



Eng. Dr. F. B. Sebbowa
The Chief Executive Officer
Electricity Regulatory Authority



Corporate Social Responsibility (CSR) is a term that has in recent years increasingly entered into the language of business. It is a term that means many different things to different people, be the business men themselves, civil society, academia or general public. It is a term that is itself subject to variation. To some, it is corporate responsibility, to others it is private voluntary initiative, etc.

CSR is the name now most commonly applied to multitude of innovative and positive initiative by business/organizations in both the marketplace and the wider community. However, no matter what I is called the fundamentals remain the same, they are voluntary positive initiatives by businesses/organizations that look to go beyond legal compliance in a diverse range of social, economic and environmental areas.

The corporate world has long recognized its role alongside others in contributing to the development of the communities in which it operates. Its voluntariness, diversity and flexibility are vital to allowing all business, regardless of size or location, to consider ho best they can respond to the realities of their marketplace.

CSR is driven as much by competitiveness as it is by philanthropy and encompasses general principles of ethical behavior as well as environmental, economic and social responsibilities. Whilst CSR is the all embracing term applied, the elements themselves need to be distinguished and treated differently i.e. the methods used for dealing with environmental issues while licensing operators and owners of electricity companies i.e. Impact Assessment Reports,Standards,Certification,etc are not the same as those that can be used for dealing with social issues. There is no one approach.

Public Opinions ©

Plot 65, Bukoto Street-P.o Box 36733-Kampala-Uganda,Tel: +256 312 283 776, +256 712 936 206
Email:publicopinions@yahoo.com-Website: www.pubopinions.org

As CSR is a business initiative, implementation lies with the management of each company. In giving effect to its CSR program, the company may choose to do it alone or look to work in partnership with other actors. Whether path is chosen, the “how” is not as important as the “outcome” and the continual innovation and growth process.

In the case of the Energy sector, energy users and service providers can have a long standing dedication to protect the environment, increase energy efficiency, celebrate diversity and partner with the communities they serve. As energy costs continue to rise, energy companies efforts are put at forefront of public scrutiny. Addressing pressing community concerns while striving to minimize environmental impact and improve society as a whole, would go a long way in demonstrating that business do have wider responsibilities than that of profit maximization, and that corporate social responsibility builds closer relationships with the stakeholders which in itself carries a number of advantages for business.

A strong commitment to stakeholder sensitivity is a core value of the Electricity Regulatory Authority (ERA) that is also shared by our licensees. Commitment to this value that epitomizes our CSR has offered a wide variety of energy efficiency programs such as distributing free compact fluorescent energy saving bulbs to the public designed to encourage consumers to use less energy and save money.

Deliberate and sustained environmental efforts can results in adding megawatts of hydro energy over time due to increased rainfall and increased water levels in various catchment areas for hydro power sources, which in itself has a knock-on effect on the unit prices for both commercial and domestic power.

The new rush into corporate social responsibility is a recognition, in part that in business, trust is critical to success, that reputation management is essential, that a brand must enjoy people’s confidence, that long term focus matters, and that there is something in CSR that is a business led response to the community challenges.

Public Opinions ©

Plot 65, Bukoto Street-P.o Box 36733-Kampala-Uganda,Tel: +256 312 283 776, +256 712 936 206
Email:publicopinions@yahoo.com-Website: www.pubopinions.org

CSR initiative is neither a substitute nor an alternative for social legislation. Government must be responsible for the implementation and enforcement of national laws and policies for the transformation of society. It is government's responsibility to invest in the education and social well being of its citizens so as to be able to create the appropriate conditions for business growth and competitiveness. Companies can have a supportive effect by implementing and demonstrating appropriate social standards in their own operations and encouraging their local networks to do the same. This is particularly true where for whatever reason, that necessary government initiative is lacking.

Gideon Badagawa-Executive Director

Uganda Manufacturers Association (UMA)

Corporate Social Responsibility is the sustainable involvement of business to behave ethically and contribute to economic development while improving the quality of life of the workforce, dependants, suppliers and customers, shareholders and the community at large and at the same time caring for the environment. Involvement in CSR has several benefits to the company and the community. For the company, there is improved corporate image, brand differentiation, improved relationships with government and the civil society organizations. The community benefits by having improved welfare and sustainable environmental quality.

Mr. Gideon outlined a number of core issues that must be observed and they include among others;

- Manufacturing companies must observe business ethics
- Promote and uphold from time to time CSR code and policies as well as ethical programs which among others include fair pay to staff, payment of tax and other statutory obligations, ethical acquisition of businesses, etc.
- Companies must conduct business in accordance with fair business, marketing and advertising practices and take all reasonable steps to ensure safety of services and products in respect to human rights.

Public Opinions ©

Plot 65, Bukoto Street-P.o Box 36733-Kampala-Uganda,Tel: +256 312 283 776, +256 712 936 206
Email:publicopinions@yahoo.com-Website: www.pubopinions.org

- Manufacturing companies must assist local suppliers to develop production of quality goods and help develop competitive supply chain.
- Manufacturers and buyers must buy from local communities at the fairest possible prices.
- Companies must strive to achieve continual improvement in the quality of environment and must recognize that nature feeds the economy and the entire industrial processes. Majority of industrial inputs are supplied by nature and so must be maintained to supply more and ensure sustainable development.
- Corporates ought to facilitate the less advantaged for social economical transformation
- Manufacturers ought to work closely with civil society organizations to uplift the standards of living of the communities and such partnership can help to identify key issues in the communities for intervention of corporates.

On the challenges of corporate social responsibility, Mr. Badagawa States that;

- There is limited involvement of companies in CSR drive because some CSR activities are viewed by companies as obligations of the government.
- Companies take up only strategic CSR activities such as those that keep their workforce healthy, improve marketing their products and services
- Most companies claim that they do not have the resources (finance and human) to support CSR activities

Gideon advise that to realize sustainable Corporate Social Responsibility in Uganda;

- Companies require support from different partners to harness the resources by helping them to plan by carrying out needs assessments in the communities where they operate.
- Companies need support in setting up systems to manage and monitor CSR activities

Public Opinions ©

Plot 65, Bukoto Street-P.o Box 36733-Kampala-Uganda,Tel: +256 312 283 776, +256 712 936 206
Email:publicopinions@yahoo.com-Website: www.pubopinions.org

- Companies should attempt to create lasting partnership between the companies and community based organizations and civil society organizations operating in these communities to ensure stronger accountability and program management for CSR resources committed by the company.
- Companies need to form CSR networking groups where they share CSR experiences and practices

In conclusion, Mr. Gideon committed himself in his individual wisdom and on behalf of the Uganda Manufacturers Association (UMA) to continue making passionate appeals to all companies to advocate for and practice corporate social responsibility since the long term benefits do not only accrue to communities but to manufacturers as well. The benefits are in form of a more healthy and productive workforce, improved environmental quality, increased sales and profits for companies and enhanced relationships among communities.