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Corporate sector must strengthen institutional mechanism for pooling philanthropic contributions: Yaseen Anwar

The Governor, State Bank of Pakistan, Mr. Yaseen Anwar has stressed upon the corporate sector to further build the institutional mechanism for pooling philanthropic contributions from individuals and corporations to address the social issues on a greater scale.

Speaking as a Chief Guest at a ceremony for distribution of Pakistan Corporate Philanthropy Awards and launching of Corporate Philanthropy Report 2010 at a local hotel in Karachi this afternoon, he observed that these efforts would feed into the overall competitive context of the corporate sector, enabling the companies to leverage the efforts and infrastructure for the development of the nation.

'I would urge the corporate sector to move the narrow focus of Corporate Philanthropy (CP) from a public relations tool to a vehicle for creating social value for long term impact, he said, adding that the institutions must adopt a strategic approach to CP programs. 'CP programs must be well structured in terms of striking a balance between business needs and the community's preferences with a high focus on leveraging and harmonizing for scale,' he emphasized.

Mr. Anwar said that institutions must adopt CP focus and communication strategy, such as through their annual reports and websites to give CP initiatives greater visibility among the internal and external stakeholders. Besides, the institutions also need to put in place verifiable criteria for measuring and monitoring achievements of CP initiatives. 'The criteria must measure the impact on both dimensions of business performance and society's well-being,' he added.

SBP Governor also stressed the need to develop a business case for CP initiatives. 'The business case may be developed on fundamentals such as strengthening corporate legitimacy and reputation, building competitive advantage, and creating win-win situations through synergistic value creation,' he said, adding that the CP must seek partnerships to create synergies with other philanthropists for scale and sustainability and long term impact on social indicators.

He said that according to the UNDP's Human Development Report 2011, Pakistan is among countries with the lowest human development program. The report places national multidimensional poverty, which is a composite of several social indicators including health, education and standard of living, at 49.4 percent of the population, he said, adding that given this high level of social and economic deprivation, the corporate sector must rise to shoulder the burden of development with the government.

Mr. Anwar said that the economic growth and our ambitions for the eradication of poverty depend upon the energy and drive of business & commerce, directly by creating jobs and indirectly by donating money and using their organizational abilities to address social causes.

SBP Governor said it is indeed heartening to know that in Pakistan the corporate sector is embracing philanthropy. 'Thanks to the efforts of the Pakistan Centre for Philanthropy (PCP) as a vehicle for promoting partnerships between the civil society, the private sector and the public sector to enhance indigenous giving,' he added.

He said that Pakistan is full of examples of highly successful and sustainable philanthropic initiatives. Especially, during the last century, philanthropists and family foundations were actively involved in setting up hospitals, educational institutions, relief centers, scholarship programs and technical training institutes. 'PCP estimates indicate that corporate contributions have multiplied by more than 14 times over the last seven years,' he said and emphasized that the PCP research is not only good for information but also crucial for policy development & formulation and monitoring progress overtime because what cannot be measured cannot be improved.

'For SBP's part, we are willing to help, to the best of our ability, to serve PCP's splendid vision. For my part, I place my energies at PCP's disposal. After all, we all hope that a better future awaits us all,' he added.

Mr. Anwar congratulated all the award winners and Pakistan Centre for Philanthropy for their laudable initiatives which, he said, will go a long way in promoting corporate philanthropy in Pakistan.

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