

Private Notice Question

To ask the Honourable Minister of Social Integration and Economic Empowerment -

Whether, in regard to the National Corporate Social Responsibility Foundation, he will, for the benefit of the House, obtain information as to -

- (a) for the 18 months ended 30th June 2018 and for the period 01 July 2018 to date, the amount of CSR contributions received and receivable from the Accountant General;**
- (b) the amount of cash balances and amounts receivable from the Accountant General as at today's date;**
- (c) the amount paid to Non-Governmental Organisations in respect of approved projects for period 01 July 2018 to date; and**

(d) the arrangements that will now be made to financially assist organisations other than those engaged in the support of vulnerable children and the provisions of Crèches/Nurseries by the proposed National Social Inclusion Foundation?

**Reply
(For Sitting of 20 June 2019)**

Madam Speaker,

With a view to encouraging an enabling environment for public-private and civil society partnership for supporting the poor and vulnerable groups, Government made provision in the 2016/2017 Budget Speech, for a new CSR framework to ensure greater social outcomes with the setting up of a National CSR Foundation.

Madam Speaker,

The advent of the National CSR Foundation has provided a breathing space for NGOs involved in delivering services targeting the poor and vulnerable segments of the population in complementarity with public services.

Madam Speaker,

During the 2016/2017 pre-budget consultations, numerous representations were received from Civil Society organisations concerning the operation of the CSR system. The main criticisms levelled were as follows:

- (i) Absence of a coordinated approach on poverty alleviation;

- (ii) Arbitrariness and lack of transparency in the allocation of CSR funds by companies;
- (iii) Difficulty in accessing funds by some deserving NGOs and other civil society organisations;
- (iv) In the absence of guidelines, there has been a proliferation of all types of organisations just to benefit from the CSR funds; and
- (v) Absence of adequate monitoring and evaluation of CSR programmes and activities.

There was a strong perception that CSR funds were not directed to the support of vulnerable groups as originally intended.

Madam Speaker,

Since its setting up, the Foundation has developed a Funding Framework that promotes:

- a) Better accountability and transparency in the use of CSR Funds;
- b) Effective monitoring and smooth implementation of programmes and projects funded;
- c) Mentoring support to organisations for better compliance with the reporting requirements of the Foundation;
- d) A coordinated approach in the financing of NGOs;
- e) Collaborative partnership with public-private and civil society; and
- f) More impactful interventions for better contribution to national priorities and Sustainable Development Goals.

Madam Speaker,

With regard to part (a) of the Question, I am informed by the National CSR Foundation that for the 18 months' period ended 30th June 2018, the receivable amount was **Rs 675,914,348**, of which the Foundation received an amount of **Rs 503,506,644** and the outstanding amount of **Rs 172,407,704** was received in July 2018 from the Accountant General being contribution of CSR funds from the Private Sector.

For the period 01 July 2018 to date, the Foundation has received an amount of **Rs 421,343,605**.

Madam Speaker,

The quantum of the receivable amount for the period 01 July 2018 to date will depend on the profit to be made by companies.

Madam Speaker,

With regard to part (b) of the Question, the amount of cash balances as at date is **Rs 748.2 Million.**

Madam Speaker

Concerning part (c) of the Question, for period 01 July 2018 to date, an amount of **Rs 276,505,166** has been disbursed to **206** NGOs for **280** approved projects. The remaining amount of **Rs 471.7 Million** is already committed.

Madam Speaker,

As regards part (d) of the Question, organisations registered with the Foundation will continue to receive financial support. The Foundation will finance programmes and projects of NGOs engaged in the ten priority areas of the Foundation for the benefit of the beneficiaries as defined in its Charter.

Madam Speaker, I am tabling the categories of beneficiaries and list of the ten priority areas.

Madam Speaker,

As announced at paragraph 276 of the 2019/2020 Budget Speech, the National CSR

Foundation will be transformed into a National Social Inclusion Foundation.

The new entity will identify National Programmes for better impact on poverty alleviation. Education being a key factor in the fight against poverty, the Foundation will, in the first instance, focus on creche and nursery facilities and on additional educational support to vulnerable children.

Additionally, the National Social Inclusion Foundation will develop other National Programmes in consultation with all stakeholders in the other areas of intervention of the Foundation with a view to promoting social inclusion and to improve the welfare of vulnerable groups.

Madam Speaker,

It's a matter of justified pride to inform the House that since 2016, the National CSR Foundation has been ensuring that the allocation of public funds to NGOs is governed by the principles and practice of good governance which include financial prudence and accountability as well as transparency. All information pertaining to programmes and projects funded by the Foundation is made available on its website.