

TV Talkshow

CSR

Corporate Social Responsibility

CSR Talk over
Television

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मानुषेर जणो
manusher jonno

Promoting human rights and good governance



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Foreword

The publication, CSR Talk Over Television, encapsulates the observations made by a distinguished set of panelists in a series of Television Talk-Show.

The panelists were drawn from a wide array of areas including academics, corporate and business houses, researchers, non-government organisations, civil society, media and public policy-makers.

The Management and Resources Development Initiative (MRDI) produced the Talk-Show that was televised in Channel i, one of the country's leading private television networks, during February - March, 2009.

This MRDI took up as one important component of its programme to mainstream CSR in addressing poverty in partnership with Manusher Jonno Foundation (MJF).

The initiative aims at pro-actively engaging the corporate or organised business sector and the media in Bangladesh in efforts to raise awareness among the concerned circles about corporate social responsibility (CSR).

This awareness, based on a proper understanding of the conceptual and contextual framework of CSR by drawing upon the available best practices in Bangladesh and elsewhere in the world, can facilitate channelisation of CSR funds to strengthening and supporting sustainable development efforts. It is also pivotal to establishing some

tangible linkages between CSR and development goals in less developed countries like Bangladesh. Such countries face the challenges of alleviating poverty and creating conditions for a caring society. And a caring society does, indeed, take care of the needs of the underprivileged and the deprived into consideration, as far as practicable and possible.

The TV Talk-Show that this publication covers, highlights the issues and points raised by the panelists. The show itself has been the first in the series to help strengthen the campaign for utilising CSR funds in priority development areas in Bangladesh. Two more such series of discussions over Television will be organised by the MRDI within the operational fold of its on-going initiative.

In the first phase of this Talk-Show, discussions, comments and observations encompassed six episodes. The episodes were: Conceptualisation and Contextualisation of CSR, Corporate Social Responsibility and its Importance, CSR from Bangladesh Perspective, Role of Media in Popularising CSR, Challenging Global Economic Situation and Prospects for CSR and Practices of CSR in Different Countries.

There are some cross-cutting issues and overlapping features, relating to the main theme of discussions in all six episodes. This is unavoidable. Sustainable development efforts, socially responsible investment, essentially non-profit nature of CSR operations, good corporate citizenship, corporate governance (an endogenous practice), community involvement, stakeholders' participation, sustainability of CSR activities, sensitisation of the corporate or organised business sector, commitment building, development need identification, group bonding, ground-level intervention, media's catalytic role etc., are all directly or indirectly linked with beyond-enterprise-level activities, falling within the ambit of corporate social responsibility. All these do

have some bearing on activities of the corporate entities, meant for promoting sustainable development -- the core theme of CSR. This is more so in a country like Bangladesh.

In this backdrop, this publication seeks to bring into focus the main points, raised, or responded to, by the participants in all six episodes in a generalised way, for avoiding the risks of repetition as far as possible. Thus, the observations that are common, in nature and tenor, to the discussions by the distinguished discussants have been summarised. Additional points that come up during discourse on topical issues in the episodes of the Talk-Show by the respective panelists have been incorporated in this publication.

Being a compilation of discussions that have taken place in the TV Talk-Show in the first of a three-phase plan of action, this publication provides an insight into the state of CSR practices in Bangladesh. It focuses on the ways, as suggested by the esteemed panelists, for bridging the gap between the corporate sector and the media for mainstreaming CSR activities in pursuit of their primordial goal of promoting sustainable development.

Notwithstanding some confusion over the nature of CSR activities as distinct from charity or individual philanthropy, there has been a broad understanding among the panelists and participants about the need for drawing up effective CSR strategies by businesses, in accordance with some internationally accepted standards and norms, to deliver better outcomes.

It is important to bear in mind that some conceptual misunderstanding, real or perceived, about CSR and also defused attention to its contextual relevance, under the

given circumstances of the business world in Bangladesh, are no unique phenomenon. Even in relatively more developed countries, the concept of CSR is not quite clear among business houses and other stakeholders. Furthermore, there are such differences and gaps in understanding CSR also in some of the most developed countries.

CSR, in essence, embraces voluntary activities of the organised businesses in pursuit of some broad socio-economic objectives that are aimed at promoting the well-being of the communities and various stakeholders. It is not purported to generating profits for business houses. Rather, a part of profits of the corporate houses and business enterprises are used through CSR activities to contribute to improvement of the social conditions and, thus, of quality of life of various segments of the population, particularly the disadvantaged and the underprivileged. Environmental concerns which have a strong bearing on the quality of life of the stakeholders, in particular, and the people, in general, are also of contextual relevance to CSR activities.

In a broader way, CSR activities, with sustainability as their core component, do help expand business operations in the long run. Though voluntary in nature, CSR activities can be encouraged by the government through its tax regime. This can, indeed, incentivise a larger number of businesses to go for expanded CSR activities. There is also a scope for forming a joint platform or alliance of small and medium enterprises to encourage and motivate them to engage in CSR activities with their limited resources and capacities.

One major operational aspect of CSR activities involving organised businesses, relates to proper utilisation of funds on the basis of the felt-needs of stakeholders as well as the underprivileged and the disadvantaged at the grassroots. Here comes the need for

'intermediation' that can facilitate CSR initiatives on a larger scale. This 'intermediation' is meant for identification of projects and programmes for CSR activities.

In this context, media can play an important role. The journalists through their professional investigative skill can help identify areas that can draw a focused attention from the businesses for devising their CSR strategies and programmes. Both print and electronic media through their outreach do need to highlight, in an objective way, the real- and the felt-needs for CSR activities. They can, thus, work pro-actively as the sensitising tool for building corporate social commitment. This is also part of the media's social responsibility and public accountability. An objective media coverage of CSR activities by the businesses can furthermore encourage others to take the cue and to go for such operations. Besides, feedback on CSR activities and follow-up stories are effective and useful for plugging the holes, as and where necessary, to link inputs with outputs.

It is worthwhile to note at this stage the need for drawing a line between corporate governance and corporate social responsibility. Issues connected with corporate governance relate to compliance of business enterprises with the legal and/or regulatory framework and also with standard norms and practices, to ensure accountability and transparency of their operations. These are more matters of internal functioning of corporate houses or organised businesses than anything else. On the other hand, CSR is concerned with external or beyond-enterprise-level voluntary activities on the part of the businesses, in pursuit of the goals and objectives of, what can be said, a caring society for promotion of sustained development. However, it must also be stated here that the companies that practise good corporate governance are otherwise expected to be pro-active on CSR. In its absence, CSR credentials of the companies will be in suspect.

The panelists in the TV Talk-Show that this publication summarises, have shed light on issues that are of topical importance for promotion of CSR initiatives by the corporate sector in Bangladesh. Those of us involved in the initiative, do gratefully acknowledge the valuable contributions made by the respected panelists to enriching the content of the discussions with their enlightened views and forward-looking approach. We would also like to put on record here our special thanks to the anchor of the Talk-Show, Mr. Emamul Haque, for conducting the programme in an enlivening manner.

In addition to the comments and observations of the discussants present in the studio, we also recorded views of some experts outside the studio. These views were inserted in relevant episodes as video clips. Discussants also put their comments on these expert opinions. We are thankful and grateful to these distinguished outdoor speakers.

Furthermore, we would like to take this opportunity for reiterating our deep appreciation of the valuable cooperation, including technical support, that we have received from MJF, for our endeavours.

Finally we are thankful to the production house - Image Rain - for providing us technological assistance in producing this TV programme.

We would consider this publication worthwhile, if the stakeholders find it needful as a reference material in matters of CSR-related issues.

Moazzem Hossain

Editor, The Financial Express and

Project Anchor, MRDI

Episodes of the show

Episode 1 : Conceptualization and Contextualization of CSR

DISCUSSANTS

Muhammad Abdul Mazid

Ex-Chairman, National Board of Revenue

Dr. Syed Farhad Anwar

Professor, IBA, Dhaka University

OUTDOOR SPEAKERS

M.A. Azizul Haque Swapan

Managing Director, Glaxo Smithklein

Barrister M. Zahir

Company Law Specialist



Aired on 02 February, 2009 at 6:00 p.m.



Aired on 09 February, 2009 at 6:00 p.m.

Episode 2 : Corporate social responsibility and its importance

DISCUSSANTS

Farooq Sobhan

President and CEO, Bangladesh Enterprise Institute

MA Momen

Former President, Dhaka Chamber of Commerce and Industry

OUTDOOR SPEAKERS

Kazi Rafiqul Islam

President, Dhaka Ahsania Mission

Mohiuddin Babar

Head of Communication, Lafarge Surma Cement Ltd.



Aired on 16 February, 2009 at 6:00 p.m.

Episode 3 : CSR Practices in different countries

DISCUSSANTS

Ashfaqur Rahman

Managing Director
Novartis (Bangladesh) Limited

Shah Masud Imam

Regional Head, Corporate Affairs
South Asia Standard Chartered Bank

Episode 4 : CSR from Bangladesh Perspective

DISCUSSANTS

Dr. Atiur Rahman

Professor Development Studies, Dhaka University
(Present Governor, Bangladesh Bank)

Waliur Rahman Bhuiyan

President, Foreign Investors Chamber of
Commerce and Industry

OUTDOOR SPEAKERS

Dr. Sajjad Zohir

Economist

Mir Nasir Hossain

Ex-President, FBCCI



Aired on 23 February, 2009 at 6:00 p.m.

Episode 5 : CSR and Role of Media

DISCUSSANTS

Shaheen Anam

Executive Director, Manusher Jonno Foundation

Manzurul Ahsan Bulbul

Executive Editor, Daily Sangbad and
Head of News, ATN Bangla

OUTDOOR SPEAKERS

Moazzem Hossain

Editor, The Financial Express

Mohammad Nurul Amin

Managing Director and CEO, NCC Bank



Aired on 02 March, 2009 at 6:00 p.m.



Aired on 09 March, 2009 at 6:00 p.m.

Episode 6 : Global meltdown and CSR

DISCUSSANTS

Khandkar Ibrahim Khaled

Chairman, Board of Directors
Bangladesh Krishi Bank

Professor Iftekhar Gani Chowdhury

Vice Chancellor, State University of Bangladesh

OUTDOOR SPEAKERS

Dr. A.B. Mirza Mohammad Azizul Islam

Former Finance Advisor to the Care Taker Government

Zafar Osman

President, Dhaka Chamber of Commerce and Industry

Issue based discussions

Issue 1: Definition and historical background of CSR

- Corporate social responsibility (CSR) has been defined in different ways in recent times. The basic concept relates to responsibility of the corporate world towards the society. But now the NGOs are also coming up as a part of CSR though they are not corporate entities. We have Millennium Development Goals (MDGs) before us. Recently we have signed UN Global Compact. The activities under MDGs and UN Compact are now being put under CSR.
- If the welfare activities other than pure charity contribute to any social or economic development with long term perspective without hampering the corporate house, those can be part of CSR. This may even include some kinds of compliances.
- CSR relates to the responsibility of the corporate and business people towards the



society. In the context of Bangladesh, this concept has a historic background. In 1793 the then East India Company proclaimed the Permanent Settlement Act and started collecting revenue from the subjects through their local agents called Zamidar. This system continued until the proclamation of State Acquisition Act in 1950. The local Zamidars developed a sense of responsibility to the fulfillment of basic needs of the tax payers. Out of this feeling they initiated establishing educational institutes, charitable dispensaries, digging ponds as source of water and other welfare activities. The Zamidar system came to an end in 1950 after the new law had been enacted.



Muhammad Abdul Mazid

Now we term the national, international and multi-national companies as corporate houses. This entity is like a family. Corporate culture has developed with a sense of belongingness to the company by all people/stakeholders involved in it. A company generates employment for people, produces consumable goods and earns foreign currency through export. Generating employment also derives from a sense of social responsibility.

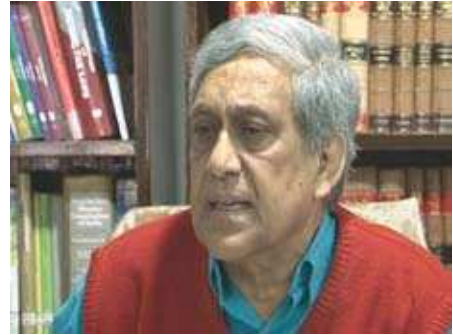
Dr. Syed Farhad Anwar



- Now CSR has become a popular concept and practice. Sensitized consumers/buyers groups are found to be considered as a strong pressure group in such process.
- In case of CSR, follow up has to be there. Monitoring the implementation of the CSR project, assessing its outcome are also part of responsibility. Nature of CSR varies from country to country. In developing countries, meeting basic needs of people is a big challenge. But in developed countries, rights and working

environment are more focused. So CSR has to be planned in the context of country needs.

- Donations with short term perspective and purely welfare oriented cannot be put under CSR. An activity with long term sustainable impact on development should be termed as CSR.
- CSR is like a pyramid. Philanthropic activities are at the top of the CSR pyramid and its base is the real corporate social responsibilities. We often see only the peak of this pyramid and cannot see the base. We should look at the compliance issue in a different way. When we produce a medicine, we think about cure of the patients. This is also part of social responsibility.
- Practising CSR without ensuring corporate governance within the scheme undertaken/supported by CSR is philanthropy. If, for example, we set up a hospital and do not follow up how it is being run the effort is not sustainable. If we make it sustainable through necessary steps, this will show our commitment towards a sustainable corporate social responsibility.
- After cyclone Sidr hit our coastal area, many companies contributed to the government relief fund. But that is not CSR. Because it is purely welfare oriented and one-time support where beneficiaries are considered as passive recipient. CSR must contribute to improving the standard of life of people. CSR activities must have role in improving the environment. Those who practise CSR must have corporate governance. They must ensure compliance. The government has already declared 10 percent tax rebate as incentives for CSR.



Barrister M. Zahir

- Paying wages regularly to the workers, providing them with health facilities and ensuring better condition are parts of compliance. If any corporate house follows all these compliance issues and then spends a chunk of its profit for social development, then it is called CSR. But it is important how they are spending the money and for which purpose. A business house always thinks about who should be benefited and how. For example, Prothom Alo is working with acid-throwing victims. It is true that philanthropy is an old tradition in our country. R.P. Saha donated all his assets to a trust for social development. The trust established schools and hospitals. This is a rare example of building institutions through philanthropy.

Issue 2: Distinction between CSR and corporate governance

- Before talking about CSR, the companies have to ensure compliance with standard corporate governance. The businesses have to see whether they are discharging their responsibilities as corporate entities in terms of maintaining quality of product, transparency of business process, compliance of labour and environment laws. If these are done properly, then the companies can think about their social responsibilities. Standard norms of corporate governance have to be addressed internally before going for CSR.

Dr. Atiur Rahman



- Only legal compliance is not sufficient in business. Some additional responsibilities are also there. Compliance can be of two types. One is legal compliance and the other is moral or social compliance. Corporate bodies have to go beyond the legal compliance so that the labourers are benefited.
- CSR activities have not flourished in Bangladesh. Moreover, there are confusions about its nature and definition. Corporate governance issues of a company include working environment, wages, workers' rights, day-care centre, clean and healthy workplace and sustainable waste management. On the other hand, CSR relates to company's activities in the community involving people in its supply chain. Big corporate houses in Bangladesh are involved in CSR. But the bulk of the activities is just philanthropy. The companies have not yet formulated any policy on CSR. Multinational companies are carrying out CSR activities in Bangladesh as part of their global drive. These activities should focus on the development challenges of the country. The companies should take initiatives to fulfill the MDGs that include building poverty-free Bangladesh, raising literacy rate of women, qualitative changes in education and skill development. Poor students from remote areas can be brought under CSR activities so that they can get the opportunity of higher education. Above all, the base for a balanced development can be created through CSR activities.



Waliur Rahman Bhuiyan

- Many people think that CSR and charity are synonymous. Establishing a hospital can be an instance of charity. But we think CSR is different. First we have to see the working condition for the employees of a corporate firm, ensuring which is a major responsibility of the corporate house. The second major issue is corruption. We believe good CSR means zero tolerance on corruption. We have to see the tax payment records and accounts of a company. Another important area is

the connection between CSR and poverty. We think good CSR aims at reducing poverty. We have to see how the company staffs are benefited from profit and how the community people are benefited by it. Child labour is another major issue. In 1995, a Memorandum of Understanding (MOU) was signed for elimination of child labour from our readymade garment sector. The main objective of the agreement was to improve the country's image since there was an apprehension that many buyers would not import garments from Bangladesh if child labour continued to exist. This has stopped. Now good CSR practices have to be ensured in garment sector. We should think how to ensure due wages and working condition for the garment workers. Therefore, good governance and CSR are inter-related.



M.A. Azizul Haque Swapan

- CSR has a relation with corporate governance. Basic concept of governance is fair treatment of all stakeholders. A vital part of corporate governance is compliance with laws and regulations. Here laws and regulations are insufficient. So compliance is a far cry. The existing regulatory gap has to be filled up. It is not simply a question of corporate social responsibility. It is also a question of the survival of the concerned organizations or corporate bodies. They will take care about their responsibility in the interest of sustainability of their business. Company shareholders have also the responsibility to ensure that a corporate entity sticks to the principles of corporate governance and corporate social responsibility.
- It is also said that improving corporate governance and practising CSR can go together. But well functioning corporate governance can establish worth mentioning and sustainable CSR practice.

- We have to abide by the ILO laws to facilitate export business. Money spent on ILO compliance is not a part of CSR. Because this is done in the interest of individual corporate development. If an activity benefits the society, that can come under the purview of CSR. For instance, a pharmaceutical company trains a group of physicians on a new medication. This is an additional activity of the company. At a certain point the company can launch that medicine and benefit in the long run. Still it is CSR.
- All compliance related rules and practices as set by the government and international bodies must be observed.
- Corporate houses failing to meet the compliance criteria are not doing any CSR. Otherwise, CSR may be confused with compliance.
- When we donate money for building a hospital, it contributes to our image building. Simultaneously we are providing additional health services not only to our employees, but also to the poor people of the community. This will develop a healthy society which will ultimately benefit our corporate houses.
- Corporate governance is one thing and corporate social responsibility is another. We may sponsor a vocational training for students or forestation in a village, but at the same time we have to think about internal situation of our organisations. We have to see whether we are giving regular salaries to our workers, whether we are producing quality products, whether we abide by the labour laws. We may make a Tk 100 crore profit through shady business, without paying tax, and spend Tk 50 crore on a social welfare work, but that should not be considered as CSR.
- Before going for CSR, the corporate sector has to take care that its activities do not have a negative impact on the society and the people. If a business concern causes traffic congestion for not keeping parking facilities for its clients, that is a negative action.

Issue 3: Importance of CSR

- Business firms have to satisfy people to do better business. They have to convince people that they are promoting people's well-being and their products are also good. To derive long term benefits from business, people have to be attracted through welfare activities in the form of CSR.
- Public-private partnership is vital for building a decent social infrastructure. If a school or a hospital is established at the initiative of a business concern, this may sustain in the long run with the support of the public sector. A new international

standard ISO 26000 will be introduced in 2010. All quarters including the corporate sector will have to follow this standard.

- Image of a company is a very important issue. "Fair trade, fair price" is the latest campaign we see in many countries. We have to be sure that there is no exploitation by the business. The second big issue is the country's image. Let us see what will happen to our RMG industry in the next five years. We think definitely it has a strong connection with the CSR practices. We have to show to the buyers that the



Farooq Sobhan

MA Momen





Kazi Rafiqul Islam

products they are purchasing are produced by maintaining good factory conditions and giving due salaries and benefits to the workers including maternity leave and medical facilities. The ISO 26000 which is related to social responsibility is going to be introduced from 2010 and we are hopeful to work with the Dhaka Chamber on this issue. We can train our industry owners on how to ensure ISO 26000. This is very important for our businesses.

- We have to prepare ourselves for the ISO 26000. We should diversify our export sector. Not only the RMG, we have to explore market for other sectors including frozen foods, light engineering and agro-based industries and ensure the standards to get access to markets. We have to address issues relating to climate, waste, pollution, garbage, child labour and women empowerment.

- CSR has its own economic value. We are trying to integrate social objectives and environmental goals with our business. If we take a project of energy efficiency, it can serve the society while it can also be a profitable venture for us. It is a business, but responsible business towards building a better society.
- Profit should not be seen in monetary terms only. CSR brings social goodwill for the company. If we are able to win people's trust, respect and goodwill through CSR, why not go for it? We must see it as an investment.



Mohiuddin Babar

Issue 4: Scope of CSR

- We have to fix our target and then work for achieving it. If we want to build hunger-free society, we should identify some areas in which we can develop through CSR activities. People living in the river basin, low lying lands and coastal zones and the areas where river erosion is acute are the most vulnerable to poverty. The big companies in Bangladesh can contribute to improving their living standard. A company can run a school or college in these remote and disadvantaged areas. This can be considered as an activity to fulfill the country's MDG in education. Bangladesh has thousands of artisans who make various crafts, but there is no marketing facility for them. A company can easily take the initiative to promote their craftsmanship.
- The corporate houses can create job opportunity for the unemployed people. Big companies in Singapore are setting up laboratories and training centers in the universities which will ultimately benefit them by creating skilled manpower.
- When a project is initiated, it is checked whether it is suitable to that society and whether it goes with the social goals of that particular country. For example, in Bangladesh healthcare is one of the major components of MDGs. When the work on eye care started, the MDG was kept in mind and the requirements of the country were considered and then integrated with Vision 2020 of the government. A project named Dhaka Eye Care is being run now. All these projects are being run through integration with the stakeholders and the goals of the society.

M. Emamul Haque



- There is an international standard called CSR audit, apart from government audit and credit rating. A company's audit and credit rating should be done considering its CSR practices and corporate governance. Another thing is awareness. This TV talkshow is intended to make people aware of CSR. At the same time, we can introduce CSR in the BBA and MBA programmes in universities. There should be a campaign that the companies which are involved in good CSR activities should be benefited more than those which are not.
- We have to explore the opportunity that will come from good CSR practices. The CEOs and the people running the business houses should be made aware first. There should be creativity among them so that they can serve better.

Issue 5: Practices of CSR

- To reduce carbon emission, Novartis has taken initiatives. In Argentina and Brazil, the company took up forestation programmes. Many of its vehicles have been converted into hybrid cars. In Bangladesh, the company converted them into gas-driven. This was done keeping in mind the need for conserving environment.
- Standard Chartered Bank launched a project for the people living with HIV in Africa and it expanded globally. The bank created a group which makes people aware of HIV. Then partnership was forged with another institution which works for developing leadership among students of colleges and universities. This project is expanding and creating an impact. In Bangladesh, the bank introduced a CSR award in cooperation with the Financial Express. Its objective is to encourage corporate houses in CSR. This got a good response and appreciation from the government. In our country, CSR

practice is hardly a 15-year-old phenomenon. Many of the corporate houses do not practise CSR. First its importance has to be realized and then a strategy has to be formulated.

- Social awareness building like campaign for beach cleaning can be an important CSR activity. Similar campaigns on health, education and other sectors can bring big social changes.
- In Novartis, CSR is practised from a platform based on four pillars. The first pillar is the primary beneficiaries who are its consumers (patients) and the doctors. The second one is how it reaches the benefits to the beneficiaries. The third pillar is its role in the society and the fourth is the impact of its CSR on environment.
- Novartis operates its company in the society considering its entire social set-up including its people and environment. Senior managers of the group are involved in the process of developing the strategy. This is an interactive process. All stakeholders of Novartis including its customers, shareholders and staff are asked to give their feedbacks on the impact they expect from us. The strategy can be developed considering their feedback. This should not be internally-driven. Bridging the corporate house and the society is essential for this. Apart from annual financial report, the company also publishes a social report with the objective of sharing the entire process of its business with the stakeholders. It wants to inform them how the company fulfills these expectations and how it progresses to have a real impact on the society. Many multinational companies are developing their CSR strategy this way.
- Strategy is developed both at the headquarters and the local level.

Ashfaque ur Rahman



Issue 6: Challenges and difficulties in CSR practices



Dr. A.B. Mirza Mohammad Azizul Islam

— Multinational companies operating in Bangladesh have not undertaken adequate CSR programmes despite being the signatories to the UN compact of 2000. The problem is a lack of motivation. Motivation will definitely grow if the government and the society want the multinational to carry out CSR activities. Such companies pay income tax, but they don't see any incentive. They pay road tax, but they see the roads are broken. That's why they feel a lack of motivation.

— There is a lot of scope for public-private partnership, but it is hardly explored. The big corporate houses here do not contribute

adequately to CSR activities. If the rich contributed some of their income to the welfare of the poor, the situation would have been much better.

— There will be definitely an impact of global recession on CSR. The major companies in US, which spent a big amount of money on CSR have now become social liabilities. They cannot continue the practice as vigorously as they did earlier. The small and medium



Zafar Osman

companies also contribute to social development, but the extent of their CSR practice will definitely decrease. The situation in Bangladesh is, however, different. There is hardly any real CSR activity. We see some business houses donate some money for social causes to show 'kindness or generosity', which should not be called CSR. So the impact in Bangladesh is not that significant.

- Starting from North America, economic recession is spreading through Europe to Asia. Bangladesh will also face its impact. If the impact is big, it will affect all sectors. CSR will also be affected, but it will not stop.



Professor Iftikhar Gani Chowdhury



Khandkar Ibrahim Khaled

- It is pretty difficult for the small and medium enterprises to practise CSR. The small and medium industries themselves are problem-ridden. High rate of bank interest and shortage of working capital are their major problems. So how will they fund CSR? However, Dhaka Chamber is planning to set up a cell, which will organize training workshop for the industry owners on the necessity of CSR.

Issue 7: Role of government in promoting CSR

- Government is charging tax on the profits of the companies to generate funds for welfare and development. Still at one point government cannot meet all the needs and a portion of responsibility will have to be shared by the corporate sector.
- Corporate people raise a question - why should we pay tax on the money we are spending on CSR activities? We also feel that corporate sector needs incentive and support to carry out CSR activities. Recently the government has decided to exempt tax on 10% of the money spent by a company on certain sectors.



Mir Nasir Hossain



Dr. Sajjad Zohir

- Regarding government's incentive, internal audit should be done before providing tax rebate on 10% of CSR money.
- The CSR areas identified by the government are pure water management, forestation, beautification of cities, waste management, old home, awareness creation on HIV/AIDS, donation to organizations working for mentally and physically disabled, women rights, anti dowry campaign, donation to public university, treatment of cataract, cancer, leprosy patients, treatment of acid survivors, development of

homeless children, scholarship for poor children's education etc. Firms and corporate houses with acceptable staff salary structure, provident fund and gratuity fund facilities will be entitled to receive tax rebate.

- Other conditions of receiving rebate for CSR activities are treatment facilities of employees injured in accident, waste management plant in factories, timely payment of VAT, income tax.
- The rules and auditing process should be simple to make the 10% incentive useful. The definition should be clear and simple.
- Tax rebate would be an effective tool for encouraging CSR activities. Corporate owners may not feel themselves comfortable engaging in CSR activities with payment of 45% tax.

Issue 8: Role of other players in CSR promotion

- There is a lot of scope to popularize CSR practice and the media can help in this regard. The media can highlight the best CSR practices and its benefits to motivate the corporate houses.
- The media can make the companies aware that since they are making profit, operating in a poverty-ridden country like Bangladesh, they have some responsibilities towards the society, such as development of environment and public health.

Shaheen Anam





Manzurul Ahsan Bulbul

- Media has to cover multi-dimensional issues. Regarding CSR, media personnel need to have a clear conception on the issue. Our basic problem here is lack of clear idea about the concept and context of CSR. Corporate houses should not advertise their CSR activities only for publicity. This may not be accepted by the media and its consumers. Media also needs to develop skills to provide enough space to cover CSR activities. Media itself is now quite a big business sector. So media has its own responsibility of promoting social welfare and people's well-being.
- Media and business firm maintain a reciprocal relation. Media houses also need to make profit. Both print and electronic media are playing appreciable roles by publishing appeals for help and other statements which facilitate corporate houses to respond. Media can draw a specific policy in this regard.

— Our media traditionally serves the disadvantaged section of the society. But when we talk about CSR, we have some problems with the concept. Media can be involved with those who are working for promoting CSR. Media should focus the people's hopes and aspirations. Traditionally they draw attention of the policymakers about the people's



Mohammad Nurul Amin

needs. The media needs more interactions and contacts with the organizations which are practising CSR. This will help the media to play its role in a more organized way.

- There are problems regarding relationship between the corporate houses and the media. There must be good relationship between them. When a business house sends a press release to publish a report on a programme aiming to help people, the media should not publish it only on consideration that the business house gives advertisement, rather they should consider the importance of the news for its publication. The media in Bangladesh however publishes such positive news with due importance.



Moazzem Hossain

- Media - corporate partnership can be built in two ways. When a business house takes an initiative, its media relations officer can take help from the media to make a priority list by scanning the reports published. Another way is that an organization can forge partnership with the media to implement a programme. The media will conduct primary research for such activities utilizing their nationwide network. Then they will provide information to any interested organization. If such partnership can be forged, the business houses will be benefited in two ways -- they do not have to spend much on research and they will get good coverage of the activities.
- Stakeholders like customers and suppliers should be involved in the CSR process since they are part of the society. They may have different views. So they must come to an understanding on the issue of

CSR. There should be a networking of the stakeholders to implement CSR programmes more effectively. When a company spends money on CSR that does not bring any direct benefit for the shareholders. So the shareholders must be involved in the whole process.

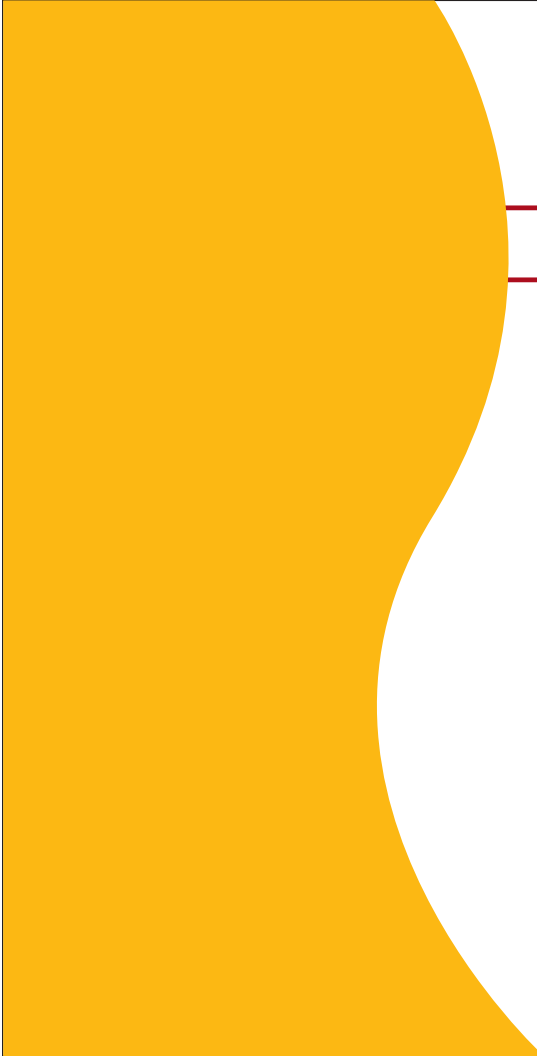
Issue 9: CSR Implementation mechanism

- CSR money can be better utilized if it is channeled through a foundation meant absolutely for welfare activities.
- We must see the sustainability option. Every bank has lending operation as its prime goal. But globally poverty reduction is a major issue now. A number of banks are working on this. Under the Clinton Global Initiative, the global chiefs of some international banks committed million dollar micro-finance fund for this.
- There is an informal alliance between multinationals in CSR. For example, Standard Chartered Bank wanted support for eye care initiative. This type of alliance is there in Bangladesh as well as in other countries. Take the example of how Clinton Foundation and Bill and Melinda Gates Foundation are working. Novartis, for another example, developed a foundation about 25/26 years ago and has been practising CSR through this globally and in Bangladesh.



Shah Masud Imam

- In many countries there are trusts through which business houses maintain a networking for their CSR activities. We are still at the primary level. But it is expected that an alliance can be formed, even if it is a small one.
- The term 'corporate social responsibility' puts the onus on only the corporate houses, but we think the responsibility belongs to all. The small companies which make profit also have responsibility. We feel the necessity of forming alliance as the small companies are unable to implement CSR programmes on a massive scale. We are hopeful that this will definitely grow in Bangladesh.
- Dhaka Ahsania Mission, to cite an example, took the initiative of setting up a cancer hospital. The government has donated a piece of land for it but it will need Taka 150 crore. Then the corporate houses donated about Taka 50 crore for the venture. This has been done informally. There is no formal structure of this alliance.



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