



REPUBLIC OF TRINIDAD AND TOBAGO
MINISTRY OF TRADE, INDUSTRY, INVESTMENT AND COMMUNICATIONS

NATIONAL STRATEGIC CORPORATE SOCIAL RESPONSIBILITY POLICY OF TRINIDAD AND TOBAGO

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Acronyms

bpTT	-	British Petroleum Trinidad and Tobago
CSR	-	Corporate Social Responsibility
CSRPD	-	Corporate Social Responsibility Policy Document
GORTT	-	Government of the Republic of Trinidad and Tobago
GRI	-	Global Reporting Initiative
HR	-	Human Resources
MTIIC	-	Ministry of Trade, Industry, Investment and Communications
NSCSRP	-	National Strategic Corporate Social Responsibility Policy
OECD	-	Organization for Economic Co-operation and Development
SME	-	Small and Medium-sized Enterprises
STCIC	-	South Trinidad Chamber of Industry and Commerce
TTMA	-	Trinidad and Tobago Manufacturers Association
UNDP	-	United Nations Development Programme

Executive Summary

Corporate Social Responsibility is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental and social imperatives while at the same time addressing the expectations of shareholders and stakeholders. In this sense it is important to draw a distinction between Strategic CSR, which can be a strategic business management concept and charity, sponsorships or philanthropy which are the most basic forms of CSR practices. Even though the latter can also make a valuable contribution to poverty reduction, directly enhance the reputation of a company and strengthen its brand, the concept of Strategic CSR goes beyond that.

The concept of Corporate Social Responsibility (CSR) has been in existence since the 1960s. However, today CSR is more relevant than ever given the following:

- (i) Increasing globalization and the growing ability to compare the policies and practices applied by organizations in different locations.
- (ii) The growing concerns about the environment and climate change.
- (iii) Strengthening of labour and human rights.
- (iv) Increased emphasis on transparency and accountability.
- (v) Increased emphasis on stakeholder engagement.

It has been well documented that practicing Strategic CSR can stimulate trust in business, build brand loyalty, as well as, create value addition, which are all vital for the health of any nation's market economy and in addressing societal challenges. Many governments in both developed and developing economies have accepted the positive social, economic and environmental sustainable impacts of the promotion of Strategic CSR practices. In this regard, Corporate Social Responsibility is no longer viewed as a commitment by only the private sector to contribute to sustainable economic development. It has in fact been incorporated into the development of national policy frameworks, affecting the way both public and private entities conduct business, thus creating a benchmark or standard for nation building.

Corporate Social Responsibility (CSR) is by no means a new phenomenon to Trinidad and Tobago. In fact, the corporate landscape in Trinidad and Tobago is littered with CSR related initiatives which have mainly been concentrated among larger corporations within the business community. However, despite the fact that Trinidad and Tobago has a relatively large number of CSR initiatives, the broader and far reaching impacts of these activities are often mitigated, due to the lack of a better understanding of the social, economic, and environmental gaps that currently exist at the community and national levels.

Therefore, in accordance with international best practice, the Government of Trinidad and Tobago has taken the initiative to develop a National Strategic Corporate Social Responsibility Policy (NSCSRP), which serves as a facilitative framework that will encourage Strategic CSR practices in Trinidad and Tobago.

The overall goal of this Policy is to create a framework which will encourage Strategic CSR practices in Trinidad and Tobago. The Policy further outlines the major national priorities or focal areas for CSR and identifies strategies which companies can adopt to address these gaps in Trinidad and Tobago. The major CSR gaps are summarized within three (3) broad areas: social, economic and environment.

It is expected that the NSCSRP will assist in fostering a culture of Strategic CSR activities and shift the focus from mainly charitable activities by companies to more strategic forms of CSR and that the GORTT will emerge itself, as a leader in the practice of Strategic CSR.

1.0 Introduction

In Trinidad and Tobago, the practice of Corporate Philanthropy (CP) is synonymous with Corporate Social Responsibility (CSR¹), whereby, business' first response to societal issues is philanthropy. It has been argued that more Strategic CSR approaches to business activities should be adopted in Trinidad and Tobago since CSR is more than just philanthropy or corporate charity –but also involves *inter alia* compliance with community standards (ethical and legal), citizenship activities (companies looking to be good corporate citizens) and moving towards environmental sustainability.

According to the European Strategy for CSR “A renewed EU strategy 2011-2014 for Corporate Social Responsibility”², the European Commission defines CSR as “the responsibility of enterprises for their impacts in society”.

This Policy focuses on two (2) aspects CSR, which are Corporate Philanthropy and Strategic CSR. Corporate Philanthropy³ is the act of corporations donating some of their profits, or their resources, to charitable causes, in the form of cash, use of their facilities or volunteer time offered by the company's employees usually as part of an ad-hoc project aimed at short-term social impact. Whereas, according to

Professor Kellie Mc Elhane of the University of California's, Graduate School of Business, the term Strategic CSR is defined as “a business strategy which is integrated with core business objectives and core competencies of the firm which is designed to create business value and positive social and environmental change that is incorporated in day-to-day business culture and operations”.

In light of the aforementioned, despite the heightened publicity and implementation of CSR in major developed countries, Corporate Social Responsibility in Latin America and the Caribbean continues to be at an incipient stage, whereas, developed country societal actors have adopted Strategic CSR as a way of addressing social, environmental and economic issues.

In Trinidad and Tobago, Corporate Social Responsibility is by no means a new phenomenon. The extent to which CSR is practiced by Trinidad and Tobago companies was first captured in 2007 when the UNDP in partnership with the then South Trinidad and Tobago Chamber of Industry and Commerce (STCIC) produced a Mapping Report. This Report indicated that the domestic landscape is littered with CSR activities; however the broader and far reaching impacts of these activities are marginal and tend to be philanthropic in nature.

¹ CSR can be described on three levels: philanthropic, basic (good citizenship/prevent harm) and strategic.

² Communication from the Commission to the European Parliament and the Council COM (2011) 681 final. Brussels, 25.1.2011

³ See www.businessdictionary.com

According to figures provided in the CSR Mapping Report (2007), for the period 2001-2006, 68 companies disclosed spending a combined total of TT\$ 54 million on external social and environmental programmes. Unfortunately, despite the significant sum spent on CSR initiatives, there are many issues which continue to minimize the impact of CSR activities in Trinidad and Tobago.

Subsequently, the 2012 UNDP Report of CSR activities in Trinidad and Tobago revealed that the following have not experienced any significant change since 2007:

- i. Little evidence of a substantial shift towards more strategic forms of CSR;
- ii. Continuous strong focus on public relations and reputation management as the main drivers of CSR; and
- iii. Poor reporting and disclosure practices on CSR activities.

The aforementioned issues have influenced the Ministry of Trade, Industry, Investment and Communications to develop a National Strategic Corporate Social Responsibility Policy (NSCSR) to guide companies in Trinidad and Tobago to promote more Strategic CSR practices. One of the benefits of Government's participation in Strategic CSR is that it encourages Foreign Direct Investments (FDIs). Foreign investors are attracted to nations which operate responsibly, support good governance, anti-corruption and a robust, responsible business sector. Supporting Strategic CSR from a national level provides significant benefits to organizations which are summarized at Box I.

BOX I – BENEFITS OF SOCIAL RESPONSIBILITY FOR AN ORGANISATION

Social responsibility can provide numerous benefits for an organization.

These include:

- Encourage more informed decision making based on an improved understanding of the expectations of society, the opportunities associated with social responsibility (including better management of legal risks) and the risks of not being socially responsible;
- Improving the organisation's risk management practices;
- Enhancing the reputation of the organization and fostering greater public trust;
- Supporting an organization's social license to operate;
- Generating innovation;
- Improving the competitiveness of the organization, including access to finance and preferred partner status;
- Improving the organisation's relationship with its stakeholders, thus exposing the organization to new perspectives and contact with a diverse range of stakeholders;
- Enhancing employee loyalty, involvement, participation and morale;
- Improving the safety and health of both female and male workers;
- Impacting positively on an organization's ability to recruit, motivate and retain its employees;
- Achieving savings associated with increased productivity and resource efficiency, lower energy and consumption, decreased waste, and the recovery of valuable by-products;
- Improving the reliability and fairness of transactions through responsible political involvement, fair competition and the absence of corruption; and
- Prevention or reducing potential conflicts with consumers about products or services.

Source: Trinidad and Tobago Standards Guidance on Social Responsibility TTS/ISO 26000:2011

Conversely, the role of the Trinidad and Tobago Government in developing a Strategic CSR culture, aids in building long-term sustainability of local CSR agendas, creating new strategies to address gaps in public sector capacities and create synergies through partnerships to achieve public policy goals related to sustainable development.

In general, the GORTT will adopt the role of partner, facilitator, exemplar and coordinator as it seeks to assume its role in developing a culture of Strategic CSR in Trinidad and Tobago.

2.0 Objectives of the Policy

The overall objective of the NSCSR Policy is to create a framework that will encourage Strategic CSR practices in Trinidad and Tobago.

Specifically, the key objectives of the Policy are:

1. to improve public awareness of Strategic CSR in Trinidad and Tobago;
2. to increase the number of new businesses and support existing businesses practicing Strategic CSR in Trinidad and Tobago;
3. to improve monitoring, evaluation, reporting and disclosure of CSR activities within the business and public sector; and
4. to advance Government as an exemplar in Strategic CSR.

3.0 Expected Outcomes

- increased awareness and visibility of CSR activities;
- increased adoption of Strategic CSR practices;
- increased level of disclosure on CSR practices by the business sector; and
- enhanced Government's practice of Strategic CSR.
-

4.0 Expected Impacts

- reduction in environmental degradation caused by business activity;
- increase in environmentally friendly products and processes thus resulting in increased innovation;
- improved accountability and transparency within the business and public sectors;
- decrease in unethical business practices;
- increased investor confidence;
- improved competitiveness and export potential of local businesses;
- alleviation of social problems such as crime and poverty; and
- enhanced productivity in the workplace.

5.0 Methodology

The methodology utilized to formulate this Policy, incorporated both qualitative and quantitative analysis.

The data collection process for the formulation of this Policy was divided into four (4) phases commencing in February 2013 and ending in October 2013. It began with a comprehensive review and assessment of best CSR practices and CSR strategies in the international arena. Specifically, during this phase, best practice CSR activities, protocols and frameworks were studied in both developed and developing countries.

The second phase was devoted to identifying CSR needs at the community and national levels, and assessing unsustainable CSR practices of businesses to determine the challenges and gaps currently facing CSR in Trinidad and Tobago, through various focus group sessions and targeted interviews. During this phase, a host of participating members of the studies⁴ were chosen from among Small and Medium Enterprises (SME's), private sector stakeholders, key public stakeholders and civil society organization interest groups (**See Appendix I for List of Stakeholders consulted**).

The third step was the identification of specific strategies and policy tools to address the myriad of issues affecting the CSR landscape in Trinidad and Tobago.

The fourth phase examined the potential roles to be played by various institutions locally during the implementation phase of the Policy, as well as, monitoring and evaluation of CSR initiatives once implemented. This was achieved through additional meetings and stakeholder discussions in order to develop the best strategies for moving forward.

Finally, a first Draft Policy was written and submitted to the Lead Ministry and main stakeholders for final vetting before submission to the Cabinet of Trinidad and Tobago for its consideration.

⁴ Review, Assessment of Best Practice Corporate Social Responsibility Policies and Strategies in the International Arena (May, 2013); Social, Economic and Environmental Needs of Communities and The Extent of CSR Activity in Private and Public Business Sector, Business Culture and the Identification of Unsustainable Practices of Business in Trinidad and Tobago (July, 2013); CSR Policy Interventions (July 2013); CSR Policy Governance Structure (July, 2013); CSR Policy Monitoring and Evaluation (July, 2013); and CSR Case Studies (October 2013).

6.0 Current Situational Analysis

6.1 CSR Issues

According to various UNDP Reports, namely, the 2007 CSR Mapping Report and 2012 CEO⁵ Study on Corporate Social Responsibility in Trinidad and Tobago, local companies are currently aware of the term CSR and CSR practices. However, the incorporation of Strategic CSR with individual company's goals and objectives is not prevalent.

The CEO's Report also revealed that approximately 96 percent of respondents identified that charitable events and donations were the main activities relating to CSR in their organisations. Additionally, sponsorship of campaigns and other public events which engaged employee volunteers also accounted for their organization's philanthropic CSR.

In addition, according to the 2012 CEO Study on CSR Report, it was also revealed that there exist a high percentage of companies in Trinidad and Tobago which mainly practice philanthropic activities as opposed to more strategic forms of CSR. The results of the survey summarized the following challenges:

- a. Little Government involvement in the practice of CSR;
- b. Limited cross-corporation partnerships;
- c. Limited awareness of business benefits of CSR;
- d. Weak monitoring and evaluation of the impacts of CSR activities;
- e. Limited results-based CSR planning; and
- f. Missing the "Green Opportunities".

⁵ Chief Executive Officer

However, as the leading Caribbean economy, Trinidad and Tobago via the Trinidad and Tobago Bureau of Standards (TTBS) officially adopted the ISO⁶ 26000 Guidance Standards on Social Responsibility on June 16th 2011, also known as TTS/ISO 26000:2011⁷, thereby, setting the benchmark for social responsibility in the region.

The ISO 26000 is a CSR standard used as the guidance framework for sustainable issues for the local market place. ISO 26000 describes the essential characteristic of social responsibility as "the willingness of an organization to incorporate social and environment consideration in its decision making."

6.2 SMEs and CSR

It has been found that the majority of the companies outside of the Energy and Related Industries and Financial Sector do not engage in sustainable Strategic CSR business practices. According to a recent survey conducted by the Trade and Economic Development Unit at the University of The West Indies St. Augustine, most Small and Medium-Sized Enterprises (SMEs) do not engage in Strategic CSR. However, many SMEs in Trinidad and Tobago engage in some type of CSR activity, such as philanthropy, but they do not classify it as CSR or Strategic CSR and are unaware that the activity is in fact a CSR initiative.

⁶ International Organization for Standardization

⁷ Trinidad and Tobago Standards/ International Organisation for Standardization 26000:2011

It is well-known, Small and Medium-sized Enterprises (SMEs) have always played a vital role in the Trinidad and Tobago economy, making their mark on the economic landscape due to their strategic importance in re-engineering the industrial sector. As such, SMEs contribute, on average, close to 30 per cent of GDP and employ over approximately 200,000 persons within Trinidad and Tobago's economy. This compares favourably with other developed countries such as the USA, Japan, South Korea and Germany. Therefore, the impact that a shift to more sustainable and socially responsible SME business practices could have on Trinidad and Tobago's society, economy and environment, is potentially significant.

It was also revealed that micro organizations and SMEs lack sufficient encouragement to engage in Strategic CSR practices, as there exist inadequate working incentives to reward this sort of activities for SMEs in Trinidad and Tobago. This has therefore been identified as one of the major factors limiting Strategic CSR practices in Trinidad and Tobago. Moreover, it was also revealed that SMEs do not have the necessary resources to focus on CSR/ Strategic CSR activities, which include: lack of understanding of CSR, high implementation cost of CSR, as well as, inadequate human resources for implementation of CSR.

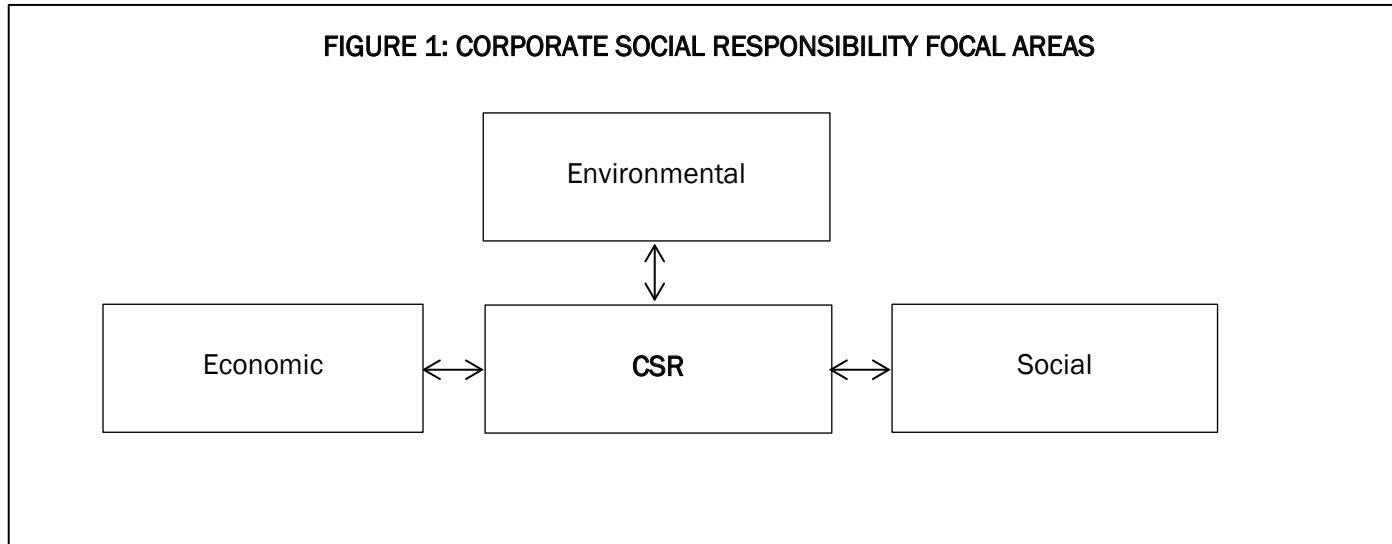
According to other recent studies conducted by the University of the West Indies, it was recommended that in order for CSR to work, the private sector must play a voluntary role, as opposed to the government spearheading this initiative on its own, or forcing the private sector to adopt such practices, as the benefits to be derived by the private sector are immense, inclusive of enhanced brand recognition and competitiveness.

Another key challenge where CSR in Trinidad and Tobago is concerned is the unavailability of data. The only source of statistics on the trend(s) of CSR initiatives in Trinidad and Tobago is the Energy Chamber of Trinidad and Tobago which initiated the South Trinidad Chamber of Industry and Commerce (STCIC) CSR Leadership Awards in 2008.

Therefore, the need for data sharing and reporting on non-financial business performance is an important aspect of assessing CSR achievements. This in turn will promote CSR awareness building in Trinidad and Tobago.

6.3 CSR Focal Areas

The NSCSR Policy focuses on three (3) broad areas, in which key challenges and gaps can be addressed by Trinidad and Tobago:



Economic Areas of Focus

Economic areas of focus highlight some of the immediate challenges that can pose a threat to business activity, as well as, sustainable development. These areas are as follows:

- Constraints to growth in innovation and competitiveness posed by institutions, human capital, research, infrastructure, market sophistication, business sophistication, knowledge outputs, technology outputs and creative outputs.
- Absence of a prevailing national ethos that supports ethical practice, good corporate governance and effective corporate oversight.
- Absence of results based Strategic CSR.
- Limited business opportunities in rural areas.

Social Areas of Focus

The social areas of focus reflect the main human resource issues facing the country such as:

- Gender inequality in the workforce.
- Disparity in living standards within communities.
- Limited success in integrating crime prevention elements in CSR as part of targeting crime at the community level.
- Absence of a wide network of community mentorship programs across the country.
- Insufficient programs at the level of organizations and communities that address literacy, skills training, ageing and capacity building.

- Inadequate facilities within communities for education, skills training, retooling, knowledge transfer, sport and recreation.
- Inadequate housing programs for citizens.

Environmental Areas of Focus

The environmental areas listed below are challenges that affect the availability of natural resources which can pose a direct threat to businesses and citizens. These are:

- Threats to sustainable environmental diversity from unsuitable economic activities and the unsustainable use of natural resources.
- Low awareness among members of the civil society, of both the need and the behaviors required to protect Environmentally Sensitive Areas (ESAs).
- Low levels of awareness and enforcement of environmental laws and standards for sanitation and garbage disposal in communities.
- Low education of employees on potential environmental impacts of activities.
- Lack of enforcement of company's values and policies with regards to protection of the environment at the employee level.

Based on the economic, social, and environmental areas of focus identified above, companies can play a significant role in targeting these areas at the national and community levels. In addition, the identification of these existing challenges in the current CSR landscape of Trinidad and Tobago provides a unique opportunity for the GORTT to foster a CSR culture that is more strategic in nature.

6.4 SWOT Analysis

<i>STRENGTH</i>	<i>WEAKNESS</i>
<ul style="list-style-type: none"> - Involvement of multinational companies in CSR activities. - Increasing number of initiatives of CSR and best practices at the national level. - Growing level of consumer interest for products or services of socially responsible companies. 	<ul style="list-style-type: none"> - Insufficient knowledge of the concept of Strategic CSR in society. - Inadequate knowledge and involvement of SMEs in CSR initiatives. - Insufficient development of a CSR business culture. - Superficial level of organizations involvement in CSR activities without addressing the root cause of social problem.
<i>THREAT</i>	<i>OPPORTUNITY</i>
<ul style="list-style-type: none"> - Lack of coherent public policies to promote CSR. - Support and insufficient involvement of public authorities in promoting and implementation of CSR. - Lack of budget for promoting the practice of Strategic CSR. 	<ul style="list-style-type: none"> - Benefits for companies, communities, society, which integrate CSR. - Opportunity to learn, retrieve and adapt best practices and lessons learned from the experiences of other more developed countries. - Funding opportunities for competent CSR initiatives offered by external stakeholders.

7.0 New Policy Framework for CSR in Trinidad and Tobago

7.1 Policy Tools to address CSR Issues in Trinidad and Tobago

According to best practice, Strategic Corporate Social Responsibility has become an essential component for future business survival. However, in order for the country to reap tangible benefits from Strategic CSR, there must be a strategic link between Strategic CSR and the GORTT's broad sustainable development agenda.

As such, the policy recommendations for CSR are intended to provide a framework to encourage a strategic approach to CSR by targeting the gaps identified above and to create a corporate culture of CSR where firms of varying sizes across various sectors will begin to include CSR in their strategic business plans.

As such, based on the Global Reporting Initiative (GRI) standards, the following interventions outlined in **Appendix II**, can be adopted by companies to address the social, economic and environmental gaps in Trinidad and Tobago.

In addition, the GORTT will address the myriad of issues affecting the CSR landscape in Trinidad and Tobago by *inter alia*:

1. Increasing CSR awareness, visibility and benefits;
2. Promoting Strategic CSR in the business sector;
3. Increasing CSR reporting and disclosure mechanisms; and
4. Leading by example.

7.1.1. Increasing CSR Awareness, Visibility and Benefits

Consumer demand drives businesses; therefore, awareness building is the most effective mechanism to foster the development of Corporate Social Responsibility as it is one of the best ways to communicate the potential of the concept to consumers and companies in Trinidad and Tobago. As such, fostering awareness must be premised on ethical business values and sustainable environmental practices as stakeholders internalize the core concept of CSR and acknowledge that they are contributors to the process of sustainable development.

Strategies to increase CSR awareness, visibility and benefits

The Government will facilitate the following initiatives:

- Design and integrate targeted interventions to increase the knowledge of CSR at various educational and vocational levels, such as advertising campaigns. This shall be done in collaboration with the business associations, private enterprises and civil society organizations. The business sector shall be engaged in this regard, by having employees volunteer their time to conduct workshops or seminars to inform students in the schools about CSR activities in progress and to solicit their involvement.
- Facilitate forums to discuss the conceptual, operational, strategic and practical aspects of CSR.

- Promote continuous research on the best practice modalities associated with CSR implementation and make this research available to key stakeholders as well as the general public. Appointment of CSR Champions at the regional and national levels. This recognition will mean that these businesses will be the lead CSR examples and be used as models for other businesses for Strategic CSR.
- Disseminate information on the Areas of Focus identified in Section 6.3 above to companies.
- Government will endorse and facilitate the adoption of Strategic CSR. This will be done by featuring companies that have adopted CSR principles as well as encourage exchange between such companies and others that have not yet adopted CSR principles.

7.1.2. Promoting Strategic CSR in the Business Sector

Although several companies have been identified in the Trinidad and Tobago business landscape as having integrated CSR into their business operations, many enterprises still require much assistance with the implementation of Strategic CSR type activities into their operations.

Strategies to promote Strategic CSR in the business sector

The Government will facilitate the following initiatives:

- Design and implement a mentoring⁸ programme for existing and new firms on the concept and application modalities of Strategic CSR. This mentoring facility will also help businesses to integrate Strategic CSR into their business plans.
- Foster the development of partnerships, joint interventions and network alliances among firms. These networks will be used as a means of disseminating experiences and best practices and can also be used as a platform to share risks and responsibilities of common interventions at the community or national level.
- Encourage employment practices and management systems which are responsive to changes in the structure and composition of the labor market.
- Encourage continuous learning interventions for the labor market in conjunction with the business chambers, employers' associations, trade unions and civil society.
- Encourage diversity in employment practices.
- Promote interventions to reduce the negative impact of business operations on the environment.
- Develop coaching programmes for businesses to increase their capacity to integrate CSR practices in their strategic planning.

⁸ CSR Mentoring facilities shall be based on sector groupings. For example, large firms which are the leader in CSR activities will provide mentoring to small and medium sized firms in that sector.

Programmes will be designed based on the characteristics of the participating firms and will be sector specific.

- Provide incentives for businesses to adopt remedies to address CSR issues as outlined in the focal areas above.
- Encourage businesses, through annual award ceremonies to incorporate and adopt a National Corporate Governance Code into their business practices.

7.1.3. Increasing CSR Reporting and Disclosure Mechanisms

Improving systems of transparency and accountability of firms regarding CSR practices will be achieved via increased awareness of the direct benefits associated with becoming a more socially responsible entity.

Strategies to increase CSR reporting and disclosure mechanism

The Government will facilitate the following initiatives:

- Clearly define and articulate country relevant guidelines for reporting on CSR.
- Promote and facilitate open stakeholder forums which highlight the benefits of improved transparency and accountability regarding CSR practices.
- Encourage companies to publicize CSR successes. This shall be done by collaborating with stakeholders to produce an annual publication that highlights successful CSR initiatives in the reporting period.

- Provide workshops and seminars as well as demonstration projects to train the business sector in CSR reporting.
- Encourage businesses to put CSR reports on a National CSR website.

7.1.4. Government Leading by Example

The principles of accountability, transparency and respect for differing stakeholder interests are not only at the heart of social responsibility but what should embody a well-functioning public service and wider state sector. Therefore, in the provision of its own services and in its role as an employer and facilitator, the State has the opportunity to act as an exemplar in Strategic CSR practice and lead by example in adhering to CSR principles and practices.

In this regard the GORTT will practice Strategic CSR itself, through the following four main channels:

- Promoting policies that provide support to CSR efforts (e.g. endorsement of CSR labels, publication of best practices, support to civil society transparency initiatives).
- Partnering of public and private CSR efforts (e.g. public-private partnerships, ensuring stakeholder consultation in the development of public policy and laws).
- Facilitating measures to enable CSR efforts (e.g. awareness raising campaigns, incentives, tax rebates, procurement policies, capacity building, supporting the development of sustainable and green businesses).

- Mandating frameworks to enforce and guide CSR activities in its departments and state enterprises (e.g. developing standards and codes of conduct, reporting guidelines, corporate governance codes).

The Government shall also make it mandatory for all of its departments and State Enterprises to publicly report on an annual basis all activities and expenditures relating to CSR.

8.0 Monitoring and Evaluation Framework

The monitoring and evaluation aspect of the Policy will assess the impact of CSR and Strategic CSR activities on the national gaps identified above.

As such, a number of audits and aggressive monitoring of the CSR activities will be performed by participants as outlined in the Implementation Framework of the Policy. Participating agencies will maintain oversight of the impacts of these activities as well as encourage the adoption of specific relevant standards for efficient execution of CSR and Strategic CSR practices.

This Policy shall be reviewed every three (3) years to incorporate new developments and standards. The review will aim to examine international best practices and seek to modify strategies to encourage greater participation by private and public enterprises in an effort to minimize the challenges and gaps in CSR currently experienced in Trinidad and Tobago.

See **Appendix III** for Monitoring and Evaluation of CSR implementation.

9.0 Implementation Framework

The MTIIC will be tasked with the responsibility to develop a more comprehensive implementation plan subsequent to additional stakeholder discussions and Cabinet approval.

Some of the key players with whom the Government will be collaborating with in the implementation of the Corporate Social Responsibility Policy include: the Private Sector, NGOs and other elements of Civil Society (**See Appendix IV**).

Appendix I: Ministry of Trade, Industry, Investment and Communication CSR Project Board

No.	Organization
1	Trinidad and Tobago Chamber of Industry and Commerce
2	Arthur Lok Jack Graduate School of Business
3	Trinidad and Tobago Manufacturers' Association
4	Trinidad and Tobago Energy Chamber
5	University of the West Indies, Office of Research Development and Knowledge Transfer
6	Ministry of Planning and Sustainable Development
7	University of Trinidad and Tobago
8	Trinidad and Tobago Bureau of Standards
9	Ministry of Public Administration
10	Ministry of Energy and Energy Affairs
11	Caribbean Centre for Competitiveness, University of the West Indies
12	Employers' Consultative Association
13	Veni Apwann
14	The Cropper Foundation
15	Ministry of Labour and Small and Micro Enterprise Development
16	Network of NGOs for the advancement of Women
17	Civil Society Network Organisation
18	United Nations Development Programme

Appendix II: Recommended Strategic CSR Interventions

A. Economic Interventions		
Aspect	Interventions	
	Internal	External
Direct economic value generated and distributed	Ensure that payments to employees are made on time; ensure that employees are compensated no lower than the minimum wage; reward productivity.	Ensure that payments to service providers are made on time. Support activities that promote cohesion in the community.
Business Practices ⁹	Ensure compliance with all legal requirements in business practices - both internally and externally; observe all labor laws; ensure fair treatment of all employees; comply with environmental laws.	Ensure that the company's action does not create environmental issues for the community in which it is located. Engage in fair competition in the market place.
Procurement practices	Develop internal policies that will promote socially responsible procurement practices; educate employees about the importance of supply chain and social responsibility; ensure transparency and value for money in procurement.	Ensure that suppliers are engaging in good internal CSR.
Human resources	Hire staff from the local community or nearby communities when practically possible.	Encourage staff and management to volunteer at community centers etc.

B. Social Interventions		
Aspect	Interventions	
	Internal	External
Training and Education	Provide ongoing training and development opportunities for all employees.	Develop training and development programs to educate members of the wider community.
Gender Inequality in Education	Ensure non-discrimination in hiring practices.	Create public/private partnerships to promote literacy and employment opportunities for at risk social groups.
Digital Divide – Bridging the gap	Provide ongoing IT training, workshops, and seminars for employees. Provide incentives for employees to register and complete certificate programs in IT related areas.	Provide training and IT workshops to under-represented and at-risk groups.

B. Social Interventions		
Aspect	Interventions	
	Internal	External
Diversity and equal opportunity	Promote diversity in hiring practices; provide workshops and sensitivity training for employees.	Recognize and celebrate diversity in the wider community.
Labour practices	Engage employees in activities that improve employee morale. Ensure safe working conditions and minimize employee's risk of injury on the job. Provide adequate support to differently abled employees. Provide ongoing training to employees. Ensure equality in the treatment of employees.	Ensure that all labor laws are observed.
Equal remuneration for women and men	Develop compensation schemes that reward productivity and schemes that strive to maintain equality in compensation	Ensure compliance with all applicable labor laws.

C. Environmental Interventions		
Aspect	Interventions	
	Internal	External
Materials – Materials used by weight and volume	Ensure that products are packaged with materials that will minimize the negative impacts on the environment.	Employ greater usage of renewable materials and minimize the use of non-renewable resources.
Recycled input materials and recycling	Encourage employees to engage in recycling both at work and at home and launch internal 'green' initiatives.	Use materials that have been made of recycled inputs.
Energy	Encourage internal energy conservation and switch to energy efficient appliances and other office equipment.	Support incentives for community residents who engage in energy conservation and educate the community about the importance of energy conservation.
Water Conservation	Educate employees about the need for water conservation and ways to conserve water.	Educate stakeholders in the community about the need for water conservation and ways to conserve water.
Infrastructure	Encourage employees to volunteer time to community activities and infrastructural development projects.	Fund activities that will clear drains of debris that can lead to flooding. Support and co-sponsor government activities to address issues of environmental degradation, flooding, and deforestation.

Appendix III: Monitoring and Evaluation Plan

<i>Objective</i>	<i>Principal Strategy and Measure</i>	<i>Baseline Data</i>	<i>Performance Indicator</i>	<i>Target</i>	<i>Timeframe to Completion</i>
1. Increase awareness building, visibility and benefits	Principal Strategy: Employ various mechanisms to increase awareness, build knowledge and disseminate information on CSR practices.	14 signatory companies to the ten principles of the UN Global Compact use these tools to build CSR awareness and business benefits 50% of SMEs do not understand CSR. CSR is viewed as expenditure rather than as an investment.	Outcome Indicator: Percentage increase in awareness and visibility of CSR based on comparative analysis with baseline study Number of individuals and businesses aware of the positive impacts of CSR engagement	Increase awareness, visibility and benefits of CSR activities by at least 50%	Two years 2015 - 2017
2. Increase number of businesses practicing Strategic CSR	Principal Strategy: Promote interventions, mechanisms and incentives to encourage companies, especially SMEs to practice Strategic CSR	36 SMEs allocated yearly expenditure on external social and environmental programme averaging only TT\$5 million over the period 2003-2007; Approximately 70% of large companies incorporated their social and environmental projects into their strategic planning	Outcome Indicators: Number of businesses engaging in Strategic CSR practices	At least 100 additional SMEs adopting Strategic CSR Increase number of businesses engaging in Strategic CSR by at least 15%	Five (5) years 2015-2019

Objective	Principal Strategy and Measure	Baseline Data	Performance Indicator	Target	Timeframe to Completion
3. Improve reporting on Strategic CSR practices	Principal Strategy: Develop and implement Reporting Procedures and mechanisms for CSR practices	50% of large companies from Energy and Related Industries, Finance and Real Estate sectors report CSR-related activities No reporting on SMEs sustainability management	Outcome Indicators: Increase in SMEs adoption of CSR reporting and disclosure procedures. Number of businesses which produce sustainable reports	Increase the number of large businesses that produce sustainability reports by 15%; To encourage at least 100 SMEs to incorporate CSR disclosure and reporting practices	Three (3) years 2015-2018
4. To advance Government as an exemplar in strategic CSR.	Principal Strategy: Government to actively participate in CSR practices	Limited government involvement in CSR practice, such as fiscal incentives, social investment and public private sector partnerships	Outcome Indicators: Number of public private sector meetings and dialogues; Number of CSR reports and practices disclosed by government/ public sector	15 Government institutional to participate in disclosure and reporting of CSR activities	Three (3) years 2015 -2018

Appendix IV: NSCSR Implementation Plan

Objective	Activity	Specific Action	Responsible Party	Period
1. Increase CSR awareness, visibility and benefits	Activity 1 – Awareness building	<ul style="list-style-type: none"> • Conduct workshops, advertising campaigns and seminars on good CSR practices. Generate briefs, brochures and newsletters that highlight best practices, and new developments for CSR. • Design and develop a website to provide information on CSR activities and disseminate outputs. • Establish CSR Help Desk. • Provide research funding to tertiary level institutions to encourage research on best practice modalities associated with CSR implementation. • Promote activities that will encourage companies to share information in CSR experiences and success stories. 	MTIIC, TTCC, NGOs, TTMA, UWI, MPA	2015 - 2017
2. To increase the number of businesses and other organisations practicing Strategic SR	Activity 2 – Strategic CSR promotion	<ul style="list-style-type: none"> • Design and implement a mentoring facility. • Establish multi-stakeholder groups at the Ministry of Trade, Industry, Investment and Communications to forge partnerships among public sector, private sector, and non-profit organizations; • Develop strategic partnerships and networks for companies to engage in dialogue on CSR activities. • Develop incentives to assist SMEs to invest in CSR practices 	MTIIC, NGO's, TTCC	2015 - 2017

Objective	Activity	Specific Action	Responsible Party	Period
3. To Improve monitoring, evaluation, reporting and disclosure of CSR activities within the business sector.	Activity 4 - CSR Reporting	<ul style="list-style-type: none"> • Create standard reporting template, processes and information systems for firms to report their CSR activities. • Assist companies, through training, in their reporting activities and conformance to reporting guidelines. • Develop specific guidelines for CSR reporting based on the Global Reporting Initiative (GRI). 	MTIIC, NGO's, TTCC	2015 - 2017
4. To advance Government as an exemplar in strategic CSR.	Government to lead by example	<ul style="list-style-type: none"> • Promotion of awareness-building mechanisms to create a shared understanding of CSR among companies and the wider public. • Promotion of Public Private Partnership arrangements, through joint ventures and partnerships. • Provision of incentives (fiscal and non-fiscal) to SMEs and other companies. • Development of instruments to monitor and enforce corporate accountability. 	MTIIC, MOF, TTCIC,	2015 - 2017



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