore village

Businesses can effectively complement the nation's efforts to ensure children's right to education and thus set the foundation of a competent future generation. Education is an essential pre-condition to development.

Keeping this in mind, MRDI took up a school infrastructure development programme under its CSR advocacy initiative with the financial support of Mutual Trust Bank (MTB) as a CSR activity. As a part of this intervention the newly constructed school building of Sharifpara Temporary Registered Primary School has been inaugurated recently at Char Fashion, Bhola. Unnayan Dhara Trust, a CSO, is implementing the project under the supervision of MRDI.

Nur-E-Alam, Upazilla Nirbahi Officer of Char Fashion; Md. Shafiul Alam, Upazilla Education Officer of Char Fashion; Mohammed Sami Al Hafiz, Head of Corporate Affairs of MTB; Hasibur Rahman, Executive Director, MRDI and local elites were present in the inaugural ceremony.

What they saw What they say

A team consisting of representatives from corporate houses, media and MRDI visited two operational areas of CSR intervention - Basatpur at Jessore and two villages at the Sundarbans. They saw the field programmes and talked to the beneficiaries. Some excerpts:

The trip gave me the chance to meet some of the finest & intelligent individuals of CSR teams across all the industry. On behalf of banglalink, I would like to thank MRDI for making a difference and bringing positive changes, through innovative ideas.

Ankit Sureka
PR & Communication Executive,
Marketing, banglalink

This particular visit to the Basatpur & the Sundarbans project areas has made me realize how effectively CSR can work when implemented with the right partner, i.e. MRDI. This definitely has enriched my understanding of what CSR is and



what could be the possible and most effective ways to give back to the society.

Asif Iqbal Arnob
Management Trainee
Project Management Office & CSR
The City Bank Limited

It is a great pleasure for the MTB Team to have this opportunity to share this joyous moment with you, and we look forward to strengthening our relationship in the exciting times ahead.

Md. Abdul Mannan
Officer, Communications Department
Mutual Trust Bank Ltd.

bringing positive changes in the society in various sectors.

Muhammed Nazrul Islam
Senior Vice President, HR & Administration
Reliance Insurance Limited

The tour to the Sundarbans and Jessore was very important for me, because I am working at CSR Desk of our Bank and I will try to include these types of CSR projects in our CSR activities for sustainable development of our country.

Salahuddin Ahmed Murad
Assistant Officer, Bank Asia Limited

I was excited to go and see the CSR Model Intervention at Basatpur, Jessore and Bon Laudob, the Sundarbans, Khulna by MRDI and directly talk to the beneficiaries. It was a happy moment for me to see MRDI-managed projects in these remote areas.

**Mohammad
Zobayer Hossain**
Associate Manager,
External Affairs,
Communication Division,
BRAC Bank Limited

I congratulate MRDI and the companies for joining their hands and implementing the projects that are bringing good results. This trip was inspiring, motivating and helped to share good ideas on CSR.

Shamima Akter
Manager PR & CSR, QUBEE

The training centres at Basatpur and Bon Laudob are providing skills training to vulnerable women with CSR funds. MRDI has planned to operate a marketing outlet namely Gaon Swapna that will facilitate selling out the products of these centres. This approach of CSR can bring sustainability.

Shovongkor Karmakar
Staff reporter, Prothom Alo

The visit provided a great opportunity to view not only how the funds are being allocated to alleviate the sufferings and provide a sustainable living for the less fortunate but also how the people are becoming more independent, especially the women in the remote areas.

**Muhammed
Sami Al Hafiz**
Head of Corporate Affairs
Mutual Trust Bank Ltd.

I came to know many things from the Khulna visit as it gave me an opportunity to observe the real hardship of the people living in and around the Sundarbans. I also learnt that CSR could be a sustainable alternative tool for development.

Suman Saha
Business Reporter, The Daily Star

The enthusiasm of the women at the training centers made it evident that the projects had positive impact towards their livelihood. The financial freedom they currently enjoy was probably beyond their dreams a few years back.

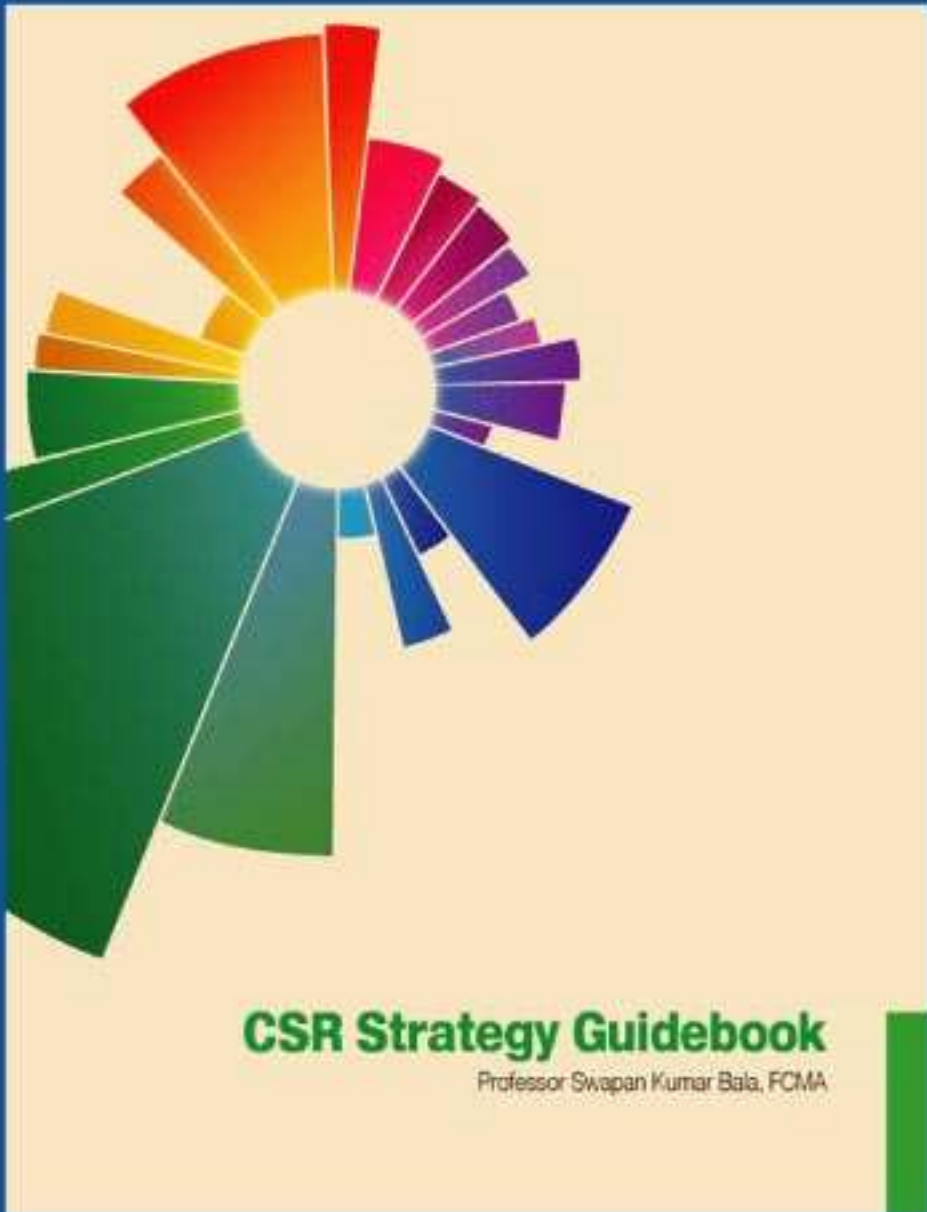
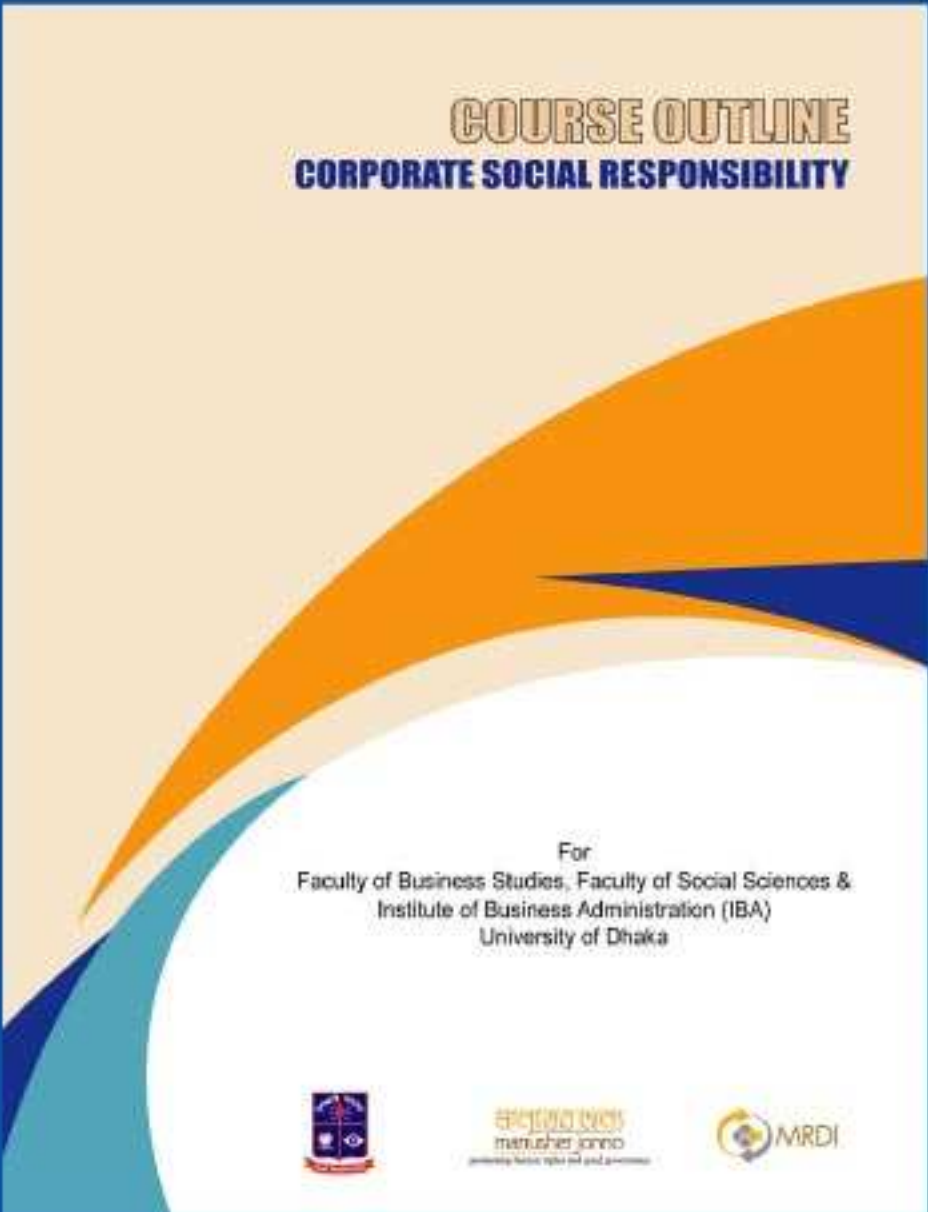
Tareq Hamid
Manager - Human Resources,
Bank Alfalah Limited

The trip gave me an opportunity to come across and make some new friends who are cooperating with MRDI in their pursuit of



Streamlining CSR in Education and Business

CSR is now on way to becoming a sustainable building block of tomorrow's bright minds and the business through initiatives of MRDI. The first initiative was developing a course outline of CSR for the students of higher education. The other was facilitating businesses operate their CSR programmes in a strategic approach.



Learning CSR

A course outline of CSR has been developed jointly by Dhaka University, MRDI and Manusher Jonno Foundation which will be introduced in the curricula of the Faculty of Social Sciences, Faculty of Business Studies and Institute of Business Administration (IBA) of the University of Dhaka. It suggests relevant texts, readings and websites for the students. A comprehensive list of guiding questions is also provided as an outline for team assignment.

A team comprising university faculties, MRDI officials and experts developed this outline that would help the departments of the university integrate CSR in their course curricula.

CSR strategy : What and How

MRDI developed a CSR strategy guidebook to facilitate corporate houses design their own strategy that will help operate their CSR funds in a sustainable manner.

The publication provides brief discussions on conceptual understanding and operational procedure of CSR, structure of CSR strategy and priorities. A template of CSR strategy and some guiding forms are annexed.

Dr. Swapan Kumar Bala of Dhaka University drafted and finalized the guidebook with the help of a team of experts. The guidebook was published after review by Shitangshu Kumar Sur Chowdhury, Deputy Governor of Bangladesh Bank and CSR Adviser to MRDI.

Vision for a New Bonding



Lessons Documented

Lessons learnt by MRDI on CSR advocacy and operations in last five years have been compiled and published in a booklet with a video documentary 'Vision for a New Bonding' containing views of stakeholders, success stories, experiences and challenges faced by MRDI and a look into the future of CSR in Bangladesh.

The document was launched through a ceremony. Dr. Wahiduddin Mahmud, Former Adviser to the caretaker government; Rokia Afzal Rahman, Former Adviser to the caretaker government and President, MCCI; Shitangshu Kumar Sur Chowdhury, Deputy Governor, Bangladesh Bank; Shaheen Anam, Executive Director, Manusher Jonno Foundation; Anis A. Khan, Managing Director and CEO, Mutual Trust Bank Ltd; Moazzem Hossain, Editor, The Financial Express and Hasibur Rahman, Executive Director, MRDI spoke on the occasion. MDs, CEOs and representatives from corporate houses were also present in the ceremony.



CSR in Social Development Challenges and the Way Out

Rodney Reed, Company Chairman, Reed Consulting (Bangladesh)Ltd.

Bangladesh has many opportunities for economic growth and social development but also many hurdles to overcome in moving to the status of a developing or developed country. The hurdles include economic, education and health deficits. The international business community now generally understands that Social Responsibility has a much broader remit than the current Bangladesh practice of Corporate Social Responsibility (CSR). Here CSR is still largely focused on donations and community investment, a practice now internationally regarded as Corporate Philanthropy and as only a part of CSR.

Until the Government of Bangladesh is able to significantly increase revenue to its Treasury from tax and Value Added Tax (VAT), there will be a continuing need for the banks and the corporate sector to provide funding for social development projects or to sponsor projects such as schools, hospitals, health clinics, disaster relief and environmental improvement projects such as tree planting and pond digging.

The tax exemption facility of the National Board of Revenue (NBR) for CSR activity is often cited as an example of our government's encouragement for CSR as Corporate Philanthropy in social development and project support. The Statutory Regulatory Order (SRO) listing the categories of eligible projects has quite an extensive list. However, in a populous country such as Bangladesh, there are challenges from climate change, global warming, river pollution and poverty. One of the biggest challenges is not just in identifying the areas of support but in prioritizing those needs. Corporate and banking sector investment in CSR needs to be directed and prioritized. This should be carried out in order to ensure that popular, well known and easily reached projects are not over-funded while projects in remote, difficult-to-access parts of the country or the projects for those groups of people who have been unable to articulate and publicize their needs and are left struggling to acquire any resources at all.

Social development activities run the risk of breeding dependency in the projects or people's groups which or who are beneficiaries of this corporate largesse. While the use of Zakat funds is not strictly a CSR activity (because Zakat is a religious tax and not a voluntary contribution),

there are good examples in Bangladesh of the co-ordination of Zakat funds e.g. in the Rahimafrooz-sponsored scheme which avoid the repeated need to give the same funds for clothes or food to the same still poor individuals each year. The prioritised co-ordinated use of Zakat funds has enabled villages to come out of poverty

and this is an example worth considering in the use of corporate funds for social development.

The amount of money available for social development, funded through CSR donations, is increasing year on year because, for example, of the initiative of the central bank in encouraging the commercial banks to donate from their profits and the NBR's tax exemption and importantly also the general encouragement of Prime Minister Sheikh Hasina and her government. This being the case it is now increasingly important that an agreed methodology is developed to monitor and measure and evaluate the impact of the large amount of money, already being transferred for lifting the target beneficiary groups out of poverty and for social development, by the banking and corporate sectors. Once reliable data are collected, it will be possible to produce 'case studies' of 'CSR good practice', but more importantly it would then be possible to devise some 'bench-marks' in ranking the effectiveness of funds used. At the moment there is no way to compare one tree planting scheme with another in order to discover whether a lakh of saplings in one place became goat fodder, whereas in another place the local communities' engagement in protecting and watering the saplings enabled a high success rate in the planting and the maturing of useful trees. Similarly, there is no readily available data on the success rate of the banks' Scholarship Programmes. Are sponsored students making better progress than would have been possible without this funding? Are these sponsored students graduating and then being able to get worthwhile employment opportunities?

Corporate Social Responsibility projects are not intended to be marketing or promotional activities for the donor organisations but for the donations to continue there has to be some link to the core business of the donor company. Also important is the ability to demonstrate to the equity holders or the owners of the company that CSR donations are 'value for money' and have brought an acceptable 'return on investment' for the share of the profit donated. Unless CSR funds for social development can be linked to the core business of the company, there is the risk that CSR will be peripheral and incremental and so loose priority in an adverse trading situation or at a time when another important project comes into the country. If, for an example, in case of a major infrastructure

project in the country that requires investment and donation by the banks and corporate sector, would CSR donations be 'squeezed' by the urgent need for providing a significant amount of funds for such a major social and economic development infrastructure project?

Returning to the title of this article "CSR in social development: Challenges and the way out", it has to be noted that the challenges come from the enormous and varied social development needs that are still to be met in Bangladesh like those in the areas of education, poverty relief, health care etc. The key challenge, however, is to be able to identify and prioritise amongst these many and various needs and then to be able to co-ordinate the funding that is available in such a way as to be able to provide sustainable social development activities which enable the beneficiaries to becoming independent rather than remaining dependent for a long time on charitable donations.

Jack Welch, Chief Executive Officer (CEO), General Electric has said "you cannot manage what you cannot measure" and this is becoming true of CSR when practised as donations in kind and in cash and to projects. There is no generally agreed definition of CSR in Bangladesh; this lack of clarity is a stumbling block to the way of starting to monitor, measure and evaluate the effectiveness of CSR expenditures in social development. This, however, is not an insurmountable obstacle, because all of the donors are aware they are making charitable payment and are doing so in a response to a specific request made to them. Requiring requests for CSR funds to be made in a standardised format and then insisting on qualitative and quantitative reports from the completed 'projects' again in a standardised format would enable some rudimentary monitoring and evaluation to take place. This would enable best practices to be generalized and avoid duplication of funding to popular projects and also help reach the target and release funds to the 'hard-to-reach places' of Bangladesh and to the 'less popular causes'.

CSR in Bangladesh is "in transition". Generous corporate and banking sector donors have already made a significant improvement to service delivery by projects and Non-Government Organisations' (NGOs) working in poverty relief, woman empowerment, disability, education and environmental enhancement. Now comes the time to move on to 'CSR or SR maturity' and to target funds to sustainable projects that promote beneficiary independence. The 'challenges' are many and 'the way out' requires co-ordination, strategic development and the mainstreaming of CSR into the corporate life of the companies, a



CSR experience in last five years

Shitangshu Kumar Sur Chowdhury, Deputy Governor, Bangladesh Bank

Abridged speech delivered by Shitangshu Kumar Sur Chowdhury at the MRDI's lessons learnt document launching ceremony.

CSR in the context of Bangladesh

Corporate Social Responsibility (CSR) is mainly about the awareness of and actions in support of environmentally sustainable societal development. CSR actions aim at mitigating the diverse environmental impacts of the activities of

the business and at reducing inequalities and alleviating deprivation and poverty in the communities across the country. Until recently CSR practices of financial and non-financial businesses in Bangladesh were limited to passive charitable giveaways, but now proactive engagement in design and implementation of the action programmes have substantially strengthened and expanded the impact of banks' CSR expenditures.

CSR Benefits

In recent years CSR programmes and actions go beyond mandatory compliances into voluntary engagements to promote equitable, sustainable development. Besides the self-evident ethical case, a strong business case for CSR is also getting clearer with developing practice; seen as benefiting a business by building reputation, brand value, customer loyalty, employee motivation and retention; mitigating risks in own operations and in assessing suppliers and clients; cutting down wastes (of energy, raw materials etc.), driving up efficiency and getting tax waiver on socially and environmentally responsible business lines.

Banking Sector & CSR

The banking sector is in a leading position in discharging CSR in the country and the CSR practices by banks have become an integral part of their business in recent years. CSR practices by banks not only improve their own standards but also catalyze the socially responsible behaviour of other businesses. Banking industry itself can also be benefited from the positive effects of CSR on the society as a whole, particularly on its clients.

In 2008, Bangladesh Bank (BB) took initiatives for formalizing CSR in the country's banking sector and issued a detailed directive titled "Mainstreaming Corporate Social Responsibility (CSR) in banks and financial institutions in Bangladesh". The directive states the strategic objective for CSR engagement, priority areas to promote CSR in client businesses, and the first-ever CSR programme indicating some likely action plans. The priority areas as indicated by BB in the field of CSR include self-employment, financial inclusion, and small and medium enterprise (SME) credits designed to create productive new on-farm/off-farm employment; financing of biomass processing plants, solar panels, waste recycling plants, effluent treatment plants (ETP); relief and credit programmes to the people affected in natural calamities like 'Sidr' and 'Aila'; credit programmes for diversified production of crops, oilseeds, spices, vegetables, fruits etc.; mobile phone-based/micro-finance institution (MFI)-supported programmes for prompt delivery of remittances; financing programmes to promote domestic tourism and markets in cultural products/events. All the commercial banks are asked to formulate their own CSR policy with the annual outlay for CSR programmes and include the CSR programmes in their mainstream banking activities instead of short-term social works like providing grants, aids and donations.

Due to utmost care and surveillance of BB, the CSR practices in the banking sector of Bangladesh have been gaining a huge momentum. The engagements of banks in terms of direct monetary expenditure, financial inclusion, and environmental banking, community investment and CSR reporting have considerably increased. Besides direct expenditure in CSR initiatives, banks have continued enthusiastic engagement in the ongoing financial inclusion campaign launched by BB, reaching out with financial services to excluded population segments and underserved economic sectors. The initiatives include extending branch and automated teller

machine (ATM) networks into rural areas, mass scale opening of no-frills bank accounts with nominal deposits for poorer people, adopting new cost saving remote delivery modes for financial services like mobile phone/smart card-based banking, agricultural and SME financing, financing schemes for renewable energy generation projects and so forth.

Banking sector-led CSR initiatives during last five years

Let me now briefly discuss how the banking sector in Bangladesh is engaged in various social businesses.

Major CSR initiatives of banks during last five years included:

- Pond re-excavation for fresh drinking water and improved low-fuel consuming oven in the Sundarbans area.
- Livelihood Programme for poor women in Jessore.
- Large scale donations to "Muktijuddho Jadughar" by the banking community.
- Scholarship to the children of poor freedom fighters and among the poor students of remote and underdeveloped area (Char, Haor, coastal areas) of the country.
- Distribution of blankets/warm clothes among rural and urban indigents in the winter and financial donations to families affected by debacles (fire, accidents, civil disturbances and so forth).
- Infrastructure development of primary schools in the off-shore areas of Bhola.
- Grant support for construction of sweepers' colony at Shahjalal Science and Technology University in Sylhet, grant supports for Old Peoples' Home in Dinajpur with related physical infrastructures for benefit of the poor and elderly.
- Funding of safe drinking water provision initiatives, by installation of arsenic-free deep tube wells and rainwater harvesting plants.
- Funding workshops/training courses for English teachers and Head teachers of some schools.
- Beginning phased implementation by banks of the Environmental Risk Management Guidelines issued by BB, introducing environmental risk scrutiny of projects prior to financing decisions. Many of the banks have reported increasing engagement in financing of solar as well as organic waste-based energy (biogas) generation.

Besides CSR initiatives involving direct expenditure, financial inclusion initiatives of banks proceeded apace during last five years. For broader, deeper financial inclusion, banks proceeded ahead on multiple fronts including increased rural bank branch presence, mobile phone banking, and opening of bank accounts for low income population free of charge with nominal Taka 10 as the initial deposit.

Recently we have given a circular to make banks more gender sensitive-recruitment of more women and implementing maternity leave for six months. In addition, CSR initiatives of banks are now reflected in the 'Management' component of the CAMELS rating of the banks.

Conclusion

Now a days CSR programmes and actions go beyond mandatory compliances into voluntary engagements to promote equitable, sustainable development. CSR engagements of banks are steadily increasing in depth and diversity, both in direct budgetary expenditure and in financial inclusion drives, in greening of their internal practices and processes, and in lending to environmentally benign projects. To be on a just and stable base, our growth efforts must spread benefits across all social groups and regions, and not worsen inequality further by neglecting the indigent. CSR programmes of businesses can go a long way in reducing deprivation and widening the access of rural and urban poor to basic social and financial services necessary for healthy, enlightened and productive life.

CSR interventions

The Corporate View

Syed Zain Al-Mahmood, Editor, Dhaka Tribune Online

They call it "Bombay Colony". The village of Basatpur, in Bangladesh's south-western Jessore district, would seem a world away from the glitzy bars of Mumbai, India's showbiz capital. There are no Bollywood stars in Basatpur, just grinding poverty and choking dust. But the arid, rundown border village has earned its reputation. For two decades, the women of Basatpur have trekked across the border and made their way to Mumbai where they have made a living as dancing girls at the city's notorious "ladies bars".

Anjuman Ara Begum, 45, has been there and back. "The girls go because there's nothing to eat here," she says. "The men can't earn a living, so they send us across the border."

In dirt-poor Basatpur, migrating anywhere that required a passport, visa or aeroplane ticket was out of the question. Pushed by poverty and pulled by the lure of well-paid jobs in distant Indian cities, the young women defied tradition to make the perilous journey across India in search of freedom and cash.

Begum says there have been attempts to stop the migration to Mumbai through village arbitrations, but she remains defiant. "When I was starving no one fed me," she says. "I did what I had to do to keep body and soul together."

Selim Reza, a researcher with the Refugee and Migratory Movements Research Unit (RMMRU), an affiliate of the University of Dhaka, said. "The lack of livelihood options in the border areas encourages what we call irregular migration. Many Bangladeshi women who go to work illegally find themselves in situations close to slavery. They can't get legal status and often they don't have the means to come back home."

As part of its corporate social responsibility (CSR), City Bank Limited funded an MRDI initiative to liberate the women of Basatpur, from insecurity and hardcore poverty. The initiative to set up a sewing training centre for women, who are often victims of violence and abuse, is expected to benefit tens of thousands of people in the village.

Development organisation Banchte Shekha and the Daily Gramer Kagoj are jointly implementing the project under the supervision of Management and Resources Development Initiative (MRDI).

K Mahmood Sattar, the Managing Director of City Bank Limited said the initiative would empower a group of poor women and protect them from risks of vulnerability and insecurity. Over the next three years, the project will not only train about 200 vulnerable women, but also create market access for them.

"I don't think any girl from Basatpur will try to sneak across the border from now on," said

Hosne Ara, 26, who has learnt sewing and embroidery at the training centre. "We can support our families with our heads held high."

Such interventions signal a paradigm shift in how CSR funds have been used in Bangladesh and are a far cry from the practice of doling out sarees or lungis.

"Corporations make money and that money comes from the people who use its services. Corporations have a responsibility to give back to the people they serve and from whom they make their earnings," said K Mahmood Sattar.

This awakening of the corporate conscience is acknowledged by Dr. Atiur Rahman, the governor of Bangladesh Bank, who said, "The national five-year-plan is built around the idea of inclusive growth. Today our growth is led by the private sector. Therefore involving the private sector in development is crucial for our country."

Dr. Rahman continued, "The business ethos of our country should include a model of giving back to society. This idea has gained acceptance in the banking sector and we have made progress in implementation and monitoring. Now other regulatory bodies should step up. The SEC should make sure all listed companies practice CSR in the true sense and that practise is sustainable and beneficial to both the company and society as a whole."

Using corporate responsibility and sustainability approaches within business decision-making can result not only in reduced costs but can also lead to recognizing new market opportunities such as when new manufacturing processes are developed that can be expanded to other plants, regions or markets.

"A company can give money to CSR only after it has paid its dues to its shareholders and the state," said K Mahmood Sattar. "Otherwise, it will not be sustainable. But if it is done in a prudent way, CSR will not only benefit society, but benefit the brand also."

Anis A. Khan, managing director and CEO of Mutual Trust Bank Limited said the corporate view about contributing to development had evolved gradually. "Nobody used to talk about CSR ten years ago," Khan said. "Today we understand that to be good corporate citizens, we must contribute to social development in a sustainable way. That realization has come in the last few years."

"The work MRDI and its partners have done has pushed the issue of CSR up the development agenda. The Bangladesh Bank governor Dr. Atiur Rahman has also been central to this," he added.

Mutual Trust Bank, as part of its corporate social responsibility, funded a school building of the Sharifpara Temporary Registered Primary School in Char Fashion, Bhola. The bank will also pay

teachers' salary until the school is brought under the government's monthly payment order (MPO) scheme.

Anis A. Khan explained that the thinking on CSR has evolved and matured and now corporations understand that CSR interventions have to be focused and sustainable.

"Our policy is not to scatter money here and there - we are targeting focused interventions in the education sector where we believe we can make a difference," said Mr. Khan.

Many core development issues are central to the CSR agenda, including human rights, education, health, child welfare, conflict and transparency in relation to government natural resource revenues. But new themes need to become more prominent in the agenda, say stakeholders.

Until recently, the business community has tended to shy away from tackling the poverty agenda head-on. Where poverty has been addressed, the discussion has often been couched in terms of wealth creation, and the language of livelihoods has been adopted as a way to link business opportunities with the development agenda.

Dr. Atiur Rahman invoked the strong tradition of Bengali society taking care of its less fortunate members to find the spirit of CSR.

"There was a time when government was smaller and much less involved. If we look back at the time of the Zamindars, there were people like Rabindranath Tagore who looked after the poor and the needy. You can call that philanthropy, but I consider that to be the precursor of modern corporate social responsibility," said Dr. Rahman.

Casting banks in the role of today's Zamindars, the Bangladesh Bank governor said they have an obligation to give back to society and help to solve social and economic problems in a way that is aligned with the government's poverty reduction strategy.

Dr. Atiur Rahman, does not believe there is a fundamental conflict between the profit motive of corporation and their social work.

"There is definitely a need to balance the need to make profit and the need to foster inclusive social growth," he asserted. "Neither extreme will work. If you look at the communist bloc after the Second World War, their model collapsed because it ignored the profit motive that drives business. On the other hand, naked capitalism is also failing today. Therefore, giving back to society is very important if corporations consider their own long-term viability."

CSR Catalogue

Like previous nine issues of CSR Review, a catalogue of business houses practicing CSR prepared through random monitoring of reports published or telecast by the national media over a certain period is being placed on this page of the current issue of the newsletter. This time the monitoring period was December 2012 to February 2013. We would highly appreciate if the corporate houses send information on their CSR initiatives to csr@mrdbd.org. Since MRDI works with media and journalists, the news about such initiatives will certainly reach a large audience through it.

Health



Blanket distribution



Education



Livelihood Support



Social Awareness Building



Environment



Facilitating Marginalized/ Vulnerable group



Infrastructure Development



TEAM

Project Adviser
Rokia Afzal Rahman
 Former Adviser to the Caretaker Government
Shitangshu Kumar Sur Chowdhury
 Deputy Governor, Bangladesh Bank
Syed Md. Aminul Karim
 Member, National Board of Revenue
Project Anchor
Moazzem Hossain
 Editor, The Financial Express

Team Leader
Inam Ahmed
 Deputy Editor, The Daily Star
Programme Coordinator
Hasibur Rahman
 Executive Director, MRDI
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Md. Shahid Hossain
 Adviser, Planning and Development, MRDI

Programme Officer
Aktarun Naher
Accounts Manager
Sk. Shaniaz Ahmed
Support Staff
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