

Sections
Home Page
Local
Business
Market
Opinion
Middle East
Regional
World
Sports
Entertainment
Fashion
Student Life
Life
Law & Order
Around Town

Third Corporate Social Responsibility conference kicks off in Kuwait



Nancy Oteifa

Staff writer

KUWAIT: Kuwait's third conference on Corporate Social Responsibility (CSR) was inaugurated Tuesday at J.W Marriot.

The conference, which will end on Tuesday is supported by the United Nations Development Program (UNDP) and organized by Way Communication Company.

Speaking at the opening ceremony was Etedal Al-Ayyar the Chairperson, Organizing Committee and Managing Director at Way Communications Company and Valerie Cliff, U.N. Resident Coordinator and UNDP Resident Representative.

In attendance at the conference were senior officials from Zain, Gulf Bank, Alargan, Kuwait Petroleum Corporation and others.

"The importance of CSR and its activities are being recognized all over the world. Due to the financial crisis the world is facing it is certainly a testing time for all businesses and this is where CSR and its related efforts certainly come in handy," said Al-Ayyar at the opening ceremony of the conference. The conference will include sessions on the world financial crisis and its social impacts.

"It goes without saying that the Kuwait conference on Corporate Social Responsibility is convened this year amid spheres overcast with crises storming the whole globe, and account for a turning point for lots of the economic concepts which prevailed in the past. These crises, undoubtedly, are different from the other crises as they extend to the whole world and forecasts tell that the whole world will not



recover from such crises, at best times, before one or two years".

She added: "It is very important to speak on Corporate Social Responsibility in view of the present crisis. Many questions will arise such as can businesses continue carrying out their social roles in light of their meager financial resources? And, what is the role that can be assumed by these businesses to mitigate the severity of the social impacts of this devastating crisis? What is the extent to which some businesses can utilize their well-off social history for mitigation of their losses and have their influence on consumers to support them?"

Talking about the world financial crisis and its social impacts she stressed on four main points. "First, big businesses around the world have since long time known about their social responsibility towards the society and lent considerable contributions to their societies in the education, health, or environment conservation sectors. Those businesses contributed also in the area of training students and enforcing them with expertise and know-how and qualifying them for the labor market and also encouraged their artful and ingenuity skills. These businesses, therefore, deserve best appreciation, respect and success."

"In the Middle East, we note in general that the social responsibility for most businesses is still at its cradle and at its outset, and is directly related with the provision of money through charity donations" she added.

Further elaborating, she said: "I believe, and think that all of you agree with me, that businesses and businessmen's vision and understanding to social responsibility should develop. They must understand that there are other issues with more significance than just providing of money. Gulf societies have developed and have become larger. Consequently, the challenges they face have become more sophisticated and larger. People are now more concerned with unemployment, frail education, lack of training, occupational qualification, and environmental issues. I believe the contribution by businesses in these issues will very much help their solution."

Discussing the second point, Al-Ayyar noted: "For the purpose of enhancement of these responsibilities, control them so that they shall not be subdued to businesses and their managers" fancies. I believe that it is very important to setup legislations and regulations on social responsibility. It is also very important to have a specialized entity which will lay down these regulations; specifically when we are at the advent of a process which will require considerable encouragement to businesses."

"It is very important during the next phase that those businesses and institutions which assume their social responsibilities towards the society shall be distinguished from those which do not assume such role and stand contented as watchers," she claimed.

"The last issue is that it is necessary to give importance to the social responsibility reporting, as to appraise businesses by every body in the society, be it employees, workers, or shareholders, through the social responsibility report, which should not be of less value than corporate financial reports," she further added.

Al-Ayyar went on to discuss the CSR index. "It is the deem to be the optimum approach for conveying the social responsibility on local levels to advanced applied phases based on the compact measuring of businesses practices. Such index shall also drive businesses to develop their programs to handle the cases directly related to society for upgrading businesses competitiveness, and consequently the impacts of these actions on the national economy."

"Undoubtedly, citizens' awareness of the social responsibility concept will be the great drive to businesses towards positive social responsibility practices, whereas studies indicate that 68 percent of consumers prefer to deal with businesses which assume their social responsibility roles."

She concluded by saying "Kuwait witnesses significant developments, and moves towards granting the private sector greater role in the national economy has become an undisputable concern in view of the desire of His Highness the Amir to convert Kuwait into a distinguished financial and trade center in the region. Therefore, joint efforts among public and private sectors should collaborate".

Meanwhile, Cliff said: "Ending poverty, the aspiration of the Millennium Development Goals (MDG), is the overriding development objective of the 21st century agreed upon by the world leaders eight years ago. To reach the MDG, we need to consider how we can best respond and how we can break with business as usual. A broad and global response is needed in making full use of all the financial, intellectual and organizational resources that we can muster, particularly in these very challenging

economic times."

She claimed that business, trade and investment were essential pillars of peace and prosperity. "As a major component of society, the business community has an opportunity to help address the world's most pressing problems. In an increasingly globalized and interconnected world, progress towards the MDGs depends heavily on sustainable economic activity at local, national, regional and international levels.

While governments carry primary responsibility, it is increasingly in the interests of business to be part of development solutions. Companies around the world are recognizing that taking greater responsibility and contributing towards sustainable development and poverty reduction is essential." Cliff added that in the meantime, there were growing international demands for business to be more transparent and more accountable for their economic, social and environmental impacts everywhere they operate.

"The development of Corporate Social Responsibility reflects the growing expectations of the community and stakeholders of the evolving role of the private sector in society and the response of businesses to growing environmental, social and economic pressures," she said.

"Corporate Social Responsibility is potentially wide in scope, implying an active role for private sector entities as "citizens," having both rights and responsibilities. In addition to adopting the business policies of corporate social responsibility, corporate citizenship is geared, in particular to maximizing private sector contributions to social development without undermining business practices," Cliff elaborated.

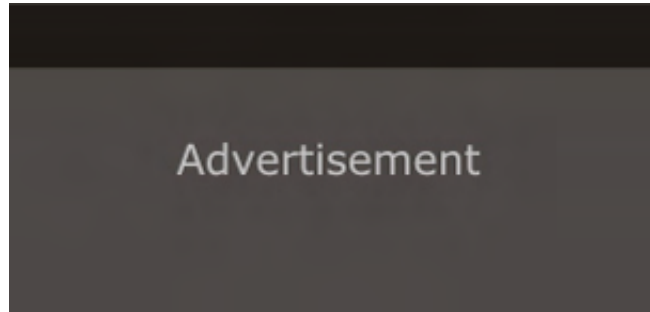
Talking about Global Compact, the UNDP official highlighted that fact that it had become an important foundation supporting the Corporate Social Responsibility agenda. "The Global Compact has become the world's largest corporate citizenship initiative bringing together companies, government, labor and civil society on the conviction that business practices rooted in universal principles can help bring social and economic gains."

"Global Compact asks businesses to respect human rights, to ensure safe workplace conditions, environmental standards and to practice good corporate governance. This commitment in itself is a crucial component of how business can support the MDGs. Companies can play a vital role by promoting this set of universally agreed core values and by minimizing the negative impacts of their own business operations," she said.

Cliff added: "At the same time, the Global Compact encourages companies to engage in fostering partnerships with other key actors of the society in order to develop practical solutions for meeting the broader development objectives outlined in the MDGs. Today, more than 3,000 companies from more than 100 countries have participated in the Global Compact.

Concluding her speech, Cliff stated: "In Kuwait, UNDP will continue to reach out to the private sector in addressing development challenges. We encourage businesses in Kuwait to participate in partnership projects to craft sustainable solutions to national development challenges and the MDGs."

Last updated on Wednesday 7/1/2009



Sections

- Home Page
- Local
- Business
- Market
- Opinion
- Middle East
- Regional
- World
- Sports
- Entertainment
- Fashion
- Student Life
- Life
- Law & Order
- Around Town

Experts highlight significance of CSR activities in times of financial crisis



Nancy Oteifa
Staff writer

KUWAIT: The first session of the third conference and workshop on Corporate Social Responsibility included a lecture titled "The triple bottom line-people, planet and profit or the top line? The case for CSR in the global financial crisis" lectured by Richard Linning the Founder and Senior Partner, The Stable House Partnership and Stephen Frost Co-Founder, Executive Director, CSR ASIA where they also discussed "Why measuring your CSR impact is now more important than ever".

Linning discussed the significance of CSR in the current global financial scenario. He stated that the global stock market lost three trillion U.S. dollars and the prices of oil is has decreased to one-third of its value since summer of 2008. He said: "There are three priorities in the business perspective, liquidity, stakeholders and customers and these are the main issues for the survival of any business."

He further said that in order to end poverty in the emerging economies across the globe, it is important to invest in the girl child. "It"s called the girl effect, because girls are uniquely capable of investing in their communities and making the world better" he said.

He added: "When a girl in the developing world receives seven or more years of education, she marries four years later and has 2.2 fewer children. An extra year of primary school boosts girls" eventual wages by 10 to 20 percent. An extra year of secondary school boosts their income by 15 to 25 percent.



Education of the girl child eventually leads to a consistent relationship between a better infant, child health and higher levels of schooling among mothers. When women and girls earn income, they reinvest 90 percent of it into their families."

Concluding his presentation, Linning advised everyone to stick to stick with CSR activities as "Good CSR equals accumulation of social capital. This in turn means that there will be trust and tolerance, workers will go the extra mile, customers, shareholders and creditors will stick around for the long term."

"Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to the economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large," he concluded.

Frost then gave his presentation on developing a CSR system that works, he said: "At its most fundamental level CSR involves organizational change which means that CSR is not as hoc but integrated into management systems"

Frost gave a best CSR practice with the case study of timber Products Company (putting sustainability on the agenda). The first step for good CSR is to attract investment, then new markets overseas because consumer wants sustainability.

The other case study was a beverage company (engaging the community from the start) where the first step for good CSR is assess (stakeholders), then engage (two-way dialogue) and then partner (work with the community).

"The best practice for CSR is to assess your research, engage-talk and listen, partner -work with your stakeholders and finally lead-build your brand and manage risk," he said.

The CSR conference concludes Wednesday with a number of workshops to be held during the day.

Last updated on Wednesday 7/1/2009