

East African firms honoured for good CSR



East African companies have been commended for their commitment to improving livelihoods of communities through value driven socially responsible programmes.

Speaking at the opening ceremony of the inaugural East African Corporate Social Responsibility Awards (CSR) in Dar es Salaam, Tanzania, the Vice Chairman of East African Business Council, Mr keli Kiilu, said it is fantastic to see that so many businesses have taken part in these inaugural awards and the variety of entries received reflects the increasingly sophisticated nature of corporate social responsibility, going beyond simple philanthropy to more creative and strategic initiatives which support key stakeholders.

“We believe in the power of the private sector to be facilitate sustainable development and growth. Not simply through

tax revenue generation and employment provision but as a major driving force behind poverty alleviation,” Mr Kiilu said.

Tullow Uganda Operations (pty) Limited, the company behind oil exploration in Uganda, won the Most Sustainable and Scalable Community Investment Award at the just concluded East

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African CSR Awards in Dar es Salaam, Tanzania.

The Awards organized by African Practice which hosts the Awards Secretariat in Partnership with East African Business Council sought to reward companies from Burundi, Kenya, Rwanda, Tanzania, and Ugandan businesses for their excellent corporate social responsibility. The Awards were sponsored by Bank M of Tanzania and Dow Chemicals Africa Limited.

Out of several entries collected from companies across East Africa, Unilever Tea Tanzania, Unilever Tea Kenya, Sandali Woods Limited of Tanzania, and Eastern Produce of Kenya were rewarded, in respective categories, for outstanding and innovative initiatives that create a high social and environmental benefit for the community and the business.

The concept of East African CSR Awards was born out of an acute awareness that corporate social responsibility (CSR) activities have increased substantially over the past decade in East Africa. Consequently, there has been an encouraging debate about what constitutes for good CSR and how it can act as a positive force for the region's social, environmental and economic development. It is not the first time that awards have been granted for good CSR practice in developing countries.

Tullow Uganda Operations limited won for its community driven programme for improving infrastructure, health, education, and natural resource management. The programme also assists business operations and government plans by highlighting issues raised by the community. In this category, the judges highly commended Mabati Rolling Mills project that delivers vocational skills training to school leavers from underprivileged homes.

Unilever Tea Tanzania and Unilever Tea Kenya were the joint winners in the Best Workplace Practice Category for their lightning detection system whose aim was to create safe work environment for company employees through implementation of lightning safety, one of the greatest risks facing their businesses. As a result, the number of fatalities and false evacuations which had negatively impacted on productivity have since reduced. The judges highly commended Safaricom Foundation's world of difference programme which provides sustainable technical skills and knowledge transfer to the foundation's project partners through secondment of Safaricom staff.

The most ethical and responsible business practice for supply chains award went to Sandali Wood



EABC Vice Chairman-Kenya Mr Keli Kiilu speaks at the function to award companies for good CSR.

Industries Limited of Tanzania for its Responsible Chain Custody project. Under the project, the company aims to give villagers greater financial returns for their labour and make them direct custodians of their natural resource thereby increasing efficiency of the harvested resource. The Judges highly commended Uganda's Nile Breweries for their from Grain to Grass project which gives training on HIV prevention to farmers who grow barley and sorghum for beer, the community neighboring the brewery and markets, as well as workers who sell beer to consumers.

The effects of climate change have seen more companies focus their corporate social responsibility to environmental projects and Eastern Produce Kenya Limited was awarded for its environmental excellence. The winning project incorporates awareness of environmental and ecological issues in the day to day management of the estate. This includes managing and enhancing water resources, elimination of soil erosion, re-forestation with indigenous species, conservation and diversity as well as sustainable forest management. Unilever Tanzania was highly commended for its Indigenous Forest Conservation project.

Investment conference calls for better infrastructure



Business leaders and public officials, between April 27th and 30th, 2010, gathered in Kampala, Uganda for the 3rd East African Investment Conference. The conference held at Speke Resort, Munyonyo under the theme “EAC Common Market: The Preferred Investment Destination”, attracted more than 1500 participants.

Participants at the 3rd East African Investment Conference pose for a photo with the chief guest President Yoweri Museveni

Speaking at the conference closing ceremony, His Excellency President Jakaya Mrisho Kikwete, Chairperson of the East African Community Heads of State Summit and President of the United Republic of Tanzania said the coming into force of the EAC Common Market Protocol in July 2010 will mark a significant milestone in advancing the EAC cooperation and integration agenda. The Common Market will enhance the position of the region as a premier investment destination. He cautioned that the Protocol was not an end in itself.

“We celebrate the coming into force of the Protocol not as an occasion but for what it implies, the Protocol is a facility that needs to be taken advantage of and it is meant to enhance intra-regional trade and investment and the competitive-

ness of the region,” noted President Kikwete. The Chairperson of the Summit decried the low investment levels in the region, noting that in 2008, only 0.35% of the world’s flow of investment, which was about \$753 billion came to East Africa. Developing countries as a whole attracted 36.6% of total global Foreign Direct Investment (FDI).

East Africa’s share of the total FDI to developing countries was marginal at only 0.96%. With regard to stock of FDI, East Africa accounts for a mere 0.26% or \$39.5 billion, of total world stock of FDI which stands at \$9.6 trillion.

H.E. Kikiwete further noted that the EAC region has 0.9% of FDI stock of developing countries. “These numbers paint a gloomy picture of our region but East Africa is not hopeless, we are well endowed with natural resources and people who are capable of doing more and better than what is actually happening at the moment,” affirmed the President.

The three-day event also made key recommendations for the region’s extractive industries, its tourism, finance, infrastructure and energy sectors as well as proposals for Public-Private Partnerships (PPP) and Research and Development (R&D) initiatives among others.

World Economic Forum calls for deeper cooperation in Africa



The 20th World Economic Forum on Africa that took place between May 5th and 7th in Dar es Salaam, Tanzania made a strong call for more cooperation among African states. The conference was attended by thirteen African heads of state/government together with more than 1,000 participants from 85 countries.

South African President H.E Jacob Zuma speaks at the World Economic Forum

Despite Africa's huge potential, it suffers from lack of integration in the global economy. "If there is any predicament to African development, it is this state of affairs," said Jakaya M. Kikwete, President of Tanzania. "[It is time] to move Africa from the periphery to the centre of the global economy."

President Kikwete reminded participants at the closing plenary that the smallest share of global exports comes from Africa – just 3.5%. Just a trickle of global foreign direct investment (FDI) goes to Africa at 0.96% and the continent is not integrated into international financial markets. "Africa remains predominantly a primary producer and importer for industrial use. We produce what

we don't consume and we consume what we don't produce," he said. "This cannot continue."

To end the continent's marginalization, Africans must believe in themselves and "be the change they want to see" was a message that resonated across the Forum's sessions and private meetings. Jacob Zuma, President of South Africa, noted that the upcoming World Cup 2010 will show the world that Africa is ready to do anything. "There were a lot of doubts and scepticism. But people who come to Africa will see that we are not just bushes and mountains. They will see how Africa is ready to do anything that can be done anywhere else in the world." President Zuma urged potential investors to act now. "In a short period of time, Africa is going to be the place for doing business globally. FDI will come on its own."

There is no time for appropriate regulatory structure to be set up before initiating public-private partnerships, advised Pat Davies, Chief Executive, Sasol, South Africa, and Co-Chair of the meeting. "Focus on where there are markets and opportunities and use business to remove barriers," he said. "Give business reasonable certainty and predictability and we can [create more] partnerships. Companies help create regulatory frameworks by making the investment decision."

One of the keys to unlock Africa's potential lies with young people, who comprise 60% of the population. "Let's take a bunch of young people and put their minds on fire. You should believe in the demographics [of Africa], make your human capital capable and entrepreneurship will happen," said Co-Chair Ajai Chowdhry, Founder, HCL; Chairman and Chief Executive Officer, HCL Infosystems.

The World Economic Forum on Africa will take place in Cape Town, South Africa next year from 4 to 6 May 2011.

Editor: Godwin Muhwezi Bonge

The EABC News-flash is produced and published by the Communications and Marketing Department of the East African Business Council. Olorien House, Kijenge Perfect Printers Street. P.O. Box 2617, Arusha—Tanzania