



African Philanthropy Network
THE VOICE AND ACTION FOR AFRICAN PHILANTHROPY

FINAL STUDY REPORT

**CIVIL SOCIETY ACTORS AND
CORPORATE SOCIAL INVESTMENT
IN ETHIOPIA.**

MAY 2024

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List of Abbreviations and Acronyms

ATE: Association of Tanzania Employers	LHRC: Legal and Human Rights Centre
CDC: Community Development Committee	LSF: Legal Services Facility
CGPP: Committee of Governance and Popular Participation	MP: Monrovia Principles
COVID -19: Coronavirus Disease 2019	NaCoNGO: National Council for Non Governmental Organizations
CSAs: Civil Society Actors	NGOsL: Non-Governmental Organizations
CSI: Corporate Social Investment	PSOs: Philanthropic Support Organizations
CSJ: Corporate Social Justice	RE: Revised Edition
CSR: Corporate Social Responsibility	SDGs: Sustainable Development Goals
CWCA: Center for Widows and Children Association	SGS: Socie'te' Generale de Surveillance
EOCD: Organization for Economic Cooperation and Development	STAMICO: State Mining Corporation
EITI: Extractive Industries Transparency Initiations	TAMWA: Tanzania Media Women Association
ESG: Environment, Social and Governance	TCCIA: Tanzania Chamber of Commerce, Industry and Agriculture
FCS: Foundation for Civil Society	TPCC: Tanzania Portland Cement Company
FDI: Foreign Direct Investment	TGNP: Tanzania Gender Networking Program
GDP: Gross Domestic Production	TIC: Tanzania Investment Centre
GGML: Geita Gold Mining Limited	TPSF: Tanzania Private Sector Foundation
GN: Government Notice	TLS: Tanganyika Law Society
HIV: Human Immunodeficiency Virus	TRA: Tanzania Revenue Authority
ICMM: International Council for Mining and Minerals	UNDP: United Nations Development Programme
IMF: International Monetary Fund	UNGC: United Nations Global Compact
ISO: International Organization for Standardization	URT: United Republic of Tanzania
KP: Kimberley Process	USD: United States Dollar
LGAs: Local Government Authorities	WB: World Bank
	WDC: Ward Development Council

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1. Introduction

1.1 Background of Assignment

The global context of slow economic growth, social inequality, and environmental degradation is creating unprecedented challenges for the international community. As a result, a series of compelling international development goals have been adopted, including the 2030 Agenda for Sustainable Development- adopted by the 193 Member States of the United Nations at the General Assembly in September 2015- outlines a transformative vision for economic, social and environmental development, and will guide the work of the Organization towards this vision for the next 15 years.

The 2030 Agenda for Sustainable Development[1], which includes 17 Goals and 169 targets, sets out an ambitious vision for sustainable development and integrates its economic, social, and environmental dimensions. It is a transformative agenda that places equality and dignity front and center and calls for change in development patterns while respecting the environment. In the framework of a strengthened global partnership, the 2030 Agenda is a universal commitment undertaken by developed and developing countries alike.

The 2030 Agenda, along with the Addis Ababa Action Agenda[2] of the Third International Conference on Financing for Development (held 13-16 July 2015) and the Paris Agreement on climate change, which the Member States also adopted in 2015, presents an unparalleled opportunity for all nations.

With respect to a global framework for financing development post-2015, the Addis Ababa Action (13 to 16 July 2015) Agenda document stated that:

We [the Heads of State and Government and High Representatives], gathered in Addis Ababa from 13 to 16 July 2015, affirm our strong political commitment to address the challenge of financing and creating an enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity. Our goal is to end poverty and hunger, and to achieve sustainable development in its three dimensions through promoting inclusive economic growth, protecting the environment, and promoting social inclusion. We commit to respecting all human rights, including the right to development. We will ensure gender equality and women's and girls' empowerment. We will promote peaceful and inclusive societies and advance fully towards an equitable global economic system in which no country or person is left behind, enabling decent work and productive livelihoods for all, while preserving the planet for our children and future generations (pg.1).

The key statement "...addressing the challenge of financing and creating an enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity..." is particularly relevant to this study and further relates to several action areas of the Addis Ababa Action Agenda, including:

- 1. Domestic public resources:** This area underscores the importance of public policies and the mobilization and effective use of domestic resources, as central to the pursuit of sustainable development. It emphasizes the need to work to strengthen regulatory frameworks at all levels to further

[1]United Nations, The 2030 Agenda and the Sustainable Development Goals: An opportunity for Latin America and the Caribbean (LC/G.2681-P/Rev.3), Santiago, 2018

[2]United Nations, Sustainable Development. https://sustainabledevelopment.un.org/content/documents/2051AAAA_Outcome.pdf

increase transparency and accountability of financial institutions and the corporate sector, as well as public administrations.

2. Domestic and international private business and finance: This component recognizes that private business activity, investment, and innovation are major drivers of productivity, inclusive economic growth and job creation. The agenda acknowledges the diversity of the private sector, ranging from micro-enterprises to cooperatives to multinationals; it calls on all businesses to apply their creativity and innovation to solving sustainable development challenges; and invites them to engage as partners in the development process, to invest in areas critical to sustainable development, and to shift to more sustainable consumption and production patterns.

3. International development cooperation: This area emphasizes that international public finance plays an important role in complementing the efforts of countries to mobilize public resources domestically, especially in the poorest and most vulnerable countries with limited domestic resources. The ambitious agenda puts significant demands on public budgets and capacities, which requires scaled-up and more effective international support, including both concessional and non-concessional financing. The document welcomes the increase of all forms of international public finance since Monterrey and expresses determination to step up respective efforts in support of the post-2015 development agenda. It recognizes shared common goals and common ambitions to strengthen international development cooperation and maximize its effectiveness, transparency, impact, and results.

4. International trade as an engine for development: This component acknowledges that international trade is an engine for inclusive economic growth and poverty reduction and contributes to the promotion of sustainable development. It commits to continuing to promote a universal, rules-based, open, transparent, predictable, inclusive, non-discriminatory, and equitable multilateral trading system under the World Trade Organization (WTO), as well as meaningful trade liberalization. Such a trading system encourages long-term investment in productive capacities. With appropriate supporting policies, infrastructure, and an educated workforce, trade can also help to promote productive employment and 1. decent work, women's empowerment, and food security, as well as a reduction in inequality, and contribute to achieving the sustainable development goals.

Building on the above statements, our research team understood from the Term of Reference that the African Philanthropy Network (APN) in collaboration with Development Expertise Centre (DEC) based in Addis Ababa, Ethiopia, conducted a legal Assessment Study in 2021 to examine the enabling environment for CSOs, including philanthropy support organizations, to thrive in Ethiopia. According to the Terms of Reference, we found that Ethiopia has an adequate supportive legal environment to implement Corporate Social Investment as a philanthropy practice, though this is not well-known among civil society organizations, a consistent finding with the Addis Ababa Action Agenda.

The primary rationale of this study is to examine the mechanisms enabling Civil Society Actors (CSAs) including Philanthropy Support Organizations (PSOs) to increase its accessibility to domestic resources attached to CSR/CSI practices for social justice work in Ethiopia.

1.2 Objectives of Study

The objective of the study was to review the implementation of CSI in Ethiopia and propose an effective mechanism that should be in place to enable CSAs access to funding for social justice work.

1.3 Basic Questions of Study

The following were the basic questions of this study:

1. What is the current status of the implementation of CSI in Ethiopia?
2. Are there any strengths and weaknesses? If there are weaknesses in the implementation of the CSI in Ethiopia, what are the effective mechanisms that should be in place?
3. What is the enabling environment for CSAs to be enabled and access funding for social justice work in the country?
4. What are the existing legal frameworks that impact CSI?
5. Is there a link between CSR and development?
6. What are the factors hindering corporates contribution for sustainable development in Ethiopia?

1.4 Scope of Study

In order to achieve the stated objective of the assignment, Center of Excellence International Consult (CEIC) learned from the ToR that the study was conducted within the scopes of the study:

A. Temporal Scope of the Assignment: The agreed total duration of the study period was 30 days, from 1st to 31st December 2023.

B. Thematic areas of the study: CEIC was required to accomplish the following tasks:

1. Review of the context (political, social, economic, environmental, and legal) regarding CSI;
2. Review the existing knowledge, attitude, and practice regarding CSI by the businesses/cooperates;
3. Review the existing knowledge, attitude, and practice regarding CSI by the CSAs in Ethiopia;
4. Conduct interviews with selected CSAs and cooperatives/businesses; and
5. Provide suggestions of an effective mechanism and practical actions for CSAs to unlock CSI resources for social justice work.

2. Research Methodology

This study was conducted at the national level, as agreed with the client. The Terms of Reference (ToR) proposed a mixed research approach, which was accepted and elaborated upon by our research team. This pragmatic approach moves beyond the limitations of purely positivist (quantitative) or post-positivist (qualitative-dominant) frameworks by combining both quantitative and qualitative procedures, methods, tools, and techniques.

This research method was adopted because it enabled the collection of both quantitative and qualitative data, allowing comparison between datasets to identify convergence, differences, or combinations. It also facilitated confirmation, disconfirmation, or cross-validation of data collected on mechanisms enabling Civil Society Actors (CSAs) to partner with and access Corporate Social Investment in Ethiopia. The quantitative component of the mixed method employed included a cross-sectional survey design, which measured outcomes and exposures of study participants simultaneously. Additionally, descriptive research design was used to establish a comprehensive profile of the study area.

For the qualitative component, we employed a case study design that allowed an in-depth, detailed examination of particular cases related to community philanthropy within real-world contexts. This approach enabled the research team to conduct a comprehensive study by approaching participants inductively in their natural settings. It involved collecting and analyzing non-numerical data to understand concepts, opinions, and experiences related to community philanthropy in Ethiopia and generating new ideas relevant to the research. By combining quantitative and qualitative designs, our research team provided both detailed, contextualized insights from qualitative data and generalizable, externally valid findings from quantitative data. As noted by Creswell (2009, 2012), the strengths of one type of data often mitigate the weaknesses of the other.

Quantitative data was captured using survey questionnaires, while qualitative data on the same thematic areas was generated from primary sources using Key Informant Interviews (KIIs) and case stories. For the key informant, data was collected from 20 participants selected from corporates, CSAs/PSOs. Additionally, a total of 8 case stories related to community philanthropy were developed for the comprehensive study report. To triangulate the primary data, the team conducted up-to-date desk reviews related to concepts and practices of philanthropy in general and community philanthropy in particular. Document analysis and desk research supplemented data obtained through questionnaires. This helped our team triangulate data and generate more reliable outcomes on the topic under consideration.

Concerning survey strategy, due to time constraints and the fragile security situation in the study target areas, the Center of Excellence International Consult (CEIC) used a concurrent strategy. As Creswell (2009) explains, in concurrent mixed methods research strategies, qualitative and quantitative data are collected simultaneously or in parallel rather than sequentially. The data analysis process began with quantitative analysis, followed by qualitative data analysis for triangulation purposes. This approach allowed the research team to identify patterns in the numerical data and then explore underlying factors through the qualitative findings, ensuring a comprehensive understanding of the mechanisms enabling Civil Society Actors to partner with and access Corporate Social Investment in Ethiopia.

3. Literature Review

Social responsibility is the fundamental duty of the state to implement social justice for its citizens. The state, however, is unable to execute its primary social responsibilities because it is not able to mobilize funds that are adequate against the demand. Consequently, businesses from micro to corporate levels emerge as drivers of economic and social growth. Climate change and supply chain management have also emerged as prominent drivers of CSR development.

3.1 Review of Corporate Social Responsibility (CSR) in Ethiopia

The nature of Corporate Social Responsibility (CSR) is anticipated to change among nations based on factors such as corporate governance, ownership structures of businesses, economies' openness to foreign investment, and the importance of civil society[3].

In Ethiopia, as among the majority of sub-Saharan nations, corporate social responsibility is still in its infancy[4]. The majority of CSR initiatives in Ethiopia are solely charitable. In Ethiopia, locally owned businesses participate in corporate social responsibility (CSR) to a lesser extent than multinational corporations do, although research suggest that it is inaccurate to conclude that Ethiopian businesses are hostile to CSR. The main reason for the low level of CSR participation by the local business community has been identified as a misunderstanding of the idea in general[5]. Some business entities, as they face threats from rival enterprises, think their financial viability may be lowered relative to others as a result of the extra funds allotted for CSR initiatives[6].

Prominent local businesses and multinational corporations including Heineken, Diageo, BGI Ethiopia, MIDROC, Dangote Cement, Sunshine Group, East Africa Holdings, and Ethiopian Airlines, carry out the bulk of corporate social responsibility (CSR) activities. However, the vast majority of these charitable endeavors are inconsistent and unaccompanied by long-term CSR plans and policies. Studies indicate that, loopholes in the rules and regulations contribute to Ethiopia's poor CSR practices. The government has not made any explicit attempts to include CSR in its initiatives for socioeconomic growth, nor has it created any national CSR policies. Nonetheless, many businesses have begun laying the groundwork for their corporate social responsibility efforts recently[7].

Nowadays, the term corporate social responsibility is frequently employed to describe how companies contribute to sustainable development efforts. According to the empirical results of the field study, there has not been an apparent association between CSR initiatives and cultural contexts in Ethiopia[8]. This is supported by the study's findings, which show that Ethiopian businesses and organizations perceive corporate social responsibility (CSR) as essentially corporate philanthropy with the primary goal of tackling socioeconomic development issues.

[3] Robertson, D. C. (2009). Corporate Social Responsibility and Different Stages of Economic Development: Singapore, Turkey, and Ethiopia. *Journal of Business Ethics*, 88, 617–633.

[4] Kassa, F. (2018). The Status of Corporate Social Responsibility in Ethiopia. *Ethiopian Journal of Business Management and Economics*, 1(1), 1–14.

[5] Nigatu, T. F. (2018). Corporate Social Responsibility for Social Dimension of Human Development in Ethiopia: A Conceptual Paper. *Journal of Culture, Society and Development*, 42, 25–36.

[6] Potturi, R. M., & Temesgen, Z. (2008). Corporate Social Responsibility: An Attitude of Ethiopian Corporates. *Social Responsibility Journal*, 4(4), 456–463. PVH. (2018). Corporate Responsibility Report.

[7] Ethiopian Business Review. (2020). We Have Plans to Transform into Multinational Company. Retrieved from <https://ethiopianbusinessreview.net/archives/6873>.

[8] Deyassa, K. (2010). CSR from Ethiopian Perspective. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2737831>

3.2 Existing Laws, Policies or Guidelines

In Ethiopia, corporate social responsibility has become less common since there are no laws that specifically govern it. There is not a single law in Ethiopia that specifically addresses CSR. Nonetheless, several laws regulate it, either on purposefully or inadvertently[9]. The constitution imposes numerous obligations including the need to safeguard human rights, the environment, and the social dimensions of citizens' rights. Business firms are required to uphold these responsibilities, which sometimes amount to what would be akin to corporate social responsibility. Bilateral investment treaties also indirectly govern CSR. These agreements, established to encourage investment and protect investors, govern investment relations between sovereign nations and destination countries. Since they directly govern the structures and modes of operation of corporate entities, the Commercial Code acts as the most pertinent section about CSRs.

Additionally, several Ethiopian laws and regulations indirectly encourage activities that mimic CSR implementation by requiring businesses to adopt sustainable practices and reduce environmental impact. Ethiopia has extensive labor laws that cover things like minimum wage, employee rights and protections, occupational health and safety standards, and investment codes that incentivize businesses to invest in social development initiatives and promote ethical corporate practices.

There of course exists important reasons for direct government intervention for CSR. Some of them include:

1. Specific commercial initiatives can voluntarily assist in achieving the legislative goals of the government on topics like environmental preservation and sustainable growth.
2. CSR can support foreign policy objectives like development assistance.
3. When hard-law rules are unpopular or impractical from a political or practical standpoint, CSR policies are thought to be a beneficial addition.
4. CSR policies tend to operate as soft law thus they have fewer political costs because special interest groups are less likely to oppose them.

The private sector has not been spearheading CSR initiatives in Ethiopia either. Generally speaking, there is a lack of rational strategy for creating a unique understanding and comprehension of the distinctive characteristics of what CSR should look like for the businesses[10].

Some businesses throughout Ethiopia have started their own CSR initiatives in recent years but the majority lack a comprehensive and context-specific policy framework for their CSR; their standards are imports from the environments of affluent nations[11]. The management of the environment and public health is one important area where the absence of a CSR strategy has become conspicuous. Research indicates that government agencies are unconcerned regarding corporate social responsibility in the travel and tourism sector.

Nonetheless the government are showing interest in establishing a CSR culture in domestic businesses. The Ministry of Trade and Industry is in the midst of establishing a CSR program with assistance from the World Bank, USAID, and other development partners[12].

[9]Yehualashet, T.T. (2022, January 15). The missed opportunity for effective CSR regulation in Ethiopia. Addis Fortune. <https://addisfortune.news/the-missed-opportunity-for-effective-csr-regulation-in-ethiopia/#:~:text=Under%20the%20existing%20Ethiopian%20legal,Take%20the%20FDRE%20Constitution.>

[10] Steurer, R. (2010). The Role of Governments in Corporate Social Responsibility: Characterizing Public Policies on CSR in Europe. *Policy Sciences*, 43(1), 49–72.

[11] Moon, J. (2002). The Social Responsibility of Business and New Governance. *Government and Opposition*, 37(3), 385–408.

[12] Altes, C. (2018). Analysis of Tourism Value Chain in Ethiopia. Center for the Promotion of Imports (CBI Ministry of Foreign Affairs of the Netherlands).

4. Results and Discussion

4.1 Corporate Participation in CSR

Results of the qualitative study revealed that the sample organizations were actively engaged in CSR practices. For example, they constructed schools, installed clean water system for the community, supported certified avocado seedlings for the local community, constructed offices used for community service, provided family support, conducted afforestation, engaged inhouse construction, established elderly care centers, built health centers, facilitated electricity distribution for rural communities from renewable energy, and participated in environmental protection.

4.2 Current Status of CSR

The current status of the organizations where data was collected indicated various organizations like Bedele Brewery, Share Ethiopia PIC horticulture factory, Shine Investment Group, Alema Farms, Africa PLC, Awash Bank, Commercial Bank of Ethiopia, Flower Production Investment, Abyssinia Flower Production Investment Company, and Ethio-Agri CEFT. These companies were observed to serve the communities from the profit they generate annually. The companies participate in different social responsibilities by contributing to different sectors including infrastructure, security, environmental justice and conservation, energy, food production, and so forth.

In addition to empowering communities through various initiatives, these companies also participate in cultural events, promoting and celebrating the rich heritage of the societies, and also provide training and capacity development to the communities in which they work.

Overall, the CSR/I efforts of these companies demonstrate a well-rounded approach that encompasses environmental stewardship, community engagement, and employee well-being. This commitment to these areas has earned them recognition and respect of many citizens in Ethiopia.

4.3 CSR Practices and Examples

4.3.1 Practices

Analysis of needs and effective communication with the community are key components of CSR/I practices. Some businesses base their goals on the direction of government policies and adhere to both long- and short-term strategies. There is opportunity for communities to work with businesses and local government agencies to identify and address development needs. They can also practice the CSR/I through communication between various levels of community leaders. Other organizations are also waiting for inquiries from various domestic and foreign non-governmental organizations, as well as from the government, and they are prepared to address issues that arise in the community. Finally, they provide support both directly to religious institutions and through various religious institutions, such as Orthodox, Muslims, Protestants, etc., to reach communities.

4.3.2 Examples

Some examples of community development initiatives including construction of different infrastructures, such as schools, stadiums for local youths, healthcare centers and donating health equipment, building roads, and constructing community service offices like community police stations. The Bedele Brewery in particular partners with local barley farmers, providing them with training on sustainable farming practices and access to improved seeds and fertilizers. There is opportunity for communities to establish farmer cooperatives or

knowledge-sharing platforms to empower local agricultural producers.

Other examples of social justice participation include supporting orphans and vulnerable children, supporting organized sports teams, renewing and constructing houses for families and elders who have no capacity, supporting animal forage grass for the local community, participating in various job creation activities, and also sponsoring cultural preservation of the local communities and regions.

And then there are environmental aspects including participating in planting trees and water conservation by harvesting rainwater to reduce water consumption, and by inspiring communities to build rainwater-harvesting systems or use greywater for gardens and production of different fruits and vegetables. Also, distributing electricity produced from solar energy to communities so as to reduce dependence on fossil fuels that harm the environment.

4.4 Major Strengths, Weaknesses, and Effective Mechanisms for Implementation of CSR

4.4.1 Strengths

- An all-encompassing strategy that tackles different facets of CSR/I, including community involvement, environmental sustainability, and worker welfare. This comprehensive approach ensures a broader and more positive impact.
- Prioritizing local development through improvements to healthcare, education, and infrastructure; programs directly benefit the communities in which they operate. In the long run, this promotes sustainability and a sense of ownership.
- Companies engage with NGOs, farmers, local government agencies, and communities to maximize their impact. This approach utilizes a variety of resources and knowledge.
- Openness and communication from companies foster accountability and transparency by sharing their CSR/I activities through reports, website content, and community engagement.
- Companies that adopt CSR/I experience an improvement in their community relations.

4.4.2 Weaknesses

- Certain companies' partnerships with civil society organizations are untrustworthy; they fail to allocate funds for the intended purpose and instead utilize them for other objectives.
- Insufficient details regarding particular metrics. Companies could benefit from offering more quantitative data on the results of their CSR/I programs while showcasing their initiatives. This would improve transparency and enable a more accurate assessment of their effectiveness.
- Limited scalability. Many projects lack expansion once underway. It could be advantageous to investigate more flexible and affordable options for a wider application.
- Sustainability of community projects: Maintaining the long-term viability of community development initiatives, such as schools or medical facilities, calls for constant funding and support.

4.4.3 Implementation Mechanisms

- Needs assessment and community involvement. Regularly engaging with communities to understand their needs and priorities ensures targeted and relevant CSR/I initiatives.
- Goal setting and monitoring. Setting clear, measurable goals for each CSR/I program and regularly monitoring progress helps track effectiveness and identify areas for improvement.
- Employee engagement. Encouraging employee participation in CSR/I activities fosters a sense of ownership and strengthens the company's commitment to social responsibility.

- Innovation and collaboration. Exploring new partnerships, technologies, and funding models can lead to more impactful and sustainable CSR/I initiatives.
- Transparency and communication. Regularly communicating CSR/I efforts with stakeholders builds trust, encourages participation, and allows for course correction if needed.

4.5 Structures of CSR

Any entity involved in CSR/I is officially registered with the Ethiopian government, and they collaborate with formal and informal institutions where communities use both formal and informal frameworks to carry out CSR/I.

4.5.1 Formal CSR/I

The companies are outlined in the PLC, have a formal structure and follow government directives. Through the Ministry of Social Affairs and the Ministry of Industry, the Ethiopian government is heavily involved in the planning, directing, and monitoring of CSR/I projects. These organizations provide funds, establish policies, and keep an eye on how CSR/I initiatives are carried out. Many NGOs and development groups collaborate with local communities on a range of CSR/I initiatives. These groups offer financial support, capacity-building assistance, and technical expertise. Churches, mosques, and other religious buildings frequently have a significant impact on social support and community development. Companies and these institutions often work together on projects related to healthcare, education, and disaster relief.

3.6.2. Informal CSR/I

Structures within the communities, such as women's groups, youth organizations, and elders' councils, are essential to the planning and execution of community development projects. One can use these structures as unofficial CSR/I initiatives. Self-help groups are frequently formed by communities to address particular needs like income generation, sanitation, and access to water. There is opportunity for these organizations to work together on joint CSR/I projects with corporations or other stakeholders.

4.6 Enabling Environment for CSR

There is largely an enabling environment for Civil Society Actors (CSAs) to access CSR/I because corporations will often seek them out. For example, commercial banks in Ethiopia constructed different health centers under the supervision of the Ministry of Health and locally organized civil society actors. Awash Bank works with different formally and informally organized CSAs in the implementation of CSR/I funding for development and social justice. They work with Mekodonia, Merry Joy, and CSA actors engaged in human rights protection. However, Share Ethiopia Plc. horticulture factory, Shine Investment Group, Africa PLC, Flower Production Investment, Abyssinia Flower Production Investment Company, and Ethio-Agri CEFT have no enabling environment and are engaged in CSR/I through CSA. Instead, they implement CSR/I themselves. For example, Sunshine Investments Group has its own philanthropic foundation beyond CSR/I.

4.7.1 Enabling Environment for CSR in Development

Bedele Brewery has invested in infrastructure development, such as building roads, schools, and healthcare centers in the Illubabor Zone, improving access to essential services, and promoting economic growth. By supporting local businesses and farmers, Bedele Brewery creates employment opportunities, boosting incomes and livelihoods in the community with the collaboration of a locally organized CSA. Awash Bank and the Commercial Bank of Ethiopia have also contributed to communities through different locally organized civil society actors.

4.7.2 Enabling Environment in protecting Human Rights

The study found that companies that made contributions through CSR/I in these areas were not establishing any tangible working environments for protecting human rights. Companies involved in these areas operated either through government channels or independently.

Box 4.6: Case of Bedele Brewery Share Company

Gelan Abaya, a 45-year-old human resource professional at Bedele Brewery, shares his insights on the company's CSR journey. With over 20 years of experience, Gelan has witnessed firsthand the evolution and impact of their social responsibility efforts.

Experience of Organization on CSR:

Bedele Brewery boasts a long-standing tradition of CSR, dating back to its founding. However, in recent years, their approach has become more strategic and focused, driven by a deep understanding of the community's needs and a commitment to human rights principles.

Challenges Faced:

Bedele town grapples with significant poverty, with many households struggling to meet basic needs like shelter, clean water, and healthcare. Balancing profit with social responsibility requires careful resource allocation, particularly in a developing nation like Ethiopia. Navigating government regulations and securing approvals for large-scale CSR initiatives can be complex and time-consuming. Managing diverse expectations from different community stakeholders can be challenging, requiring constant communication and collaboration.



Challenges Encountered:

Gelan recounted a specific instance where a large-scale housing project initially faced resistance from government officials. Despite a strong demand from the community for improved housing conditions, bureaucratic hurdles threatened to stall the project. However, Bedele Brewery persevered, engaging in open dialogue with government agencies and addressing their concerns. Eventually, the project received approval and successfully provided safe and secure housing for 50 vulnerable households.

Results and Conclusion:

Bedele Brewery's CSR efforts have yielded impactful results. Access to clean water, healthcare, and education has improved for marginalized communities. By promoting human rights principles, Bedele Brewery has fostered a sense of empowerment and dignity among community members. The company's commitment to social responsibility has earned it respect and trust from the community, solidifying its positive brand image. Gelan concluded by emphasizing Bedele Brewery's unwavering commitment to its social responsibility: "Our Company aspires to fulfill our CSR responsibility to the community. We primarily focus on education and development works to benefit persons with disability, marginalized and minority women's and children's." Bedele Brewery serves as a shining example of how businesses can integrate human rights principles into their CSR strategies, fostering sustainable development and positive change within their communities.

4.7 Contributions of CSR

Corporate social responsibility and investment (CSR/I) goes beyond just profits and philanthropy. It's a strategic approach for businesses to contribute to the well-being of society and the environment. CSR/I plays a crucial role in fostering development, social justice, and the protection of human rights. The contribution of the corporations generally depends on annual profits. Certain companies participated and contributed beyond the expected 2%.

4.8.1. Contribution of CSR/I to Development

The contribution of CSR/I to development plays a significant role that benefits the communities where companies actively participate in such initiatives. The organizations participated in development voluntarily to service the communities where they profited, and they also participated when queries came for support from the government side, which highly contributed to projects for communities and as countries with valuable projects such as the Ethiopian Grand Dam. The companies bought bonds for the projects and donated to the projects.

A popular contribution is to develop basic structures like roads where businesses operate. For example, in Holota town, the Ethio-Agri CEFT Company constructed 5km of asphalt roads, and the Bedele Brewery produced about 1 MW of electricity from renewable energy and distributed it to rural communities, which highly contributed to saving the environment and also solving the energy needs of the communities. In general, the companies where data collection or key interview were conducted participated and contributed to different development sectors that benefit societies.

4.8.2. Contributions of CSR/I to Social Justice

The CRS/I plays an important role in solving social problems, and the organizations contribute to different infrastructures that indirectly benefit social welfare whilst contributing to society. The organization where this study was conducted contributed to social justice through sponsorship and supported the preservation of local traditions and cultural practices, fostering a sense of identity and belonging.

They actively engage with local communities, empowering them to identify their needs and participate in decision-making processes. Activities include supporting vulnerable people in capacity building, helping children who lose their families for different reasons, fulfilling student materials, participating in school feeding, family support, afforestation, house construction, and establishing elderly care centers, etc.

4.8.3. Contributions of CSR/I to the Protection of Human Rights

The CSR/I contribution to protecting human rights is extremely low in the sample companies for which key informant interviews have been conducted. Companies have addressed issues like protection against discrimination, children's right to an education, girls' right to an education, gender equality, and training in capacity building, in such cases protecting the right to labor for workers. Sunshine Investment Group and Bedele Brewery invest in children's rights to an education through financial support and in addition, construct schools. Bedele Brewery is invested in employing capable workers from discriminated groups so as to offer them equal opportunity

Box 4.7: Case Story of Ethio-Agri CEFT of Holata town

The case story respondent's name is a 41-year old Mr. Leul Debas. He works in the Flower Company of Ethio-Agri CEFT of Holata town as the Company Manager. On behalf of his company, he explained to us that the company has contributed to the community through various philanthropic activities that integrate CSR. Ethio-Agri CEFT Flower Company was established in 2006 G.C in Holata town at Birbirsa Siba kebele to produce fresh flowers and export to foreign markets. Apart from producing flowers, the company identified problems of the community including portable of portable water, rocky roads and subpar student classrooms, and implemented many development programs.

They constructed a 5km asphalt road from the main cross-cut road of Holata town to the end of Birbirsa Siba kebele; they constructed 2 water points in front of the factory for the community to use for free for 24 hours by working on the front of the factory premises; they constructed 4 classrooms (one block) for Burka Harbu elementary school, and they constructed two houses for vulnerable women at Mada Gudina kebele, as well as one police sub-station for Birbirsa Siba kebele. Additionally, they distributed more than 2000 exercise books for orphaned & vulnerable students for each elementary school of Holata town and also provided blanket clothes for some vulnerable people. They participated in any volunteer activities in the town when asked. The company's commitment to CSR has earned them respect and trust from the community, solidifying their positive brand image and making them a model company in Holata town.



Mr. Leul mentioned that regarding social justice, they have a lawyer in the company to advocate for their employees when the workers raise their complaints to the company or when they are exposed to any external and internal abuse. As an example, Mr. Leul mentioned that one male person after subduing a woman who was working with him, abandoned her and moved to another company. After that, he was charged by the company's lawyer and had deducted from his monthly salary an amount demanded for the born child. She got justice in this way by the commitment of the company.

On the question of human rights, he mentioned that their company strongly believes that all communities have the right to access clean water, education facilities, and good roads. The living facilities they provide resolved their employees suffering from heavy rains and cold. They also have literacy schools in their company for employees to learn how to write and read, and based on their interest, they encourage them to attend night school after the completion of 3rd grade in their residential areas. The salaries and wages of the employees and daily workers are better compared to other factories in Holata town. Finally, Leul said "our company aims to fulfill our CSR responsibility to the community, and we will try to address the community's problems turn-by-turn in the future, and as much as possible, we will focus on the more vulnerable people."

4.8 Potential Areas of Partnerships with CSOs

4.9.1. Potential areas of partnership between business corporates and CSOs

Some companies in this study have established collaborative relationships with CSOs, while others have yet to initiate such partnerships. However, these companies believe that there is the possibility to work with CSOs across various sectors where they share common goals. Both business entities and CSOs bring diverse experiences to potential partnerships; if they strengthen their partnerships and improve coordination, it could lead to crucial changes for regional development in Ethiopia. A dynamic collaboration can emerge between business corporations and civil society organizations (CSOs), creating partnerships that hold immense potential for positive change, driving development, social justice, and environmental sustainability. The potential areas of partnership with CSOs include:

- **Education and Skills Development:** Partnerships can expand educational access and enhance learning outcomes for students through targeted interventions.
- **Healthcare and sanitation:** Collaboration on building healthcare facilities, promoting hygiene awareness, and improving access to clean water can significantly improve community health and well-being.
- **Environmental protection:** Joint efforts toward sustainable practices like waste management, reforestation, and renewable energy projects can safeguard the environment for future generations.
- **Cultural preservation and heritage protection:** Businesses can support CSOs in safeguarding traditional handicrafts, languages, and customs, fostering cultural identity and pride.
- **Disaster preparedness and relief:** Collaborative efforts during natural disasters can provide emergency aid, rebuild infrastructure, and support communities in recovering and adapting.
- **Vocational Training and Entrepreneurship:** Implementing entrepreneurship workshops and digital literacy programs to empower local communities.

4.9.2. Concrete actions to be done through this partnership

Concrete actions that have been implemented through CSO partnerships with companies like Bedele Brewery include:

- **Joint needs assessment:** Businesses and CSOs work together to identify the most pressing needs and priorities of the communities they serve.
- **Co-designing and implementing projects:** Collaborative project development ensures initiatives are relevant, culturally appropriate, and address specific community needs.
- **Sharing resources and expertise:** Businesses provide financial resources, technical skills, and access to technology, while CSOs offer their knowledge of local contexts and community engagement expertise.
- **Capacity building:** Both parties can invest in skills development for partners and communities, ensuring long-term sustainability and impact.
- **Monitoring and evaluation:** Regular assessment of project progress and impact allows for adjustments and ensures transparency in resource utilization.

4.9.3. Suggested implementation strategies for partnership

Recommended implementation strategies for effective company-CSO partnerships include:

- **Formalizing partnerships:** Establish memorandums of understanding (MOUs) or joint committees that provide a clear framework for collaboration and shared responsibilities
- **Communication and transparency:** Maintaining open communication with communities and stakeholders builds trust and fosters a sense of ownership.
- **Flexibility and adaptability:** Adapt to changing circumstances and community needs to ensure project effectiveness.
- **Celebrate successes:** Share achievements and positive outcomes to encourage further collaboration.

- Long-term commitment: Build sustainable partnerships through ongoing dedication and resource allocation from both businesses and CSOs.

4.9 Integrating CSR/I into Existing Human Rights Frameworks and Initiatives

Integrating CSR/I with existing human rights frameworks and initiatives offers immense potential for businesses to amplify their positive impact and contribute to a more just and equitable world. This integration can be achieved through several established frameworks:

1. **Universal Declaration of Human Rights (UDHR):** The UDHR serves as a foundational document outlining fundamental human rights, including rights to work, health, education, and a clean environment. Bedele Brewery, Ethiopia Commercial Bank, Awash Bank, and Sunshine Investment Group can align their CSR/I initiatives with these principles, ensuring their efforts respect and promote human dignity.
2. **UN Guiding Principles on Business and Human Rights:** These principles provide a framework for companies to respect, protect, and remedy human rights throughout their operations and supply chains. They can adopt these principles and conduct human rights due diligence assessments to identify and address potential risks and impacts.

Sector-specific frameworks: International labor standards, environmental regulations, and other sector-specific frameworks often reflect human rights principles and can provide industry-relevant guidance.

4.10.1. Areas of integration

- Execute human rights impact assessments: Consistently assess the possible positive and negative effects of business operations, products and service on human rights, incorporating stakeholder feedback throughout the process.
- Engage in active consultations: With staff members, local communities, and human rights advocates to learn about their priorities and concerns regarding human rights. Develop and implement human rights clearly defined policies for community involvement, nondiscrimination, labor rights, and environmental protection.
- Educate staff members and vendors: Provide training on human rights principles and best practices to all organizational levels and throughout supply chains.

Companies recognize that increasing reputation and brand value are advantages of integration. Customers are beginning to place a higher value on businesses that uphold human rights, which benefits brands and gives them a competitive edge. A proactive approach to human rights integration ensures regulatory compliance and reduces legal risks. Stronger stakeholder relationships also result in more successful CSR/I initiatives since active engagement with stakeholders promotes collaboration and the development of trust. Beyond promoting a more just and equitable world, integrating CSR/I with human rights advances broader sustainable development objectives.

4.10 Existing Policies/Legal Framework that Promote CSR/I

Similarly, to other developing nations, corporate social responsibility (CSR) is still in its infancy in Ethiopia and there is a significant disparity between CSR policy and practice. Ethiopian businesses take different approaches to corporate social responsibility than businesses worldwide (Bushera, 2019). The lack of a policy and legal framework is one of the many reasons why the CSR concept is not implemented to the highest standards. No law specifically mandates CSR standards and thresholds, despite the fact that Ethiopians are aware of social responsibility and how it is demonstrated through charitable and philanthropic work. Besides this, some companies engage in CSR practices within their own framework. Some stakeholders only know that there are

policies and legal frameworks but they do not understand their specific provisions. On the other hand, some companies properly understand the policies and legal framework for which they are responsible.

4.11 Links Between CSR/I, CSO, and CSO Financing

Companies like Commercial Bank of Ethiopia, Awash Bank, Bedele Brewery, and Sunshine Investment Group sometimes work together with CSOs. For example, Bedele Brewery works on environmental conservation and community development in partnership with environmental NGOs like the Ethiopian Wildlife Conservation Authority and local environmental groups to implement tree-planting projects, water conservation initiatives, and waste management programs. They also collaborate with CSOs focused on rural development and poverty reduction to build infrastructure like roads and schools, create jobs through skills training programs, and support local businesses.

Actively involving local communities in project design, implementation, and monitoring is a key aspect of Bedele Brewery's approach. They hold regular meetings, conduct surveys, and involve community leaders in decision-making processes. Shine Investments Group works in collaboration with the Sunshine Philanthropy Foundation on Mekodania humanitarian support. The Sunshine Philanthropy Foundation assists elders through their foundation.

Bedele Brewery collaborated with the Ethiopian Wildlife Conservation Authority and local environmental groups on a tree-planting project to restore degraded land and mitigate climate change. The project resulted in planting thousands of trees, improving soil health, reducing erosion, and providing habitat for wildlife. Bedele Brewery and Awash Bank collaborated with a local NGO to build a new school in a rural community with limited access to education. The school provided education for hundreds of children, improved literacy rates, and created job opportunities. Bedele Brewery collaborated with UNICEF to improve access to clean water and sanitation in a community facing health challenges due to poor hygiene. The project provided safe drinking water, sanitation facilities, and hygiene education, leading to a significant decrease in waterborne illnesses. Sunshine Investments Group and Commercial Bank of Ethiopia work closely with different local CSOs in humanitarian service and in development sectors that serve the community.

On the other hand, the rest of the companies included in this study do not believe that linking between CSR/I, CSO, and CSO financing is possible.

4.12 Existing Policies/Legal Framework that Promote CSR/I

4.13.1. Significant role of CSR/I

Ethiopia has significant potential for CSR/I to positively impact life in the communities, but as a nation, it is not doing well in terms of corporate social responsibility (CSR). Nonetheless, it is undeniable that CSR/I has the potential to play a major role in addressing community needs. According to the research, some companies contributed in response to inquiries from various government and non-government organizations, some work on their own initiative, while others assume responsibility for serving the communities.

Therefore, it is difficult to conclude with confidence the significant role that CSR/I as a nation plays. That being said, promising research has been done in areas where the sample data used in this study was obtained, indicating that social justice is viewed as a positive development and a role model in development, but more research is needed to determine its significance. However, CSR/I's contribution is not readily apparent, and these areas require greater attention.

4.13.2. Factors hindering implementation of CSR/I

- **Securing resources:** Balancing budgets and allocating resources for CSI initiatives can be difficult,

especially during economic downturns.

- **Lack of expertise:** Companies may not have the internal expertise or capacity to design and implement effective CSI projects, particularly when addressing complex social or environmental issues.
- **Misalignment with business goals:** Some stakeholders might view CSI as conflicting with core business objectives and prioritizing profit over social responsibility.
- **Measuring and demonstrating impact:** Accurately measuring the impact of CSI initiatives can be challenging, and demonstrating their value to stakeholders can be even harder.
- **Partnering with CSAs programs:** Finding the right CSA partners and building trustful, collaborative relationships takes time and effort.
- **Understanding community needs:** Engaging with communities effectively and ensuring projects address their actual needs requires ongoing communication and cultural sensitivity.
- **Sustainability and long-term commitment:** Maintaining support and funding for long-term projects that tackle systemic issues can be difficult, especially when facing short-term pressures.
- **Greenwashing and skepticism:** Public scrutiny and potential accusations of greenwashing require transparency, genuine commitment, and demonstrably impactful initiatives.

5. Findings, Conclusions and Recommendations

5.1 Findings

The following are some of the findings of the study related to CSR/I in the study areas:

- **Corporate participation in CSR:** Sample organizations have actively engaged in CSR practices. They built schools, installed clean water system for the community, supported certified avocado seedlings for the local community, constructed offices used for community service, provided family support, conducted afforestation, built houses, established elderly care centers, developed health centers, facilitated electricity distribution for rural communities from renewable energy, and participated in environmental protection.
-
- **Corporate practices:** They provide support directly to religious institutions and through various religious organizations, such as Orthodox, Muslims, Protestants, etc., to communities. Besides, Bedele brewery partners with local barley farmers, providing them with training on sustainable farming practices and access to improved seeds and fertilizers. Communities can establish farmer cooperatives or knowledge-sharing platforms to empower local agricultural producers. Also, corporates participated in social justice by supporting orphans and vulnerable children.
- **Strengths:** Companies engage with NGOs, farmers, local government agencies, and communities to leverage a variety of resources and knowledge. Additionally, they practice openness and communication: By using reports, website content, and community involvement to discuss their CSR/I activities, they foster accountability and transparency, and companies that adopt CSR/I see an improvement in their community relations.
- **Weaknesses:** Certain companies' partnerships with various civil society and non-governmental organizations, both domestically and globally, are untrustworthy; they fail to allocate funds for the intended purpose and instead utilize them for other objectives. There are also insufficient details regarding particular metrics: The companies could benefit from offering more quantitative data on the results of their CSR/I programs while showcasing their initiatives. This would improve transparency and enable a more accurate assessment of their effectiveness.
- **Effective implementation mechanisms:** These include needs assessment and community involvement: Regularly engaging with communities to understand their needs and priorities ensures targeted and relevant CSR/I initiatives. Goal setting and monitoring: Setting clear, measurable goals for each CSR/I program and regularly monitoring progress helps track effectiveness and identify areas for improvement.
- **Employee engagement:** Encouraging employee participation in CSR/I activities fosters a sense of ownership and strengthens the company's commitment to social responsibility. Innovation and collaboration: Exploring new partnerships, technologies, and funding models can lead to more impactful and sustainable CSR/I initiatives.
- **Formal structure of CSR/I:** The companies are established in the PLC and have a formal structure. They follow government directives and obey their instructions. Through the Ministry of Social Affairs and the Ministry of Industry, the Ethiopian government is heavily involved in the planning, directing, and monitoring of CSR/I projects.

- **Informal structure of CSR/I:** The structures within the communities, such as women's groups, youth organizations, and elders' councils, are essential to the planning and execution of community development projects. These can be utilized for informal CSR/I initiatives. Self-help groups are frequently formed by communities to address particular needs like income generation, sanitation, and access to water. These organizations can work together on joint CSR/I projects with corporations or other stakeholders.
- **Enabling environment for CSAs:** Bedele Brewery, Commercial Bank of Ethiopia, Awash Bank, and Alema Farms have an enabling environment for CSA to access CSR/I because they work with different government and non-government institutions. For example, commercial banks in Ethiopia constructed different health centers under the supervision of the Ministry of Health and locally organized civil society actors. Awash Bank works with different formally and informally organized CSAs in the implementation of CSR/I funding for development, social justice, and protection. They work with Mekodonia, Merry Joy, and CSA actors who work with human rights. However, Share Ethiopia Plc. horticulture factory, Shine Investment Group, Africa PLC, Flower Production Investment, Abyssinia Flower Production Investment Company, and Ethio-Agri CEFT have no enabling environment and are not accessed through CSR/I or through CSA; instead, they implemented CSI themselves. For example, Sunshine Investments Group has its own philanthropic foundation beyond CSR/I. The company implements CSA/I for development, social justice, and protection of human rights through the company organization.
- **Contribution of CSR/I to development:** The contribution of CSR/I to development plays a significant role that benefits the communities where companies actively participate in such initiatives. The organizations participated in development voluntarily to service the communities where they profited, and they also participated when queries came for support from the government side, which highly contributed to projects for communities and as countries with valuable projects such as the Ethiopian Grand Dam. The companies bought bonds for the projects and donated to the projects.
- **Contributions of CSR/I to social justice:** The CRS/I plays an important role in solving social problems, and the organizations contribute to different infrastructures that indirectly benefit social welfare and also indirectly contribute to society. The organization where this study was conducted contributed to social justice through sponsorship and supported the preservation of local traditions and cultural practices, fostering a sense of identity and belonging.
- **Contributions of CSR/I to the protection of human rights:** The CSR/I contribution to protecting human rights is extremely low in the sample companies for which key informant interviews have been conducted. Companies have addressed issues such as discrimination, the children's right to get an education, the girls' right to get an education, gender equality, and training in capacity building, thereby protecting the labor rights of workers. Sunshine Investment Group and Bedele Brewery are examples of organizations that work on CSR/I.
- **Potential areas of partnership between business corporates and CSOs:** Some of the companies in this study have established collaborations with CSOs, and others have not started working with CSOs. However, the areas of partnership with CSOs include:
 1. Education and skills development: These partnerships improve the expansion of education and also help the students get more education within a given time.
 2. Healthcare and sanitation: Collaboration on building healthcare facilities, promoting hygiene awareness, and improving access to clean water can significantly improve community health and well-being.

3. Environmental protection: Joint efforts toward sustainable practices like waste management, reforestation, and renewable energy projects can safeguard the environment for future generations.
4. Cultural preservation and heritage protection: Businesses can support CSOs in safeguarding traditional handicrafts, languages, and customs, fostering cultural identity and pride.
5. Disaster preparedness and relief: Collaborative efforts during natural disasters can provide emergency aid, rebuild infrastructure, and support communities in recovering and adapting.
6. Vocational training, entrepreneurship workshops, and digital literacy programs, empowering local communities.

- **Concrete actions to be done through this partnership:** The concrete actions implemented between the CSO and Bedele Brewery are: joint needs assessment: businesses and CSOs can work together to identify the most pressing needs and priorities of the communities they serve. Co-designing and implementing projects to ensure initiatives are culturally appropriate, and address specific community needs. Sharing resources and expertise: Businesses can provide financial resources, technical skills, and access to technology, while CSOs offer their knowledge of local contexts and community engagement expertise.
- **Suggested implementation strategies for partnership:** Implementation Strategies between companies and CSOs are to formalize partnerships by establishing memorandums of understanding (MOUs) or joint committees that provide a clear framework for collaboration and shared responsibilities. Maintaining open communication with communities and stakeholders builds trust and fosters a sense of ownership. Be prepared to be flexible and adapt to changing circumstances and community needs to ensure project effectiveness. Celebrate successes: Sharing achievements and positive outcomes motivates partners and encourages further collaboration. Long-term commitment: Building sustainable partnerships requires ongoing dedication and resource allocation from both businesses and CSOs.
- **Integrating CSR/I into existing human rights frameworks and initiatives and its mechanisms:** Integrating CSR/I with existing human rights frameworks and initiatives offers immense potential for businesses to amplify their positive impact and contribute to a more just and equitable world. Areas of integration include:
 1. Execute human rights impact assessments: Consistently assess the possible positive and negative effects on operations, goods, and services that may arise from respecting human rights. Talk to the stakeholders.
 2. Engage in active consultations with staff members, local communities, and human rights advocates to learn about their priorities and concerns with regard to human rights. Create and put into action human rights policies:
 3. Clearly define policies for community involvement, nondiscrimination, labor rights, and environmental protection.
 4. Educate staff members and vendors: All organizational levels and supply chains should receive training on human rights principles and best practices.
- **Existence of policies/legal frameworks Examples of existing to promote CSR/I in the Ethiopia:** Existing policies/legal frameworks that promote CSR/I in Ethiopia are discussed as follows:
 1. Constitution of the Federal Democratic Republic of Ethiopia: This supreme law emphasizes the responsibility of citizens and legal entities to contribute to the country's development.
 2. Environmental protection: Environmental laws and regulations require businesses to adopt sustainable practices and minimize their environmental impact.

3. Labor laws: Ethiopia has comprehensive labor laws, including minimum wage regulations, employee rights protections, and occupational health and safety standards.
4. Investment code: The investment code encourages responsible business practices and provides incentives for companies that invest in social development projects.
5. National Strategy for Development of Corporate Social Responsibility: This 2015 policy outlines the government's vision for promoting CSR/I in Ethiopia and encourages businesses to integrate social and environmental responsibility into their operations.
6. Sustainable Development Goals (SDGs): The Ethiopian government has committed to achieving the SDGs, and CSR/I initiatives can contribute to the goals related to poverty reduction, education, health, and environmental sustainability.
7. UN Guiding Principles on Business and Human Rights: Ethiopia has endorsed these principles, which provide a framework for companies to respect, protect, and remedy human rights throughout their operations and supply chains.

- **Existing linkages:** Bedele Brewery collaborated with the Ethiopian Wildlife Conservation Authority and local environmental groups on a tree-planting project to restore degraded land and mitigate climate change. The project resulted in the planting of thousands of trees, the improvement of soil health, the reduction of erosion, and the provision of a habitat for wildlife. Bedele Brewery and Awash Bank collaborated with a local NGO to build a new school in a rural community with limited access to education.
- **Ways of linkages:** The companies collaborated with civil society actors in implementing CSI projects. Joint project design and implementation: Bedele Brewery, Awash Bank, Commercial Bank of Ethiopia and the CSA work together to identify needs, develop strategies, and implement initiatives. Sharing expertise and resources: The CSA provides specific expertise and experience in their area, while the companies contribute financial resources, infrastructure, and personnel. Community engagement and ownership: Both parties actively involve local communities in project planning, execution, and monitoring to ensure long-term sustainability and address their specific needs.
- **Significant role of CSR/I in development:** The significant role of CSR/I in terms of its performance in terms of its contributions to development and important development needs like better infrastructure, access to clean water, healthcare, education, and jobs can be addressed by CSR/I projects, improving livelihoods and stimulating the economy.
- **The significant role of CSR/I in social justice:** The improvement of living conditions in communities in need is greatly aided by CSR/I. Some of the ways that CSR/I contributes to social justice are by rebuilding the homes of those in need of assistance, offering financial and in-kind support to families, helping children who lose their families for various reasons, opening up job opportunities, and helping the impoverished in different ways, like by purchasing public health insurance.
- **The significant role in human rights:** Companies can lessen negative effects and help maintain the fundamental rights to a clean environment, good health, and a job by incorporating human rights principles into their supply chains and operations. The important roles of CSR/I include justice, management skills, and working conditions like inequality, discrimination, and lack of access to resources.

- Factors hindering implementation of CSR/I include:
 1. Securing resources: Balancing budgets and allocating resources for CSI initiatives can be difficult, especially during economic downturns.
 2. Lack of expertise: Companies may not have the internal expertise or capacity to design and implement effective CSI projects, particularly in complex social or environmental issues.
 3. Misalignment with business goals: Some stakeholders might view CSI as conflicting with core business objectives and prioritizing profit over social responsibility.
 4. Measuring and demonstrating impact: Accurately measuring the impact of CSI initiatives can be challenging, and demonstrating their value to stakeholders can be even harder.
 5. Partnering with CSAs programs: Finding the right CSA partners and building trustful, collaborative relationships takes time and effort.
 6. Understanding community needs: Engaging with communities effectively and ensuring projects address their actual needs requires ongoing communication and cultural sensitivity.

5.2 Conclusion

Based on the results of both KII and case stories, the following conclusions were drawn:

1. Existence of CSR/I practices in the study area in general and Ethiopia in particular. However, results revealed inconsistent and disorganized ways of practices among the business entities.
2. Existence of exemplary CSR/I knowledge and ways of execution by target communities, however, such practices are at low level scale lacking to successfully meet the objectives of the social, development, and human rights needs of the country: to bring social changes (example harmful practices), ensure sustainable development (example multidimensional poverty), and respect human rights (example GBVs) as all these issues are prevailing at the national level in general and study areas in particular,
3. Internal and external factors have been hindering the efficiency, effectiveness and coordination of CSR/I practices in the study areas.

5.3 Recommendations

By taking CSR/I as a tool for social changes, development, and protecting human rights, the following recommendations are made:

- **Established National Networks:** Advocate for the establishment of national CSR/I and community philanthropy networks,
- **Promote and integrate CSR/I and community philanthropy as a tool for social changes:** CSR/I practices should focus on the root causes of social, racial, economic, and environmental injustices. It strives to include the people who are impacted by those injustices as decision-makers. Furthermore, CSR/I may take the form of a social movement or an attempt to organize the interests of a group for a social change. This may include civil rights, labor, women's equality, the environment, consumer rights, and other rights. CSR/I may provide funds or advocacy for reform that supports social change. Hence, both local communities, government, CSOs, and above all needy people are strongly recommended to promote jointly and in harmony both CSR/I and community philanthropy practices in an organized manner as a tool for social changes by donating money to worthy causes or volunteering time, effort, or other forms of altruism.

- Promote CSR/I as a tool for development: The core goal of CSR/I practices should be to optimize transfer opportunities through increased business entities giveback and use those funds to contribute to local and national development initiatives. Hence, we strongly recommend CSOs and other development partners to promote CSR/I as a process of gaining the support of corporate members, leveraging their resources, and determining the use of these external resources in the community to better address challenges or to improve the quality of life in the community.
- **Utilize CSR/I to protect human rights:** Today, the world faces an array of intersecting crises that seemingly show no end. Hence, we strongly recommend CSOs:
 1. To amplify community voices claiming their rights towards power-holders through domestic resource mobilization and CSR/I involvements, with the support of National state and societal actors in Ethiopia,A
 2. Align with Sustainable development goals to contribute to the eradication of poverty in alignment with the sustainable development goals, and integrate the concept of CSR/I within the vision and mission statements of their organizations.
 3. Facilitate knowledge sharing and increase the understanding of CSR/I so that organizations can play a critical role in promoting development by empowering and mobilizing local resources.
 4. Promote locally-led initiatives as CSR/I participation has the potential to make a significant contribution to development efforts. This includes promoting business entity-driven solutions like CAPs and SAPs through CSOs.
 5. Empower local communities to work with business entities to take charge of their own development and foster more equitable and sustainable outcomes: drive positive change through investment in the potential of CSR/I at kebele level in collaboration with public enterprises.
 6. Enable PSOs such as DEC and other PSOs to encourage utilization of CSR/I in advocacy to grow the potential role of domestic resources mobilization and corporates to bring systemic change where just society is assured.
 7. Develop advocacy capacity. Hire voluntary CSR/I lobbyists and advocates in general and align CSR/I to the sustainable development goals (make it part of agenda 2030) in particular, as community philanthropy can provide important insights into the ways in which communities are working to address, extreme poverty, social challenges, protect human rights and promote positive change.

6. Annexes

6.1 Population, Sample Size and Sampling Techniques

S/N	Target study areas by regions and woreda	Data collection tools by sample size		Sampling techniques	
		Kill	Stories	Quantitative	Qualitative
1	Orioma region				
	Adama town/Africa PLC	1	1	Stratified/ Simple random	Purposive
	Batu town/Sher Ethiopia Horticulture PLC	1	1	Stratified/ Simple random	Purposive
	Bedele town/Bedele Brewery PLC	1	1	Stratified/ Simple random	Purposive
	Holeta town/Ethio-Agri CEFT Flower Company PLC	1	1	Stratified/ Simple random	Purposive
	Liban Chukala/ALEMA FARM PLC	1	1	Stratified/ Simple random	Purposive
	Total 1	5	5		
2	Amhara Region				
	Kunzila town/Abyssinia Flower Production Investment Company	1	1	Stratified/ Simple random	Purposive
	Bahirdar Zuriya/Flower production investment company	1	-	Stratified/ Simple random	Purposive
	Total 2	2	1		

S/N	Target study areas by regions and woreda	Data collection tools by sample size		Sampling techniques	
		Kill	Stories	Quantitative	Qualitative
3	National level/Addis Ababa				
	Sunshine construction	1	-	Stratified/ Simple random	Purposive
	Commercial Bank	1	-	Stratified/ Simple random	Purposive
	Sheraton		-	Stratified/ Simple random	Purposive
	Ethiopian Air lines		-	Stratified/ Simple random	Purposive
	Ethio telecommunication		-	Stratified/ Simple random	Purposive
	Awash Bank	1	-		
	Total 3	3	-		
GRAND TOTAL (TOTAL 1-3)		10	6		

6.2 Summary of Data Analysis Techniques

Objectives/Basic questions of the assignment	Data Analysis Techniques	
	Descriptive (Survey)	Qualitative (KII, DA20)
BY OBJECTIVES OF THE ASSIGNMENT		
<ul style="list-style-type: none"> To preview the implementation of CSI in Ethiopia 	Inapplicable	Document analysis
<ul style="list-style-type: none"> To propose an effective mechanism that should be in place 	Inapplicable	KII, and document analysis
<ul style="list-style-type: none"> To enable CSAs access to funding for social justice work (based on findings, conclusions and recommendations) 	Descriptive Statistics	KII, and document analysis
<ul style="list-style-type: none"> To conduct an intensive review of existing research; as well as carefully selected key informant interviews 	Inapplicable	KII, and document analysis
BASED ON BASIC QUESTIONS OF THE ASSIGNMENT		
<ul style="list-style-type: none"> What is the current status of the implementation of CSI in Ethiopia? 	Descriptive Statistics	Document analysis
<ul style="list-style-type: none"> Are there any strengths and weaknesses? If there are weaknesses in the implementation of the CSI in Ethiopia, what ate the effective mechanism that should be in place? 	Descriptive Statistics	KII, and document analysis
<ul style="list-style-type: none"> What are the enabling environment for CSAs to be enabled and accessed to funding for social justice work in the country? 	Descriptive Statistics	KII, and document analysis
<ul style="list-style-type: none"> What are the existing legal frameworks that impact CSI? 	Inapplicable	Document analysis
<ul style="list-style-type: none"> Is there a link between CSR and development? 	Inapplicable	Inapplicable
<ul style="list-style-type: none"> Are there any statistically significant determinant factors hindering CSI participation in Ethiopia? 	Inapplicable	Inapplicable

6.3 KII Guides on the research on Civil Society Actors (CSA) and Corporate Social Investment (CSI) in Ethiopia

Dear participant of the in-depth interview; the primary aim of this KII is to research on the mechanisms that will enable civil society actors (CSA) to partner with and access corporate social investment (SCI) in Ethiopia. The information to be collected through this tool will be used strictly to understanding of the practice of the mechanisms that will enable civil society actors (CSA) to partner with and access corporate social investment (SCI) & its role for social change in Ethiopia and highly confidential. Also, it will be used to triangulate the data collected through survey questionnaire. Therefore, CEIF kindly request you to interview samples from each study targets for the whole items frankly and honestly. Thank you in advance for your valuable time to collect data from respective participants using this tool.

Part 1: General instructions to the interviewees (data collectors)

Carefully, read each statements of the KII. Undertake the interview honestly and accurately. Be confidential and respectful for the interviewee and their cultures. Try to avoid asking sensitive probe questions during interview. The interview should be arranged at the convenient time and place for the interviewee. Avoid noisy situations during KIs. Don't forget to take field note, photos, and voice recording with the consent of the interviewee. Interviewee has full right to deny photographing and voice recording and hence don't use any coercion measures. Finally, warmly thanks the interviewee.

Part 2: Identification

Instruction: In interviewing to the items below, please, use "Tick" mark option or write interviewees response as appropriate.

S/N	Questions/Items	Response options
1	Name of the interviewee	
2	Date of the interview	Rural: Kebele:-----
3	Location of the households, specify in the blank space next	Urban: Kebele:-----

Part 3: Demographic and Socio-economic Characteristics of the Interviewee

Instruction: In interviewing on the items below, please, use “Tick” mark or write interviewees responses as appropriate in the space provided.

S/N	Questions/ Items	Response options and code				
4	Age					
5	Sex					
6	Education					
7	HH size and composition					
8	Religion					
9	Ethnicity					
10	Marital status					
11	Family economic status					
12	Participation in CSR/I?					

Part 3: Demographic and Socio-economic Characteristics of the Interviewee

Instruction: In interviewing on the items below, please, use “Tick” mark or write interviewees responses as appropriate in the space provided.

S/N	Questions/ Items	Response options and code				
4	Age					
5	Sex	Male (1)	Female (2)	Other (specify)		
6	Education	No formal education (1)	Grade (1-4) (2)	Grade (5-8) (3)	Grade (7-8) (4)	Grade (9-12) (5)
7	HH size and composition	Specify:				
8	Religion	Muslim (1)	Orthodox (2)	Protestant (3)	Wakeffata (4)	Others (5)
9	Ethnicity	Somali (1)	Oromo (2)	Amhara (3)	Gurage (4)	Others (5)
10	Marital status	Single (1)	Married (2)	Divorced (3)	Widowed (4)	Others (5)
11	Family economic status	Employed (1)	Unemployed (2)	Economically inactive (3)	Aimed to compute economic dependency ratio (EDR)	
12	Participation in CSR/I?	Yes (1)	No (2)	If yes, specify:		

Part 4: Structured KII Guideline

Instruction: Please, ask the following interview questions:

13. How do you conceptualize CSR/I When do you think it originated? Why?

14. What are the current status of CSR/I in your areas?

15. What are the examples of CSR/I? How the target communities execute such CSR/I practices in your areas?

16. Do you think are the major strengths, weaknesses, and effective mechanisms for the implementation of the CSR/I?

17. How the CSR/I structured in the areas? Formal CSR/I groups' structure? Informal CSR/I groups structures?

18. Are there any enabling environment for CSAs to be enabled and accessed to CSR/I funding for development, social justice, and protection of the human rights in the areas? If YES, what are they?

19. What are the contributions of CSR/I to development, social justice and protections of human rights?

20. What are the potential areas of partnerships between business corporates and CSOs in the areas? What are the concrete actions to be done through this partnership? What implementation strategies do you suggest?

21. Is that possible to integrate CSR/I into existing human rights frameworks and initiatives? How?

22. Are there any existing policies/legal framework that promote CSR/I in the country? If yes, what are they?

23. Do think that there exist a link among CSR/I, CSO and CSO financing? If yes, in what why?

24. In your opinion, do you think that CSR/I is playing significant roles (what is expected) in development, social justice, and protection of human rights? If NO, what are the major hindering factors/ barriers to business corporates to participate in development, social justice, and protection of human rights initiatives.

Requirements: Before undertaking such data collection, please, make sure that the following requirements are fulfilled and available:

- Consent form to be filled and signed by the participants
- Field notes
- Camera for photographs
- Tape recorder
- Video recorder

6.4 Document Analysis/Desk reviews on the research on Civil Society Actors (CSA) and Corporate Social Investment (CSI) in Ethiopia

CEIC will undertake the up-to-date desk reviews on the following topics:

1. The concept CSR/I and its origin.
2. Current status of CSR/I in Ethiopia.
3. Examples of CSR/I, target communities execution strategies of such CSR/I practices.
4. Major strengths, weaknesses, and effective mechanisms for the implementation of the CSR/I.
5. Structures of CSR/I: Formal CSR/I groups' structure and Informal CSR/I groups structures.
6. Enabling environment for CSAs to be enabled and accessed to CSR/I funding for development, social justice, and protection of the human rights.
7. Contributions of CSR/I to development, social justice and protections of human rights.

8. Potential areas of partnerships between business corporates and CSOs. The concrete actions to be done through this partnership and implementation strategies.
9. Possible ways of integrating CSR/I into existing human rights frameworks and initiatives.
10. Existing policies/legal framework that promote CSR/I in the country.
11. Linkage among CSR/I, CSO and CSO financing.
12. Significant roles of CSR/I (what is expected) in development, social justice, and protection of human rights. Major hindering factors/ barriers of business corporate to participate in development, social justice, and protection of human rights initiatives.

6.5 Case Stories on the practices on the research on Civil Society Actors (CSA) and Corporate Social Investment (CSI) in Ethiopia

Dear story developers, the main objective of this tool is to research on the mechanisms that will enable civil society actors (CSA) to partner with and access corporate social investment (SCI) in Ethiopia & its role for development, social justice and the protection of human rights. You are kindly requested to develop the same story on the practices of CSR/I in the current study areas. Please, note that, each case story report should contain at least the following sections: Introduction, Results, and Conclusions. So, by identifying the appropriate individuals/institutional case participants, you are kindly requested to develop case stories on the following case points:

Case story #1: on the practices of CSR/I in development initiatives in the areas.

- Ask Age
- Ask resident/location
- Ask the story (what are the practices)?
- Ask challenges of CSR/I contributions to development initiatives
- Ask solutions/measures to be taken
- Write the story in one paragraph, 11 font and italic (introduction- include background information, real life problems, an explanation of why you decided to do this case study, results, and conclusions)

Case story #2: on the practices of CSR/I in social justices initiatives in the areas.

- Ask Age
- Ask resident/location
- Ask the story (what are the practices)?
- Ask challenges of CSR/Ic contributions to social justice initiatives
- Ask solutions/measures to be taken
- Write the story in one paragraph, 11 font and italic (introduction- include background information, real life problems, an explanation of why you decided to do this case study, results, and conclusions)

Case story #2: on the practices of CSR/I in the protection of human rights initiatives in the areas.

- Ask Age
- Ask resident/location
- Ask the story (what are the practices)?
- Ask challenges of CSR/I contributions to the protection of human rights initiatives
- Ask solutions/measures to be taken
- Write the story in one paragraph, 11 font and italic (introduction- include background information, real life problems, an explanation of why you decided to do this case study, results, and conclusions)

Requirements: Before undertaking such data collection, please, make sure that the following requirements are fulfilled and available:

- Consent form to be filled and signed by the participants
- Field notes
- Camera for photographs
- Tape recorder
- Video recorder