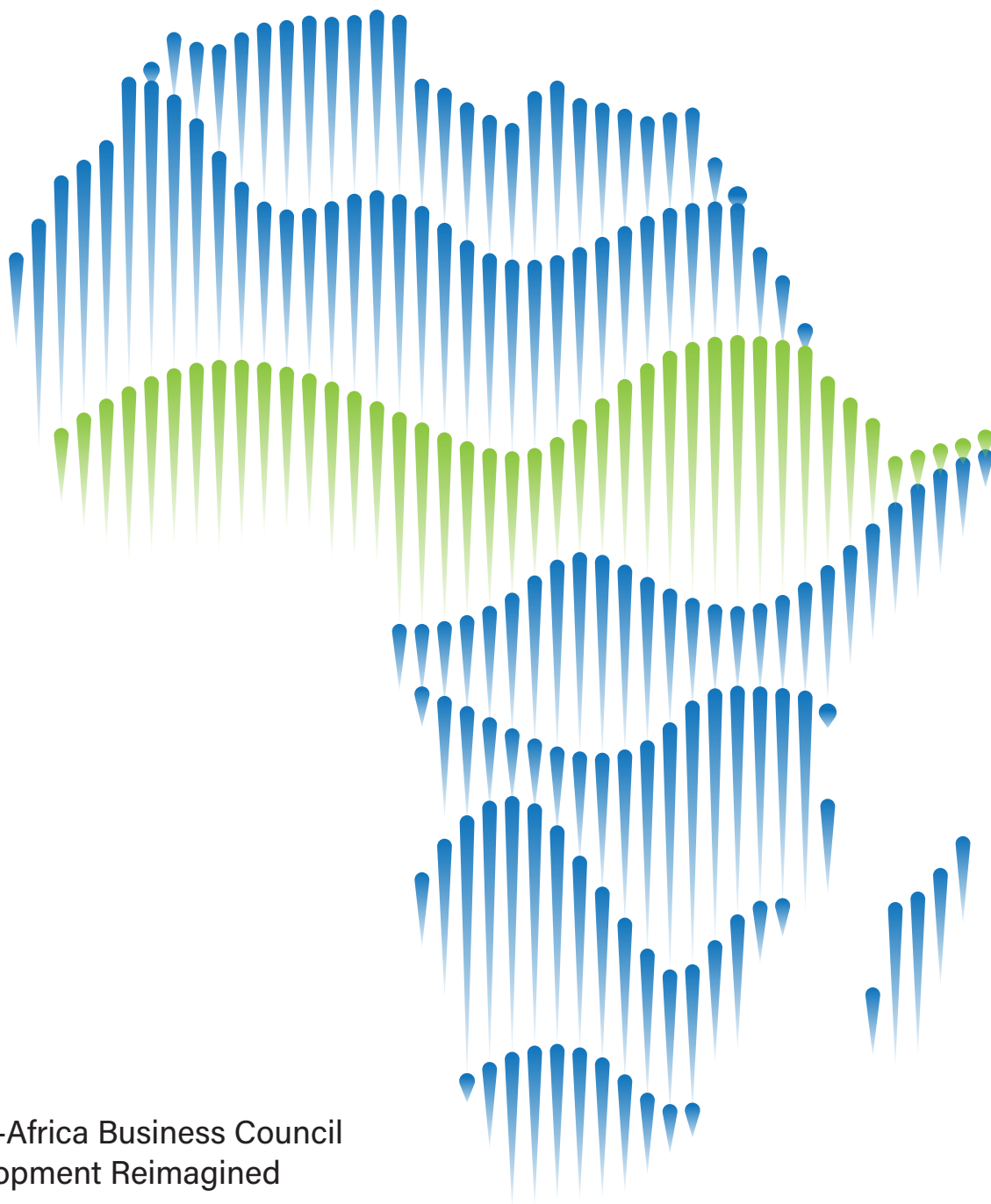


# Sino-Africa Cooperation- Corporate Social Responsibility Guide



China-Africa Business Council  
Development Reimagined

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# Introduction

## What is Corporate Social Responsibility?

According to the United Nations, by definition, Corporate Social Responsibility or CSR is a management concept that starts with a company's value system and a principles-based approach to doing business whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. At its most basic level, CSR is concerned with the relationships that a company maintains with its shareholders, local communities' clients, suppliers, creditors and employees.

In general, CSR involves companies balancing corporate citizenship and environmental responsibility to give back to the communities in which they operate.

## But why is CSR important for sustainable development?

Now, more than ever, businesses no matter how large or small, and regardless of their industry, can contribute to sustainable development and the achievement of the United Nation's Sustainable Development Goals (SDGs). Global challenges – ranging from climate, water and food crises, to poverty, conflict and inequality – are in need of solutions that the private sector can deliver, representing a large and growing market for business innovation. In the rush to transform business models and systems for the future, integrity and values will have a huge role to play.

## What are the figures of Chinese Investment in Africa?

With the acceleration of Chinese companies going global, more and more companies are actively practicing CSR both in China and overseas. According to Chinese MOFCOM statistics, there are over 3800 Chinese investors in Africa.<sup>1</sup> The main areas of investment include construction, mining (including oil & gas and minerals), manufacturing, finance, and leasing and business services.<sup>2</sup>

Chinese companies aim to fulfill their social responsibilities in Africa, laying emphasis on their responsibilities to stakeholders including employees, communities, and governments. Reports show they integrate their social and

<sup>1</sup> <http://www.mofcom.gov.cn/article/ij/yj/202101/20210103033144.shtml>

<sup>2</sup> Report on Development of China's Outward Investment and Economic Cooperation 2020, MOFCOM, People's Republic of China <http://images.mofcom.gov.cn/fec/202102/20210202162924888.pdf>

environmental concerns into the mainstream of their business operations, corporate strategies, organizational structures, and daily operations.<sup>3</sup>

According to research by the China-Africa Business Council, Chinese companies in Africa are integrating their expertise, innovation capabilities, and business management strengths as social capital to address social or environmental problems in poverty-stricken areas in Africa. They aim to achieve this by means of business ethics, production safety, occupational health as well as protection of the legitimate rights and interests of workers. Furthermore, they seek to promote environmental protection, support for charities, donations to social initiatives, and protection for disadvantaged groups.

## Purpose of the report

The 'Sino-Africa Cooperation-Corporate Social Responsibility Guide' aims to promote Chinese and African enterprises to better fulfil their social responsibilities and achieve the United Nations 2030 Sustainable Development Goals through the analysis of best practices for corporate social responsibility at home and across the African continent.

Chapter One provides context on the concept and scope of CSR around the world. Chapter Two provides a series of CSR case studies from British, French, American, Indian, Chinese and African companies. These case studies explore both best practices and the challenges of implementing CSR in Africa. Chapter Three provides practical guidelines on how companies can create impactful CSR in Africa. Lastly, Chapter 4 highlights some good examples of Chinese enterprises already implementing CSR initiatives both at home and in Africa?

## Methodology

The bulk of the paper draws heavily from desk research. The scope and context of CSR is based on a series of academic journals which have been referenced accordingly. The case studies draw on company websites, public available information, and website articles to understand the scope and challenges of their specific CSR initiatives in China. A series of interviews were also conducted between April and May 2021 to gain a deeper understanding of CSR implementation, impact and challenges. The team interviewed leading Chinese businesses operating in China, international companies implementing CSR in China, The UN Global Compact, African Embassies in Beijing and CSR consulting companies.

The paper was written to be read and understood by Chinese companies operating in Africa who seek to create or expand their CSR practices. However, the paper also provides useful suggestions for all businesses hoping to increase their CSR impact alongside other stakeholders, such as Embassies or Chambers of Commerce, who seek to support businesses with their social and environmental impact.

<sup>3</sup> Report on Chinese Investment in Africa—Market Power and Role of the Private Sector, P78

# Section I: CSR Concepts

## Concepts: various definitions of CSR from UN, Europe, America, China, and Africa

Around the world, the definition of ‘Corporate Social Responsibility’ varies according to local context and government policies. The section below outlines the key definitions from Europe, America, China and Africa.

### 1.1.1 United Nations and CSR

#### UN Sustainable Development Goals (SDGs)

With our planet facing considerable economic, social, and environmental challenges, companies are hindered from realising long term objectives if they are unable to protect the environment in which they wish to survive. This has given rise to the concept of linking CSR with sustainable development.<sup>4</sup>

Adopted by the UN General Assembly in September 2015, the Sustainable Development Goals, are made up of 17 global goals, such as “no poverty, zero hunger, good health and well-being, quality education, gender equality, clean water and sanitation, and affordable and clean energy”. Collective efforts to address these issues can be achieved by individuals with innovative ideas and with the support of the private and/or public sector.<sup>5</sup> The UN advocates for CSR and SDG approaches to become an integral part of the economic concepts used by business, to ensure balance between social progress, natural resource reserves and economic growth.

According to the UN<sup>6</sup>, corporations that practice CSR and sustainable development need to operate in ways that are respectful to the general population and their surrounding environment. The success of this is dependent on the businesses’ ability to pay special attention to product quality and the impact their activities may have on their community. By acting responsibly, corporations can become more innovative, increase their revenue by producing higher quality products, and reduce costs by making smarter business decisions.

<sup>4</sup> <https://indiaccsr.in/linking-csr-with-sdgs-reorient-purpose-of-business/>

<sup>5</sup> <https://www.eurobiz.com.cn/corporate-social-responsibility-and-sustainable-development/>

<sup>6</sup> <https://www.unido.org/our-focus/advancing-economic-competitiveness/competitive-trade-capacities-andcorporate-responsibility/corporate-social-responsibility-market-integration/what-csr>

### What is the role of UN Global compact?

The United Nations Global Compact is a United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies. Responsible businesses enact the same values and principles wherever they have a presence, knowing that good practices in one area does not offset harm in another<sup>7</sup> – and to report on their implementation. The UN Global Compact is a principle-based framework for businesses, stating Ten Principles in the areas of human rights, labour, the environment, and anti-corruption.<sup>8</sup>

Figure 1 Ten Principles UN Global Compact

THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT			
Human Rights	Labour	Environment	Anti-Corruption
<p><b>1</b> Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p><b>2</b> Make sure that they are not complicit in human rights abuses.</p>	<p><b>3</b> Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p><b>4</b> The elimination of all forms of forced and compulsory labour;</p> <p><b>5</b> The effective abolition of child labour; and</p> <p><b>6</b> The elimination of discrimination in respect of employment and occupation.</p>	<p><b>7</b> Businesses should support a precautionary approach to environmental challenges;</p> <p><b>8</b> Undertake initiatives to promote greater environmental responsibility; and</p> <p><b>9</b> Encourage the development and diffusion of environmentally friendly technologies.</p>	<p><b>10</b> Businesses should work against corruption in all its forms, including extortion and bribery.</p>

The UN Global Compact provides a policy framework for the development, implementation and disclosure of responsible and sustainable corporate policies and practices.<sup>9</sup> It offers companies who sign up, a wide spectrum of specialized work streams, management tools, resources, and topical programs.<sup>10</sup> It exists to assist the private sector in the management of increasingly complex risks and opportunities in the environmental, social, and governance realms, seeking to embed markets and societies with universal principles and values for the benefit of all.<sup>11</sup>

### 1.1.2 The definition of CSR across Europe and America

The European Commission (executive branch of the European Union, responsible for proposing legislation), defines CSR as the responsibility of enterprises for their impact on society, and therefore, it should be company led. The EU commission believes companies can become socially responsible by

- integrating social, environmental, ethical, consumer, and human rights concerns into their business strategy and operations
- following the law
- encouraging enterprises to adhere to international guidelines and principles.

The EU's commission's strategy on CSR stresses the importance of enhancing the visibility of CSR and disseminating good practices, through the integration of CSR into education, training, and research.<sup>12</sup>

CSR in the United States however, is based on a different conception of responsibility than in European countries. Whereas in Europe, CSR is largely governed by regulations, standards, and good practices, the definition of CSR in the United States is vague in legal terms. Thus, in the US, a more philanthropic and individual conception of corporate

<sup>7</sup> <https://www.unglobalcompact.org/what-is-gc/mission/principles>

<sup>8</sup> Ibid

<sup>9</sup> Policy framework for development available at: [https://d306pr3pise04h.cloudfront.net/docs/news\\_events%2F8.1%2FGC\\_brochure\\_FINAL.pdf](https://d306pr3pise04h.cloudfront.net/docs/news_events%2F8.1%2FGC_brochure_FINAL.pdf)

<sup>10</sup> Ibid

<sup>11</sup> Policy framework for development available at: <https://csridentity.com/globalcompact/index.asp>

<sup>12</sup> EU's commission strategy derived from [https://ec.europa.eu/growth/industry/sustainability/corporate-social-responsibility\\_en](https://ec.europa.eu/growth/industry/sustainability/corporate-social-responsibility_en)

responsibility is the one that prevails, where business as usual is seen as “normal” and taking some profit to help society or the environment is often reflected as an act of charity.<sup>13</sup> In Europe and America, corporate social responsibility can also be known as corporate responsibility (CR), sustainable development, corporate accountability, creating shared value (CSV), and social responsibility.<sup>14</sup>

### 1.1.3 The definition of CSR in China

With the sustained and rapid development of the economy and the economic globalization trend from 1990s, the above-mentioned concept of CSR that originated in the West spread to China.

In the book by Yuan Jiafang<sup>15</sup>, which was considered the theoretical foundation of CSR research in China, CSR is defined as the ‘enterprise’s obligation to face the social needs and all kinds of social problems, to safeguard the state, the society and the fundamental interests of the human, while implementing its own survival and development.’

After China joined the WTO in 2001, the concept of CSR has further evolved to reflect the legal and ethical responsibility of enterprises. The economic and legal responsibilities were considered as obligations rather than responsibilities in a narrow concept of CSR, but those were what enterprises ought to fulfil fundamentally.<sup>16</sup>

A turning point in the definition of CSR came in 2006, when the concept of CSR was included in Chinese Corporate Law. It requires companies to abide by social ethics, business ethics, to be honest and trustworthy, as well as to fulfill social responsibilities.<sup>17</sup> However, this law only applies to companies operating in China and not Chinese companies operating overseas, who should abide by local regulations.

In 2008, the State-owned Assets Supervision and Administration Committee of the State Council (SASAC) published Guidelines to CSOs in China, which requires CSOs to be responsible to stakeholders and the environment, enabling the well-balanced growth of enterprises, social benefit and environment protection<sup>18</sup>, which can be viewed as defining the scope of CSR regulated by the Chinese government.

### 1.1.4 The definition of CSR in Africa

Across the African continent, there are an infinite number of CSR definitions. Generally, CSR encompasses a set of standards to which a company subscribes to make its impact on society and can make positive contributions to the development of communities and businesses.

In Nigeria, although CSR's concept is relatively new in Nigeria, indigenous Nigerian companies perceive and practice CSR as corporate philanthropy to address socio-economic development challenges in Nigeria. CSR from a Nigerian<sup>19</sup> perspective can be viewed as two-fold. Firstly, large national companies' recent development of formal CSR practices is mainly advocated. These initiatives are primarily philanthropic. Secondly, Nigerian cultural traits and traditional values like sharing and consensus are still strongly manifested in Nigeria's everyday business life.

In Morocco<sup>20</sup>, factors such as the socio-economic context, globalization, and culture have required companies to assume their economic responsibility to ensure the production of goods and services and assume its social and environmental responsibility towards society. The Moroccan CSR objective is to encourage companies to be socially responsible, improve their competitiveness at the national and international level in order to facilitate their access to foreign markets. In addition, promote the social responsibility of suppliers and subcontractors and cultivate a culture of commitment to the community.

<sup>13</sup> Concept of CSR in the US taken from <https://youmatter.world/en/definition/csr-definition/#:~:text=Definitions%20Of%20CSR&text=CSR%20encompasses%20all%20the%20practices,the%20principles%20of%20sustainable%20development.&text=It%20means%20that%20companies%20need,respect%20and%20preserve%20the%20environment.>

<sup>14</sup> <https://www.forbes.com/sites/csr/2011/07/28/so-you-call-this-csr-or-one-of-its-many-other-names/?sh=2c632dfe2d41>

<sup>15</sup> Yuan Jiafang, “Corporate Social Responsibility”, 1990

<sup>16</sup> Document available for download at (psu.edu)

<sup>17</sup> CSR in China: From Follower to Leader - Collective Responsibility (coresponsibility.com)

<sup>18</sup> CSR in China: [http://en.sasac.gov.cn/2011/12/06/c\\_313.htm](http://en.sasac.gov.cn/2011/12/06/c_313.htm)

<sup>19</sup> Å. Helg, “Corporate social responsibility from a Nigerian perspective,” *Handelshogsk. Vid Goteborgs Univ.*, pp. 1–101, 2007.

<sup>20</sup> J. El Yaagoubi, “CSR in Morocco : Emergence and practices,” no. May 2018, 2019.

In Egypt, CSR is strongly influenced by Egypt's religious beliefs<sup>21</sup>. CSR in Egypt is still regarded as a non-institutionalized phenomenon and is understood mainly as a philanthropic concept. Egyptian companies operate in an environment where CSR compliance is primarily voluntary. PR and marketing campaigns are common in Egypt rather than well-conceived programs aimed at ongoing societal development and sustainable economic improvement. Operating from within traditional CSR models, businesses can continue their philanthropy efforts by offering financial support and in-kind contributions to local communities and the poor.

In South Africa, CSR<sup>22</sup> is often seen as an umbrella that contains philanthropic and social impact investments, providing access to the economy to develop the country and its citizens in eliminating substantial social, educational, and financial inequalities amongst the population. The statistical analysis shows that health care is a relevant CSR-related issue in South African business life. Two relevant clusters of essential items are visible: workforce and working conditions and formal business processes.

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<sup>21</sup> Available: [http://www.eg.undp.org/content/dam/egypt/docs/Poverty/UNDP\\_ECRC\\_Final.pdf](http://www.eg.undp.org/content/dam/egypt/docs/Poverty/UNDP_ECRC_Final.pdf).

<sup>22</sup> J. Postma, "Making business sustainable: Corporate social responsibility in South Africa," pp. 1–97, 2011.

## Background: Evolving CSR understanding, laws and regulations around the world

Given the differing definition of CSR around the world, this chapter explores how CSR has developed and what impact this has on a companies' business strategies both domestically and "going out".

### 1.2.1 The evolving concept of CSR in Europe and America- a move towards ESG and sustainability reporting

"ESG" is an acronym for environmental, social, and governance. Importantly, ESG is not CSR and refers to the coordinated reporting on the three core categories mentioned below (see box 1). ESG is deemed more measurable and thus more accountable than "just CSR" and therefore more sustainable in the long-term.

In general, CSR puts emphasis on how companies treat employees and the wider community, as opposed to integrating sustainability into business models. Whereas CSR provides accountability within an organization, ESG aims to collect and measure metrics relevant to a business's objectives and stakeholders.<sup>23</sup>

Across the Western world, CSR practices have in general been replaced with ESG yet often companies will have both a CSR team and an ESG team.<sup>24</sup> Until the mid-2010s few investors paid attention to ESG data. Today however the data is widely used by investors and is seen essential to business operations.<sup>25</sup>

#### Box 1: Three core categories of ESG

Environmental considerations include climate impact, natural resource use, energy consumption, conservation efforts, and waste management;

Social considerations include health and safety, privacy and data information, labour relations, human rights, community involvement, and employee diversity;

Governance considerations include a company's management structure, board accountability and independence, business ethics, executive compensation, audits and internal controls, transparency, and shareholder rights. Over the last decade, the EU, through optional and mandatory provisions aimed at promoting CSR has encouraged companies to conduct their business responsibly by a mix of voluntary and EU legislation, aligned with the UN Guiding Principles and the UN 2030 agenda for sustainable development.<sup>26</sup>

#### What is ESG reporting?

ESG reporting refers to the disclosure of data covering the company's operations in environmental, social and corporate governance metrics. It provides a snapshot of the business's impact in these three areas for investors. Often, the analysis of performance across these ESG factors summarizes quantitative and qualitative disclosures and helps screen investments. ESG reporting helps investors avoid companies that might pose a greater financial risk due to their environmental performance or other social or governmental practices.

<sup>23</sup> Full article available at: <https://www.jdsupra.com/legalnews/from-csr-to-esg-how-to-kickstart-your-3703495/>

<sup>24</sup> ESG Data available at: <https://www.energylivenews.com/2020/07/28/csr-is-a-thing-of-the-past-why-more-businesses-need-to-invest-in-esg/>

<sup>25</sup> For more details, please visit: <https://hbr.org/2020/09/social-impact-efforts-that-create-real-value>

<sup>26</sup> ESG categories available at [https://www.europarl.europa.eu/RegData/etudes/STUD/2020/658541/IPOL\\_STU\(2020\)658541\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2020/658541/IPOL_STU(2020)658541_EN.pdf)

While it's still voluntarily for most countries, there are increasing global regulations regarding corporate ESG data reporting. Furthermore, although the demand and practice of ESG reporting have increased, there still lies a considerable knowledge gap between ESG information and supply. This gap is driven by several factors like varying ESG reporting standards and frameworks, non mandatory reporting mechanisms, and steep costs to collect and report data. These can hamper the efforts to offer higher-quality data to investors to inform their decisions. Fortunately, companies can work with experts to develop and incorporate ESG balanced strategies into their overall performance.

For example, a survey conducted by KPMG in 2018 found that only 37 percent of business leaders of Hong Kong-listed companies had integrated ESG issues into their strategic planning, meaning that the majority of companies still regarded ESG as ancillary, and did not integrate it as a key concern in actual company business.<sup>27</sup>

### What other sustainability reporting mechanisms have been developed?

ISO reporting, is an international standard for reporting on social responsibilities, published in 2010 by the International Organization for Standardization (ISO), a specialized international agency for standardization composed of the national standards bodies of more than 160 countries.<sup>28</sup> ISO provides guidance to assist organizations in addressing their social responsibilities while respecting cultural, societal, environmental, and legal differences and economic development conditions (see box 2). According to the ISO 2019 annual report, over one million companies use ISO reporting in their business operations.<sup>29</sup>

The International Organization for Standardization (ISO) defines social responsibility as, “The responsibility of an organisation for the impacts of its decisions and activities on society and the environment, resulting in ethical behaviour and transparency which contributes to sustainable development, including the health and well-being of society; takes into account the expectations of stakeholders; complies with current laws and is consistent with international standards of behaviour; and is integrated throughout the organization and implemented in its relations.”<sup>30</sup>

### Box 2: ISO reporting

ISO is defined as the international standard developed to help organizations effectively assess and address social responsibilities that are relevant and significant to their mission and vision; operations and processes; customers, employees, communities, and other stakeholders; and environmental impact. The seven key underlying principles of social responsibility:

- Accountability
- Transparency
- Ethical behaviour
- Respect for stakeholder interests
- Respect for the rule of law
- Respect for international norms of behaviour
- Respect for human rights

Source: [www.ISO.org](http://www.ISO.org)

### The Trend of CSR to ESG and sustainability reporting

In Europe and America more companies are committing to ESG practices due to pressure from stakeholders and consumers, in particular younger investors who are noting the importance of corporate responsibility and sustainability

<sup>27</sup> Report available at: <https://assets.kpmg/content/dam/kpmg/cn/pdf/en/2020/01/integrating-esg-into-your-business.pdf>

<sup>28</sup> More details at: <https://www.iso.org/iso-26000-social-responsibility.html>

<sup>29</sup> ISO annual report available at: <https://www.iso.org/files/live/sites/isoorg/files/store/en/PUB100385.pdf>

<sup>30</sup> Definition of ISO available at: <https://youmatter.world/en/definition/csr-definition/#:~:text=Definitions%20of%20CSR&text=CSR%20encompasses%20all%20the%20practices,the%20principles%20of%20sustainable%20development.&text=It%20means%20that%20companies%20need,respect%20and%20preserve%20the%20environment>



reporting. A 2019 survey of millennials conducted by Deloitte found that climate change and environmental protection sit at the top of their concerns.<sup>31</sup> According to a 2019 report from GlobalWebIndex, 68 percent of online consumers in the United States and the United Kingdom would consider not using a brand because of poor or misleading corporate social responsibility and close to 50 percent were willing to pay a premium for brands with a socially conscious image.<sup>32</sup>

This pressure has encouraged large European and American businesses to invest in CSR, ESG and reporting tools to support their sustainability efforts both at home and overseas. With many businesses increasing their operations in emerging economies, the role of 'sustainability' in the supply chain has become very important. Consumers and stakeholders are demanding responsibly sourced products that support local communities and protect the environment. This pressure is encouraging CEOs to consider sustainability across the entire business, even if the country they operate in or source products from, does not have robust CSR sustainability laws.

### Box 3: Marks & Spencer (major UK retailer) stance of sustainable fashion and supply chain management<sup>33</sup>

Although Marks & Spencer (major UK retailer) does not have major operations across Asia and Africa, their supply chain has a vast impact on these regions. From sourcing food from Africa to producing clothes in India, the retailer is deeply embedded into local communities in these regions. Consumers in the UK have placed increasing pressure on the retailer to improve CSR efforts in these countries.

According to M&S "With the M&S promise, our customers can be confident that our clothes are made with respect for people, communities and the planet. We want to play our part in creating a more sustainable fashion industry"

"By working with others and being members of initiatives like the Ethical Trade Commission, we can make an even bigger difference. In Bangladesh, for example, we've supported workers' health and wellbeing through projects such as HALOW+ and we offer digital, traceable wage payments through the HerFinance programme in collaboration with the Bill and Melinda Gates Foundation. We've also enabled workers in India to take part in the Gender Equality Programme with the British High Commission to help tackle gender discrimination and sexual harassment."

## 1.2.2 Evolving understanding of CSR across Asia

The awareness of corporate social responsibility has gradually spread in Asian countries under the background of globalization. Since the 1960s and 1970s, the concept of corporate social responsibility has gradually been introduced into Asia from companies based in Europe and America.<sup>34</sup> To date, governments are still the major propelling force of guiding corporate social responsibility with environmental protection a key issue across Asia. Large multinational companies have brought advanced concepts and management methods which have further promoted the practice and development of corporate social responsibility.<sup>35</sup>

In Japan and Korea, the concept of CSR was introduced in the late 20th century. In terms of CSR management, companies in Korea and Japan have followed the global trend of the 2000s, along with the introduction of international standards and evaluation measurements. 682 active participants<sup>36</sup> from Japan and Korea have signed an agreement to join UNGC, and some of them have published reports in accordance with the Global Reporting Initiative (GRI). In general, Japan and Korea's CSR decision making is structured under the CEO, which allowed CSR decisions to be more effective and faster to execute and provide direction. Korean businesses tend to think CSR is something equivalent to

<sup>31</sup> Survey available at: <https://www.smartrecruiters.com/blog/top-corporate-social-responsibility-trends-in-2020/>

<sup>32</sup> Global Web Index Report at <https://www.reworked.co/leadership/what-corporate-social-responsibility-looks-like-in-2020/>

<sup>33</sup> Source: <https://corporate.marksandspencer.com/sustainability/quick-reads/our-approach-to-sustainable-fashion>

<sup>34</sup> Definition of Eastern countries in this report mainly target on the developed countries in Asia and includes China.

<sup>35</sup> More details at <http://csr.mofcom.gov.cn/article/csmnews/CSRnews2018/201803/20180302716548.shtml>

<sup>36</sup> Active participants including company, SMEs, Ngo, Foundation, City, etc., 98% percent are companies and SMEs

that of Social Contribution whilst Japanese companies stress the value of environmental issues, especially reducing CO2 emissions.<sup>37</sup>

CSR in Singapore is largely shaped by the context in which business operates. The relationship that the government has with trade unions and the private sector is another distinguishing feature in the Singapore context. The Singapore model favors the tripartite approach, which refers to collaboration between the government, business, and the National Trade Union Congress (NTUC).<sup>38</sup> Global Compact Network Singapore (GCNS), as a leading voice on corporate sustainability, drives multi-stakeholder action to forge a more sustainable future. GCNS has the mission to meet fundamental responsibilities in the areas of human rights, labor, environment, and anti-corruption.<sup>39</sup>

In China, CSR has a history of more than 40 years.<sup>40</sup> After several years of exploring, Chinese companies generally accept the concept of CSR, seeing it as an important investment in social asset to compete with global counterparts. The concept of CSR has changed from simple charity giving and traditional volunteering programs to long-term plans aligning with a companies' core values and the country's strategy development which in the end creates additional social impact. Currently, Shenzhen, Shanghai and Hong Kong Stock Exchange all have guidelines on corporate social responsibility disclosure, whereby industry associations are successively issued with performance guidelines and national standards on several sectors as they are gradually introduced.<sup>41</sup>

### 1.2.3 Evolving concept of CSR in emerging economies

The establishment of CSR programs by companies is a growing phenomenon which is no longer strictly reserved for businesses from or operating in high income countries. Indeed, companies (both local and international) in emerging economies consider their impact on various aspects, whether environmental or social, while pursuing the economic growth of the company.

Companies located and operating in emerging economies do not necessarily originate from these locations. Indeed, a certain proportion of these come from developed economies, attracted by the possibility of higher profits. Although binding laws are not always present, a number of companies as explored in the case studies, still implement CSR programs and often driven by their global CSR strategies.

In emerging economies, poor governance may add additional challenges for companies when they decide to implement CSR programs which has influenced how CSR has evolved. There are several factors for poor governance: corruption, political instability, ineffective government, problems with law enforcement, issues of voice and accountability, and legislative deficiencies. Some laws may be absent or not enforced by government institutions, giving companies more leeway in their options for action<sup>42</sup>. For example, according to a survey conducted by Ward (2004)<sup>43</sup>, most textile companies surveyed in Vietnam did not hire workers under the age of 18, even though the legal age to work in that country is 15. Because of the buyer code of conduct, companies preferred to comply with its requirements, even though the more flexible law would have allowed them to hire at a lower age.

Several incentives have encouraged companies established in emerging economies to set up CSR programs, despite the presence of less coercive constraints on the part of governments. For example, competitiveness, reputation and risk management as well as avoiding the implementation of legislation are some of the reasons that such activities are undertaken.<sup>44</sup> According to Fortune (October 2000) approximately one in every ten dollars of assets under management in the US (an estimated 2.3 trillion out of 24 trillion) is being invested in companies that rate highly on some measure of 'doing good'. It's an indication that socially responsible companies will outperform companies that

<sup>37</sup> CSR in Korea and Japan available at: <http://www.f.waseda.jp/glaw/CLASSES/Thesis%202019F%201M150030%20CHO%20So%20Hyun.pdf>

<sup>38</sup> CSR in Singapore available at <https://www.docin.com/p-1399712551.html>

<sup>39</sup> More information about CGNS at <https://unglobalcompact.sg/what-we-do>

<sup>40</sup> Full article at Yin GF, Guan ZS&Jia L.(2019). Surging trend of thought -- Research on the development course of Corporate social responsibility in China(1978-2019)(1). *Economic Herald of Sustainable Development*(12),58-60.

<sup>41</sup> China Social Entrepreneurship 2020, released by Hurun Report and Country Garden

<sup>42</sup> CSR in emerging economies at [http://www.waynevisser.com/wp-content/uploads/2012/04/chapter\\_wvissr\\_csr\\_dev\\_countries.pdf](http://www.waynevisser.com/wp-content/uploads/2012/04/chapter_wvissr_csr_dev_countries.pdf)

<sup>43</sup> Extract of the survey from [https://www.usherbrooke.ca/environnement/fileadmin/sites/environnement/documents/Essais2011/Houle\\_E\\_\\_09-01-2012\\_.pdf](https://www.usherbrooke.ca/environnement/fileadmin/sites/environnement/documents/Essais2011/Houle_E__09-01-2012_.pdf)

<sup>44</sup> Data available at [https://www.usherbrooke.ca/environnement/fileadmin/sites/environnement/documents/Essais2011/Houle\\_E\\_\\_09-01-2012\\_.pdf](https://www.usherbrooke.ca/environnement/fileadmin/sites/environnement/documents/Essais2011/Houle_E__09-01-2012_.pdf)

don't engage with various stakeholders, including shareholders and stakeholders, customers, employees, and activists, to determine how things can be done better.<sup>45</sup>

For TATA group for instance, CSR is taken to mean what a company does for the benefit of the community and environment beyond its fence."CSR is anything that companies do with the profits they make, for the betterment of society. Accordingly, CSR is understood to be a sub-set of the larger concept of Sustainability, which encompasses not just what a company does with its profits but also how responsibly the company makes this profit."

Source: Tata CSR Assessment Framework

<sup>45</sup> Data available at [https://www.ide.go.jp/English/Data/Africa\\_file/Manualreport/csr01.html](https://www.ide.go.jp/English/Data/Africa_file/Manualreport/csr01.html)

## The Importance of Corporate Social Responsibility in China

### 1.3.1 Overview of Corporate Social Responsibility in China

CSR is a recent practice in China. In fact, only 22 CSR reports were published between 1999 and 2005<sup>46</sup>. However, this changed in 2006 when the concept of CSR was included in corporate law. This set in motion a group of industry leaders, mainly state-owned enterprises (State-Grid, SinoPec, CNPC) to issue their first CSR reports.<sup>47</sup> Now, more and more enterprises have begun to set up specialized CSR reporting in China, and the demand for CSR professionals is surging.<sup>48</sup> CSR as a principle, guides more stakeholders to participate in the major decisions of companies and will be the core competitiveness of enterprises in China in the future.<sup>49</sup>

### 1.3.2 Approach and scope

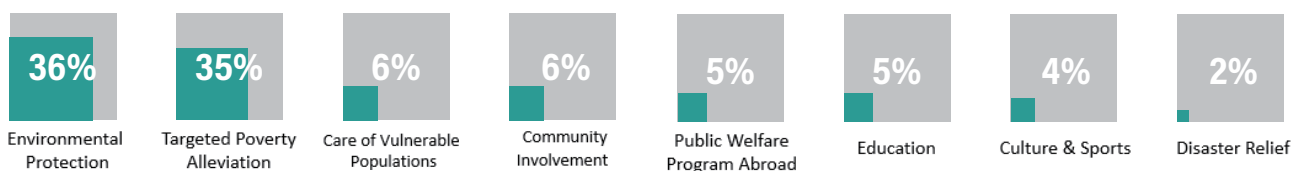
Under the guidance of the Chinese government, industry associations, capital market regulatory authorities and other institutions, corporate social responsibility has rapidly developed in China with many businesses releasing social responsibility reports. Reporting was initially spearheaded by state-owned enterprises, followed by private enterprises. There were 1903 CSR reports released in China in the year 2020, in which 50 percent were by SOEs, 35 percent were by private sector, the rest are by foreign companies in China or Hong Kong, Macao and Taiwan enterprises.<sup>50</sup> Because of their CSR awareness, the number of CSR reports released in China has been increasing year by year since 2011.

### 1.3.3 Implementation process

In China, the government is still the major propelling force behind CSR implementation. The CSR practices of Chinese enterprises mainly focuses on "environmental protection" and "poverty alleviation", which is consistent with the national strategic direction.

According to a Hurun Report, eight categories of CSR practice are most common among the top 100 Chinese Enterprises<sup>51</sup>, including environmental protection, targeted poverty alleviation, care of vulnerable populations, community involvement, public welfare program abroad, education, culture and sports, and disaster relief.<sup>52</sup>

Figure 2: CSR Practices of Top 100 Chinese Enterprises



Source: China Social Entrepreneurship 2020

The Hurun China Social Entrepreneurship 2020 report also notes the type of CSR that certain sectors are most likely to contribute towards. For example, the Mining and Manufacturing industries in China give more attention to environmental protection as their business operations tend to have an impact on the environment; Construction industry pays more attention to poverty alleviation and environmental protection which are the two major issues

<sup>46</sup> Excerpts from <https://www.weforum.org/agenda/2015/03/is-corporate-social-responsibility-chinas-secret-weapon>

<sup>47</sup> CSR in China: <https://youmatter.world/fr/csr-in-china-future-of-corporate-social-responsibility/>

<sup>48</sup> CSR in China: <https://index.caixin.com/2018-01-25/101202619.html>

<sup>49</sup> CSR in China: <https://csr-china.net/a/zixun/wenda/2016/0106/3537.html>

<sup>50</sup> «GOLDENBEE RESEARCH ON CORPORATE SOCIAL RESPONSIBILITY REPORTING IN CHINA (2020)» ,[https://www.pishu.com.cn/skwx\\_ps/databasedetail?SiteID=14&contentId=12362624&contentType=literature&type=%25E6%258A%25A5%25E5%2591%258A&subLibID=](https://www.pishu.com.cn/skwx_ps/databasedetail?SiteID=14&contentId=12362624&contentType=literature&type=%25E6%258A%25A5%25E5%2591%258A&subLibID=)

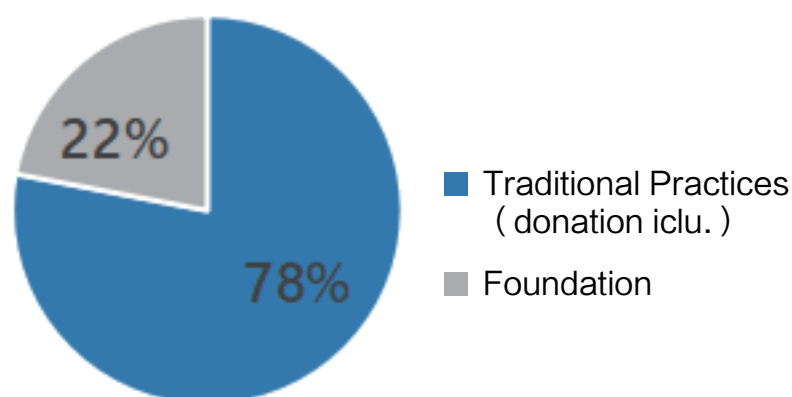
<sup>51</sup> Top 100 Chinese Enterprises, ranked by the Chinese Federation of Enterprises in China 2018 Top 500 Enterprises (by revenue)

<sup>52</sup> Summarized form China Social Entrepreneurship 2020, released by Hurun Report and Country Garden

advocated by Chinese authorities; the Finance industry's CSR practices mainly fall into the categories of targeted poverty alleviation, environmental protection, local community responsibilities as well as carrying out overseas business operations under the Belt and Road Initiative.

The CSR Foundation model has also become popular in China. Many large companies, such as Alibaba, have set up Foundations for specialized management of CSR (Such as Alibaba Foundation). With CSR programs full of distinctive characteristics, foundations can help consolidate corporate resources and build good brand images. The 2019 Hurun Report noted that 22 percent of the Top 100 Chinese enterprises had registered a Foundation for CSR implementation.<sup>53</sup>

Figure 3: CSR Practice Models of Top 100 Chinese enterprises



Source: China Social Entrepreneurship 2019

The continuous impacts of COVID-19 has caused a shift in Chinese CSR strategies. SynTao, a Chinese independent consultancy, surveyed 112 respondents working on CSR. The result found that the influence on stakeholder, the approaches to response to public events and healthcare domain will be the major focus on CSR during the pandemic. Figures also shows that 25 percent of them will give more attention to CSR for future public emergencies and percent would like to pay more attention to the health consumer industry.<sup>54</sup>

### 1.3.4 Future Trends in CSR in China

The latest Environmental Protection Law of PRC put forward higher requirements for companies to protect the environment. From the perspective of compliance, the pressure of environmental protection on enterprises and the corresponding management practices have clearly increased. After President Xi proposed the goal of carbon neutrality last year, future environmental and carbon compliance will become even more important, and the conservation and utilization of biodiversity, as a cutting-edge issue.

#### Challenges

More systematic management and strategy is needed. Although there are some studies on corporate social responsibility, the current research is not enough to support the practice of corporate social responsibility, including the adoption of strategies in practice to achieve efficient social responsibility communication remains to be explored.<sup>55</sup>

Advocacy and disclosure of social responsibility results and performance are needed. The practice of Chinese enterprise is diversified, but there is a gap and lack of specialized management agency in the market, which could help to advocate the abundant practice to the public.<sup>56</sup>

<sup>53</sup> China Social Entrepreneurship 2019, released by Hurun Report and Country Garden

<sup>54</sup> «Top 10 CSR Trends 2021 in China» by Syntao

<sup>55</sup> CSR Communication in China: Reality and challenge, China Development, Vol.20, No.5, Oct. 2020

<sup>56</sup> Interview with Goldenbee

### Box 4: CSR features in different types of corporates

#### SOEs

SOEs shoulder more on shareholder responsibilities, government policies, and targeted poverty alleviation.<sup>57</sup> With the environmental responsibilities, CO2 emissions are being the main concern since President Xi proposed the goal of carbon neutrality.

**Case 1:** In 2020, China National Offshore Oil Corporation (CNOOC) launched a "carbon neutral" LNG (liquefied natural gas) transaction, and achieved "net zero carbon emission" of single-vessel LNG in the entire industrial chain by purchasing carbon sinks. In January 2021, the company announced the official launch of the carbon neutralization plan, setting the goal of "promoting the proportion of clean and low-carbon energy to over 60%" by 2025. In April 2021, the company formally established the Carbon Neutral Research Institute to formulate CNOOC's carbon peak and carbon neutral strategy, so as to provide research and decision support for CNOOC's carbon peak, carbon neutralization plan and related regional planning.

**Case 2:** China Construction Group donated medical supplies to Algeria, including 500,000 medical surgical masks, 50,000 N95 masks, 10 ICU ventilators, 2,000 sets of medical protective clothing, 2,000 isolation masks, and 600 pairs of medical supplies. Also, aids have been provided to other countries where these companies are doing business.

#### Private Enterprises

Business ethics has been a priority in CSR practices. Private Enterprises are incentivized by shareholder responsibilities, government policies, community relations and others including improvement of inner management system, and protection of employees' rights. Most of the private enterprises, who published CSR report in recent years, are listed companies, so they are more concerned with shareholder rights and community relations.<sup>58</sup>

Many private corporates have also established foundations to fulfil CSR initiatives systematically and regularly. Examples are SF Foundation, Alibaba Foundation and Huawei's CSD Committee, etc.

**Case 3:** technology company ByteDance launched applications that provide the latest epidemic-relative information for the public. This as an example of how technology, capital, talent, and equipment can play a role in CSR actions.

#### Foreign-funded enterprises<sup>59</sup>

The foreign-funded enterprises pay more attention to community relations, green management and partnership responsibility. Foreign-funded enterprises are mostly global multinational companies, and localized operation is a key factor.<sup>60</sup>

Cooperation with upstream and downstream suppliers on green standards.

**Case 4:** BMW Brilliance Automotive Ltd. cooperated with suppliers to make sure materials reach certain green standards.

Care of vulnerable groups can implement activities based on brand identity.

**Case 5:** L'OREAL PARIS worked with China Women's Development Foundation to set up Beauty of Women funds to support women to launch innovative public projects. Procter & Gamble worked with China Youth Development Foundation to launch a project of building clean washrooms for rural schools as a way of taking care of teenage girls.

<sup>57</sup> GOLDENBEE RESEARCH ON CORPORATE SOCIAL RESPONSIBILITY REPORTING IN CHINA (2019), P48 [https://www.pishu.com.cn/skwx\\_ps/databasedetail?SiteID=14&contentId=11261990&contentType=literature&type=%25E6%258A%25A5%25E5%2591%258A&subLibID=](https://www.pishu.com.cn/skwx_ps/databasedetail?SiteID=14&contentId=11261990&contentType=literature&type=%25E6%258A%25A5%25E5%2591%258A&subLibID=)

<sup>58</sup> GOLDENBEE RESEARCH ON CORPORATE SOCIAL RESPONSIBILITY REPORTING IN CHINA (2019), P48 [https://www.pishu.com.cn/skwx\\_ps/databasedetail?SiteID=14&contentId=11261990&contentType=literature&type=%25E6%258A%25A5%25E5%2591%258A&subLibID=](https://www.pishu.com.cn/skwx_ps/databasedetail?SiteID=14&contentId=11261990&contentType=literature&type=%25E6%258A%25A5%25E5%2591%258A&subLibID=)

<sup>59</sup> Foreign-Funded enterprises is not main object in this report, here is only intends to show the difference of the main focuses by the three types of company

<sup>60</sup> GOLDENBEE RESEARCH ON CORPORATE SOCIAL RESPONSIBILITY REPORTING IN CHINA (2019), P48 [https://www.pishu.com.cn/skwx\\_ps/databasedetail?SiteID=14&contentId=11261990&contentType=literature&type=%25E6%258A%25A5%25E5%2591%258A&subLibID=](https://www.pishu.com.cn/skwx_ps/databasedetail?SiteID=14&contentId=11261990&contentType=literature&type=%25E6%258A%25A5%25E5%2591%258A&subLibID=)



## The Importance of Corporate Social Responsibility in Africa: The Process and Impact of CSR by local and foreign enterprises

The continent of Africa is made up of 54 diverse countries with different cultures and languages and therefore, just like in Europe, CSR scope and features differs significantly however a number of common challenges and features prevail.

### 1.4.1 Approach & scope

Over the past 10 years, CSR initiatives in Africa have multiplied and become more diverse, providing opportunities for social and economic development across the continent. Today, in addition to the subsidiaries of multinationals, local companies in Africa are beginning to engage in CSR initiatives. This includes specialized training, labels that promote the local dissemination of know-how, reporting and so on. Chambers of commerce, civil society and the media are also seizing on the subject and States are gradually adopting regulatory frameworks to encourage companies to embark on the path of sustainable development.<sup>61</sup>

For instance, after establishing the international standard ISO 26000, which gives organizations CSR guidelines, the General Confederation of Moroccan Enterprises (CGEM) requires an assessment of the applicant company by an independent firm. Thus, more than a hundred Moroccan companies are now labelled. In Tunisia, the concept is also gaining ground. In cooperation with the German technical cooperation (GIZ), the International Center for Environmental Technologies in Tunis (Citet) are helping around thirty companies to comply with the United Nations Global Compact benchmark.<sup>62</sup>

The continent has also seen a growing number of initiatives in the field of CSR training such as the Quebec Institute of Francophonie for Sustainable development and the University of the School of Public Administration of Quebec, who are developing a national program in sustainable development and social responsibility in French-speaking African countries. The Institute of Environmental Sciences at Cheikh Anta Diop University in Dakar, with the support of the Senegal CSR Initiative, has set up diploma training in CSR. The Africa RSE Institute - which supported the establishment of 'Kilimanjaro', a network of African experts in the field of CSR and sustainable development - regularly organizes training sessions on CSR in African countries.<sup>63</sup>

The past few years has also seen more incentives to publish CSR reports both from a financial and legal perspectives, as Mr Thierry Téné, director general of the "CSR Africa" divulges in his interview. According to this recent exchange, there is now a requirement for corporate CSR commitment with the obligation to publish extra-financial reports. Additionally, development financial institutions such as the World Bank and the French Development Agency (AFD) are also committed to CSR in Africa. They have signed the Equator Principles which assert that for any investment greater than \$ 10 million, financial institutions investing in Africa must ensure that they consider ESG (environmental, social and governance risks). Other examples also include the Casablanca Stock Exchange which demands that listed companies publish extra-financial reports based on the model of the Paris stock exchange (in France). At the same time, companies located in countries where a CSR framework does not exist are obliged to follow the logic of their group because in terms of CSR, the most important aspect is the publication of CSR reports based on a defined framework by public authorities, the public market or based on a voluntary principle defined by the company itself.<sup>64</sup>

### 1.4.2 Challenges

The popularity of the CSR concept in Africa is relatively recent. It emerged quite abruptly, with partial interventions, and initially mostly in multinational companies that already had knowledge, experience and who were engaged in numerous debates in the countries of the European Community and North America, at least a decade before

<sup>61</sup> Excerpts from: <https://afrimag.net/ces-entreprises-africaines-qui-ont-mise-sur-la-rse/>

<sup>62</sup> CSR in Africa: <https://afrimag.net/ces-entreprises-africaines-qui-ont-mise-sur-la-rse/>

<sup>63</sup> CSR in Africa: <https://afrimag.net/ces-entreprises-africaines-qui-ont-mise-sur-la-rse/>

<sup>64</sup> CSR in Africa: <https://www.afrik21.africa/thierry-tene-%E2%80%89la-rse-en-afrique-une-demarche-cle-pour-preserver-l'environnement%E2%80%89/>

companies in emerging economies. Yet what CSR is in Africa, how to implement it, what its meaning is, still remains a challenge due to the confusions between social responsibility, philanthropy, and social marketing.<sup>65</sup>

Moreover, CSR implementation tends to be associated with the company's initiative in compliance with international code of business conduct. Lack of national CSR policy means that organizations are at liberty to take individual initiatives, which often do not reflect corporate social responsibility practice. This creates several challenges to government, companies and host communities where companies operate, with the resulting difficulty in assessing, monitoring and evaluating CSR company initiatives.<sup>66</sup>

Lastly, the large size of the informal sector in Africa makes it difficult to implement CSR on a large scale. Few African Countries have adopted appropriate policy frameworks for CSR and private sector organizations where they exist, they have too little influence on the public authorities to encourage them to adopt provisions favorable to integral companies in terms of CSR.<sup>67</sup>

### 1.4.3 Prospects

Socially responsible investment models are beginning to spread across Africa, initiated by large companies in the mining, infrastructure, agribusiness, and ecotourism sectors. These practices often concern sectors with high added value and with a strong ripple effect on the local economy. Thanks to better visibility of these initiatives, an important step in the deployment of CSR in Africa could be achieved. But it will only be able to spread in depth if businesses and local organizations can, by themselves and collectively, build CSR deployment instruments designed from the conditions and realities of their societies.<sup>68</sup>

<sup>65</sup> <https://www.cairn.info/revue-congolaise-de-gestion-2013-1-page-131.htm>

<sup>66</sup> Excerpt from [https://www.ide.go.jp/English/Data/Africa\\_file/Manualreport/csr01.html](https://www.ide.go.jp/English/Data/Africa_file/Manualreport/csr01.html)

<sup>67</sup> Snippet from: <https://blog.secteur-prive-developpement.fr/2015/08/26/l-afrique-sur-la-voie-de-la-rse/>

<sup>68</sup> Excerpt from <https://blog.secteur-prive-developpement.fr/2015/08/26/l-afrique-sur-la-voie-de-la-rse/>



# Section II : Case Studies

In this section, selected CSR good practices of companies in Europe countries, America, India, China and Africa are explored. By analyzing from global CSR strategy, CSR impact in Africa, areas of improvement, key challenges and key takeaway/reflection, good models of CSR practices are demonstrated.

## Case Study 1 - Diageo from UK



Diageo Factory in Africa <sup>69</sup>

### 2.1.1 Company background & Global CSR Strategy

Diageo, a British food and beverage company, has been active in the African market since 2013. The company's primary focus in Africa is the manufacturing and sale of beer and spirits. Alongside global beverage brands, Diageo has also localized to produce products specifically for the African market, with beverages made from ingredients sourced locally. Examples include Baileys Delight (made in Nigeria with African honey), and Guinness Smooth. The company has 27,775 employees globally, and roughly one sixth of Diageo's workforce is in Africa (4,000 staff directly employed in Africa). <sup>70</sup>

Diageo operates in eight locations across the continent: Nigeria (via Guinness Nigeria), Cameroon (via Guinness Cameroun), Ghana (Guinness Ghana Breweries PLC), Kenya, Uganda, and Tanzania (East African Breweries Limited), South Africa (Diageo South Africa), and Seychelles (Seychelles Breweries). The company groups Kenya, Uganda, and Tanzania into the East African Breweries Limited (EABL), with a heavy focus on producing local beer such as Tusker. <sup>71</sup> Guinness Cameroon employees roughly 440 individuals, working indirectly with 4500 smallholder farmers. <sup>72</sup> Guinness Ghana has two sites which employ 1500 local Ghanaian and emphasizes the importance of educational development for their staff.

<sup>69</sup> Source: <https://www.ft.com/content/6fb63e96-b38e-11e9-8cb2-799a3a8cf37b>

<sup>70</sup> Data from Diageo (2021) <https://www.diageo.com/en/our-business/where-we-operate/africa/diageo-africa/an-investor-in-africa/>

<sup>71</sup> Data from Diageo (2021) <https://www.diageo.com/en/our-business/where-we-operate/africa/east-african-breweries-limited/>.

<sup>72</sup> Figures gotten from Diageo (2021) <https://www.diageo.com/en/our-business/where-we-operate/africa/guinness-cameroun/>

## Global CSR Strategy

Diageo defines their 'CSR efforts' under the framework of the 'sustainability and responsibility portfolio', with a focus on both local communities and the environment. The "Society 2030: 10-year action plan to help create an inclusive and sustainable world" is the flagship sustainability project of the company.<sup>73</sup>

As part of Diageo's sustainability branding, the company states it is "committed to promoting a positive role for alcohol; to championing inclusion and diversity; to preserving the natural resources on which our long-term success depends; and making a positive contribution to the communities in which we live, work, source and sell." The targets in Society 2030 agenda are aligned with the UN's SDGs and also aim to support WHO programmes on health, such as the Global Action Plan for the Prevention and Control of Non-Communicable Diseases. Diageo has also committed to "net zero" by 2030 which will be achieved by investment in new technology.<sup>74</sup>

The first global sustainability portfolio of Diageo started in 2015 and in 2020 a 'sustainability and a responsibility report' was published outlining the key achievements to date.<sup>75</sup> This report provides a simplistic breakdown on key numbers showing specific achievements according to country or region. Figure 4 reveals Diageo's business report and 'ESG' targets annually, aligned with the International Integrated Reporting Council (IIRC) Framework. The company also subscribes to the principles inherent in both the Global Reporting Initiative (GRI) and United Nations Global Compact (UNGC).<sup>76</sup>

**Figure 4: Sustainability and Responsibility targets 2015-2020**



Source: Diageo

### 2.1.2 CSR impact in Africa

In Africa, Diageo brands itself as a sustainable and localized company that "utilizes its operations in Africa to promote local sustainable beverage production while bolstering African economies and expanding its international market presence." Diageo's specific CSR efforts in Africa are based on its strategic business ambitions (growing the

<sup>73</sup> Excerpt from Diageo (2021) <https://www.diageo.com/en/society-2030/society-2030-spirit-of-progress/our-2030-targets/>

<sup>74</sup> Extract from <https://www.diageo.com/en/society-2030/pioneer-grain-to-glass-sustainability/diageo-sustainable-solutions/>

<sup>75</sup> Extract from Diageo (2021) <https://www.diageo.com/PR1346/aww/media/11320/diageo-2020-sr-targets-chart-pdf-final.pdf>

<sup>76</sup> Diageo (2021) <https://www.diageo.com/en/society-2030/doing-business-the-right-way/our-governance-and-reporting/our-reporting/>

consumption of beverages) and the global CSR strategy outlined above. The company's Africa 'CSR' agenda can be divided into two main areas: environmental efforts and community engagement.

#### Environmental efforts<sup>77</sup>

- Under the Water Blueprint project (which aligns with the UN global sustainability goals on water stewardship), employees planted over 255,000 trees across the continent in 2020. And in Kenya, the company cooperated with Nature Kenya to restore 250 acres of Mount Kenya Forest by planting 100,000 tree seedlings.
- In Ghana the company introduced a new pilot recycling, in cooperation with the Africa Plastics Recycling Alliance founded in 2019. This pilot is now being scaled up in other markets across the continent.
- In partnership with the Food Beverage Recycling Alliance (FBRA) and Lagos State Water Ways Authority in Nigeria, the company launched the coastal clean-up programme to remove plastic waste from Lagos Water Bodies.
- So far the company has implemented 12 WASH (water, sanitation and hygiene) projects in six African markets through partnership with WaterAid.

#### Community Engagement<sup>78</sup>

Community engagement is a key priority and branding strategies that the company “seeks to empower the communities we work in and to support the wider development and progress of the countries in which our brands are sold. While our programmes are driven by local priorities, the themes we focus on are sustainable agriculture, creating employment, providing skills and access to clean water.” Achievements include:

- Support to groups of smallholder farmers through a selection of training, access to seeds and fertilisers, access to capital through micro- loans, and engagement with NGOs and other stakeholders to build financial resilience.
- Delivered water to 170,000 people in communities across Ghana, Kenya, South Africa, Uganda, Ethiopia, Tanzania, Chad and Cameroon.
- Empowered women through supportive networks and initiatives and by working with CARE International to support entrepreneurial female farmers.
- In Kenya, through a partnership with Africa Initiative for Rural Development (AIRD) Government and Government polytechnics, 2337 young people were trained in technical and vocational skills. Across Africa, in total the company has provided skills and training to 2467 people.
- The Water of Life programme in Kajiado County, Kenya has improved the lives of the Maasai community, by giving around 11,000 people and 20,000 livestock access to safe, reliable and affordable water supply.
- Through Diageo's value chains the company has created employment for over 60,000 farmers and the company has provided over 250 scholarships to students who wouldn't be able to attend college otherwise.

### 2.1.3 Key challenges faced when implementing CSR

**It was a challenge for Diageo to build their sustainability structure.** Building the ecosystem to grow their sustainability portfolio took time and needed a specialist CSR team and reporting structure.<sup>79</sup> Furthermore, CSR efforts are driven by the global team and not local teams.

**Some sustainability targets have been missed.** This has resulted in consumers questioning the commitment and real impact of the company, especially in local markets such as Africa.<sup>80</sup>

### 2.1.4 Areas of improvement

**Too much focus on sustainability branding and not on impact.** Diageo outlines its positive drinking and sustainability goals and their outcomes, but its vague about how it engages with local communities on projects. Details of a CSR team are also difficult to find however the company does have a 'global head of sustainability' who is often quoted in the

<sup>77</sup> Diageo (2021) [https://www.diageo.com/PR1346/aws/media/11625/diageo\\_africa\\_factsheet.pdf](https://www.diageo.com/PR1346/aws/media/11625/diageo_africa_factsheet.pdf)

<sup>78</sup> Diageo (2021) [https://www.diageo.com/PR1346/aws/media/11625/diageo\\_africa\\_factsheet.pdf](https://www.diageo.com/PR1346/aws/media/11625/diageo_africa_factsheet.pdf)

<sup>79</sup> Diageo Sustainability Interview <https://www.prnewswire.com/news-releases/diageo-celebrates-2015-2020-sustainability-and-responsibility-achievements-301108485.html>

<sup>80</sup> Problems of Sustainability Targets <https://www.theguardian.com/sustainable-business/2015/sep/03/diageo-results-drinks-multinational-sustainability-targets-corporate-commitments>

media. Diageo claims to partner with local organizations and farmers, but full details of which African organizations are partnered with are also vague.

**Everything is driven from the global strategy.** Diageo has a very robust global sustainability strategy but what does this mean for local staff working on the continent? Little information is available on how local staff are empowered to drive sustainability and CSR efforts.

**How projects are designed is unknown.** Branding around the projects are very impressive but why and how these projects have been designed is unknown. Are these sustainability efforts designed with engagement from local communities or government? Are these initiatives really what local communities want or need? This information is not available.

**CSR is still too focused on 'charity' in Africa.** Although some of the projects are trying to integrate CSR into core business, most is still too focused on 'corporate philanthropy'. Going forward, Diageo can be more innovative and progressive in the type of projects they develop.

### 2.1.5 Key Takeaway/ Reflection

- Diageo works with local partners to boost its impact and credibility. The strategic NGO partnerships with organisations like CARE International and WaterAid allow Diageo to benefit from the partners' in-depth knowledge of local contexts and programme design, so that together they can target relevant issues such as inequality, water stress and climate change and community engagement.
- The importance of linking sustainability to core business strategies has been very important. Diageo's clean water, sanitation and hygiene programme is an integral part of its water strategy, focusing on communities directly connected to its core business while supporting Diageo's successful drive to replenish water in water-stressed areas.
- Diageo is supporting research and innovation. The company has committed to Net Zero by 2030 and is calling for new technology innovations to support this initiative. The Diageo Sustainable Solutions programme was launched in 2021 and is inviting applications for sustainable technology that can be used by Diageo and also shared across the industry.<sup>81</sup>
- Alignment within the business strategy and strong sponsorship from leaders, as well as effective execution monitoring have been important for communicating their impact. Although the CSR reporting is not comprehensive (does not break it down by region), it allows the company to track some impact. However, the company does report on ESG in line with the GRI Standards index and the UNGC advanced reporting criteria index, plus the Sustainability Accounting Standards Board (SASB).<sup>82</sup>
- Branding plays a huge part of Diageo's sustainability portfolio. Importantly, efforts are not branded as "CSR" but sustainability and responsibility. Diageo also uses global initiatives to align their CSR efforts such as the UN SDGs which further adds to their credibility.
- Inclusion and gender equality is a major focus for Diageo and is built into every community programme, rather than treated as a separate objective.

<sup>81</sup> Research and Innovation in Diageo <https://www.diageo.com/en/society-2030/pioneer-grain-to-glass-sustainability/diageo-sustainable-solutions/>

<sup>82</sup> Diageo 2021 Report <https://www.diageo.com/en/investors/annual-report-2021/>



## Case Study 2 - Cargill Inc. from America



Cargil working with Small African Food Processors <sup>83</sup>

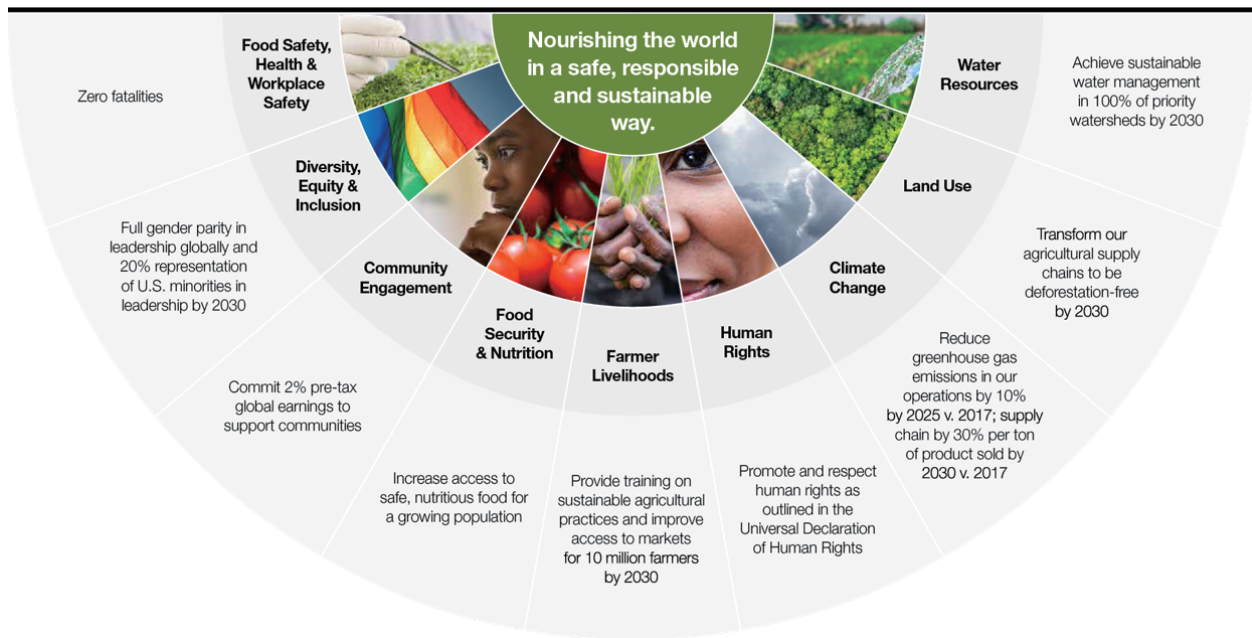
### 2.2.1 Company background & Global CSR Strategy

Cargill, Inc is a private American global food corporation that has been present in the African market since 1984, when it acquired Ralli Brothers in Mombasa, Kenya.<sup>1</sup> Cargill has official locations in seven African countries: Algeria, Côte d'Ivoire, Egypt, Ghana, Kenya, South Africa, and Zambia. The company's primary focus in Africa revolves around cocoa origination and production (Ghana and d'Ivoire), animal nutrition formulation (Egypt, Kenya, and South Africa), the sale of texturizers and sweeteners (Algeria), and grain and oilseed trading and distribution (Zambia and Kenya).

#### Global CSR Strategy

Cargill defines its CSR ambition as one that 'ensures the most sustainable food supply chains in the world.'<sup>2</sup> Globally, the company's priorities include food, health and work safety; diversity, equity and inclusion; community engagement; food security and nutrition; farmer livelihoods; human rights; climate change; land use; and water resources. Figure 5 outlines the main sustainability targets by 2025 and 2030.

<sup>83</sup> Source: <https://www.cargill.com/sustainability/cargillss-fast-response-to-small-african-food-processors>

**Figure 5: Company targets**

Cargill's global CSR strategy is aligned with the UN Sustainable Development Goals (SDGs) and the company's key CSR priorities are associated with corresponding SDGs. This link to the SDGs makes it easier for Cargill to monitor how their CSR impacts these universal goals.

### 2.2.2 CSR impact in Africa

Cargill's CSR strategies across Africa varies, but it brands itself across the seven countries it operates in as being "committed to feeding the world in a responsible way; reducing our environmental impact; and improving the communities where we live and work." These strategic initiatives can be divided into several categories:

#### Feeding the World Responsibly

In 2012, Côte d'Ivoire launched the Cargill Cocoa Promise, a global commitment to improve the livelihoods of farmers and their communities and to secure a long-term supply of cocoa. To add onto this, in 2015 Cargill launched a \$1.9m project with Conseil du Café-Cacao, CARE International and 14 cooperatives to open 11 new schools and 3 health centers to improve education for 1,650 children and healthcare for over 25,000 people.

#### Reducing Environmental Impact

In Egypt, CARE, a leading humanitarian organisation fighting global poverty, helps small-scale farmers switch from rice to soy bean cultivation, a much less water intensive crop. Cargill Egypt provides a market for the farmers and have helped CARE to not only support farmers to improve their agricultural practices, but also to improve yields and quality of soybeans. Cargill has helped CARE establish quality standards for the soybeans and through the establishment of an Agricultural Service Centre, where farmers have access to high quality inputs and extension services.

In Kenya, Cargill established the Mabamani primary school, in addition to water harvesting and classroom construction.

### Improving Communities

Cote d'Ivoire's Cargill Cocoa Promise also provides support and training to over 70,000 farmers to improve their livelihoods, encourage better farming standards, increase yields and strengthening their communities. Here, Cargill works closely with farmer cooperatives to provide knowledge, skills and support to develop their businesses sustainably, while additionally improving access to healthcare and education for local communities.

In Egypt, Cargill's support of CARE's broader community infrastructure programs has benefitted the farming communities and the women in the community have also been able to establish additional businesses to provide off-farm income for their households.

Ghana also has its own version of the Cargill Cocoa Promise - COCOBOD and Solidaridad. These two organizations provide support and training to farmers to improve their livelihoods, encourage better farming standards and increase yields. Additionally they improve access to healthcare and education for local communities through partnering with CARE, which enables more children to benefit from primary education and providing nutrition education to thousands of children and parents in cocoa growing communities.

During COVID-19, Cargill also took action to support local communities, the company provided a \$250,000 grant, matched by the U.S. government through the US African Development Foundation (USADF), to be quickly dispersed to small, local food processing companies to help them keep the supply chain from seizing up. Ten companies in Ghana and Kenya, who are all clients of Partners in Food Solutions, each received \$50,000 distributed through the Coalition for Farmer-Allied Intermediaries (CFAI), a joint action platform of organizations working in support of businesses in agricultural value chains.<sup>84</sup>

## 2.2.3 Areas of improvement

**CSR project outlines in some countries are ambiguous.** In Algeria, Cargill states that it “collaborates with organisations around the world to improve nutrition and health of those in our communities, provide access to education, encourage responsible stewardship of natural resources, foster sustainable economic development and promote responsible business practices in our supply chain.”<sup>7</sup> However, the details of how projects are implemented is limited. There is no statement about how it engages with local Algerian communities on projects.

Conversely in South Africa, Cargill's presence is scaled on a much larger degree, with information on specific CSR strategies in South Africa being widespread and nebulous. A 2020 report of Cargill's CSR reports are provided, but it is driven from the company's overall strategy, versus outcomes at the national levels.<sup>8</sup> Therefore, it is unclear what this means for local staff working on the continent.

**CSR is very focused on community development, but strategies required for more projects being self-sustaining and locally-driven rather than charitable and from the top-down.** Cargill does provide global reports on its sustainability efforts, and lists its partnerships with other global corporate chains such as the WWF and the World Food Programme.<sup>9</sup> It provides detailed accounts of projects launched in countries such as Cameroon, where a deforestation-free cocoa roadmap is being created.<sup>10</sup> However, while many of these efforts are spearheaded in partnership with nonprofits, they could focus more on amplifying the objectives of local labor forces and organizations.

**Cargill has faced huge backlash on their environmental practices despite sleek branding on CSR.** In 2019, Cargill was named the “Worst Company in the World”<sup>85</sup> by the Environmental campaign organization Mighty Earth due to its “unscrupulous business practices, environmental destruction, and repeated insistence on standing in the way of

<sup>84</sup> Figures from <https://www.cargill.com/sustainability/cargillss-fast-response-to-small-african-food-processors>

<sup>85</sup> Mighty Earth <https://www.mightyearth.org/cargillreport>



global progress on sustainability”. This is partly due to huge amounts of deforestation by the company, despite them highlighting CSR as a key focus.

### 2.2.4 Key Takeaway/ Reflection

- Cargill has aligned CSR efforts with key business priorities, therefore sustainability efforts are focused around agriculture, supply chains and water management. However, the company has faced criticism for not practicing sustainability across the entire business. For example, continuing with deforestation whilst stating ‘environmental protection’ is a key area of importance.
- Branding plays a huge part of Cargill’s sustainability portfolio. Importantly, efforts are not branded as “CSR” but sustainability and corporate responsibility. Cargill has aligned CSR efforts with the UN SDGs to add credibility and make it easier to monitor impact.
- Cargill has a corporate CSR team and reports annually on impact. A chief sustainability officer leads oversight for the company’s policies and programs to deliver progress against global commitments. The Cargill Executive Team reviews the company’s progress on a quarterly basis at an enterprise and business level. All reports are publicly available. This transparency allows consumers and stakeholders to hold Cargill to account.
- Cargill has a long way to go to really integrate sustainability and corporate responsibility into the entire business. Although CSR projects are implemented across the continent these are often created in silo and impact is difficult to truly understand.

## Case Study 3 - Bollore from France



Bollore Côte d'Ivoire Aérohub: a 6,000-square-meter logistics hub

### 2.3.1 Company background & Global CSR Strategy

Founded in 1822, the Bollore Group is one of the 500 largest companies in the world. Thanks to a diversification strategy based on innovation and on international development, it now holds strong positions in all its activities around three business lines, Transportation and Logistics, Communication, Electricity Storage and solutions<sup>86</sup>. Its 79,000 employees in 130 countries, enabled the Bollore Group to achieve more than 28 billion USD turnover in 2020.

Bollore Group has been operating in Africa since 1927. In 2008, Bollore Africa Logistics was established to consolidate the Bollore Group infrastructure and logistic activities across the African continent. Bollore Africa Logistics is present in 56 countries worldwide, including 46 in Africa<sup>87</sup>, where the group invests 180 million USD per year.

#### CSR commitments and strategy

The corporate culture and values of the Bollore Group, its desire to meet the expectations of its stakeholders and to be a player in responsible development, are reflected in the four areas of commitment of its CSR policy (global and local strategy):

- Innovate to respond to key economic and environmental changes<sup>88</sup>.
- Unite and protect women and men, the company's primary strength<sup>89</sup>.
- Act with integrity in the conduct of the business and promote human rights<sup>90</sup>.
- Make a long-term commitment to regional development<sup>91</sup>.

<sup>86</sup> About Bollore <https://www.bollore.com/en/group/>

<sup>87</sup> Data from [https://en.wikipedia.org/wiki/Bollore%C3%A9\\_Africa\\_Logistics](https://en.wikipedia.org/wiki/Bollore%C3%A9_Africa_Logistics)

<sup>88</sup> CSR in Bollore <https://www.bollore-transport-logistics.com/en/our-commitments/innovate.html>

<sup>89</sup> CSR in Bollore <https://www.bollore-transport-logistics.com/en/our-commitments/unite.html>

<sup>90</sup> CSR in Bollore <https://www.bollore-transport-logistics.com/en/our-commitments/share.html>

<sup>91</sup> CSR in Bollore <https://www.bollore-transport-logistics.com/en/our-commitments/commit.html>

## 2.3.2 Bollore CSR impact on African

### Youth Empowerment

Each of the Bolloré Transports and Logistics (BTL) local branches supports local projects to protect the most vulnerable children (as part of Sustainable Development Goal No. 10: Reducing Inequality), enabling African youth living in extremely precarious situations and suffering from the harsh reality of their environment in accessing basic services (decent accommodation, access to clean water, balanced nutrition, health and education). Strengthening the quality of care gradually reduces the inequalities they face and enables them to achieve their ambitions<sup>92</sup>.

- **Training and Empowerment (Congo):** The teams at BTL Congo support 30 young girls in destitute situations, through short and technical training but also internships. For 5 years, the commitment of Bolloré's local teams alongside the NGO A.S.I has enabled these young girls to better navigate their own life journey towards social and professional reintegration<sup>93,94</sup>.
- **Les Zinzins du Bonheur (Cote d'Ivoire):** Based in Abidjan, the Zinzins du Bonheur association offers the most vulnerable children support in the fields of education, health, culture and entertainment. Since 2018, BTL Côte d'Ivoire teams have supported the "Caravane du Bonheur" action aimed at distributing food and school kits to children as well as pediatric equipment to hospitals<sup>95</sup>.
- **NGO 2mains (Comoros):** Since December 2019, nearly 2,000 students in four schools in Moroni Bambao and Mbadjini have benefited from access to drinking water and satisfactory sanitary conditions. This was made possible by the support of the Bolloré Moroni Terminal teams and the 2Mains NGO program "Drinking water for all"<sup>96</sup>.
- **SOS Villages d'Enfants Tanzania (Tanzania):** For the 2019 edition of Marathon Day, the Group's annual solidarity running race, the BTL Tanzania teams mobilized to support the NGO SOS Villages d'Enfants, which fights for child's rights<sup>97</sup>.
- **Dimossimori Association— House of Hope and SOS Mwana (Gabon):** Created in 2015, the Dimossimori Association supports the SOS Mwana's orphanages and the House of Hope in Libreville. Since 2018, the Bolloré Transport and Logistics Gabon teams have been supporting these two reception centers through donations of basic necessities and school materials<sup>98</sup>.

### Bollore CSR impact in Education

Bolloré Transport and Logistics is working to ensure that everyone has access to education. Each of their local branches supports and strengthens the capacity of local education systems (as part of Sustainable Development Goal 4: Ensuring access to quality education for all). Each year, Bolloré Transport and Logistics local teams take up the challenge of ensuring access to education in their territories through the rehabilitation of educational infrastructure, the donation of school materials and also by financing tuition fees. In collaboration with local schools, Bolloré Transport and Logistics award scholarships of excellence to students for further study<sup>99</sup>.

- **Benin Vi Bibi (Benin):** Bénin Vi Bibi supports local educational actors by working to strengthen their material capacities and skills in order to guarantee quality education for young children. Bolloré Transport and Logistics Bénin teams supported the Héssa community nursery school construction project, which was able to open its doors for the 2019-2020 school year<sup>100</sup>.
- **Farcha pilot school (Chad):** For the start of the 2019-2020 school year and of the Marathon Day, a solidarity running race of the Bolloré Group, the employees of Bolloré Transport and Logistics Tchad mobilized to donate a hundred benches and tables for the students of the Newly opened primary school in Farcha<sup>101</sup>.
- **TAKE-M Transformation (Gambia):** The Bolloré Transport and Logistics support Take-M Organization. The aim of Take-M Organization is to promote the importance of reading, comprehension, writing and spelling in the education of young students. Each year, the association organizes a national spelling competition in which more than fifty schools participate<sup>102</sup>.

<sup>92</sup> CSR in Bolloré <https://www.earthtalentbybollore.com/en/to-protect>

<sup>93</sup> CSR in Bolloré <https://www.earthtalentbybollore.com/en/project/ngo-a-s-i-socio-professional-reintegration-of-young-girls-in-street-situations/>

<sup>94</sup> CSR in Bolloré <https://www.earthtalentbybollore.com/en/to-protect>

<sup>95</sup> CSR in Bolloré <https://www.earthtalentbybollore.com/en/to-protect>

<sup>96</sup> CSR in Bolloré <https://www.earthtalentbybollore.com/en/to-protect>

<sup>97</sup> CSR in Bolloré <https://www.earthtalentbybollore.com/en/to-protect>

<sup>98</sup> CSR in Bolloré <https://www.earthtalentbybollore.com/en/to-protect/>

<sup>99</sup> Bolloré CSR Impact in Education <https://www.earthtalentbybollore.com/en/to-educate>

<sup>100</sup> Bolloré CSR Impact in Education HYPERLINK <https://www.earthtalentbybollore.com/en/to-educate>

<sup>101</sup> CSR in Bolloré HYPERLINK <https://www.earthtalentbybollore.com/en/project/les-zinzins-du-bonheur/>

<sup>102</sup> Bolloré CSR Impact in Education <https://www.earthtalentbybollore.com/en/to-educate>

- **Randle Junior Elementary School (Nigeria):** The Bolloré Transport and Logistics Niger teams support the Randle Junior primary school through donations of equipment and school materials to rehabilitate the classrooms<sup>103</sup>.
- **Moawharf & Seaside Community (Sierra Leone):** For several years, the Freetown Terminal teams have offered their support to local communities and especially to people living in the Moa Wharf slum in the capital city. Each year, the teams take charge of the students' tuition fees to provide access to education for all<sup>104</sup>.

### 2.3.3 Areas of improvement

**Logistic and Infrastructure development:** Most companies' CSR involvement focuses on their business area. Bolloré being a global leader in logistic and infrastructure, has invested less resources in these areas than in charity. In order to maximize the impact of its CSR strategy, Bolloré could explore focusing exclusively on its areas of expertise by investing in infrastructure and logistic social projects that would create long term development opportunities for the local populations. The Bluezone project in Togo is a great example of what a socially responsible Bolloré can do. The company should consider reproducing this project in other African countries.

**Funding:** Bolloré Group and Bolloré Transport and Logistics engage and encourage their employees to participate in non-profit and local organization support programs. This is extremely beneficial and should be encouraged. However, by doing so, a company of Bolloré's stature could engage more funds (funds from Bolloré, not from its employees) to support such an initiative, allowing a greater number of young people and non-governmental organizations to benefit from it.

### 2.3.4 Key Takeaway/ Reflection

- Bolloré Group and Bolloré Transport and Logistics CSR policy is based on economical and environment protection, youth, women and men empowerment, human right, and regional development. As a result, Bolloré has been successful in putting the members of its various teams at the center of its CSR strategy. As a result, its application in the various local and regional branches of Bolloré transport and logistics is facilitated.
- Bolloré Group and Bolloré Transport and Logistics engages and encourages its employees to participate in support programs for non-profits and local organizations. This allows each employee to develop an awareness of caring for and protecting the weakest while also contributing to the development of their respective communities.
- Bolloré's Group and Bolloré Transport and Logistics efforts to protect the environment, as evidenced by ISO 14000 certification and the "Green Terminal" label, have enabled the company to be recognized by EcoVadis as one of the best in terms of sustainable development (Top 1%) among transport and logistics companies worldwide.
- The yearly CSR reports published by Bolloré only show the positive results of the company's CSR policies. However, the results should be evaluated according to the goals and commitments of the company. From that perspective, the company has obvious positive results in 2 of them (Innovate to respond to key economic and environmental changes; Unite and protect women and men, the company's primary strength), while there is relatively few information regarding the results achieved in the two other (Act with integrity in the conduct of the business and promote human rights; Make a long-term commitment to regional development).

<sup>103</sup> Bolloré CSR Impact in Education <https://www.earthtalentbybolloré.com/en/to-educate>

<sup>104</sup> Bolloré CSR Impact in Education <https://www.earthtalentbybolloré.com/en/to-educate>

## Case Study 4 - TATA from India



Tata's subsidiary-- Tata Motors<sup>105</sup>

### 2.4.1 Company background & Global CSR Strategy

Founded by Jamsetji Tata in 1868, the Tata group is a global enterprise, headquartered in India, comprising of 30 companies across 10 clusters. Tata began its African business in 1977 with the establishment of Tata Zambia. In 1994, Tata inaugurated Tata Africa Holdings in Johannesburg, South Africa, which now serves as its headquarters in Africa. Tata has operations in engineering, services, telecommunications, information technology, chemicals and materials with operations in twelve locations in Africa.

TATA aims to integrate environmental and social principles in their businesses and “ensure what comes from the people goes back to the people many times over”.<sup>106</sup> Based on its global CSR theme of “Building Sustainable Livelihoods”, the company has set 10 core CSR principles to drive effective initiatives and create a positive impact in the society, mainly focusing on communities, human rights, environment, the disadvantaged and volunteering. In recognition of the importance of climate change, TATA group is working towards embedding climate resilience aspects into the design of its interventions and building capabilities for communities to deal with extreme weather events and chronic impacts of climate change alike.<sup>107</sup>

Tata Sustainability Group (TSG) is a part of TATA Sons, the holding company of TATA Group. TSG is driven by a mission to guide, support and provide thought leadership to all Tata group companies in embedding sustainability in their business strategies and demonstrating responsibility towards society and the environment. To support the global sustainability agenda, the TSG has also worked with governments, NGOs and other relevant stakeholders to gain a deeper understanding of sustainability challenges. TATA affiliates also have their CSR committees which are responsible for global CSR policies, providing recommendations for the CSR expenditure and monitoring the CSR implementation.

### 2.4.2 CSR impact in Africa

In India TATA Group has emerged as the biggest CSR spending group in India. In 2019, the group spent INR 1,095 crore (USD 147.1 million) on CSR expenditure and has positively impacted 11.7 million lives in India and around the world. TATA's CSR implementation in India has a history over of over 150 years, mainly involving education, livelihoods and skill development, rural development, health care and water and sanitation.<sup>108</sup>

<sup>105</sup> Source: <https://tatainternational.com/news/tata-internationals-distribution-business-launches-website/>

<sup>106</sup> CSR strategy in TATA [https://www.researchgate.net/publication/267246400\\_Corporate\\_Social\\_Responsibility\\_A\\_Case\\_Study\\_Of\\_TATA\\_Group](https://www.researchgate.net/publication/267246400_Corporate_Social_Responsibility_A_Case_Study_Of_TATA_Group)

<sup>107</sup> CSR strategy in TATA <https://www.tatasustainability.com/SocialAndHumanCapital/CSR>

<sup>108</sup> CSR strategy in TATA <https://www.tatasustainability.com/SocialAndHumanCapital/CSR>

TATA's experience with CSR implementation in India has provided vast experience for CSR across Africa, especially in three areas: education, health, and training. Tata Africa has been involved in 25 major programs with a wide variety of community development and environment preservation.<sup>109</sup> Furthermore, TATA Africa has set CSR policies in terms of environmental problems in Africa. For instance, it has launched projects for protecting animals from poaching.

#### Educational and training efforts <sup>110</sup>

- Many Scholarship Programs have been set up in Africa, covering people of different ages. The Tata Africa Scholarships focuses on postgraduate students with the aim of increasing the number of young people primed to take up leadership roles in business, government, and civil society.
- Bridging for Life Program was held among high school students, with the aim of equipping students with essential life skills which range from emotional intelligence, self-leadership and management, career development, etc. to ensure academic resilience.
- TATA International in Africa celebrated women in the Science, Technology, Engineering, Mathematics (STEM) industries by awarding scholarships worth over R500,000 to six recipients at the 2019 South African Women in Science Awards (SAWiSA).
- TATA Africa has been making efforts to ensure greater inclusivity from the perspective of Gender, Affirmative Action & Disability. In 2017, Tata Motors along with Vigyan Ashram designed the Tata 20 program that aims to infuse skills in young aspiring women to pursue the career of their choices. In 2019, ten postgraduate students from the University of Kwazulu-Natal (UKZN) in financial needs were awarded scholarships worth over R850 000 from TATA International in Africa.<sup>111</sup>
- Tata Steel KZN has launched several programs, of which skills development and women empowerment related activities take high priority. Tata Motors, has launched an initiative to train under-privileged youth from Africa under the SkillPro program, in an effort to enhance employability for the African youth.
- Tata Motors South Africa forged an alliance with the engineering faculty at the University of Pretoria. The company has provided on-the-job industrial training on various functions like production, quality, purchase, logistics, among others, to students from the University of Pretoria to enable them to be future ready.<sup>112</sup>

#### Health Engagement

- TATA International Africa takes care of people with special needs and demands. It has helped hundreds of cleft lip and palate surgeries from young babies to adults in partnership with Operation Smile South Africa (OSSA).
- TATA has also supported access to primary healthcare. For instance, the initiative from Tata Chemicals Magadi (TCM) aims to provide critical healthcare facilities for community development.

### 2.4.3 Areas of improvement

- Tata's CSR program in Africa is based on their global strategy and therefore implementation in Africa is often limited to education/training and health. It is unclear if the local communities where TATA operates are driving the CSR program and if these focus areas meet their needs.
- Although TATA does report on their CSR efforts, the Report is categorized by programs but not regions. Therefore, it is difficult to understand the full scale or effectiveness of CSR implementation in Africa specifically.

### 2.4.4 Key Takeaway/ Reflection

- Tata Group's CSR language is systematic and unified. Back to 2017, Tata published 'We Dream of a Better World', the first-of-its-kind report on the business case for the SDGs. The report saw diverse case studies from the Tata universe (Tata companies and Tata Trusts) to effectively highlight the group's actions in keeping with Agenda 2030<sup>113</sup>.

<sup>109</sup> TATA CSR strategy in Africa <https://tataafrica.co.za/about-our-csr/>

<sup>110</sup> CSR strategy in TATA <https://tataafrica.co.za/education/>

<sup>111</sup> TATA CSR Impact in Education <https://tataafrica.co.za/ukzn-students-receive-scholarships-worth-over-r850-000-from-tata/>

<sup>112</sup> TATA CSR Impact in Education TATA CSR Brochure

<sup>113</sup> About TATA <https://www.aicl.in/insights/tatagroup>



- CSR in India has gone further than just charity and donations. It is approached in a more organized and structured fashion. It is now considered as an essential part of the corporate strategy. Companies have CSR teams that develop specific policies, strategies and goals for their CSR programs and set aside budgets to sustain them<sup>114</sup>.
- Tata companies coherent CSR practices. The Tata Sustainability Group (TSG) introduced a CSR Assessment Framework (CAF) for companies to gauge the maturity of their CSR programs from six specific dimensions. Principles and rules for project evaluation have been rolled out to align efforts from different companies to the same standard<sup>115</sup>.
- Close tracking of program impact. Program Details including target beneficiaries, and results of each program have been listed on Tata's website, making it clear to find the tangible deliveries.
- Tata's sustainability standards are benchmarked against its global peers. For instance, Tata Consultancy Services has articulated its plans to be a net zero emission company by 2030 and will reduce absolute greenhouse gas emissions by 70 percent till 2025.

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<sup>114</sup> CSR in TATA <https://www.ukessays.com/essays/marketing/corporate-social-responsibility-tata-groups-marketing-essay.php>

<sup>115</sup> CSR-Programme Evaluation Guidelines

## Case Study 5 - HUAWEI from China



Huawei's 5G Training Programme in South Africa

### 2.5.1 Company background & Global CSR Strategy

Huawei (founded in 1987 in China) is a leading global provider of information and communications technology (ICT) infrastructure and smart devices, with approximately 197,000 employees and operations in over 170 countries and regions.

Huawei's first office on the African continent was established in 1998 in South Africa. Currently, Huawei is present in over 50 African countries. In addition to 4 regional offices and 18 representative offices spread across the whole continent, the company has one Africa R&D center and seven training centers.<sup>116</sup> Huawei is currently one of the leaders on the information and communications technology market in Africa.<sup>117</sup>

#### Global CSR Strategy

Since its inception, Huawei has been actively involved in philanthropic activities, which have provided important support for the company's brand building. Huawei began to issue annual CSR report since 2008. In 2011, Huawei updated its CSR strategy to CSD (Corporate Sustainability Development). The upgraded CSD strategy is more systematic, which closely links CSR with corporate vision, mission and core values, and gives CSR more reliable long-term cultural foundation, resource guarantee and harmonious environment support.

<sup>116</sup> About Huawei <https://www.igi-global.com/chapter/huaweis-ict-investments-in-africa/104797>

<sup>117</sup> Mansell, R., & Wehn, U. (1998). *Information Technology for Sustainable Development*. Knowledge Societies. Oxford University Press.



Huawei's global CSD policy framework includes four areas: bridging the digital divide, supporting stable and secure network operations, promoting environmental protection, seeking win-win development.<sup>118</sup> The company's vision and mission is to promote digitalization to every person, home and organization for a fully connected, intelligent world.<sup>119</sup> According to the Chairman of its CSD Committee, in line with its CSD policy framework, Huawei's action to meet the goal of "Building a Better, Sustainable Future" are as follows: using inclusive technology to leave no one behind in the digital world; seeking security and trustworthiness for the fully connected and intelligent world; reducing carbon emissions with ICT; working with partners to build an industry ecosystem where everyone wins.

## 2.5.2 CSR impact in Africa

Huawei's CSR vision is "growing with Africa". Its developmental model of CSR in Africa is consistent with China's growth model at home and is encouraged and promoted by the Chinese government. It makes its CSR policies based on "CSR with Chinese characteristics", involving labor rights, the role of corporations in society and corporations' relationships to the state. As a result, Huawei's African CSR model is centered on economic development, fueled by technical innovation and guaranteed by environmental sustainability.<sup>120</sup>

### Digital Inclusion<sup>121</sup>

- DigiTruck is the latest program under Huawei's TECH4ALL initiative that supports access to high-quality education. It has benefited 796 people from five counties in Kenya. In the future, DigiTruck will provide digital skills training to more people in remote regions.
- Huawei and Tswane University of Science and Technology established the first Huawei ICT Academy in Southern Africa in 2015, which contributes to the development of local ICT industry, ICT Professionals training and employment.
- In 2018, the National Telemedicine Center of China built by Huawei started to provide daily cross-border telemedicine services and telemedicine training for developing countries. The current system provides telemedicine services for centers in African countries like Zambia and Morocco. In August 2019, more than 30 doctors, technicians, and nurses from Morocco took part in a two-week telemedicine training program.
- With the help of Huawei, Togo has established an e-government network, which will include government departments, government agencies, 500 medical institutions including hospitals, universities and airports which are connected to the fiber optic infrastructure. They have also obtained preferential funding for the project from the Export-Import Bank of China.

### Environmental efforts

- Huawei succeeded as the only Asian member to Join GeSI in 2008, an environmental protection organization. GeSI supports sharing of best practice on damage protection strategy, implementation methods, technical standards and public policies with peer companies.
- In 2019, Huawei worked with carriers in China, Europe, and Africa to deploy the three-level PowerStar solution at more than 100,000 sites on live networks. Since February 2019, Huawei has helped a Chinese customer deploy PowerStar in 17,000 sites, cutting electricity use by 12% without compromising network performance.

### Community Engagement

- Huawei has been sponsoring local marathons in Kenya, and all fundraising has been used for wildlife protection and education for students in impoverished and remote areas.
- Huawei has donated computer equipment to St. Alphonsus, a Kenyan girls' school, to improve their computer experiment capabilities.
- During the 2014 Ebola epidemic, Huawei used advanced and modern media tools to realize cross-border exchanges and learning, and provide free education for children in affected areas, giving them relative comfort.

<sup>118</sup> Huawei Investment & Holding Co., Ltd. 2019 Sustainability Report

<sup>119</sup> About Huawei <https://www.huawei.com/en/corporate-information>

<sup>120</sup> Huawei's African CSR model [https://www.researchgate.net/publication/266078827\\_Chinese\\_Corporate\\_Diplomacy\\_Huawei's\\_CSR\\_Discourse\\_in\\_Africa](https://www.researchgate.net/publication/266078827_Chinese_Corporate_Diplomacy_Huawei's_CSR_Discourse_in_Africa)

<sup>121</sup> Huawei Investment & Holding Co., Ltd. 2019 Sustainability Report

### 2.5.3 Key challenges faced when implementing CSR<sup>122</sup>

- There are differences between Chinese CSR standards and that of Western countries, while in Africa, Western CSR standards are more widely recognised.
- In terms of community participation, Chinese companies are vulnerable to negative reports from Western media.

### 2.5.4 Areas of improvement<sup>123</sup>

**Less communication of the improvement of its African employees living standard.** Though Huawei's employee newspapers mentions efforts at improving the living and working standards of its Chinese employees in Africa—such as bringing good chefs from China and organizing cultural events for employees—there is less mention in either its Chinese or English-language publications of the working conditions of its African employees.

### 2.5.5 Key Takeaway/ Reflection

Prioritizing sustainability in its development strategy. Huawei uses the SDGs as a basis for setting its goals and plans for sustainability. As well as implementing their own sustainability measures, the company aims to proactively influence the entire industry to contribute to the SDGs.

- **Bridging the digital divide.** Huawei provides ICT solutions for customers, and promotes the balanced development of digital information technology in different regions according to local conditions.
- **Environmental protection.** Carrying out the concept of green environmental protection and sustainable development, in the green era of environmental protection for all people, walking at the forefront of the industry, and building an environmentally friendly and energy-saving communication network framework in Africa.
- **Youth education and specialist training.** Huawei focuses on the long term development of youth through educational and training programs such as Seeds for the Future Program. Its aim is to develop local ICT talent, transfer knowledge, and promote understanding of ICT technologies, as well as to encourage participation in the digital community.
- **Localization of Employees.** Huawei supports the localization of overseas employees, focuses on the selection of female managers, and helps local employees solve employment and realize personal value.

<sup>122</sup> Key challenges faced by Huawei available at [faced by Huawei Key challenges faced by Huawei https://www.docin.com/p-2293291749.html](https://www.docin.com/p-2293291749.html)

<sup>123</sup> Possible areas of improvement for Huawei available at <https://www.renrendoc.com/paper/112653976.html>

## Case Study 6 - China Communications Construction



CCCC's construction of the road to Masai Mara<sup>124</sup>

### 2.6.1 Company background & Global CSR Strategy

China Communications Construction Company Limited (“CCCC”) was incorporated on 8 October 2006. The Company and its subsidiaries (collectively, the “Group”) are principally engaged in the design and construction of transportation infrastructure, dredging and heavy machinery manufacturing business.<sup>125</sup> At present, CCCC has substantial business in 135 countries and regions around the world and 38 representative offices in Africa.<sup>126</sup>

The Company is committed to developing the transportation infrastructure business in the PRC and abroad as well as providing its customers with high quality services and products by consistently pursuing its corporate mission of “Trustworthy service to clients, High quality returns to shareholders and Consistent out-performance”. CCCC adheres to the people-oriented principle, by strengthening the care of employees in all regions of the world, and continues to create shared values.

#### Global CSR Strategy

CCCC adheres to the development philosophy of “lucid waters and lush mountains are invaluable assets”, and therefore integrates environmental protection into the whole process of project design, construction and operation, and incorporates green environmental protection industry into its overall development strategy.

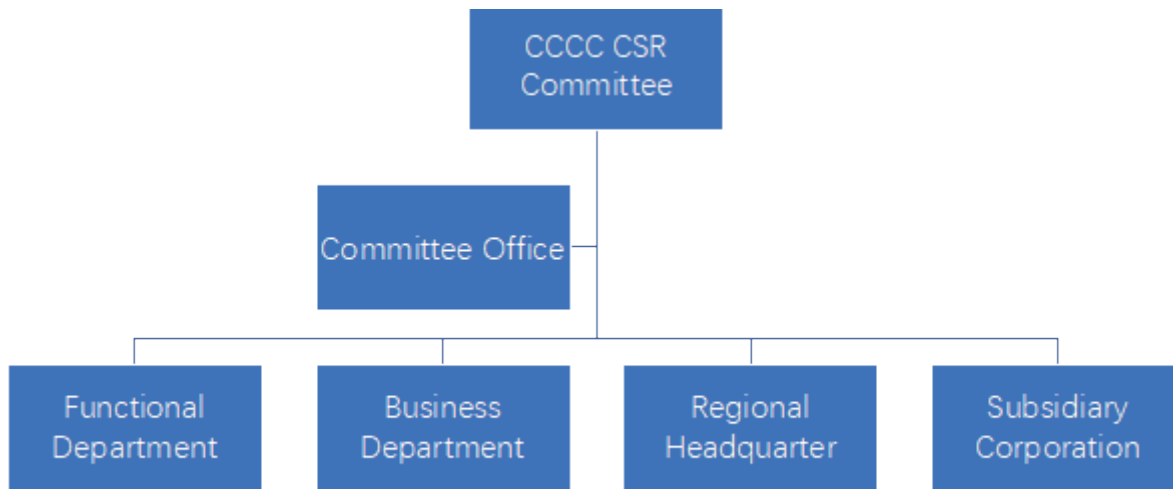
CCCC has released 14 CSR reports, constantly improving the social responsibility management system and carrying out social responsibility training. The CSR committee structure of the company is as follows:

<sup>124</sup> Source : [http://www.china.org.cn/photos/2018-03/15/content\\_50711692.htm](http://www.china.org.cn/photos/2018-03/15/content_50711692.htm)

<sup>125</sup> See more about CCCC at <http://en.ccccltd.cn/aboutcompany/introduction/>

<sup>126</sup> See more about CCCC at <https://www.ccccltd.cn/swfw/zjqz/>

Figure 6: CCCC CSR Committee



Source: CCCC's 2020 Social Responsibility Report

CCCC is currently in the process of "Going Global" and is working to develop local markets around the world. The company has participated in the "Medical and Health Guarantee Platform for Overseas Employees of Central Enterprises" to ensure the health management, medical needs and psychological counseling of overseas employees. It gives priority to purchasing products and services from the location of the project. By the end of 2020, the company had about 95,900 permanent overseas employees, with foreign employees accounting for about 70%.<sup>127</sup>

## 2.6.2 CSR impact in Africa

In addition to the "hard connectivity" of infrastructure in Africa, CCCC also pays special attention to "soft connectivity" with local people and proactively fulfills its social responsibilities. The company actively promotes the spirit of voluntary service by developing a "Blue Vest" voluntary service system for extensive public welfare activities, building its favorable brand image in Africa. Besides, CCCC took the initiative to provide necessary materials to the local area amid the pandemic, which was praised by the local government and people.

### Environmental efforts<sup>128</sup>

- CCCC has helped reducing sewage discharge and implementing strict sewage treatment. The domestic sewage of the terminal project of Guinea Aluminum Power Project adopts the "SBR+filtration+chlorination disinfection" combined treatment process. For the oily sewage, it uses the physical and chemical treatment process with advanced sewage treatment equipment.
- In the new KOT oil terminal project in Mombasa Port, Kenya, CCCC is committed to protecting mangroves, maintaining the local ecological environment, rationally planning planting areas, researching seedlings, and completing the planting and rebuilding of 45,000 mangroves.
- During the project of the Mongol-Inner Mongolia Railway, CCCC used viaducts and culverts to establish wildlife migration channels.
- In 2019, CCCC and the Moroccan company Platinum Power have announced an alliance to develop renewable energy projects on the African continent.

<sup>127</sup> CCCC's 2020 Social Responsibility Report

<sup>128</sup> CCCC's 2020 Social Responsibility Report

## Community Engagement

- During the construction of the Nei-Ma Railway, CCCC has carried out more than 80 special corporate social responsibility practices, improving water conservancy facilities, medical consultations, building schools, and participating in emergency rescue and disaster relief.<sup>129</sup>
- During the construction of the Mombasa-Nairobi Railway in Kenya, CCCC has drilled more than 100 deep-water wells for the local area.
- When China Harbor Engineering Company, a subsidiary of CCCC, built a port terminal in Equatorial Guinea, it also built a desalination plant for free.<sup>130</sup>
- The company has carried out a net cage fish cultivation and biogas utilization training project in Nigeria to help local residents get rid of poverty.
- The construction of the Tiez-Tuba highway directly created 7,000 to 8,000 jobs for Senegal.
- The company has donated funds and medicines in Rwanda, Congo (Brazzaville), and Egypt. It also digs wells for residents in severely water-scarce areas to provide drinking water convenience and improve the living environment of local residents.

### 2.6.3 Key challenges faced when implementing CSR

- **Unstable political factors in parts of Africa.** Most of CCCC's projects are located in remote districts which are far away from urban areas in Africa, so these projects are susceptible to insecurity issues such as terrorism.
- **Broaden the field of fulfilling corporate social responsibility.** At present, CCCC is mainly fulfilling its social responsibilities in Africa in terms of infrastructure construction, environmental protection, and poverty alleviation, based on a corporate philanthropy model, as opposed to integration into business models.

### 2.6.4 Key Takeaway/ Reflection

- Being Committed to public welfare undertakings. CCCC shares development results with the community, uses the advantages of the company to serve community residents, strengthens the construction of voluntary services, and helps local rescue and disaster relief.
- Integrating green and environmental protection industries into the overall development strategy of enterprises.
- Combining its business advantages to perform corporate social responsibility. CCCC improves local conditions for constructing infrastructure.
- Largely solving local employment problems. CCCC has not only improved the level of local infrastructure construction, but provided a large number of job opportunities for African countries, trained a group of professionals, and added impetus to sustainable development.<sup>131</sup>

<sup>129</sup> CCCC's community engagement available at <http://www.cnafrica.org/cn/fzgl/17985.html>

<sup>130</sup> CSR Impact of CCCC in Equatorial Guinea [http://www.cccnews.cn/zjxw/sdbd/201512/t20151228\\_44320.html](http://www.cccnews.cn/zjxw/sdbd/201512/t20151228_44320.html)

<sup>131</sup> CCCC'S CSR Impact in Africa <http://finance.people.com.cn/n1/2018/0831/c1004-30264807.html>



## Case Study 7 - Dangote Group from Africa



Dangote's Factory in Africa<sup>132</sup>

### 2.7.1 Company Background & Global CSR Strategy

Dangote Industries Limited is a diversified and fully integrated conglomerate with an annual group turnover of over US\$4 billion. Founded in 1981, the company is now one of the largest African conglomerates, operating in 16 countries across the continent in various sectors such as cement, sugar, salt, condiments, packaging, energy, port operations, fertilizer, petrochemicals and real estate.<sup>133</sup>

The company's central business focus is to provide local, value-added products and services that meet the populace's basic needs through the construction and operation of largescale manufacturing facilities in Nigeria and across Africa. Focused on building local manufacturing capacity to generate employment, reduce capital flight and increase local value addition.

#### Global CSR Strategy

Dangote Group characterizes its CSR initiatives as "creating meaningful businesses that are socially responsible for addressing people's needs."<sup>134</sup> The Dangote Way is founded on the 7 Sustainability Pillars.

The Economic, Social, Environmental, Financial, Cultural, Operational, and Institutional (encompassing Governance, Risk, and Compliance) pillars of sustainability at Dangote are aligned with the GRI Standard, Global Compact, IFC Performance Standards, and SDGs. They are designed to ensure sustainability data is embedded at the core of business processes and corporate culture to make a compelling economic case for putting sustainability best practices into practice.

<sup>132</sup> About Dangote available at <https://dangotecement.com/wp-content/uploads/2021/04/Corporate-governance-1.pdf>

<sup>133</sup> Dangote CSR Strategy at <https://www.dangote.com/about-us/>

<sup>134</sup> Corporate governance Framework for Dangote <https://dangote.com/sustainability/>

## Corporate Governance Framework

For the Company's effective governance, the Board of Directors devised a Corporate Governance Framework. The Framework covers topics such as the Board's mission, structure, committees, Directors' roles, remuneration, the function and evaluation of the Group Managing Director, and succession strategy for the Board and Executive. The Board reviews corporate governance developments on a regular basis and updates the Corporate Governance Framework as needed<sup>135</sup>.

### 2.7.2 CSR impact in Africa

#### The Dangote Foundation

Aliko Dangote Foundation (ADF) is the private charitable foundation of Aliko Dangote. It is considered the Dangote Group's Corporate Social Responsibility arm. Incorporated in 1994, as Dangote Foundation, with the mission to enhance opportunities for social change through strategic investments that improve health and wellbeing, promote quality education, and broaden economic empowerment opportunities. 20 years later, the Foundation has become the largest private Foundation in sub-Saharan Africa, with the largest endowment by a single African donor<sup>136</sup>. Over the years, the Foundation is committed and has contributed through philanthropic funds to various organizations in the local, national and global community in which it operates its business.<sup>137</sup>

**Impact in the Education Sector:** The Foundation's activities in Nigeria contribute to the education sector through funding for universities. Some of their activities include; N1 billion (2.5 million USD) for Nigerian universities including N500 million for development of a business school in Bayero University and N100 million for the proposed Otuoke University in Bayelsa State. Donation of fully equipped rooms with capacity for housing 2160 students, built at a cost of N1.2 billion (2.9 million USD) donated by the Aliko Dangote Foundation to Ahmadu Bello University, (ABU) Zaria.<sup>138</sup> Furthermore, funding for human capital development geared towards women empowerment.

**Humanitarian Relief:** In order to support international humanitarian efforts and alleviate the suffering of communities displaced by natural disasters, ethno-religious crises or several other disasters, the foundation has taken several initiatives in humanitarian relief. Some of their activities include; Charitable giving of relief items worth N50 million (121,000 USD) to community leaders in Jos following a prolonged ethnoreligious crisis, contributions to the Flood Relief program in Nigeria and donation of \$2 million (4,900 USD) to the World Food Program to help Pakistani flood victims. In addition, further support has enabled the construction of isolation centers, providing test kits and other medical supplies to mitigate the impact of COVID-19 in Nigeria, constructing roads for improved livelihood in some areas, and development of sustainable products, processes and technologies.<sup>139</sup>

### 2.7.3 Key challenges faced when implementing CSR

Dangote Industries publicly discloses several commitments across the baseline assessment dimensions but has room for improvement in all three (environment, nutrition, social inclusion).<sup>140</sup>

- Despite being one of Africa's largest diversified conglomerates, the corporation has yet to declare time-bound goals for reducing scope 1, 2, and 3 GHG emissions. It also makes no commitments in terms of soil health, fertilizer use, or pesticide use. However, the company seeks to source and distribute high-quality fertilizer to farmers to prevent potentially harmful farming practices. The company uses rainwater to cool the sugar production process but does not disclose commitments to minimize freshwater use. There were no commitments to reduce food waste, plastic use, or packaging waste, despite the company's stated goal of using alternative yet environmentally friendly materials.

<sup>135</sup> <https://dangotecement.com/wp-content/uploads/2021/04/Corporate-governance-1.pdf>

<sup>136</sup> More about the Aliko Dangote Foundation <https://dangote.com/foundation/about-foundation/>

<sup>137</sup> ADF CSR impacts <https://guardian.ng/business-services/dangote-voted-2020-best-company-in-csr-infrastructure-dev/>

<sup>138</sup> Dangote CSR Impact in Education <https://dangote.com/foundation/about-foundation/>

<sup>139</sup> Dangote CSR Impact on Humanitarian Relief <https://dangote.com/foundation/about-foundation/>

<sup>140</sup> [https://www.csrhub.com/CSR\\_and\\_sustainability\\_information/DANGOTE-CEMENT-PLC](https://www.csrhub.com/CSR_and_sustainability_information/DANGOTE-CEMENT-PLC)



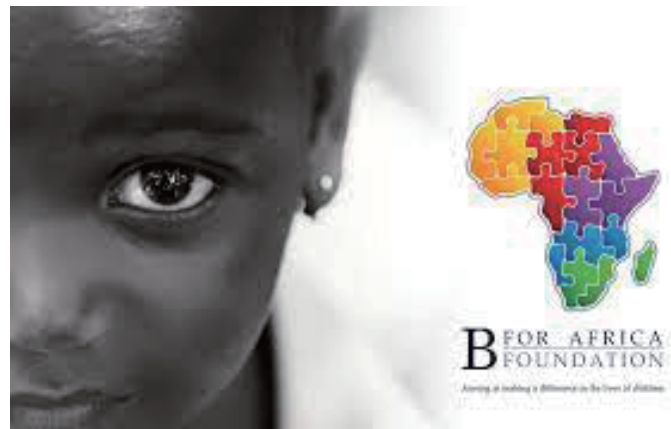
- Dangote Industries has made no commitments to boost the availability, accessibility, and affordability of healthy foods in the nutrition component. It also does not provide transparent labelling or ethical marketing practices. It does, however, provide fully paid nutritionally balanced meals at its canteens for its employees. Food safety is also a priority for the company.
- Dangote Industries highlights initiatives to align its corporate principles with the UN Global Compact's best practices, including abolishing child and forced labor in the social inclusion dimension<sup>141</sup>. However, it's unclear how the corporation plans to put these plans into action. Dangote Industries is committed to occupational health and safety but not to paying a living wage. While it supports farmers through a specific out grower program, the corporation does not protect vulnerable groups' land rights.
- The Technical and Sustainability Committee of the Board of Dangote Plc assists the Board and has an oversight function over matters related to projects, expansion of capacity, maintenance and operation of plants and sustainability of the Group's operations. However, the company's culture of ethical decision making is not clear, how they decide on projects and whether sustainability principles are integrated from the top down into the day-to-day operations of the company is also not clear.

#### 2.7.4 Key Takeaway/Reflections

- As Africa's largest conglomerate, with a sound understanding of the needs of the people, the Dangote Group demonstrates its commitment to the communities through philanthropic contributions, participation in human rights records, and the environmental and social implications of the company's products and services.
- Policies and programs were identified for staff training, health and safety, and sound labor norms that were compliant with national laws and regulations.
- The company's compliance with environmental regulations is top-notch. Business policies and practices are linked with sustainability goals, and the leadership structure and principles that drive corporate direction are ethical and high performing.

<sup>141</sup> Dangote CSR initiatives at <https://www.worldbenchmarkingalliance.org/publication/food-agriculture/profile/dangote-industries/>

## Case Study 8 - Bank of Africa-BMCE Group in Africa



Bank of Africa Foundation<sup>142</sup>

### 2.8.1 Company background & Global CSR Strategy

Bank of Africa-BMCE Group is a large financial services provider in eighteen sub-Saharan countries. As of December 2016, the group's total assets were valued at €7.8 billion (US\$7.9 billion). In addition to its fourteen commercial banks, the group also includes a finance company, a housing bank, a leasing company, one brokerage firm and two investment firms, as well as a management company and a representative office in Paris.

Among the leading pan-African financial groups, BANK OF AFRICA is one of the most internationally oriented Moroccan banking group, with a presence in more than thirty countries in Africa, Europe and Asia, employing more than 14,800 staff across the world.

Several commitments - Equator Principles, UN Global Compact, Positive Impact Finance Principles, Mainstreaming Climate Action in Financial Institutions - confirm BANK OF AFRICA's continuous willingness to contribute, with impact, to the Sustainable Development Goals.

#### CSR commitments and strategy

Over the past fifteen years, BANK OF AFRICA has reinforced its position as a leader in Sustainable Finance, driven by the conviction that finance has an essential role to play in building a sustainable, positive and inclusive economy. BANK OF AFRICA was the first Moroccan institution to sign the United Nations Global Compact in 2016. BOA is also the first Moroccan bank to be acknowledged by the European non-financial rating agency Vigeo as the "CSR Best Performer" in both 2012 and 2014. BOA was also selected to be in Vigeo's EM-70 ranking, which recognizes the 70 best companies (among 800 listed companies in 31 emerging countries) in terms of environmental standards, social responsibility and corporate governance.<sup>143</sup> BANK OF AFRICA Group also put together a Corporate Social Responsibility Charter which defines 6 pledges that guide their practices and growth model. The charter covers various areas spanning from business ethics, entrepreneurship support to environmental issues.

<sup>142</sup> Source: <https://bforafricafoundation.org>

<sup>143</sup> About Bank of Africa <https://www.bankofafrica.ma/en/bank-africa/sustainability>

### Bank of Africa Foundations

Created in 1995, BANK OF AFRICA Foundation in Sub-Saharan Africa is committed to improving the living conditions of the most vulnerable communities and contributing to local development. The BOA Foundations' initiatives are in education and health, and are primarily aimed at achieving the following goals:

- Improving access to healthcare
- Enabling communities to stay healthy
- Encouraging disease prevention and health education
- Assisting disadvantaged patients
- Improving access to knowledge and training
- Providing marginalized communities with high quality, modern education in decent conditions
- Reducing inequality between men and women in terms of ability to access healthcare and education

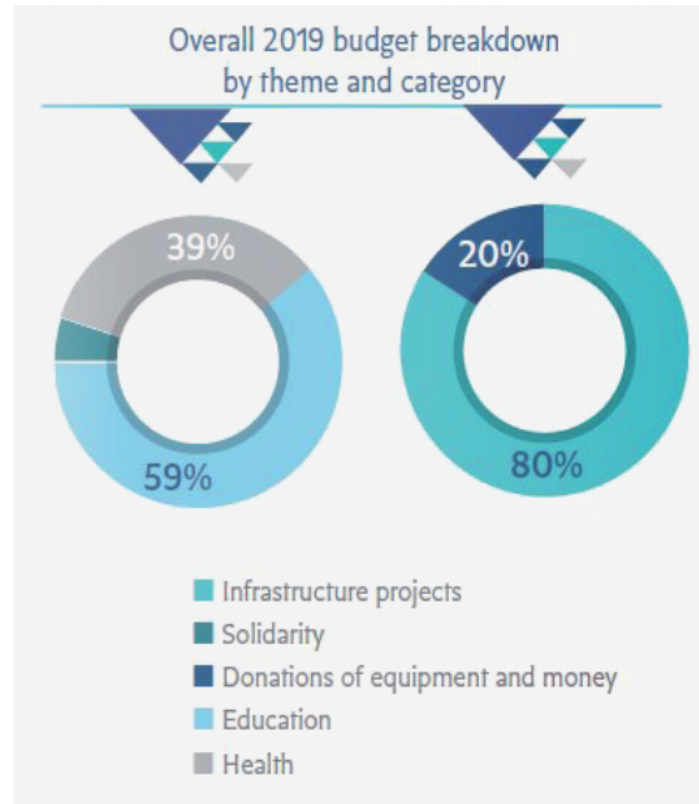
### BMCE Bank Foundation

BMCE Bank Foundation for Education and the Environment support initiatives that promote a social and solidarity-based economy, financial education, philanthropy and sponsorship, in support of socio-economic development. Bank Of Africa continues to develop programmes promoting education and the environment via its BMCE Bank Foundation. Its priority remains educating girls in rural areas and achieving a gender balance in Medersa.com schools. Pass rates have continued to improve, underlining the efforts made to promote high quality and innovative education.

## 2.8.2 BOA CSR impact in Africa

### BOA CSR impact in education

- 4 percent of BANK OF AFRICA's gross operating profit allocated to BANK OF AFRICA Foundation
- 66 schools, 62 of which are in Morocco and 5 overseas (Senegal 2, Republic of Congo 1, Mali 1 and Rwanda 1)
- 112 pre-school educational units, built and fully equipped, within state schools with the Foundation supporting the Ministry of National Education's programme of extending education to the pre-school level within the public sector
- 22,000 pupils enrolled in the network since 2000, 50% of whom are girls
- 532 teachers, including 420 permanent teachers and 112 contract employees, 48 percent of whom are women
- More than 180 hours/year of in-service teacher training
- 1,200 high school graduates since the first year
- Ensuring access to remote villages (douars) by developing roads in rural areas, benefiting more than 45,000 inhabitants
- Ensuring access to drinking water by connecting villages to the mains water supply, benefiting more than 50,000 inhabitants
- Ensuring access to the electricity grid in rural areas, benefiting more than 60,000 inhabitants, working closely with the national departments in question (ONEE and Equipment delegations)
- Improving literacy among the adult population, benefiting more than 12,000 adults: parents are becoming more educated and are increasingly aware about the importance of their children's schooling
- The partnership between BANK OF AFRICA Foundation and the Tawada microcredit association is aimed at helping parents of pupils attending Medersat.com network schools: 2,000 customers benefiting from microcredit, 31 percent of whom are women and 12percent are youngsters under the age of 30 years.



### BOA CSR impact in entrepreneurship: African Entrepreneurship Award

BOA launched the first edition of the African Entrepreneurship Awards in 2015, with an annual prize of \$1 million. More than 5,000 candidates from 54 African countries, as well as Africans living outside of Africa, took part in the first contest. Since then, the award event has expanded and over 17,000 entrepreneurs joined the journey with 120 countries represented including 54 African countries. More than 500 partner-mentors from over 30 countries in Africa, Asia, Europe, North & South America, and Oceania and 112 entrepreneurs from 35 countries participated in it, and 46 businesses funded from 18 African countries.

### 2.8.3 Areas of improvement

**Coordination.** BOA is a large financial services provider in eighteen Sub-Saharan countries. While a lot of information is shared on sustainability and CSR efforts, it's not very clear how the vision is shared and how these efforts are coordinated from one branch to another. More specifically, there seem to be more mention of activities of the BMCE Bank (largest shareholder) than say, Kenya's branch which is visibly doing some work as well.

**Communications.** BOA does an excellent job at outlining sustainability and CSR vision, mission, structure, goals and various initiatives, which all can be found on the main website. However not enough information can be found on actual outcomes. Details of a CSR team are also difficult to find. BOA mentions a number of partnerships with local organizations, but full details of their activities with these organizations it has partnered are hard to find.

**Overlap between sustainability and CSR strategy.** While this issue is not unique to Bank of Africa and is most likely due to the difficulty to clearly define what pertains to CSR and what doesn't, we see a number of overlaps of activities under these two categories and not a clear separation in the way the frame and structures are set up.

**Sustainability or requirement / duty.** Some of the efforts elaborated under sustainability, especially under customer care would be expected from any well-functioning business with a good marketing strategy and therefore should not be considered to be particularly significant.

#### 2.8.4 Key Takeaway/ Reflection

- As a large commercial bank in Africa, BOA seeks to not only take the lead in their financial and banking services, but also model how to fully embrace sustainability values, structures, implementation and achievements. It is thereby noticeable that the bank is taking the stage and encouraging other African institutions to follow the same lead.
- The importance of linking sustainability, including the UN SDGs to core business strategies has been very important. Efforts to integrate both employee relations and customer interest, respect and support as well as investment selection and management decisions into their sustainability framework are evident.
- Unlike most of CSR efforts in Africa, BOA's approach to CSR seems to be mature and holistic. Beyond philanthropic work through the BOA Foundations, the inclusion of environmental issues, business ethics, human rights, climate change etc. seems to be a priority.

# Section III : Practical CSR guidelines

Being socially responsible doesn't just mean donating money and goods every now and again, it means taking a look at the company's overall impact and making positive changes in as many ways as possible.

This section, intended for businesses operating across the African continent, aims to provide practical advice and ideas on how to implement impactful and long-lasting CSR across Africa.

These practical guidelines are written to be understood by those working in private and state-owned companies in Africa and can be used as a standalone guide or to complement other sections of this report.

This easy to digest section covers the following topics-

- Why CSR is important to your business
- How to identify and localise your CSR efforts
- How to successfully allocate resources and funds
- How to integrate CSR into the daily activities of your company
- How to build CSR team capacity
- How to monitor & evaluate your CSR performance
- How to communicate CSR achievements externally
- How to collaborate with others (Associations, Embassies, NGOs, Consulting firms etc.) to improve CSR locally
- How to keep CSR going during an economic or humanitarian crisis

## Why should a company care about CSR

Practicing CSR within a business—with sustainability or CSR as a key pillar—has become central to most companies looking to drive employee engagement, build brand equity, and most importantly, achieve lasting change in local communities. From an all-round perspective, socially responsible companies cultivate a more attractive image to both consumers, local communities and shareholders alike, which serves to positively affect their bottom lines.

### 3.1.1 First, across Africa, significant efforts are needed to achieve the sustainable development goals by 2030

The SDG Center for Africa and the Sustainable Development Solutions Network published the 2020 edition of the Africa SDG Index and dashboards report. The goals facing the greatest challenges in the region are SDG 3 (good health and wellbeing), SDG 9 (industry, innovation and infrastructure), and SDG 16 (peace, justice and strong institutions).<sup>144</sup> There is an untapped innovation marketplace in Africa with sustainable local-level solutions already addressing many of those social and infrastructural needs that require the right partner to scale up. The private sector has the power of innovation and ability to scale many of the solutions needed to address the challenges the world is facing today.

### 3.1.2 Second, CSR Increases brand recognition, customer loyalty and boosts relationships with communities

CSR provides companies with the opportunity to focus on the important areas of interaction between the company and its key stakeholders while addressing value creation actions as part of the company's strategy to strengthen their relationship with key stakeholders and the communities in which they operate in.

Wal-mart, for example, has taken two initiatives: one is to improve the efficiency of its logistics fleet by 100% to reduce carbon dioxide emissions; The second is to reduce the energy consumption by 30% to save resources. On the one hand, it shows the social responsibility of the enterprise, which will win the favor of the local government and the public community who are willing to build good relationship with or give certain support to the enterprise and will play a positive role in the development of local activities of the enterprises. On the other hand, it explains the willingness of sustainable development, and helps enterprises to gain the trust of consumers, partners and financial institutions, which will contribute to the long-term production and operation of enterprises.

If you make consumer goods, embracing socially responsible policies goes a long way towards attracting and retaining customers (especially internationally), which is essential to a company's long-term success. Furthermore, many individuals will gladly pay a premium for goods, knowing that part of the profits will be channeled towards social causes near and dear to them.

Companies can likewise witness increased foot traffic if they enhance the local community. For example, banks that dispense loans to low-income households are apt to see an uptick in business, as a direct result.<sup>145</sup>

<sup>144</sup> SDGs across Africa <https://sdg.iisd.org/news/africa-sdg-report-adds-index-on-leaving-no-one-behind/>

<sup>145</sup> Importance of social responsibility at <https://www.investopedia.com/ask/answers/041015/why-social-responsibility-important-business.asp>



### 3.1.3 Finally, CSR makes contributions to the environment protection, the growth of blue economy and the achievement of carbon neutrality

Protecting the environment and climate has seen a surge in expectations, with 59% of consumers expecting companies to make a stand on climate and environmental issues.<sup>146</sup> Nowadays, everything we do is based on the natural process. Many key business sectors have been too slow to recognize the negative impact on the planet. Urgent response is needed to build a new and fair system to safeguard ourselves from future global shocks and to see a thriving humanity and planet.

#### Box 5: Carbon neutrality

Carbon neutrality is becoming one of the corporate social responsibilities. Enterprises are an important source and the backbone of achieving carbon neutrality. In the past half-century, the 20 largest companies in the world emitted nearly 500 billion tons of carbon, accounting for about 35% of the global emissions. More and more companies set climate goals such as carbon neutrality and actively respond to climate change. In 2000, 54% of the Fortune 500 companies set a target on greenhouse gas emission reduction, and 17% of the 500 companies set a carbon neutral or net zero emission target. As of June 2021, nearly 20 companies in China have announced carbon neutrality targets, involving industries such as industry, energy, finance, technology, and manufacturing.<sup>147</sup>

SOUTH AFRICA – the Board of Directors Gold Fields, one of the world's largest gold mining firms, has given the green light for the construction of a 40MW solar plant at the South Deep mine in South Africa. The 40MW solar plant will generate over 20% of the average electricity consumption of the mine and will comprise 116,000 solar panels and cover a 118 ha and will be on mine property. Gold Fields Chief Executive Officer, Chris Griffith: "Importantly, it will reduce our carbon footprint by around 100,000 tonnes of CO<sub>2</sub> a year, not only enhancing the sustainability of South Deep but also contributing to Gold Fields' long-term commitment to carbon neutrality," During 2020, renewable electricity averaged 3% of Gold Fields Group electricity. Once the South Deep project is commissioned, renewable's contribution to the Group total will rise to approximately 11%. Gold Fields' energy objectives are based on four pillars – energy must be reliable, available, cost-effective and clean – which will promote a shift to self-generation using renewable energy sources<sup>148</sup>.

With long coastlines and rich marine resources, many African countries focus on the blue economy. In terms of economy, it has the potential to boost economic growth and diversified development, create decent employment opportunities, reduce poverty and stimulate value chain development and innovation. With regards to social issues, the blue economy can help poor and marginalized people, create employment opportunities for women, and ease the inequality on income and gender. On environment, the blue economy can increase the benefits of environmental protection and promote regional cooperation among relevant countries in marine environmental management.<sup>149</sup> In April 2015, China State Shipbuilding Trading Corporation signed a memorandum of cooperation with South African shipyard. The two parties established a cooperative system and shared technology and experience in the fields of shipbuilding and maintenance.<sup>150</sup>

<sup>146</sup> CSR impacts on the environment at <https://www.hillsgreen.co.uk/blog/csr-why-should-you-care/>

<sup>147</sup> <http://www.chinadevelopmentbrief.org.cn/news-25590.html>

<sup>148</sup> Mining company Gold Fields' board gives green light to South Deep solar project | Africa Inc. ([africaincmag.com](http://africaincmag.com))

<sup>149</sup> [http://www.cssn.cn/hqxx/202009/t20200904\\_5178690.shtml](http://www.cssn.cn/hqxx/202009/t20200904_5178690.shtml)

<sup>150</sup> [http://views.ce.cn/view/ent/201506/12/t20150612\\_5625384.shtml](http://views.ce.cn/view/ent/201506/12/t20150612_5625384.shtml)

## How to identify and localize the right CSR

Identifying the right CSR and localizing within respective African countries is no easy task and is an area that requires constant re-evaluation and improvement. However, in identifying the right CSR, especially at an early stage, companies are setting themselves out for success. This section explores issues of global vs local strategy, especially companies who are often operating in multiple African countries and regions with varying contexts.

We will also advise on how to design a local CSR strategy that aligns with the company's existing expertise and business model while at the same time meeting the local community's needs and demands. This, as we'll see, can be done through building relationships and coordinating with local actors (Government, NGOs, other local communities, etc.).

### 3.2.1 Always adapt your CSR global strategy to the local context

CSR efforts have evolved from being predominantly philanthropic, to having a more shared-values approach. Businesses that are succeeding at this today build a CSR strategy that focuses on issues that are directly relevant to their operations.

#### **But first, build a global strategy**

The global strategy's aim should not be to spell out each and every activity for the local companies to implement but more importantly, aim to provide a vision, framework and structure within which local enterprises can operate in as they come up with their own respective strategies that are more in tune with the issues surrounding them.

A suitable CSR framework flows out of the business goals and objectives and maintains the focus on a few key matters, while allowing local offices to develop their own specific goals.

For example, the global strategy may be to support SDG- 13 climate action through a number of specific projects and goals such as planting trees, education initiatives, cutting co<sup>2</sup> emissions across operations and less pollution, etc. When building their local strategy, the company can then pick one or two of these areas to match or help support the existing efforts ongoing in that specific region.

#### **Then localize your strategy**

Multinational firms with operations in multiple countries and regions will need to allow local companies to not only come up with their own local strategy but to also develop initiatives that are relevant to the unique environment they are operating in. When operating in Africa, it will be key to not only come up with an "Africa strategy" but also keeping in mind that various regions of Africa will present varying needs.

For instance, a strategy around environmental sustainability issues may vary from one country to another. In a country like Kenya, the strategy can focus on the preservation of the country's rich animal resources while in Burundi, with far less animals, a focus on coffee farming would be more fitting.

#### **Be clear**

A clear strategy will assist in bringing more alignment. The more defined and narrowed down your goals are, the easier it gets to assess whether or not they have been reached. This way, local activities take place within a well-defined field, and local creativity is able to materialise.<sup>151</sup> Additionally, clarity will reflect positively on your brand's commitment to CSR, exhibiting consistency and care<sup>152</sup>.

<sup>151</sup> How to engage in CSR at <https://www.cafonline.org/giving-as-a-company/corporate-responsibility/tips-how-to-align-global-local-csr-strategy>

<sup>152</sup> Developing a CSR strategy <https://blog.submittable.com/csr-strategy/>

Tata Group is a very good illustration. As a part of their approach, all Tata companies, including those outside India, are expected to align themselves to at least one of the identified Group CSR Programmes (GCPs), of which skill development (Tata STRIVE) is in place and two others, Water & Sanitation and Education respectively are under discussion. Companies may select GCPs which are directly relevant to their business and geographies of operation and allocate about 40% of their CSR spend to one or more GCPs.

- Tata group's CSR programmes would be relevant to local, national and global contexts, keep disadvantaged communities as the focus, be based on globally agreed sustainable development principles and be implemented in partnership with governments, NGOs and other relevant stakeholders.
- The group will specifically identify and execute a set of Group CSR Programmes (GCPs) aimed at creating national and global impact in improving the quality of life of the communities we serve.
- Tata group companies will evolve their own individual long-term CSR strategies, which will include both participation in GCPs by providing funds, skills and expertise of their employees and their own initiatives.

Source: TATA Assessment Framework

### 3.2.2 Remember to do what is within your field

"The best CSR initiatives are directly aligned and central to operational strategy".<sup>153</sup>

Every company possesses its own vision, mission, goals and core values. From these derive operational strategies that will allow the firm to reach its goals and succeed. In the process of implementing goals, enterprises also often accumulate expertise, strengths and core competencies over time.

#### Why?

When CSR strategies are integrated and made a part of the enterprise's overall operational strategy, they benefit not just one group but multiple stakeholders, including customers, employees, chain of suppliers, communities, shareholders, etc., who are involved in the enterprise's operations in one way or another. Involving multiple stakeholders in your CSR activities, even during the designing stage, will provide participants with a sense of ownership, enthusiasm and dedication which in the end will increase chances of long-lasting success and impact.

#### How?

Aligning your CSR strategy with your marketing and operational strategy, will vary from one business to another, precisely because core competencies and working fields vary accordingly. Therefore, rather than developing CSR plans that are completely divorced or foreign to the company's general activities, it is recommended that utilizing and applying the enterprises' existing competencies to your CSR strategies and plans will be more suitable. This will also ease oversight and evaluation from higher level management.

For instance, a successful ecommerce company is better equipped to support other ecommerce smaller businesses, initiatives or young entrepreneurs in the field while a manufacturing or energy firm could be finding or developing more environmentally friendly sources of energy for their operations as an example.

<sup>153</sup> Developing a CSR strategy <https://blog.submittable.com/csr-strategy/>

### 3.2.3 Design and coordinate with local actors (Government, NGOs, local communities)

In most communities one is operating in, there exist a good amount of work underway. connecting and coordinating with organizations and individuals doing this work early in your CSR strategy development process can ease the job. (for more information on this see 3.9 on collaborating with others)

#### No need to reinvent the wheel!

Local organizations as well as government institutions will have the understanding and experience to put your company's resources to the best use. This will also keep you from having to recreate or replicate what's already taking place. Approaching community partnerships with humility and focus on learning from them what local communities need most and how your enterprise can assist is key.

#### Authenticity!

In the end, sustainable and responsible partnerships take hold where community members are the ones making decisions and where their needs are well taken into account into various programs and campaigns that will affect them directly.<sup>154</sup> The Jack Ma Foundation's Africa Netpreneur Prize Initiative (ANPI) is another very good example in that it has sought to join forces with local partners from across Africa (partnered with African Leadership Group, Ashesi, Dalberg, Janngo and Rise up in 2020) to identify and mobilize innovative, resilient, and mission-driven African entrepreneurs, as well as to support them throughout the application and selection process of the second edition of the Africa's Business Heroes prize competition (ABH).

What if you are a SME operating in Africa? The same principles still apply. Build a strong local CSR strategy that feeds into your existing business objectives and is within the scope of your operations.

#### Africa entrepreneur Prize Initiative<sup>155</sup>



As an Africa-focused enterprise ourselves, we have also been on that same journey to build a platform that now supports Africa's transformation from 13 offices across the continent. We are therefore proud that our Anchor Partnership working to build entrepreneurial resilience across the continent.

In 2015, AB InBev launched the Global Smart Drinking Goals to reduce harmful use of alcohol by 10%. Several City Pilots were rolled out and focused on six cities: Leuven, Johannesburg, Brasilia, Jiangshan, Zacatecas, and Columbus. Although the global company has a centralized vision and targets, local offices carry out that vision, based on what makes sense in their respective context. The success of each region's pilot is due to their unique knowledge and ability to coordinate partners locally. Due to AB InBev's decentralization approach, each area is able to identify and take ownership of how the company can better serve the local community that they operate in.

<sup>154</sup> Developing a CSR strategy <https://blog.submittable.com/csr-strategy/>

<sup>155</sup> Jack Ma Foundation's Africa entrepreneur Prize Initiative <https://www.businesswire.com/news/home/20200406005554/en/Jack-Ma-Foundation's-Africa-Netpreneur-Prize-Initiative-ANPI-Launches-Search-for-Africa's-Business-Heroes>

## How to allocate resources and funds to CSR

Appropriate management of resources- both people and budget-is necessary otherwise it may lead to investments in projects which do not meet the strategic objectives of the company or have long term sustainable impact. The social benefits and economic benefits of an enterprise appear to be contradictory. In fact, as the economic benefits of an enterprise increase, there will be enough funds for social benefits. In the long run, the enterprise will win the support of society and policies. Thus, its economic benefits will also go up.<sup>156</sup> For the balance between economic and social benefits, companies need to establish a comprehensive CSR budget management system.

### 3.3.1 Create a CSR budget management system

#### Create a management team for social responsibility budget.<sup>157</sup>

You can set up a social responsibility budget management committee and a supervision group. The committee is responsible for formulating the budget system and determining the budget draft, stipulating the scope of use of corporate social responsibility projects, special funds, reporting procedures and responsibilities, etc.; the supervision group is responsible for the coordination, processing and supervision of the daily budget. When formulating a corporate social responsibility budget, the committee first sets the overall goal and the strategy and clarifies the implementation plan. Related departments then make the budget statement and submit it to the committee for discussion and review. Then those departments revise and submit it to the committee, and the committee issues the final implementation plan after approval.

#### Budget for CSR.<sup>158</sup>

CSR budget should include four aspects: staff, environmental protection, products and social responsibility special fund budget. The staff budget refers to the staff's training expenses, insurance premiums, staff activity expenses and staff welfare related expenses. Environmental protection budget includes the budget of an enterprise for environmental protection, energy-saving equipment, pollution prevention and sewage treatment. The product liability budget is the cost of product return, quality assurance, and sales. The budget of the special fund for CSR is about the company's voluntary activities, donations, social relief and community service expenses. In order to avoid double counting, the CSR cost should not be included in the corporate operating budget.

#### Act according to CSR budget.<sup>159</sup>

After the budget is issued, you should manage the social responsibility budget through supervision, adjustment and assessment, and form a report on the implementation of the social responsibility budget. The social responsibility budget is managed as an independent project budget of the enterprise, and the following three aspects are mainly included:

A successful CSR strategy is not built by one person alone- a collection of productive heads is much better than one. However, the project certainly needs one core manager to lead the way, assign responsibilities and ensure everyone stays on track. Some companies have a CSR department, and some assign CSR to Human Resources teams or Office Managers. Depending on the goals of using CSR, it can also be a responsibility of the marketing or communications teams.<sup>160</sup>

<sup>156</sup> Allocating resources and Funds to CSR at <https://www.pkucc.pku.edu.cn/zxjs/ytk/2007nytk/496034.htm>

<sup>157</sup> Yang Y,Zou XC,Liu L,Yang CL. Reflections on the construction of comprehensive budget management of corporate social responsibility -- from the survey data of a state-owned enterprise [J]. International Business Accounting,2013(12):16.

<sup>158</sup> Yang Y,Zou XC,Liu L,Yang CL. Reflections on the construction of comprehensive budget management of corporate social responsibility -- from the survey data of a state-owned enterprise [J]. International Business Accounting,2013(12):17

<sup>159</sup> Yang Y,Zou XC,Liu L,Yang CL. Reflections on the construction of comprehensive budget management of corporate social responsibility -- from the survey data of a state-owned enterprise [J]. International Business Accounting,2013(12):17-18

<sup>160</sup> Building a successful CSR Strategy <https://www.alva-group.com/blog/whats-the-difference-between-csr-and-esg/>

- 1. Analyze the implementation of the budget every month, audit the implementation of the budget at the end of the year, and make a difference analysis report. Based on the feedback report, the committee will adjust the budget. In the event of emergency events, the committee needs to decide whether to activate the CSR special fund.
- 2. In the company's performance appraisal, CSR must be assessed separately. By measuring CSR budget expenditures, the effectiveness of CSR can be measured. You can adopt a scoring system for assessment and reward and punish departments.
- 3. After the implementation of the annual budget, the existing problems and assessment status should be discussed and solved in a timely manner. Based on the issues raised in the year-end budget report, propose improvement measures for improving the budget for the next year.

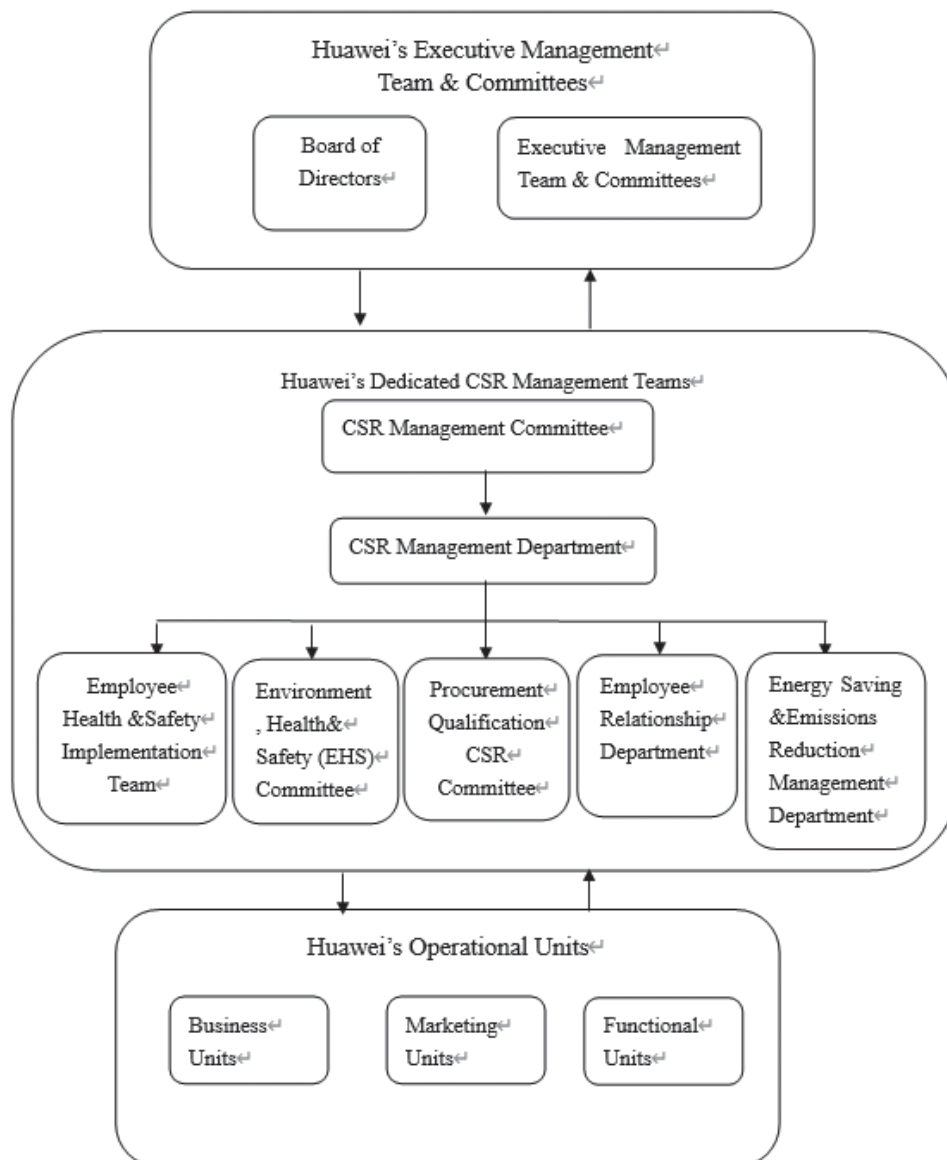
### 3.3.2 Build CSR implementation mode

How the company will organize itself for the purpose of CSR i.e., as an in-house CSR function and/ or a Foundation, Trust or Society?

How will be the company's role in a CSR initiative be determined? - grant making, knowledge inputs, material/ equipment donation, direct implementation, overseeing implementation by a partner.

### 3.3.3 Create a working group

Your working group should be a cross-section of the organization, from board members to senior management and front-line employees, and could include people who are passionate about CSR as well as those who are skeptical to give voice to differing opinions on the issues at hand. A good example is Huawei's CSD committee for CSR management. It is responsible for developing corporate-level sustainability strategies, guidelines, objectives, and policies, setting their course and monitoring their implementation. An efficient committee will facilitate your sustainability-related communication with key stakeholders such as customers, regulators, and industry organizations. It drives the resolution of sustainability matters across domains or processes and coordinates sustainability operations from end to end. The committee should meet regularly to coordinate and carry out daily work.

**Figure 7: Huawei's CSR Executive Management****Precise division of work is helpful.**

The CSR Head reports to the CSO who then reports to the CEO. Sustainability (including CSR) and business strategy are synonymous. It starts at the top, and driven through the entire organization from the top. Sustainability team works with all relevant functions - HSE, Supply Chain, HR, Strategy, CSR.

Specifically, Companies set up foundations and committees for different expertise and purposes. Huawei's top-down cyber security governance structure supports the success of its security strategy. The Global Cyber Security and User Privacy Protection Committee (GSPC) is Huawei's highest cyber security management body, and it is responsible for approving its strategy for cyber security assurance. The Global Cyber Security and User Privacy Protection Officer (GSPO) is an important member of the GSPC and reports directly to the CEO of Huawei. The GSPO is in charge of developing Huawei's security strategy, and plans, manages, and oversees how departments (e.g., R&D, supply chain, marketing, sales, project delivery, and technical services) structure their security teams and ensure security in their business activities. The system now covers all departments, geographies, and processes. The GSPO also facilitates



effective communication between Huawei and its stakeholders, including governments, customers, partners, and employees.

**The role of headquarters**

Since many regional companies have limited cooperation in CSR projects, the headquarters should undertake the integration and utilization of resources of various enterprises, including the distribution of cooperation with relevant international and domestic resources, and combine these organizations' global networks to support social responsibility work in various regions. Domestic headquarter is at the wheel while regional offices focus on action.

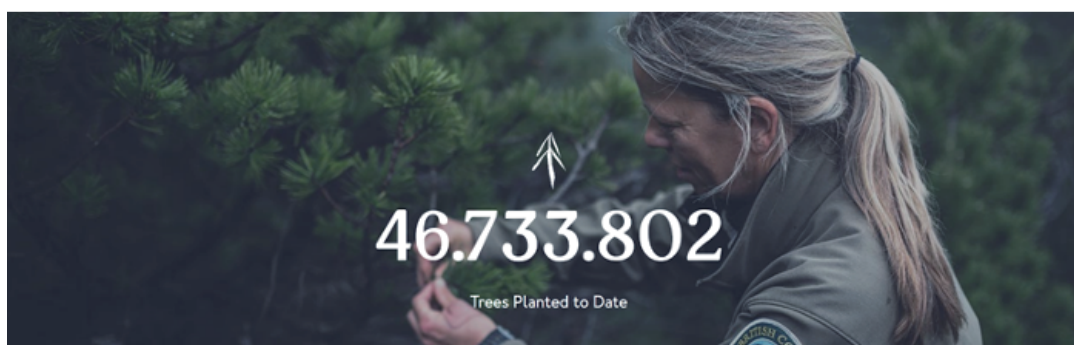
## How to integrate CSR practices into the company's daily activities

CSR lets companies put their expertise and money into helping local communities while illustrating that business is not just about making profits. If anything, business has become about giving back and offering solutions to help people and, indirectly, the world. But you may worry about how your business can actually dive into that level of care and concern for society when you're not sure if you even have the resources for your business. Below are some ideas on how you can incorporate CSR into your business.

### 3.4.1 Link your CSR strategy to your company purpose and values.

As mentioned previously, to make CSR part of your company culture, consider establishing a set of values and a sense of relevancy that explains why your business is socially responsible. You can then show how it's contributing to your long-term strategy and support continued investment in your CSR program. And look at your company's strategic goals to help you shape your CSR strategy, for example, whether it's to have an impact, engage or retain employees, or to engage consumers.<sup>161</sup>

TenTree is a good example as a Canadian sustainable clothing company founded in 2012 with CSR embedded directly into its business value. They do this by planting 10 trees for every item they sell. When customers make a purchase, they also receive a code that can be entered into the TenTree website that enables them to track where their trees are being planted around the world.<sup>162</sup>



TenTree: Clothing as well as Tree planting

### 3.4.2 Sign up to existing initiatives such as global compact.<sup>163</sup>

The UN Global Compact provides a universal language for corporate responsibility and provides a framework to guide all businesses regardless of size, complexity, or location. In this way you can better align your CSR work with the international benchmarks. The UNGC will help you commit to, assess, define, implement, measure, and communicate your sustainability strategy.

<sup>161</sup> More about CSR strategy <https://alayagood.com/guide/corporate-social-responsibility/strategy/>

<sup>162</sup> About TenTree <https://tentree.co.uk/pages/about>

<sup>163</sup> UN Global Compact Initiatives <https://www.unglobalcompact.org/participation/join>

### 3.4.3 Turning towards ESG criteria to assess performance.<sup>164</sup>

ESG refers to the three central factors in measuring the sustainability and ethical impact of a company. It will be key to know that ESG ratings can be a valuable internal benchmarking tool to guide decision making and improve sustainability performance. Further, the assessment can provide a valid source of information to help internal advocates to promote change – as well as highlighting areas of weakness and strength.

### 3.4.4 Determine the skills related to social responsibility.

Focus on those activities that can rely on your time and talent, especially when you are slim on resources to participate in social responsibility programs. This includes specific skills you can put to work within the company, as well as volunteer activities outside of the company. Huawei, with its digital skills, has worked out a 5G Power solution that helps save up to 4,130 kWh of electricity per site per year. You can create a list of potential projects and determine what you and your team have the time and energy to do in order to remain more proactive.

### 3.4.5 Target potential projects precisely.<sup>165</sup>

You can participate in internal or external projects related directly to CSR. In that way, regular projects will become a living example of the CSR values you are trying to promote. By networking, researching, and studying available needs and initiatives, you may be able to identify potential projects where you and your company can assist. For example, you could build homes, serve as a mentor, volunteer to teach after-school programs and so on. Then narrow down the list of projects based on those that relate to the core of your business, or that you feel particularly passionate about.

### 3.4.6 Identify ways your company can be environmentally sound.

By focusing on specific initiatives related directly to the environment, you may find that you can actually save more money in terms of overhead costs. For example, you can focus on initiatives directed at lowering the company's impact on the environment through solar-based energy use and smaller office spaces. Try to identify how being socially responsible can also result in this added benefit and consider implementing those tactics to help promote a lean operating structure. For instance, CCCC draws an ecological red line to reduce logging to protect the Mangrove Wetland Park in Mombasa during the construction of Mombasa–Nairobi Standard Gauge Railway. And they hired experts to conduct an environmental assessment for the project.

### 3.4.7 Implement CSR program in a gradual way.

In the end, realistically, any action that helps the community, society and environment can make a difference. You can build on your CSR program as you develop and expand your company. In doing so, you are imbuing your business with the spirit of doing more than just making a profit; you're also in business to make the world a better place.

<sup>164</sup> ESG criteria to assess performance <https://simply-sustainable.co.uk/insights/why-esg-ratings-matter-and-how-companies-use-them>

<sup>165</sup> Integrating CSR practices into a company <https://alayagood.com/guide/corporate-social-responsibility/strategy/>

## How to build an enterprise CSR team's capacity

Having understood how to allocate resources, this section explores how to build the capacity of your new team, working group or Foundation.



### 3.5.1 How to build an enterprise CSR team's capacity?

First and foremost, CSR has excellent advantages; it can positively contribute to society while also strengthening your company. No matter how simple your efforts are, they can still help. CSR prompts you to think outside the box about how to make your organization better. This can generate ideas you might not have considered before or connect you with a brand-new network of like-minded people. In addition, by engaging in CSR practices, you are cultivating a positive work environment and building a responsible reputation.

#### Choose the team

Set the stage by identifying dedicated team members passionate about a specific goal and whose unique experiences resonate with a particular purpose. For instance, a woman with a passion for people and an instinct to help make a difference may be more suitable as a team lead in educating young girls. It's essential to assemble a team of employees who will effectively represent your firm. Make sure the team is a representative of the organization and the communities with which you're collaborating.<sup>166</sup>

#### Survey employees & Have Dialogues

By surveying your employees, you can boost employee participation in CSR programs and facilitate continued communication. Employee surveys and dialogues will not only provide input, but will also allow you to make improvements over time. Surprisingly, performing an employee satisfaction survey has been shown to enhance staff engagement.

Talk to your staff about the additional tasks and the need to grow and take on new skills. Having an open discussion can alleviate some of the fear of encountering something new, different, or unknown. When possible, ask questions to find out what they think.

<sup>166</sup> Managing CSR activities <https://blog.submittable.com/csr-management/>

### Drive employee engagement

Integrate them into CSR projects and spur them to spearhead projects which inspire them and which they find fascinating. The panel should elaborate on the already established agenda around core values and the ultimate goal of your CSR efforts. Prompt the team to turn your broad CSR objectives into a rough plan for handling specific objectives.

Give your staff the freedom to develop and implement CSR projects meaningful to them and flow naturally from company goals. Urge them to devise creative ways to meet and exceed the Company's environmental and sustainability initiatives. Encourage Inspiration and ideas from the chosen team members<sup>167</sup>.

For example, in Africa, Kia Corporation's strategy, the Green Light Project (GLP), aims to promote education, healthcare, and self-reliance of local communities in underdeveloped countries. GLP vocational training centers, schools, healthcare centers, and environmental centers have been established in 12 local communities.

This project is championed by team members concerned about those in Sub-Saharan Africa who face social and economic constraints<sup>168</sup>. The employees share that the vision-driven project connects with their passions, which motivates them to contribute to the betterment of their communities. Living in the community has been a massive help in improving their own lives.



Green Light Project by Kia Motors in Bagamoyo, Tanzania.

### Set them up for success/ Create a Winning Team

It is of the essence to empower the team to be, feel and do their best every day. It could be done by equipping them with the right tools to help the team achieve lofty goals—model how to break down new skills required for the projects into manageable pieces. Provide additional resources or training to help the team become confident and booming.

<sup>167</sup> Employee engagement in CSR available at <https://www.jnj.com/caring-and-giving/4-ways-johnson-and-johnson-is-exceeding-citizenship-and-sustainability-goals>

<sup>168</sup> CSR activities of Hyundai Motor group in Africa <https://www.hyundaimotorgroup.com/CSR/Overview/CSR-Activities-Africa.hub>

Seek potential partnerships for current projects<sup>169</sup>. For instance, training programs are offered at the Dangote Academy for staff across the Group, facilitating professionals and other training experts. In addition to skill acquisition, the training programs enable staff to develop the interpersonal skills needed to succeed in the workplace. The courses are designed to help the team in their designated roles' performance and help them fulfill their potential<sup>170</sup>.

### **Set realistic Expectations**

Set realistic expectations for each team member. Some employees need much more time and resources to build capacity in a specific area. With that in mind, consider how you can adjust expectations but still arrive at the required goal.

## **3.5.2 How to build the capacity of partners and your wider network?**

To run your CSR program, you must create a network of internal and external allies.

### **Engage Volunteers**

Volunteers increase the quality of services or programs that an organization provides<sup>171</sup>. Including the volunteers on the CSR team can increase service delivery quality and improve your CSR initiatives. For example, Lafarge Africa, through their employee volunteering initiative 'friends and the community' with over 380 vital volunteers, contributed 4,200 business hours and enhanced more collaboration and public services across the communities in Nigeria<sup>172</sup>.

### **Get your suppliers and partners on Board**

They're your partners in delivering goods and services to customers, incentivize them to help drive your CSR efforts forward<sup>173</sup>. Case in point, Huawei requires suppliers to comply with all the applicable laws and regulations as a prerequisite for cooperation with Huawei. We also encourage suppliers to draw on internationally recognized standards and best practices to improve their standards of CSR management in an ongoing way.

### **Have your Vendors Involved**

Vendors can also turn into partners in achieving your CSR initiatives. They can help you cut costs, improve product designs and even fund new marketing efforts—form closer relationships with vendors, allowing you to work together to control your costs and achieve goals.

### **Tag your Partners Along**

It is vital to pay special attention to partner compliance management and incorporate compliance requirements into partner management policies to execute CSR initiatives. For example, Huawei requires partners to study and sign the code of conduct for partners and steers partners to develop their compliance management capabilities<sup>174</sup>. They conduct proper due diligence and authenticity checks on partners, encourage reporting violations, take disciplinary action against violators, and terminate partnerships with non-compliant and dishonest partners.

<sup>169</sup> Managing CSR activities <https://www.jnj.com/caring-and-giving/4-ways-johnson-and-johnson-is-exceeding-citizenship-and-sustainability-goals>

<sup>170</sup> Dangote Cement Plc Annual Report 2020

<sup>171</sup> Engaging volunteers into CSR initiatives <https://govolunteerafrica.org/3-reasons-why-do-organizations-need-volunteers/>

<sup>172</sup> Lafarge Africa CSR Impacts <https://www.worldcement.com/africa-middle-east/13022020/forbes-africa-ranks-lafarge-africa-fourth-in-top-50-csr-companies/>

<sup>173</sup> Engaging partners into CSR initiatives <https://www.bdc.ca/en/articles-tools/business-strategy-planning/manage-business/corporate-responsibility-7-key-steps>

<sup>174</sup> Compliance management capabilities in Huawei <https://www.huawei.com/en/compliance>



## How to monitor & evaluate your CSR performance

According to a report released by the Climate Disclosure Standards Board<sup>175</sup>, the number of companies that produce sustainability and CSR reports on a regular basis in China has increased exponentially over a 10-year period, rising from 19 in 2006 to 1093 in 2020. As monitoring and evaluation has become more common in China, it is important to also monitor CSR and sustainability efforts overseas.

### 3.6.1 WHY should you monitor your CSR efforts in Africa?

CSR performance or impact should become a central metric for the overall effectiveness of your organization in Africa, alongside profitability and market share. Why?

Whilst monitoring and evaluation will not only help you to stay true to your initial CSR goals through the constant review of data but it will also help you communicate and demonstrate your impact with the local communities, stakeholders, government and media.

#### **WHAT is monitoring of CSR?**

In simple terms this is setting specific goals or benchmarks on what you would like to achieve with your overall CSR initiatives or programs (this should be linked to your overall business priorities- see 3.4-how to integrate into daily activities) then systematically collecting data and information on how well your projects are achieving these goals. As demonstrated in the case studies in chapter Two, developing specific CSR goals or benchmarks will help your company measure the progress and impact of your CSR projects and that's how, as a company, you can assess whether you're achieving the impact you've set out to achieve.

#### **Standard CSR monitoring often looks at 'inputs', 'outputs' and 'resulting outcomes'**

While outputs show what was created and inputs show what was spent, outcomes demonstrate change or progress over time as a result of actions and should be the focal point of measuring CSR performance. For example, if your short-term outcome is to increase literacy rates for children in the local community, and the long-term outcome is to educate more children so they can eventually find work, you will first need a few activity measures that look at inputs like book donations, training for teachers, and perhaps even supporting the building of a school. On the outcome side, you might want to look at student attendance at the local school, reading levels, test scores, and employment levels post education in the local area (long term) as your CSR programs move forward.

#### **It is important to develop internal goals & benchmarks**

Although having a dedicated CSR team can be helpful, monitoring CSR across the entire company is also important. Having company wide or country wide specific goals, that align with company priorities, such as reducing emissions or supporting gender quality, will help different departments within the company understand CSR progress. Encourage the sharing of internal data among various departments within the company to promote healthy competition (and dissemination of best practices) towards CSR and sustainability goals.

#### **External goals/benchmarks should be a key priority**

Both private and state owned, alongside SMEs and MNCs should measure the progress of your CSR work against that of other similar companies. Have a clear-eyed view of how other companies are performing their CSR work to help enrich your existing and future initiatives. Sharing results from other organizations doing similar work is another way to motivate employees around CSR performance. It is also important to benchmark your work against government plans (such as the 14th FYP or host country specific agendas)

<sup>175</sup> A Report by Climate Disclosure Standards Boards [https://www.cdsb.net/sites/default/files/cdsb\\_case\\_study\\_china.pdf](https://www.cdsb.net/sites/default/files/cdsb_case_study_china.pdf)

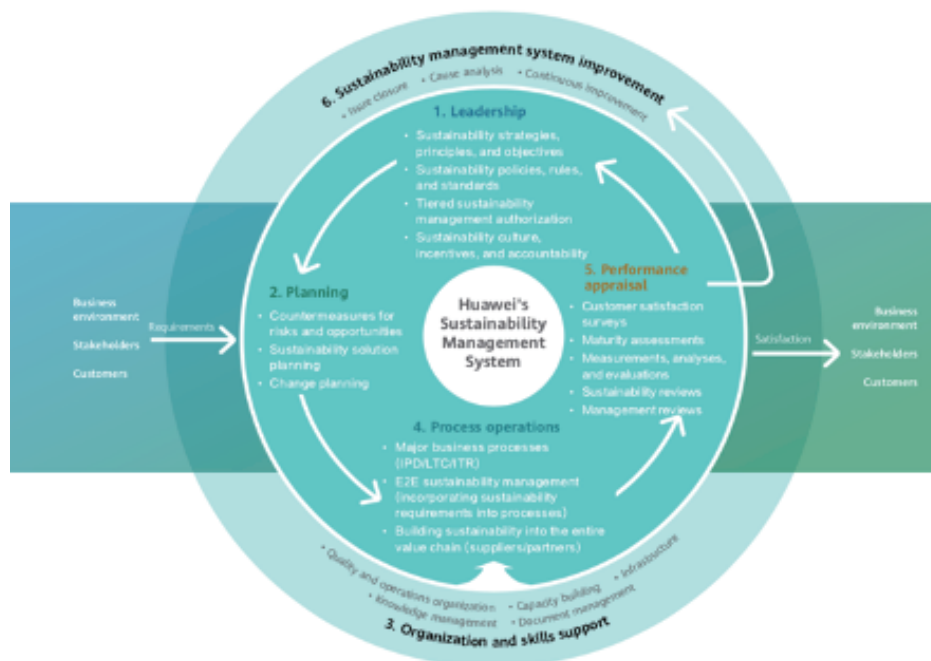


### 3.6.2 HOW can you monitor your CSR efforts?

## Sustainability Management System

In working towards our strategic sustainability goals, we have established a sustainability management system based on international standards and guidelines such as ISO 26000 and SA 8000. This system considers the internal and external environments and our stakeholders' needs.

To manage our sustainability goals in a closed loop and increase stakeholder satisfaction, the system operates in six areas: leadership, planning, organization and skills support, process operations, performance appraisal, and continuous improvement.



The CSR initiatives that achieve the greatest impact, treat monitoring as an ongoing process with feedback loops that enrich programs as they evolve. However, each local context is different. CSR measurement is as unique as the companies practicing it and the communities being served. Therefore, guidelines on how to 'monitor and evaluate CSR' should be continually adapted for local context and developed with the communities being served setting their own desired outcomes.

Ask "how are local communities experiencing the changes you're helping to facilitate?"

- Be transparent about progress towards communicated goals with the public, local communities and government
- Have a strategic alignment between a company's business model and their CSR work
- Have buy-in from senior leadership
- Have a demonstrated understanding of the issues being addressed by the company
- Have an 'Africa specific community assessment' such as formal or informal evaluation of a company's CSR work by members of the community being served

### 3.6.3 WHAT tools and frameworks can be used to monitor CSR efforts?

Although many companies will develop their own frameworks for monitoring progress, many frameworks already exist that can be adapted.

For example, Huawei (figure X) have established a bespoke monitoring framework using international standards as the benchmark.

**Examples of monitoring frameworks include:**

- **Community Mark:** Is a measurement tool for measuring community involvement. The website provides lots of helpful tips of how to monitor CSR impact.<sup>176</sup>
- **Global Reporting Initiative (GRI):** The first global standards for sustainability reporting. Companies can register to be part of GRI and receive support from dedicated teams around the world. There are currently offices both in China and Africa.<sup>177</sup>
- **B Corp certification:** Companies can sign up to align company practices to an array of CSR goals.<sup>178</sup>
- **UN Frameworks:** Global compacts such as the UN Sustainable Development Goals that guide countries and organizations towards greater sustainability and corporate responsibility. (see chapter one)<sup>179</sup>



**Huawei Investment & Holding Co., Ltd.  
2019 Sustainability Report**

Bring digital to every person, home and organization  
for a fully connected, intelligent world



**International Labor Organization supplier frameworks:** For companies interested in ensuring human rights within the supply chain. Companies can join the ILO framework to make sure their practices adhere to global standards.<sup>180</sup>

These standards or reporting frameworks are currently used both in China and across Africa.

**How to publish your monitoring and evaluation efforts?**

When companies sign up to the international reporting mechanisms set out above, their CSR impacts will be published and recognized by the above institutions. It is also advised that companies share their reports on their public website and with local communities. (See how to communicate CSR efforts).

Reports create transparency by sharing with stakeholders the company's goals and accomplishments, and exposes targets that have yet to be achieved. This keeps the goals of the department(s) accounted for and accountable.

<sup>176</sup> Tips on how to monitor CSR Impact <https://www.laing.com/uploads/assets/CommunityMarks%20monitoring%20boards%20-%20FINAL.pdf>

<sup>177</sup> Global Reporting Initiative <https://www.globalreporting.org/how-to-use-the-gri-standards/>

<sup>178</sup> Read more on B Corp certification at <https://bcorporation.net>

<sup>179</sup> <https://sustainabledevelopment.un.org/frameworks>

<sup>180</sup> UN Frameworks [https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS\\_080723/lang-en/index.htm](https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_080723/lang-en/index.htm)

## How to communicate CSR achievements externally

Knowing how to communicate your CSR efforts effectively is very important. Not only to make sure that local communities, governments and international audiences understand what you are doing but to make sure your company is not seen as 'green washing'- that is, being accused of falsely over-promoting a company's social and environmental efforts for reputational gain. It is a fine balance to achieve.

No matter how big or small your company is, creating a strategic communication plan and having communication expertise is very important (see 3.5 on capacity building).

### 3.7.1 First ask -WHY and WHO are you communicating to?

Each country, local community and situation is different. Before telling your CSR story it is first important to decide who is your target audience?

-Is it the Chinese government and public?

-Is it the host country government?

-Is it the local community?

-Is an international audience?

It is important to adapt a communication plan/strategy based on the audience you hope to target. For example, when communicating to the host government you may wish to send an email about your CSR efforts and how this is supporting their local sustainable development plans. However, when communicating with a local community you may need to be more creative, sharing outcomes through story telling. When sharing your story internationally you may wish to share on social media. Therefore, before starting to communicate do your research, speak to Embassies, Chambers of Commerce and other businesses to find out how they communicate their efforts and what best practices can be adapted.

### 3.7.2 HOW best to communicate your efforts to difference audiences?

The section below focuses on how to communicate your CSR activities in the host country however these ideas can be adapted for communicating with an international audience or the public in China.

**Think about the best medium for sharing your CSR efforts.**

Do your research and find out what methods are most popular for communicating with local communities in the host country.

Particularly in cities, Africa has a young, dynamic and mobile savvy population that really care about sustainability and community engagement. Therefore, social media, depending on the platform, will be great for quick bursts of information and visuals. However, think carefully about your channels (for example Twitter is currently banned in Nigeria). Platforms such as Facebook are crucial in Africa for allowing your business to communicate swiftly and transparently on CSR activities, and provide a direct line of engagement however, be cautious as lots of misinformation can be shared on social media.

Tweets should consist of images, quotes and statistics/data. Facebook and LinkedIn posts can get a little more text heavy, but should still mostly support or tell a quick, digestible story. In all cases, social media can and should rely heavily on visual support through images and video. Where applicable, use hashtags to grow your opportunity of being seen.

Traditional platforms, such as radio and newspapers will also be important for engaging with local communities in Africa. In more rural locations, many communities still rely on more traditional communication channels to share news. This is why it is important to build a CSR team that understand the local context and understands how best to communicate.

**Embrace the media- especially media in the host country.**

It is important to realize that the majority of media outlets will report fairly on a company's CSR activities, and are not always interested in bad news over good. Be proactive in engaging with your host country's key media outlets, explaining the company's focus on environmental and social activities. By shying away from engaging with the media over your CSR commitments, your stories won't be heard. If you do not have media contacts, the local Chinese embassy can help share information.

**Think about language.**

Stories need to be accessible in local languages. Make sure to translate your communication efforts to local languages before sharing- this will be very important for reaching a wider audience. Also remember to align your language to certain concepts or initiatives. For example, you may wish to talk about your contribution towards the SDGS or a governments' development plans.

**Tell stories.**

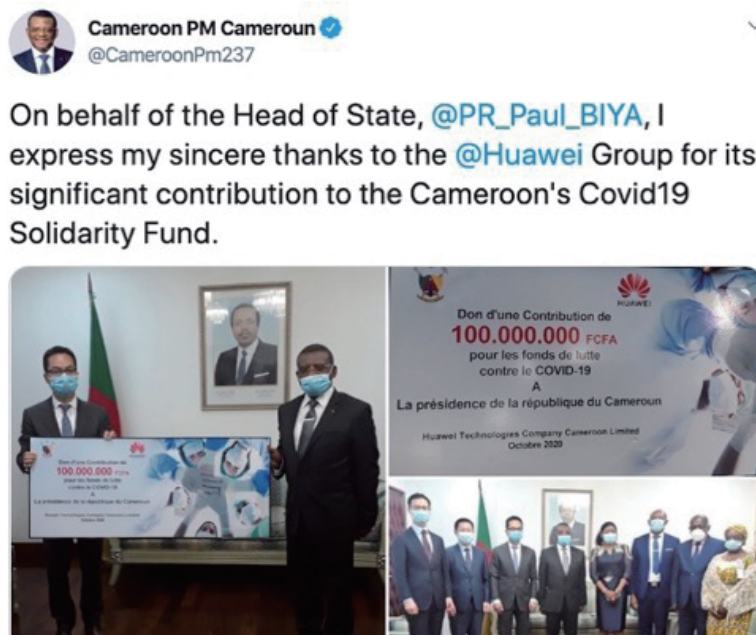
It is important to bring to life the impact of your company's CSR activities and to make them relevant to local communities and your stakeholders. Stories are therefore key in your communications plan. Identify instances where the business has had a positive impact in the community, for example, and tell that story through those who have been directly involved. Empower employees or local communities to tell their stories and how your CSR has had a positive impact. Your audience will be engaged with your CSR activities when they read or see stories they can relate to and share with others.

Blogs are great ways for sharing imagery in addition to telling a more detailed story. There is room for everything from leaderships' quotes, data, audio or visual media. These typically remain relevant longer than social posts, but they sometimes consist only of your existing audience. Consider publishing the content on multiple platforms for greater traction and remember to translate for different audiences.

**Coordinate with others to share your message.**

Working with other organisations to share your message may reach a wider audience. For example, WWF South Africa has a dedicated webpage for the companies it works with on sustainability<sup>181</sup> and often shares their stories on social media. This not only adds credibility but allows your CSR work to be shared across different platforms.

<sup>181</sup> CSR initiatives of WWF South Africa [https://www.wwf.org.za/our\\_work/initiatives/sustainable\\_business/](https://www.wwf.org.za/our_work/initiatives/sustainable_business/)



Tweet by Cameroonian Prime Minister thanking Huawei for their support

### **Remain committed.**

It does not matter how effective a company's communication strategy is; if the reality does not match what is being said, then you risk severely damaging your reputation. Presenting that your company engages in more CSR activities than it actually does will not only undermine the good work which has taken place, but will mislead stakeholders. Before communicating your business's CSR activities in Africa, ensure that all actions and impacts agree with the corresponding message. Ultimately, if you are strong in CSR, you will be able to build an effective program to communicate those activities.

### **Remember data is important.**

Numbers are concrete details that explain impact in a universally understood way. Think in terms of how many people were helped, hours volunteered or products provided. Not only will these provide colourful images, but they bring life to your cause and help audiences connect to your accomplishments. Above all, numbers can be used to prove impact and goal attainment. (See 3.6 on how to monitor and evaluate CSR efforts)

### **Seek feedback on your CSR efforts.**

Communication is not just about telling your story; it is also about receiving feedback on how you are doing from the local African community but also a Chinese Audience. Social media and media in general are all ways to receive feedback on how your CSR is making an impact and how it can be improved.

## How to collaborate with others to improve CSR locally

Goal 17 of the SDGs emphasizes that the ‘SDGs can only be realized with strong global partnerships and cooperation’. As companies have recognized that promoting social change is beyond the scope of a single organization, identifying common mandates for collaboration is the key to ensure effective implementation of CSR initiatives.<sup>182</sup> One way of actualizing the aims and objectives of the SDGs in African countries is by relying on effective collaboration or collaborative governance between government, businesses and the private sector (including local communities and civil society).<sup>183</sup> At the Global CSR Virtual Plenary Summit, Zhao Jing, the president of Global CSR Foundation, stated that COVID-19 knows no race or borders. At the critical moment, the international community needs to gather strength, supporting and cooperating with each other.

### 3.8.1 Understanding the specificity of the local operation areas

Most multinationals choose to partner with NGOs in conflict and low-governance areas of focus. NGOs are usually knowledgeable about the local context and have longstanding relationships with local actors, which could be relied upon by MNEs as entry points. MNEs often struggle to articulate their community engagement objectives. Partnering with NGOs provide MNEs with the possibility to take local needs into account and address potential conflict relevant issues<sup>184</sup>.

A great example is the Diamond Development Initiative (DDI) initiated by the diamond company De Beer. DDI was formed in 2005 as a not-for-profit charitable organization, to bring about systemic changes in the way alluvial diamonds and artisanal miners are understood and engaged. The Diamond Development Initiative is collaboration with a wide range of partners (NGOs, donors...) that has benefited many African miners in Congo and Angola<sup>185</sup>.

### 3.8.2 Join forces with other CSR enthusiast peers

Companies looking for a better CSR strategy can also join forces with other companies to set up charts. A good example is the companies CSR and sustainable development Chart developed by the CSR Senegal Organization, the National Employers Council (CNP) and by 11 companies from different sectors (mining, industry, construction, banking, hotels, etc.) to contribute to young peoples employment and to the formalization of their sectors - two major concerns in Africa - by implementing local purchasing policies favoring partnership with local micro-enterprises and SMEs which are themselves engaged themselves in CSR and job creation.<sup>186</sup>

<sup>182</sup> Partnerships in CSR <https://yourstory.com/socialstory/2021/03/power-collaboration-corporates-government-csr/amp>

<sup>183</sup> SDGs in Africa <https://www.afronomicslaw.org/2019/11/29/barriers-to-implementation-of-sdgs-in-africa-the-need-for-effective-business-and-government-collaboration>

<sup>184</sup> Nwankwo et al., 2007

<sup>185</sup> About Diamond Development Initiative <http://unprmeb4p.org/wp-content/uploads/2018/10/SSRN-id1977456.pdf>

<sup>186</sup> Partnerships in CSR <https://afrimag.net/ces-entreprises-africaines-qui-ont-mise-sur-la-rse/>





The Senegalese SME AKILEE launching the process of structuring its CSR policy

### The desired level of commitment

Finding the right partner is critical to the success of a CSR strategy, and there are steps that can be taken to ensure that a partnership co-creates value for both business and society. Then, different partnerships and programs should be established in order to be sufficiently clear about each and very specific area<sup>187</sup>.

The commitment of a company with a partner can evolve over time, starting from the philanthropic stage, to the transactional stage (sponsorships, marketing, licensing agreements, or certifications), all the way to the transformational stage, where firms and their partners begin to merge their missions, people, and activities.

### 3.8.3 Strategic Partners

Academic institutions, government agencies, non-profit organizations, and other stakeholders who support the CSR's goals and assist in the implementation of its programs and activities. If you are struggling to identify the long-term or tangible benefits of a partnership, or if most of the benefits are one-sided, then you must review and ask if significant mutual value creation is going to be possible through this opportunity. The following dimensions should be considered: time frame; nature of benefits; and benefit split.

These are the critical questions that will need to be asked:

- i. Do we have a clear understanding of the entire array of benefits and the associated business case, on which we can focus, assess, and manage the potential CSR activity?
- ii. Does the activity focus on fundamental value creation opportunities, where we can really partner with society to realize simultaneous benefits?
- iii. Are the opportunities significant, scalable, and supportive of our overall strategic priorities?

<sup>187</sup> Creating value through partnerships <https://www.ideasforleaders.com/ideas/csr-creating-value-through-partnerships>

Take, for example, Hindustan Unilever Limited's Project Shakti; they overcame the challenge of reaching and serving India's rural markets by actively seeking to understand critical societal and organizational needs. They partnered with three self-help groups that appointed female entrepreneurs in chosen villages. Their success was evident by 2008, when Shakti had provided employment for 42,000 women entrepreneurs covering nearly 130,000 villages and 3 million households every month. In the same year, the company's sales through the project approached \$100 million. Another example is of Unilever's Lipton unit, which initiated a pilot program in 1999 in Kenya to apply company sustainability principles in the production of tea.

### 3.8.4 Corporate Partners

Corporate partners target African-based conglomerates, companies, multinationals, and startups with a relevant social responsibility system and participate directly in the network due to the scope of their operations and/or their ability to provide expertise and support. Each corporate partner should be acknowledged as part of an expanding network of organizations that demonstrate their company's commitment to CSR and determination to promote responsible business practices<sup>188</sup>

The following is some of the work a chamber like CABC and Embassies could spearhead:

Chamber of Commerce	Embassies
<ul style="list-style-type: none"> <li>● Create and distribute a white book that highlights the benefits of establishing a CSR system as well as the practical aspects of establishing a CSR system within businesses.</li> <li>● Organize workshops and conferences on the importance of establishing a CSR system within a company.</li> <li>● Create partnerships with the goal of assisting businesses in establishing an effective CSR system.</li> <li>● Organize awards to recognize the best companies with the best CSR systems.</li> </ul>	<ul style="list-style-type: none"> <li>● Embassies can influence policies and laws in favor of the effective implementation of CSR in businesses.</li> <li>● Promote exchanges and partnerships with companies that have demonstrated their ability and/or desire to establish a reliable and sustainable CSR system.</li> <li>● Encourage exchanges and dialogues with young students, young entrepreneurs, early-stage startups, and established corporate entities on topics related to corporate social responsibility and their impact on society, the environment, and the economy.</li> </ul>

<sup>188</sup> Corporate Partners <https://www.asean-csr-network.org/c/participation/partnership>

## How to keep CSR going during an economic crisis or an unexpected event

Levels of trust in business, as recorded in public opinion polls, tend to increase in good economic times and decrease during recessions. After the financial crisis began in 2007 and mushroomed into the Euro crisis in 2009 and a double-dip recession in 2012, the European public's confidence in business plummeted. Under an economic crisis or unexpected event, it is of great significance to elevate the implementation of CSR to the height of enterprise strategy and balance the relationship between profits and CSR.

### 3.9.1 Defend Your CSR budget during the crisis is of great importance.



Companies with a CSR reputation perform better in times of crisis. Others tend to refocus on their “trades”, namely, cutting down budgets thought as “not essential” to compensate for financial losses. Unfortunately, CSR is often among the targeted departments of a company. According to the “2020 CSR Professional Manager Survey” in China, most companies have cut their CSR budgets during the pandemic, but 11% among them have increased their CSR budgets despite the difficulties.

During the rainstorm disaster in Henan Province, China in July 2021, ERKE donated 50 million yuan of materials and money to Henan. Despite a loss of 220 million yuan in the past year, ERKE didn't cut its corporate social responsibility budget and donated 20 million yuan and 30 million yuan to Henan in two batches, providing cash, drinking water and other urgently needed goods to the disaster areas.

### 3.9.2 Protect your employees.

Taking CSR during a crisis is not a burden, but a demonstration of the sense of responsibility and mission. In the face of crisis, you cannot weasel out. Instead, you should guarantee their benefits without lay-offs or salary cuts.

In 2009, under the shadow of the financial crisis, Suning, a Chinese online shopping company, recruited 2,000 employees, and benefited from the strong support of employees, it set up 50 stores <sup>189</sup>against the trend, which helped to ensure the sustainable development of the enterprise.

### 3.9.3 The confidence of consumers and stakeholders needs to be recovered.<sup>190</sup>

During the spread of COVID-19 pandemic, many organizations need to adapt their operations. Although the polls for the post-coronavirus are contradictory, many studies have shown a clear consumer desire to modify their way of

<sup>189</sup> CSR during an economic crisis <https://business.sohu.com/20090429/n263686217.shtml>

<sup>190</sup> CSR during an economic crisis <https://youmatter.world/en/5-arguments-csr-budget-crisis/>

consuming. With a high evaluation from stakeholders, the brand value of the enterprise will increase, and the loyalty of employees and customers will also increase.

During the outbreak of COVID-19 in 2020, Madagascar urgently needed a pharmaceutical factory. China's King Deer, which owns the only pharmaceutical factory in Madagascar, renovated it and restarted production. It contacted the Madagascan authorities immediately and donated the pharmaceutical factory to the Madagascan government free of charge. The enterprise uplifted the confidence of consumers and stakeholder.

### 3.9.4 Crossover cooperation helps everyone get through difficulties.

After the outbreak of COVID-19, medical supplies were in short supply. The use of personal protective equipment has soared. In the face of difficulties, enterprises can only pull together. At the beginning of 2020, Jiangxi Province in China proposed to quickly build a production line for medical masks. After receiving the task, Nanchang Railway Tongda Co., Ltd. prepared an emergency production line to produce masks. A number of beverage factories across the country have turned to producing disinfectant and restaurants have turned to convenience food stations.<sup>191</sup> In addition to ensuring the control of the epidemic at home, masks have been donated to many African countries.

### 3.9.5 CSR and resilience walk hand in hand.<sup>192</sup>

It is important to understand that CSR is the main tool to help build business resilience. Being better prepared for a crisis is the essence of the work of CSR departments, be it a social, environmental, or health crisis. In the world of tomorrow, with global warming, the biodiversity crisis, environmental disturbances, crises similar to those we are currently experiencing with the Covid-19 will probably be more and more frequent. Hence the need to continue to invest in ESG issues, even when these may appear secondary to short-term financial concerns. After all, it is the lack of a long-term vision that has pushed businesses and society as a whole into this crisis.

<sup>191</sup> CSR during an economic crisis [http://www.cac.gov.cn/2020-02/28/c\\_1584432553760515.htm](http://www.cac.gov.cn/2020-02/28/c_1584432553760515.htm)

<sup>192</sup> CSR during an economic crisis <https://youmatter.world/en/5-arguments-csr-budget-crisis/>

# **Section IV : Examples of CSR achievements of Chinese enterprises in Africa**

In this section, we give ten examples of CSR achievements of Chinese enterprises in Africa. Each project is launched by an enterprise. Their CSR efforts involve a students training program, disaster relief and agriculture etc.

## Students Training Program

**Company:** China Hyway Group

**Sector:** Infrastructure

**Focus area:** International students training program; disaster relief; Education

### Key efforts<sup>193</sup>:

China Hyway Group is mainly engaged in railway, highway and housing construction. In terms of international students training program, China Hyway Group, together with the Angolan government, the Ministry of Transport, and the Ministry of Higher Education, jointly launched a talent training program. In 2014, funding 32 Angolan youths to go to China for their education.

On disaster relief, in March 2015, Hyway Group donated 200 boxes of mineral water, 20 boxes of big tents, 20 boxes of compressed biscuits, 200 pairs of rubber shoes and a batch of urgently needed materials to the disaster area, located in Lobito City, Benguela Province, Angola, which was flooded by heavy rains. In early 2020, when the COVID-19 broke out, the group donated a total of 2 million Yuan and nearly 100,000 masks.

On December 23, 2019, the Angola branch of the group company entered the Muxima Orphanage on Santa Road by the sea in Luanda, and sent rice, mineral water, drinks, pasta, and biscuits, cooking oil, clothes and shoes and other daily supplies to the children, and put on Christmas hats for the children to welcome Christmas together.

### Outcome<sup>194</sup>:

In June 2019, China Hyway International Class of Jimei University successfully graduated. Angolan graduates brought back to Angola the results of their studies in China and Jimei University over the past five years, so that they can apply what they have learned. It opened a precedent for jointly running school between China's "Going out" private enterprises and domestic universities, which contributed to China-Africa economic and trade cooperation and cultural exchanges, and received strong support and care from the Angolan government, the Chinese Ministry of Commerce and the Ministry of Foreign Affairs and other relevant leaders.

In disaster relief, Hyway Group provided supplies to Angola's rainstorm-stricken areas. When the COVID-19 broke out, the group made timely donations, actively participated in the infrastructure construction and humanistic care of the local community, and provided timely services to those in need, strengthening the relationship between the company and the local enterprise and government.

For children who suffered from diseases and poverty, the company has donated teaching facilities for Khalida Central Primary School in Huíla Province and donated for disabled children in Malaysia. And its Angola branch has helped orphans by donations and company

<sup>193</sup> Hyway CSR impact in Africa <http://www.hyway-china.com/about-16-0-0.html>

<sup>194</sup> Hyway CSR impact in Africa <http://www.hyway-china.com/about-16-0-0.html>



## Educate A Child (EAC)

**Company:** Transsion Group

**Sector:** ICT

**Focus area:** Education

### Key efforts:

As a Chinese technology company in emerging markets, Transsion has been committed to symbiosis and win-win cooperation with the local society in Africa for many years.<sup>195</sup> Over past years, Transsion has actively practice CSR in many fields, especially in childrens education, in Africa. TRANSSION joined hands with the United Nations High Commissioner for Refugees (UNHCR) to make a grant in support of the UNHCR's global education program Educate A Child (EAC) to provide quality primary education to over 12,480 refugee children in Africa.<sup>196</sup>

In June 2019, TECNO held "Give a future to Nigerian Children" in Nigeria. First launched in 2014, the event aims to support poverty-stricken communities and help the Nigerian government improve economic development in underdeveloped areas.

In October 2019, it organized a World Food Day charity event with Lagos Food Bank Nigeria, donating food and meal boxes for local children while promoting the importance of healthy eating.

During the spread of the pandemic in 2020, Transsion has provided textbooks and learning funds to children in Dadaab refugee Camp in Kenya through the EAC Global Education Program, and donated a batch of tablet computers to help refugee children continue learning online during school closures. Besides, Transsion donated 50,000 medical masks to the UNHCR office in Kenya to support the local response.

Transsion's brand TECNO has donated tablets to the United Nations Refugee Agency to support children affected by the COVID-19 pandemic to continue their education.

Transsion's funding will be used to improve school infrastructure, pay for student learning and testing, train teachers, provide teaching materials, and help enroll children with special needs.<sup>197</sup>

### Outcome:

As COVID-19 continues to spread across the African continent, Transsion's continued support will help safely reopen campuses that have been forced to close by the pandemic, and encourage refugee children to continue their studies and gain access to higher education. Although refugees have access to public educational institutions, the lack of educational resources means that too many refugee children are still out of school. The donation gave children in refugee camp the opportunity to continue their learning.

<sup>195</sup> Transsion Group CSR impact in Africa <https://www.transsion.com/profile>

<sup>196</sup> Transsion Group CSR impact in Africa <https://www.transsion.com/philanthropy>

<sup>197</sup> Transsion Group CSR impact in Africa <https://www.unhcr.org/cn/>

## Teda Suez Eco-Industrial Park

**Company:** Teda Investment Holding Company

**Sector:** Industrial zone

**Focus area:** Charity; employee training; environment

**Key efforts:**

Teda Suez Industrial Park is located in the Northwest Economic Zone of the Gulf of Suez in Egypt. It is an international industrial base focusing on industrial projects. As of the end of April 2021, the park has directly employed about 4,000 people, and created about 36,000 jobs.<sup>198</sup> In terms of the development concept of the park, Teda advocates the construction of green and ecological industrial park to achieve green development, ecological livable, and create a harmonious coexistence between people and nature in the region.

The company, together with the Chinese Embassy in Egypt and the Egyptian "Income House" welfare organization, jointly hosted a social charity activity to donate school supplies and other items to Egyptian orphans. In China, the company held a 19-day training course for reserve cadres in Tianjin, and four Egyptian executives attended the training.<sup>199</sup>

The Park has a comprehensive service center, including staff apartments, restaurants, gyms, staff clubs, libraries, amusement parks and other facilities. It also provides housing supporting services such as supermarkets, hairdressers, restaurants, etc., enriching the cultural life of local employees. Teda also provides cleaning, greening and safety services for enterprises entering the zone.<sup>200</sup>

**Outcome:**

The reserve cadre training course helps Egyptian employees learn the experience of cooperation zone construction and management and improve their self-development ability.

The supporting service center directly provides employment for more than 3,500 Egyptian people, and 200 to 300 Chinese people are working, studying and living here.<sup>201</sup>

<sup>198</sup> [http://www.xinhuanet.com/world/2021-01/25/c\\_1127023836.htm](http://www.xinhuanet.com/world/2021-01/25/c_1127023836.htm)

<sup>199</sup> <https://www.fmprc.gov.cn/zft/chn/zfgx/zfgxjmhzt/1967813.htm>

<sup>200</sup> <https://www.jieyuanbao.com/info/27158.html>

<sup>201</sup> [http://www.rmhb.com.cn/zt/ydyt/202002/t20200218\\_800193389.html](http://www.rmhb.com.cn/zt/ydyt/202002/t20200218_800193389.html)

## Lontorpays Helping Youths Start Businesses

**Company:** Choice International

**Sector:** International trade, Household appliances, Retail

**Focus area:** Charity, employee training

### Key efforts:

Headquartered in Guangzhou, Choice is an "international brand operator" focusing on emerging markets such as Africa and the Middle and East Asia. Choice launched a project called Lontorpays in Nigeria. The project is a national authorized retail project, and participants can make profits by selling small commodities in the backpack. This brings employment opportunities to young people. Most of the participants were young people wearing orange backpacks, orange hats, and orange T-shirts.<sup>202</sup>

Choice International offered "on-the-job" training for those involved in the project. The company also plans to cooperate with the agency brand to establish a training academy in Nigeria to cultivate top talents in the local industry.

The project aims to achieve the purpose of further enhancing the consumption power of all social and economic classes in Nigeria by conveying the concept of doing business for all people.

During the outbreak, the company's chairman Chen Xiuxia led the companies under the Group to practice corporate social responsibility and donated one ambulance, 50,000 masks and 20 million naira in cash to fight the COVID-19 in Nigeria.

### Outcome:

LONTOR electronic products have been in Nigeria for 15years, at the same time the company has successfully penetrated the market and operates diligently, providing more and more employment opportunities for the youth and cultivating mutual trust through integration with local communities and ethnic groups.

After nearly 20 years, Choice International's products have been highly recognized by local consumers in Nigeria. Chen Xiuxia has also been selected as the local "chief" in recognition of her contribution to the development of local communities as a builder of the "Belt and Road".

<sup>202</sup> Choice International CSR Impact in Africa [http://sw.gz.gov.cn/swzx/dwhz/content/post\\_2458321.html](http://sw.gz.gov.cn/swzx/dwhz/content/post_2458321.html)

## Company+Smallholder Farmers

**Company:** Wanbao Africa Agricultural Development Co. LTD

**Sector:** Agriculture

**Budget:** about 197 million US dollars

**Focus area:** Agricultural Training; Community Construction

### Key efforts:

Wanbao Agricultural Park is the largest China's rice planting project in Africa, and it is also one of the 13 key projects in the production capacity cooperation between China and Mozambique. To cultivate local farmers, Wanbao agricultural park in Mozambique has established the "enterprise & small farm" partnership model, within which the facility emphasizes the provision of guidance and training to local farmers. A total of 1,500 farming households have been trained for rice planting since 2012, benefiting more than 10,000 local residents directly or indirectly.<sup>203</sup> In addition, the natural conditions in Mozambique are fairly good for the development of agriculture. The promotion of rice cultivation in Mozambique is of great significance to African food security.

As of community construction, over the years, Wanbao agricultural park has made contributions to community public safety and education; it has built two schools and one police station. It offers its vehicles and equipment to local authorities, social groups and communities.<sup>204</sup> In 2019, Cyclone Idai landed in north-central Mozambique, causing large casualties and significant damage to property. The China-Africa Development Fund, Fundo de Cooperacao Desenvolvimento to China-Paises de Lingua Portuguesa and Wanbao agricultural park donated 100 tons of rice to areas in need in Mozambique immediately.

### Outcome:

Wanbao agricultural park has advanced rice cultivation technologies introduced from China to Mozambique without increasing Mozambique's debt, fully promoting the participation of local farmers in planting and teaching agriculture skills to help them get out of poverty, which takes into account economic and social benefits. After the free planting training, the rice yield increased from 1.5 tons/ha to 7 tons/ha. This remarkable improvement has drawn praise from the local government and residents.

The project has effectively increased the income of the local people and improved their lives, which has won trust from the locals. Charity is important to Wanbao agricultural park in Mozambique. Rice is donated all year round to support organizations and associations serving local youth, the physically disadvantaged and women for the benefit of the local community.

<sup>203</sup> Wanbao Africa Agricultural Development CSR impact in Africa [https://k.sina.cn/article\\_2288064900\\_8861198402000lw6z.html](https://k.sina.cn/article_2288064900_8861198402000lw6z.html)

<sup>204</sup> Wanbao Africa Agricultural Development CSR impact in Africa [https://k.sina.cn/article\\_2288064900\\_8861198402000lw6z.html](https://k.sina.cn/article_2288064900_8861198402000lw6z.html)

## Introducing International Experience to Layout African Agriculture

**Company:** Zhejiang Wynca Chemical Industrial Group

**Sector:** Chemical Industries

**Focus area:** Agricultural Training; Environmental Protection

### Key efforts:

In 2009, Wynca began to expand in the Africa, since that it has been bringing agricultural materials, tools and technologies to Africa continuously. The enterprises also ensure the food security of local people through technical training, guiding farmers to use medicine scientifically and increasing grain production. In the process of agricultural technical services and training, the company has provided relevant agricultural materials such as seeds, fertilizers, herbicides and agricultural instruments. Through the demonstration and promotion of maize crop solutions, Xin 'an cultivates scientific medicine for African farmers, increases crop production, enriches pesticide varieties, realizes precision medicine, and reduces the impact of pesticides on land and crops.<sup>205</sup> In terms of environment protection, based on the seed sales and promotion of corn crop solutions and the application of plant protection drones, the establishment of a technical service platform will be accelerated. The company has improved the grid-based environmental-protection management system, three-level environmental-protection treatment facilities, and technology to reduce pollutant discharge, realizing waste reuse.<sup>206</sup>

### Outcome:

Wynca shares the development achievements with local partners, and brings agricultural technology, equipment and personnel to the local area, which leads to mutually beneficial and win-win outcomes, which not only guarantees the food security in Africa, but also enables the African enterprises to maintain profitability and support job creation.

With the “Environment-friendly Wynca” initiatives including the grid-based environmental-protection management system, Wynca has Kept the concept of cleaner production runs through all Wynca employees and the whole process of production and operation.

Its three-level environmental-protection treatment facilities enable wastewater to be treated by factory, parks and municipal sewage treatment plants, realizing zero direct discharge of wastewater.

Wynca has been innovating technology to reduce pollutant discharge, achieving an annual wastewater reduction of 328,000 tons.

<sup>205</sup> Wynca CSR impact in Africa <http://wap.wugu.com.cn/news/article/1394285.html>

<sup>206</sup> Wynca CSR impact in Africa [http://quotes.money.163.com/f10/ggmx\\_600596\\_7035722.html](http://quotes.money.163.com/f10/ggmx_600596_7035722.html)

## Mombasa–Nairobi Standard Gauge Railway

**Company:** China Communications Construction Group

**Sector:** Infrastructure

**Focus area:** Environmental protection; education

### Key efforts:

As one of the first central enterprises to "go global", CCCC played an important role in improving the infrastructure in Africa and actively engaged in CSR practices.<sup>207</sup> In education, the company sponsored 100 outstanding Kenyan high school graduates to go to China for higher education in railway related fields.<sup>208</sup> In addition, a talent training base and a railway college have been set up in Kenya to train professionals for the development of Kenya's railways.

During the construction process, the company did extra work to protect the environment. No construction after dark, so as not to disturb the animals rest at night. And to avoid animal injuries, the Mombasa-Nairobi railway used a closed design and a viaduct. The bridge is seven meters high and the giraffes can cross it without lowering its head. Some sections of the railway pass through the Mangrove Wetland Park in Mombasa. The construction team draws an ecological red line to reduce logging as much as possible.<sup>209</sup>

### Outcome:

Mombasa-Nairobi Railway reduced the travel time between Nairobi and Mombasa from 10 hours to less than 5 hours, changing the way Kenyans travel long distances, Increasing the volume of cargo transportation and giving local people convenience.

During the COVID-19 pandemic, the Mombasa-Nairobi Railway, running through the three most severely affected areas, maintained 24-hour uninterrupted transportation and transported more than 4 million tons of materials, ensuring the basic needs of the local people.

As of environmental protection, there are 14 wildlife passes throughout the railway so that animals can pass safely. The construction team drew an ecological red line and did not affect the mangrove growth. The number of tourists in Tsavo National Park has grown rapidly, and the boom in tourism has also driven the development of the local hotel industry.

<sup>207</sup> China Communications Construction Group CSR impact in Africa <http://www.sasac.gov.cn/n2588025/n2641616/c9550440/content.html>

<sup>208</sup> China Communications Construction Group CSR impact in Africa [https://www.ccccltd.cn/news/mtjj/201703/t20170313\\_87868.html](https://www.ccccltd.cn/news/mtjj/201703/t20170313_87868.html)

<sup>209</sup> China Communications Construction Group CSR impact in Africa [https://www.ccccltd.cn/news/jcxw/sdbd/201706/t20170626\\_89118.html](https://www.ccccltd.cn/news/jcxw/sdbd/201706/t20170626_89118.html)

## A Pharmaceutical Factory

**Company:** King Deer Group

**Sector:** Manufacture

**Focus area:** the fight for COVID-19 in Madagascar;

### Key efforts:

The King Deer Group has more than 7,000 overseas employees. Together with other textile industries, it has provided 20% of the employment for the Republic of Madagascar and created one-third of the country's industrial output, reducing the number of local poor people.

At the beginning of 2020, the COVID-19 epidemic spread in China. The leaders of King Deer quickly purchased 250,000 pieces of masks from Madagascar, which were immediately shipped to China and donated to relevant departments for epidemic prevention. In May\_2020, as the epidemic broke out in Madagascar. King Deer Company donated 50,000 masks to local medical institutions and more than 40 cubic meters of cooking wood to local homeless relief centers. Later, the company purchased 110,000 KN95 masks from China and sent them to Madagascar.<sup>210</sup>

As one of the most underdeveloped countries in the world, Madagascar lacks a pharmaceutical factory, and it is difficult to treat the rapidly increasing number of people infected with COVID-19. King Deer donated the renovated pharmaceutical factory to the Malaysian government free of charge. This is also the only Pharmaceutical factory Madagascar has.<sup>211</sup>

### Outcome:

After a few months of trial operation and formal production, the pharmaceutical factory produced the drug that treated COVID-19 and it was developed by Madagascar medical institutions. The official media of Madagascar reported to African countries on the importance of this medicine. Madagascar's largest circulation newspaper, The Noon commented: "Chinese companies have never been absent in fulfilling their social responsibilities."

During the epidemic, more than 7,000 employees of the King Deer Group were not infected. When the epidemic was widely spreading in Madagascar, 95% of local employees still applied to continue their work while protecting themselves, and successfully completed the production tasks for 2020.

King Deer, having built a factory in Madagascar for 24 years, insisted on providing employment opportunities for Madagascar during the epidemic, donating pharmaceutical factories, and jointly fighting the epidemic, was highly praised by all local communities.

<sup>210</sup> King Deer Group CSR impact in Africa [http://www.nmg.xinhuanet.com/xwzx/shgj/2020-11/11/c\\_1126725905.htm](http://www.nmg.xinhuanet.com/xwzx/shgj/2020-11/11/c_1126725905.htm)

<sup>211</sup> King Deer Group CSR impact in Africa [http://www.nmg.xinhuanet.com/xwzx/shgj/2020-11/11/c\\_1126725905.htm](http://www.nmg.xinhuanet.com/xwzx/shgj/2020-11/11/c_1126725905.htm)



## Jobs for Women

**Company:** China national agricultural development group

**Sector:** agricultural park

**Focus area:** Employment; employee training

**Key efforts:**

In 1999, China-Africa Agricultural Investment Co., Ltd. came to Tanzania to develop a sisal farm. Now, after over 20 years of arduous reclamation and management, this 2,000-hectare wasteland has become one of the largest sisal fiber manufacturers in Tanzania.<sup>212</sup>

The sisal farm provides employment opportunities for the poor and women, and provides medical insurance for these workers and family members, and benefits thousands of local people.

The company also provides interest-free funds to support community microfinance projects, and provides financial support for local employees to invest in crop planting, livestock and poultry breeding, motorcycle leasing, and distribution of agricultural materials.

China national agricultural development group built a staff hospital providing medical assistance and services to nearly 10,000 employees, their family members and nearby residents. All kinds of medical equipment and medicine are provided by the company. It invites the Chinese-aided medical team to the hospital to serve the local people for free.<sup>213</sup>

**Outcome:**

The farm pays more than 80,000 U.S. dollars to locals every month, which not only enables these families to solve the problem of food and clothing and reduce poverty, but also enables them to buy houses, solve the children's tuition, expand local consumption, and effectively promote local economic development.

The farm has also promoted the employment of local women. Previously, women only cook at home, but now they can also work on the farm, earning the same wages as men, which has effectively promoted local gender equality. The farm also helped the township to build schools, health clinics, water pipes, and various supplies.

<sup>212</sup> China national agricultural development group CSR Impact in Africa <http://finance.sina.com.cn/roll/20130521/012715526584.shtml>

<sup>213</sup> China national agricultural development group CSR Impact in Africa <https://www.investgo.cn/article/yw/tzyj/202101/528491.html>

# Conclusion

By assessing excellent corporate social responsibility practices globally and throughout the African continent, this report intends to encourage Chinese and African firms to fulfill their social responsibilities better and accomplish the United Nations 2030 Sustainable Development Goals.

CSR has become central to most companies looking to drive employee engagement, build brand equity, and, most importantly, achieve lasting change in local communities.

It is fundamental to identify and localize appropriate CSR initiatives and create a vision, framework, and structure within which local businesses can operate as they develop more value-driven strategies. CSR must be ingrained in the company's culture by incorporating initiatives into daily operations.

CSR provides numerous benefits, including the ability to impact society while simultaneously boosting your business positively. CSR encourages you to think outside the box when it comes to improving your company. You are fostering a positive work environment and establishing a responsible reputation by engaging in CSR efforts. The best practices and challenges of adopting CSR in Africa are investigated through a series of CSR case studies from British, French, American, Indian, Chinese, and African enterprises.

This paper emphasizes the need to build the CSR team's capabilities and practical techniques for doing so. Given that a well-trained and equipped staff can detect challenges on the ground and help combine CSR activities and business plans to create impact, it is vital to increase the CSR team's ability. Encourage employees to develop innovative solutions to meet and surpass the company's environmental goals and sustainability initiatives. Additional suggestions from the selected team members can help you achieve your CSR objectives. There are no hard and fast rules when it comes to the tools/frameworks used to track CSR initiatives. On the other hand, a corporation can create its framework or use current frameworks as a benchmark. Global sustainability reporting standards and the United Nations Sustainable Development Goals are examples of such frameworks.

This report also offers communication achievement: conveying stories about the impact you're having and inspiring collaboration with other strategic CSR enthusiasts committed to promoting responsible business practices.

The purpose of this research is to provide practical guidance and suggestions for firms operating across the African continent on how to develop effective and long-lasting CSR practices.

# Appendix:

## South-South cooperation: Promoting Sino-Africa Cooperation and fulfilling Social Responsibility

### Fellow entrepreneurs:

As a supporter of Sustainable Development Goals, CABC attaches great importance to the social responsibility of member enterprises. Over the years, we have been promoting corporate social responsibility to better support local communities in Africa, contributing to the achievement of global goals.

In line with CABC's core values of "respect mutual culture, generosity and profits, win-win cooperation", we give particular attention to the following four areas on promoting our members' social responsibility: improving the ability for sustainable development, promoting inclusive development, increasing the proportion of female employees, and providing skills training. To be more specific, in terms of sustainable development, enterprises should proactively respond to the challenges from environmental changes during business operations, and make joint efforts with stakeholders to enhance environmental capacity for sustainable development. In inclusive development, enterprises should help host countries benefit from economic and social development and focus on social and economic development issues of local communities. For increasing the number of female employees, enterprises should develop new solutions to achieve gender equality, and hire more female employees for giving them respects by society and families. On staff skills training, enterprises should promote capacity building, train employees with different professional backgrounds and give full play to the potential of local staff who will become the backbone of the enterprise. The above four aspects provide a clear direction for us to jointly build a better future for the next generation.

"At CABC, we are deeply convinced that our resources can bring positive changes and impacts to employees, members and our society. We propose service plans for enterprises with professional skills every day, and are committed to improving Sino-Africa cooperation. For many years, we have help members to fulfill their social responsibilities and run through the daily interactions between CABC, employees, members and society. We will continue such efforts to exert positive influence, prompt and lead changes, jointly creating a better world."

**China-Africa Business Council South-south Cooperation**

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