

CORPORATE SOCIAL RESPONSABILITY

June 2012

Supplement

Read Inside

CSR: Motives, Factors and Challenges

**Ahead of the Curve:
Creating an Enabling Environment for
Sustainable Social Engagement in Egypt**

Features by:
Shell, RWE Dea, Dana Gas,
GDF Suez, BP, Act CSR

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The Spirit of Corporate Responsibility

Every member of a community or society plays a part in shaping and defining it. Despite their tireless pursuit of profitability, efficiency and competitive edge, large corporate entities are not faceless forces of economics. They are rather exceptionally large members of society, comprised of people who breathe the same air and speak the same language as the rest of the community which hosts them.

In the midst of the billions of dollars held in the balance and the world-changing potential of the decisions being made, it is easy for the petroleum industry in particular to lose sight of the human element intrinsic to all business. But it is this very same extraordinary scope that burdens these companies with a proportionally large amount of responsibility to support the communities and societies in which operate. The concept of Corporate Social Responsibility simply puts forth the notion that ethical, social, and environmental concerns must be integrated into an enterprise's operations. This serves as a PR precaution, in keeping with increasingly humanitarian and morally-conscious legal and political frameworks around the globe. Consequently, it is good business practice.

More importantly, however, CSR serves the purpose of preserving the very soul of the industry and the companies of which it comprises. It is all too tempting for executives and decision-makers in the petroleum industry to view environmental and social concerns as obstacles to overcome on the path to financial success. To do so would be to make the mistake of assuming that these companies and this industry are intended to function as money-printing machines.

Financial success is paramount to the overall success of a petroleum company, and is the end towards which any such company is geared, but it does not make up the entire picture. These companies are in their essence human projects, and as such, their vision must reflect the ultimate human desire for prosperity. In the absence of true ethical and moral standard safeguarding its conscience, the industry runs the risk of having the companies usurp the people who comprise their makeup and become self-serving entities unto themselves, of no true benefit to society.

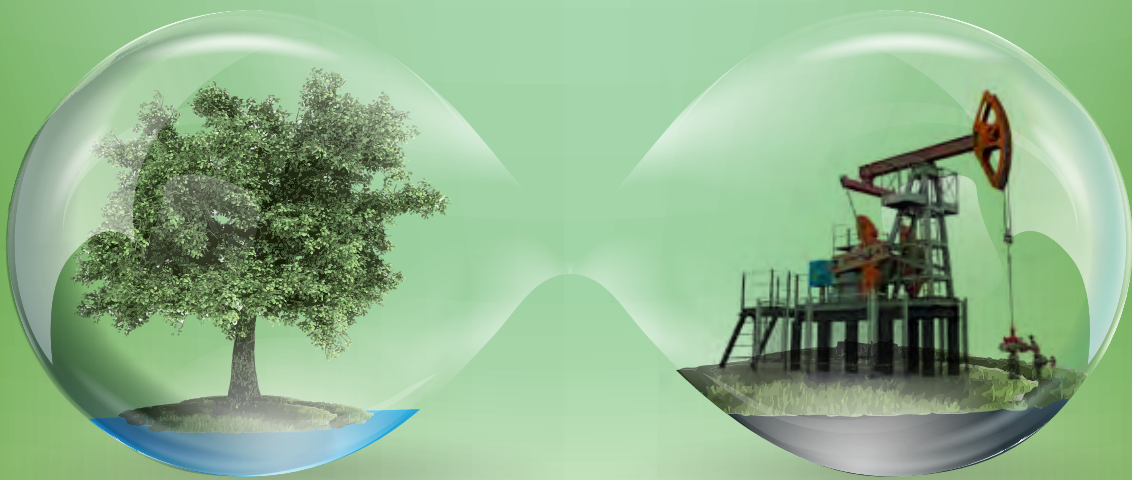
This is what CSR truly signifies. It is essentially a self-made pact by companies vowing to sanctify communities, and to remove them from the competitive environment which these companies inhabit. CSR policies ensure that it is rather the companies themselves that compete within the context of society as members of it, and furthermore look to contribute to the well-being of society in ways sometimes unrelated to their normal dealings.

Responsibility towards society is of particular importance to the petroleum industry due to the industry's potential for affecting significant change both positive and disastrous. In order to combat the temptations of greed and excess, which are natural to mankind, but which ultimately lead to vanity and aimlessness, Petroleum companies must stand resolute and embrace their Corporate Social Responsibility.

Whether it is small communities, large societies or petroleum companies, all must adorn themselves with the finer elements of human nature, for at their most basic, they are all simply people.



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Corporate Social Responsibility: Motives, Factors and Challenges

By Ethar Shalaby

There are different lenses through which one can look to explore the concept of Corporate Social Responsibility (CSR) in Egypt. And despite the term being considered an emerging nascent phenomenon, many understand it in mere philanthropic context.

It is hard to spell out a precise definition to the concept of CSR with its plethora of benefits to society. Interpretations regarding the private sector's duties and responsibilities towards a community can definitely encompass a wide range of programs and activities. But in general, CSR entails an implicit responsibility that a corporation holds to benefit society and attain a number of social goals, indubitably alongside the expected financial gains. To simplify the understanding of CSR, the practice ranges from educating employees on environmental protection, bearing ethical considerations towards their communities to incentivizing investment. That is besides having companies, which extend their social responsibility to support an array of healthcare activities, education initiatives and arts to achieve a set of noble causes in a society.

Defining CSR?

The World Business Council for Sustainable Development defines CSR as "a continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large". Companies in Egypt, especially those operating in the oil and gas sector, are motivated to adopt CSR initiatives as a concept that is desperately needed in a country that is currently stumbling through the extant economic shambles. Many carry out CSR initiatives in an effort to assist in rectifying the problems of social inequality and dire living conditions, which have peaked against the backdrop of

the revolution's aftermath. The economic factors affecting CSR in Egypt are structured in an export-oriented market economy in tandem with an increasing level of integration into global economy. In addition to sociopolitical factors, which manifest in low levels of democracy, feeble governmental grip on law enforcement, as well as the highly important traditional values, which derive from the culture of charity that is rooted in religious beliefs.

Peering through one of the several lenses from which one can assess the concept of CSR in Egypt, the country's economic reform agenda and its vivid culture of philanthropy has framed CSR policy in the box of traditional values inspired mostly by doctrines of equality and social welfare preached by the Islamic and Christian faiths. And despite this analysis, CSR is beginning to attract global momentum.

It is worth mentioning that the oil and gas, telecommunications, banking and construction sectors are the most active in adopting CSR and the most to have the resources and monetary capacity to finance CSR projects.

In Egypt, the concept of CSR has yet to materialize in any of the public sector agencies, leaving the concept in an early incubation phase. Attempts to promote CSR are continuously curtailed by a set of thick bureaucratic procedures and lethargy in the enforcement of rules and regulations.

Some Motives behind CSR

Many companies direct their CSR projects to amend the country's major defaults in education, health, safety, environment and

poverty. Many of the initiatives aid in the panacea of social inequality through their CSR projects. So, highlighting the motives of CSR in Egypt, initiatives in many oil companies manifest in extending electricity for the poor areas in Egypt and implementing educational programs for employees on health and safety regulations.

On the corporate level, the main motives of many companies behind taking on CSR initiatives stem from the need to provide a better working milieu, more effective governance, transparency and openness while developing their business projects. Moreover, companies set important ethical standards as paramount values for workers and employees to motivate them to respect their work values and achieve excellence, hence attracting the most qualified and trained human resources. Another motive that encourages companies to implement CSR is their high interest in raising the level of productivity to stand the increasingly fierce local and global competition. Also, through CSR, multinationals raise their social profile and empower the stature of their brand, improve relations with their various consumers and suppliers in the realm of international business.

More Egyptian Corporations for CSR

There are a number of international initiatives that aim at supporting, promoting and developing the concept of CSR. A prime example is "Global Compact," which is an international initiative called for by the United Nations and confirms that all countries signing and approving on its regulations are

committed to take their CSR and start carrying out its related projects.

In February 2004, the Federation of Egyptian Industries joined the “Global Compact” initiative, marking Egypt as the first Arab country committing many of its private companies to the concept of social responsibility. In the 2006/2007 Global Compact’s report, the numbers of Egyptian companies who have declared their commitment to CSR have risen from 55 in 2004 to reach 63 in 2006.

Despite the growing indicators, which reflect the growing awareness and thus further engagement of companies to CSR projects, the field remains relatively spacious, with vast room for more local initiatives

Recommending more for CSR

In order to further promote the concept of CSR in Egypt, government participation in CSR-related initiatives should strive to be more proactive alongside those of the private sector and civil society organizations. The interest in CSR projects- whose appeal surfaced in 1990s- has been on the rise in Egypt, especially in the post-Mubarak era. The post-revolution relations between civil society actors, government welfare entities, the public and the private sectors have been developing collaboratively. With the private sector acting as the key catalyst of economic activity, the focus of the government has turned to provide fertile ground for the growth of local and international investments. In general, and in spite of the varying levels of CSR efficacy from a country to another, the indicators in Egypt connote the increasing role played by corpora-

tions, especially in areas of education, healthcare, support for minorities and the poor as well as protection of human rights. However, this role remains somewhat limited and far from being considerably influential in society; the percentage of the Egyptian community that can sense a tangible and genuine benefit as a result of CSR initiatives remains very minor. Many corporations intensify their CSR activities internally so as to improve the working conditions of their employees, or to meet the demands of their clients and stakeholders. Therefore, it can be said that social responsibility efforts have yet to reach the maximum it could offer to societal welfare

Experts have highlighted some recommendations that could guide the practices of CSR to a higher level of engagement. A coherent and modern understanding of CSR strategy advocates the development of CSR in Egypt through philanthropy and traditional religious channels. It is also recommended that implementing CSR projects should become voluntary initiatives more than being binding obligations.

The role of civil society and NGOs should be enhanced and engaged further for society to gain the

optimum benefit from CSR activities. Various experts in the field have also conceptualized the creation of strong cross-sectoral CSR dialogue modules between the state, corporations and civil society organizations. A cocktail combining some of these recommendations might just be the next push towards a wider and more efficient allocation of CSR benefits.



Our Community, Our Responsibility



At Shell, we continually strive to be good neighbours. We have a commitment to pursue the goal of 'no harm to people, protect the environment', and our core values are 'honesty, integrity and respect for people'. In consistency with this, we are also committed to contributing to sustainable development. This means helping meet the world's growing energy needs in economically, environmentally and socially responsible ways, helping secure a responsible energy future.

Shell Egypt's Social Investment Programmes

Our social investment themes mainly focus on enterprise development, human capital development and road safety.

I. Shell's Enterprise Development through Intilaaqah Egypt Programme:

As part of Shell's social responsibility towards host communities, Shell Egypt is delivering the Intilaaqah Egypt programme to help young Egyptians between the ages of 18 - 32 to start their own small businesses and become self-employed. Intilaaqah is an adoption of LiveWIRE, which is Shell's international youth enterprise programme. LiveWIRE was first launched in the UK in 1982.

The Intilaaqah programme is currently running successfully in Oman (since 1995), the UAE (since 2002), Egypt (since 2004), and KSA (since 2010).

Intilaaqah Egypt has been progressing and leaping to further heights since its launch in 2004. The programme's vision is to breed an entrepreneurial culture in Egypt among the youth and to provide technical assistance to their small businesses in order for them to flourish. The programme aims to achieve this by raising entrepreneurship awareness and encouraging unemployed youth to start up their own businesses by building up their business capacity so that they can become self-employed.

As of 2011, Intilaaqah Egypt has trained and coached more than 4200 of its graduates and contributed in the creation and coaching of almost 500 small/medium businesses across 14 governorates and cities (Alexandria, Assuit, Aswan, Beni Suef, Cairo, Fayoum, Giza, Helwan, Hawamdaya, Qulobia, Suez, Al-Minia, Banha & Sohag). These tailored training programmes are followed by an "Annual Award Ceremony" to crown the efforts exerted throughout the year by the young Intilaaqah graduates.

Intilaaqah Egypt continues its strong and steady growth in promoting and encouraging entrepreneurship and for the first time in the region, the programme started in 2009 to include training sessions for disabled Egyptian

youth in five different governorates (Cairo, Alexandria, Fayoum, Assuit & Sohag). The training curriculum has been modified and updated regularly to better suit their special needs. New award categories were added to acknowledge and recognize the bright disabled Egyptian youth at the Intilaaqah Egypt Annual Awards Ceremony.

In addition, Intilaaqah Egypt pioneers in teaching young entrepreneurs about Health and Safety at work. Intilaaqah graduates are equipped with a handy HSE (Health, Safety & Environment) self-inspection procedure to implement on their small businesses. These HSE awareness efforts are then followed by HSE inspections of the graduates' projects. Those who manage to best close-out the HSE findings and turn their workplace into a safe environment are also recognized and acknowledged at the Intilaaqah Egypt Annual Award Ceremony. Intilaaqah Egypt uses this tool to breed young Egyptian entrepreneurs who truly believe in HSE and the importance of working in a safe environment.

Shell Egypt's Intilaaqah programme is successfully delivered through a network of development partners, whereby the British Council is the main partner. Other partners include The British Embassy in Cairo, Social Fund for Development, Bedaya Center for Entrepreneurship & SMEs development (GAFI), Egyptian Junior Business Association, Kiro-mag Consultants and Human Development, Future Lights for Development Organization, Business Enterprise Support Tools Project, Cairo University, Ain Shams University, EG Medical Systems and in Alexandria the Egyptian Foundation for Women University Graduates and ASDAA' Association whereby each partner plays an active role in the pursuit of self-employment and the establishment of successful small businesses among the promising young Egyptians.

Mohamed Able, one of the Intilaaqah programme's graduates who went on to see success with his small business, elaborates on the programme and how it has motivated him and added to his skills:

What kind of business do you run?

An antique selling and repair shop called 'Royal Antique'

When did you participate in Shell's Intilaaqah programme?

In 2007, and I received an award in 2008

Briefly describe the training process.



It is comprised of classes explaining efficient management methods, in addition to assigned reading material regarding the subject. I joined the programme with the idea of opening a gallery.

How long did the training process take?

The length of the course was one week.

What would you consider to be the most important things you learned in the programme?

The programme taught me the methodology of business management, which is something I hadn't studied before. It focused on producing a successful business based on a sound concept. What was taught in the programme can be effectively applied to any business. The competitions conducted as part of the programme were also fair and transparent.

How has the programme helped in the development of your business and your entrepreneurial skills?

The programme motivated me to take the risk and start my own business rather than simply continue working in my father's business. It has also added to my skills, allowing me to improve my business model and to expand my business. Recently, I have opened a second store. Definitely, the programme taught me how to turn a good idea into a successful business.

Has the programme added to your knowledge of and adherence to Health and Safety standards?

The last section of the course was dedicated entirely to health and safety. I don't run a hazardous business so I thought I didn't need it, but I ended up making some important additions such as a fire extinguisher and a first aid kit, and I even started using a new, safer kind of screws.

Do you believe other prospective young business owners should participate in the programme if given the opportunity?

Yes, I believe it is very useful not just for business-oriented people but for innovators and inventors of new products as well. Many people in Egypt have great inventions and great ideas, but lack the skills to translate these ideas into a successful business.



II. Human Capital Development

The Egyptian Geophysical Society initiated AI Amal Programme and Shell Egypt along with other International Oil Companies (IOCs) sponsor and volunteer in the Programme. The Programme aims at familiarizing new Geosciences graduates with exploration practices and skills, in order to acquire more knowledge and build on what they learn academically. The Mission of AI Amal Programme is to develop well rounded graduates to better compete in the job market; also to help the companies find graduates of higher calibers, and to help Egypt at large to face the current and future challenges of the Oil Industry. The Programme covers basic technical skills, field trips, and English language courses in addition to some soft skills. The Programme involves six Universities, and the top students from these Universities are selected to participate.

The company also supports the American University in Cairo's (AUC) 'Real Life' programme, which aims to bridge the gap between academic and professional life for engineering students. During 2011, 14 members of Shell's staff participated in the programme, conducting four sessions for almost 77 selected students. The topics of these sessions are diverse including Strategy & Management, Commercial & Economics, Technical and HSE (Health, Safety and Environment). These sessions are followed by a two day simulation where students are divided into teams and challenged to work on a case study whereas last year's was a Harvard Business case on "Journey to Sakhalin: Royal Dutch/Shell in Russia".

Shell Egypt has also recently signed an MOU with Ain Shams University to support & develop the skills of its undergraduate and graduate students, in the faculty of Science. Undergraduates of the Faculty of Science are provided with soft skills workshops, leadership trainings, technical sessions, field trips to Shell's Lubricant Oil Blending Plant (LOBP) and training opportunities both at Shell Egypt and Shell's LOBP. In addition, Shell is upgrading the faculty's laboratories by offering a number of new microscopes to encourage intensive research efforts.

III. Road Safety:

Road traffic accidents are a major cause of death in Egypt, and represents Shell's primary safety concern. To promote road safety, Shell has organized safe driving awareness sessions for over 700 school bus drivers of 17 private schools to introduce them to good driving practices and behaviors.

In addition, working with the General Authority for Road, Bridges and Land Transport, Shell has also installed 180 reflective road signs at 60 exists to enhance the safety of driving at night and ensure nighttime visibility.



MOU with Ain Shams University



Intilaaqah



Real life



RWE Dea in Egypt

As a reliable partner in the world of oil and gas, the company has been involved in exploration and production projects in Egypt since 1974. In the year 2000, RWE Dea has set out to strengthen and expand its position in Egypt as one of its core regions. RWE Dea's activities in Egypt meanwhile represent a very important segment of its international upstream business.

Currently, RWE Dea is holding interests in a total of 12 onshore and offshore concessions in Egypt, across a concession area about 20.000 square kilometers. The company has an international staff from 13 countries and consists of approx. 140 Nationals, 43 expats and 13 consultants. The staff has a strong and transparent relation to the management, which leads to an excellent performance.

RWE Dea Egypt is executing several social activities in the country. For instance, many schools in the Cairo metropolitan region have already been renovated and equipped with new school furniture thanks to donations by RWE Dea. Pupils were delighted to find modernized educational premises in the districts of El Salam, Manshiet Nasser, Badrashein and Abou Rawash.

RWE Dea also sponsors modernization measures for schools and healthcare facilities in the regions in which the company holds licenses to explore and produce oil and gas, as in Kafr El Sheikh or in Ras Ghareb.

Moreover, RWE Dea, in co-operation with the Adult Education Agency (AEA), is engaged in projects to combat illiteracy: For

example, funding was provided for the purchase of text books containing medical information relating to the care of newborns and infants for some 10,000 disadvantaged mothers.

Recently, RWE Dea started a new program for students from the Petroleum Sector. Since October 2011, the company gives financial support to two students of the Faculty of Engineering at Cairo University. The program will assist the students to complete their studies and to increase their job opportunities in the future.

RWE Dea's social commitment also includes financial support for the two German schools DEO and DSB in Cairo and sponsorship for various cultural projects in cooperation with the German Embassy in Cairo.

By supporting carefully selected projects, the company makes a sustainable contribution towards Egypt's socio-economic development.



*Classroom in school in
Abou Rawash before renovation*



*Women in illiteracy class in
Kafr El Sheikh*



*Classroom in school in
Badrashein after renovation*



SUCCESS THROUGH INTERNATIONAL OPERATIONS

RWE Dea is a top-performing German company for the exploration and production of natural gas and crude oil, operating on an international scale. Exploration expertise, state-of-the-art drilling and production technologies and a diverse range of professional experience and know-how acquired in 112 years of corporate history make RWE Dea a powerful company engaged in numerous operations at home and abroad. Safeguarding energy supplies and environmental protection are key objectives. RWE Dea is part of the RWE Group - one of Europe's biggest energy corporations.

In Egypt, RWE Dea and its legal predecessor have been operating in the upstream segment since as far back as 1974 and, as an operator, can look back on more than three decades of oil production in the Gulf of Suez. The company made a number of major gas discoveries in recent years and boosted its activities considerably.

With the start of field-development of the operated Disouq and the non-operated West Nile Delta projects RWE Dea shows further commitment with long term investments serving the domestic energy needs. RWE Dea has a total of 12 onshore and offshore concessions in Egypt, across a concession area about 19.000 square kilometers.

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Dana Gas Egypt

Commitment to Integrated

Development at Local Communities



Our mission

The company's main objective is to build strong communities through contributing to a better health service delivery, exploring untapped potentialities for endogenous development of the Egyptian Local Communities, and supporting the preservation of the environment by funding projects delivered by specialized agencies.

Our message

Starts with understanding and ends with commitment

Dana Gas has contributed a lot to the development of the communities, which we operate in. Dana Gas actually pays more to the community than what it gains and that is clear by figures if you compared the revenues of the company with the expenditures on the social responsibilities

Dana Gas has an immense concern towards Education, in come generation, Environment, and Health services. We rely on constant innovation to keep our commitment contemporary and relevant to local communities

Without proper implementation, execution, and monitoring our message will not be delivered nor accomplished.

Our Approach

Integrated Development Approach

A Multi-sectoral approach with a comprehensive development vision addressing multiple communities needs through a set of integrated solutions with a prime focus on sustainability and local empowerment allowing for increased community engagement and partnership focus

Our Interventions

Full upgrade of Local Health Centers

The Program focus on renovation & upgrading local health units to support their ability to better service the local community. The program involves full physical renovation, upgrade of medical equipment, medical training and support to management of the local health units. The program delivered the following units:

- Fares 2 - Kommo (Aswan)
- Abu Al Akhdar (Dakahlia)
- San El Hagr El-Bahria (Sharkia)
- El Kasby Gharb (Sharkia)
- San El Hagr El-Keblya (Sharkia)
- Benban ambulatory center (Aswan)

School Renovation Program

The idea of the "School Renovation" developed with the aim of targeting the most needy and reaching out to those who are unable to get proper educational service, especially in remote area. Stemming from strong sense of obligation towards its community, CP committed itself to support this initiative, with the objective of contributing to a better education service delivery. The intervention delivered full renovation for:

- Sharbas Primary School (Damiatta)
- Al Soltan Abd El-Salam (Aswan)

Support to Income Generation (turning an obstacle into an opportunity)

The idea of the "Income Generation Project" is based on the conviction that there are great untapped potentialities for endogenous development (ED) of the Egyptian local communities. Stemming from strong sense of obligation towards its community, DG committed itself to support this initiative, with the objective of contributing to bringing new ideas of development, which may be

of great significance not only on the local but also on the national level.

The local communities in Dakahleya, Kom Ombo and Manzala, own great potentials: material resource endowment and technical heritage in many fields, which could be utilized in its endogenous development. The objective of the project is to develop an approach for the selection of industries to be located in the local communities taking into consideration both the potentials and comparative advantages, in the economic sense. The project will contribute to supporting local communities to create physical assets that are a basis for general use or local service provision; and encouraging local ownership of the assets created with proper local institutional arrangements for their management. The program contributed the Animal Feed project in Faraskor, Damiataa.



Resolute Dedication to Social Development

GDF SUEZ, develops its businesses (electricity, natural gas, services) around a model based on responsible growth to take up today's major energy and environmental challenges.

Cohesion is one of GDF SUEZ's four values. It is an integral part of its corporate image. GDF SUEZ aims to set the benchmark in corporate social responsibility. This challenge is realized by setting concrete, -quantified objectives and action plans implemented across the Group's various entities.

GDF SUEZ, as a committed, socially responsible corporate player, takes an active part in the development of countries where the Group is based. It provides support to non-profit organizations and to other parties involved in general interest initiatives.

GDF SUEZ Exploration Egypt B.V., an affiliate of GDF SUEZ group; holds one offshore exploration license (West El Burullus), one on-shore production license (Alam El Shawish West) and one offshore production li-

cense (Ashrafi). The Group holds a 5% share in the first LNG train from the Idku plant. West El Burullus is an off-shore license located in the rich basin of the Nile Delta. GDF SUEZ Exploration Egypt B.V. has been the operator since 2005. This license is shared by GDF SUEZ E&P and Dana Petroleum at 50% each. The first exploration phase allowed two gas discoveries to be made from 2008 to 2010. Today work is being carried out to form a development plan. Exploration in the north is in progress with a plan to drill one or two wells in 2012. The first development in Egypt could become a hub of future developments.

GDF SUEZ Exploration Egypt B.V., is the major contributor in constructing a shelter for street children in Alexandria in coordination with CODE-GAS (A non-profit Humanitarian Association founded in 1989 by the employees of GDF SUEZ and recognized as being of public interest)

and built by Caritas Egypt (non-governmental organization status, works with a number of international partners on social assistance programs) in Alexandria. Construction of the building has started since June 2010 and official Inauguration of the building is planned for 2012.

The street children can find a refuge from the dangers of street life. This center will provide them with a warm friendly environment. On top of shelter and affection, the centers will provide a wide variety of services and activities, such as: Arabic classes in reading/writing, vocational training, a substantial meal, medical assistance, various recreational activities, clothing, psychological therapy, and many more.

GDF SUEZ is considered a reputable partner in this project by sharing a significant construction cost of this center where the street children will be provided with a dignified life and the means to build a better future for themselves.



Before



After



May 2012

Acting CSR



Advertising Giant Hatem Salem Shares his Perspective on Social Responsibility the vision of “Act CSR”

Interview by: Mohamed El-Bahrawi

He is one of the biggest names in the Egyptian media and advertising, the president and founder of various companies in the fields of advertising, branding, fashion, film, photography and Social Responsibility, once a professor of Communications & Publicity, and a researcher in Media Sciences at the French universities of Nante and Stendhal respectively, Mr. Hatem Salem knows how to captivate an audience while simultaneously delivering a clear message in an effective manner. Looking to utilize his skills in the service of more meaningful ends than simple business, Mr. Salem founded Act CSR, in hopes of repaying the debt he believes he owes to his community. Mr. Salem sat down with Egypt Oil & Gas to discuss the importance of well-executed CSR initiatives and the challenge of fusing them with effective business practices.



Hatem Salem
Chairman & CEO of ACT CSR
hatem@actcsr.com

How do you define CSR?

For me, the definition of Corporate Social Responsibility is two-fold. The first; pertains to the notion of communal solidarity for the social welfare of the less fortunate. It is an ancient idea, one that has been endorsed and profoundly encouraged by all religions. It has been in practice for centuries and witnessed a notable emphasis and revival in the era of the great Islamic Civilizations. Today, in the age of globalization and multinational corporations, this notion has been labeled CSR, yet the idea in itself is far from being a new one.

The second definition is related to the realm of media and advertising, which is a tool that is paramount to the achievement of the noble goals of CSR initiatives. Proper media campaigns can play a very effective role in realizing the objectives of CSR programs.

You're renowned for holding a prime rank in the realm of the advertising world in Egypt; what attracted Hatem Salem to CSR?

What attracts me initially to any project is media, the science of effective public communication, my experience and understanding of how powerful a media tool can be, and how strong an impact of a proper media campaign can have on public opinion. When it comes to CSR, it's about expediting the process of achieving the goals of CSR projects.

Fundraising through TV for example, a 60 second advert that airs during a show with high ratings can achieve the target that

committees spend weeks if not months trying to get to.

What attracted me, as well, is striving to be the most progressive in the field; Act CSR is the first advertising agency in the world that is fully dedicated to the noble ends of CSR. Most importantly, I was motivated by my desire to give back to the community, and what better way to do so than to employ my experience in the field of advertising in order to motivate the public to help the underprivileged.

What is the mission statement of Act CSR?

Act CSR was founded to contribute to society via a variety of visual media tools, to raise public awareness of social responsibility. We devise and execute advertising campaigns in collaboration with several local and international companies, government welfare entities and NGOs. We also employ the more traditional role of advertising, enhancing the market value of a brand or a product, to serve any entity working on social welfare programs.

What is the main project Act CSR is currently working on?

We are currently working on several projects, but the biggest thus far is Abu El-Reesh. When I was first introduced to this project, I felt an immediate need to be part of such noble endeavor. The collaborative spirit of people working on the project motivated me further. We began by creating a website for the project, through which we adopted their donation media campaign. Additionally, we

found sponsors for the project and brought in a reputable construction company to build certain parts of the hospital itself.

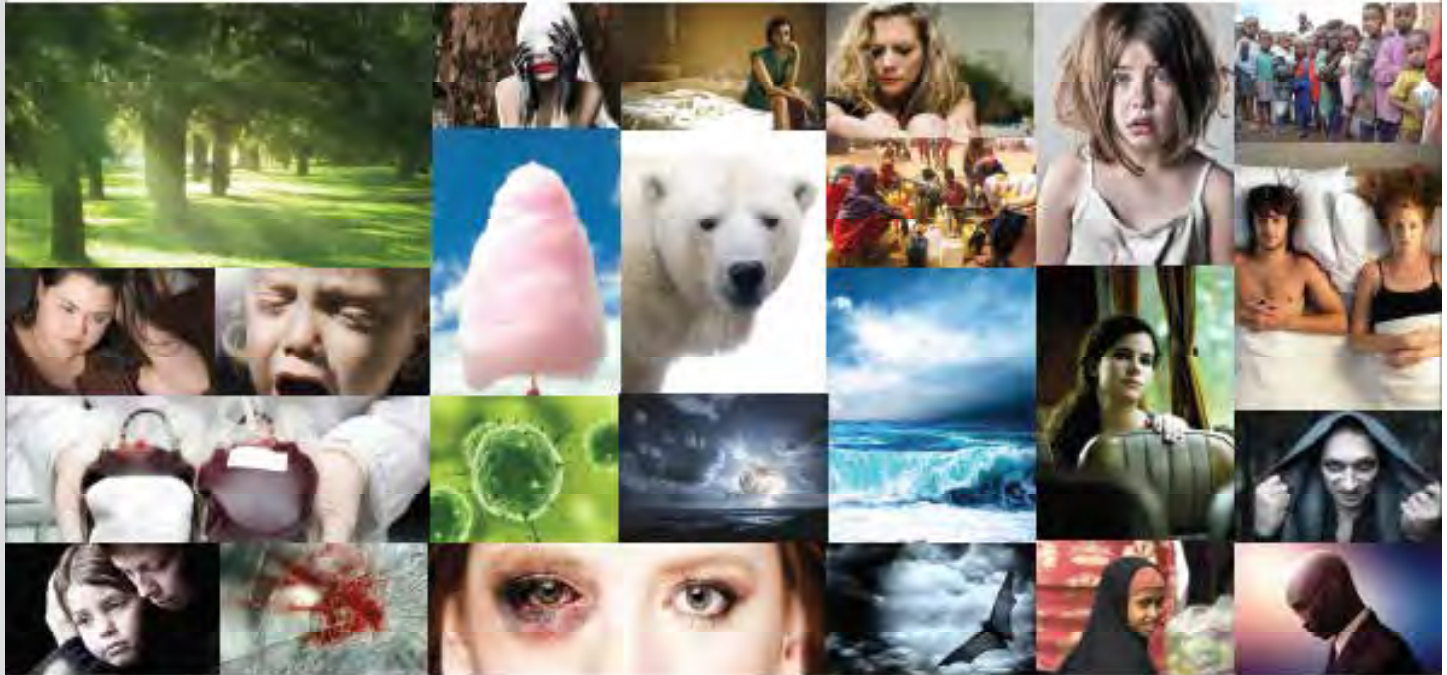
Participating in charitable projects is very noble, but in the business world, it is susceptible to fall out of reprioritization unless its very purpose is in line with business objectives. Do you believe that sustainable CSR needs to have a business benefit?

I believe that it depends on the corporation itself. In the Arab world, you can deal with a giant organization that is headed by a single individual, in which case some are motivated by a personal desire to help the community, while others could be driven to CSR for political gains or other benefits that are not necessarily materialistic. As for multinational corporations, CSR is a type of investment, and like any investment, a return is expected. In my opinion, the focus of this return shouldn't be a material one. By helping the community, these companies raise the value and popularity of their market-brand, which is much more beneficial in the long run.

CSR encompasses a myriad of philanthropic programs; what are the top three fields you believe should be the focus of CSR in Egypt?

When we talk about Egypt, I believe the top priorities are education, health and decreasing unemployment. These three fields represent the solid infrastructure needed for effective communal development.

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BP Egypt Social Investment Program

BP's vision is to make a positive and enduring impact in the Egyptian community through our Social Investment Program. Success in our social investment efforts hinges upon our commitment to listen to our key stakeholders, understand their concern, respond to their main priority issues, and support national community development issues. Hence our efforts focus on two central areas: education and youth empowerment.

For the past decade, the main aim of our Social Investment program is to provide opportunities for promising Egyptian students to pursue distinctive education, and we are proud to see our vision materializing throughout the years. To date, we supported more than ten organizations, and together with our partners, we were able to impact hundreds of beneficiaries.

Our achievements Include:

Scholarship Program

Through our partnership with the University of Cambridge, Chevening Program, American University in Cairo and other local Universities in Egypt, we have granted more than 170 scholarships to Egyptian students. Students are selected based on academic merit and financial need.

Youth Empowerment

Through our youth empowerment initiatives, we supported several local NGOs to provide soft skills trainings to Egyptian fresh graduates. More than 300 Egyptian youth participated in this program. In addition, a number of BP Egypt employees volunteer their time and efforts in teaching preparatory school children a pre-designed curriculum designed to teach young school children the basics of economics, and environmental protection.

Public Schools Renovation

To date, we have renovated 10 public schools in various governorates throughout Egypt. Renovation works aim to create a positive learning en-

vironment for thousands of Egyptian youth.

Supporting local civil society organizations

We supported a number of NGOs in sustaining their efforts in the field of community development and children health.

Sponsored Community Fund Program:

Inspired by the January 25th Revolution, this program was launched in February 2011 and aims at re-building Egyptian society. Initiatives funded under the BP Egypt sponsored community fund are managed through reputable local NGOs and will lead to direct humanitarian impact especially to vulnerable groups, as well as creating positive economic impact to people affected by the current economic situation. This program will directly impact 450 people.

Emergency Relief Efforts:

BP Egypt responds immediately to humanitarian relief efforts by launching matching fund campaigns and engaging all its employees. In 2005, BP Egypt raised to victims of the Earthquake in Pakistan. In 2006, after the notorious 'Ferry accident,' employees contributed to relief efforts and BP Egypt matched employees' contribution to support the victims' families. Finally, in 2010, BP supported victims of the floods in the Sinai Peninsula and Aswan.



A Perspective on Creating an Enabling Environment for Sustainable Social Engagement in Egypt

The upcoming realization of a new Egypt entails a shift towards a true democratic system. Despite both setbacks and positive developments, a major consensus is formed around the fact that Egypt's major challenge is to enhance human development and reduce poverty nationwide. To face such a challenge, all sectors, including government, civil society and the private sector must participate in the fight against poverty. Partnerships between the different sectors of society can become an accelerator for development results. The private sector brings financial and human resources, wide outreaching networks and management expertise to the table, while governments provide the necessary investment climate - a conducive legal and regulatory framework, and often, financial incentives. Developed Civil Society Organizations (CSOs) bring knowledge of how to succeed: risk assessment, market knowledge, customer knowledge and choices, and help in finding the least-costly solutions while developing CSOs build their capacities within such partnerships. All are necessary to create sustainable business models.

Today, the maturing body of private sector companies has recently become more attuned to linkages between their businesses and its impact on poverty. Despite that, this impact remains highly limited. This commentary is an attempt to summarize and analyze the perspectives resulting from this unique opportunity. On the whole, the limited enabling environment for social engagement in Egypt is an aggregate of several factors. These being:

Limited Returns

The first clear observation about the practice and management of

private sector led social investment projects in Egypt is that it is highly dominated by those who work in marketing and public relations. This can be attributed to two main reasons:

- A lack of advanced understanding for the business benefits resulting from social engagement
- The lack of good governance application by the corporate sector in Egypt, which prevents the company from establishing a true stakeholder, based dialogue.

This capitulation for the eagerness to abuse the PR benefit associated with corporate social engagement has clearly resulted in specific limitations for the development impact due to the following reasons:

- Companies prefer to engage in short term projects with guaranteed exposure over longer and more sustainable interventions
- The eagerness for quick PR return hinders companies from realizing that reforming core business will naturally lead to good and strong community outreach.
- Failure to engage in multilateral partnerships, especially with the presence of other companies, due to fears about having their PR recognition diluted.

Policy Framework

On several occasions private sector companies have voiced their dissatisfaction with the out-dated regulations that hinder their social engagement. The two examples that are always cited include regulations for tax exemption and the process for registering private

sector foundations.

The current commitment by government officials is verbal and not concrete. However, there is a rising interest from policy makers to target this area. Unfortunately, the approach to which the executive authority is going to tackle this issue remains unclear.

Despite the limitations still the corporate sector in Egypt managed to demonstrate a number of successful case studies of impactful and sustainable social investments.

In order to ensure their replication, the sector needs to engage in a long term process of reform. This includes embracing good governance, enhancing the current management structure, creating an influential role in advocating for policy reforms and realizing the potential at both the supply and value chains.





A small, brown, plush teddy bear is shown lying on its back. It has a white patch on its snout and a small, light-colored bandage on its forehead. The bear is positioned in the center of the frame, with its arms and legs spread out. The background is a plain, light-colored surface.

- التبرع الطيني

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