

NATIONAL CORPORATE SOCIAL RESPONSIBILITY (CSR) FOUNDATION

NCSRF/2017/03/001

23 March 2017

Directors of Companies and Businesses liable to CSR

Sir/Madam

NCSRF Circular Letter No. 1 of 2017

The National CSR Foundation is pleased to share with you valuable information and update you on the implementation of the National CSR Foundation Guidelines 2017.

1. NATIONAL CSR FOUNDATION

As you may be aware, the National CSR Foundation has been set up and operates under the aegis of the Ministry of Social Integration and Economic Empowerment. The National CSR Foundation is managed by a Council comprising of members from the private sector, the public sector, the civil society and the academia. It is currently putting in place the necessary systems, structures and policies to ensure efficiency and effectiveness while keeping in mind the principles of good governance.

2. OBJECTS AND POWERS OF THE FOUNDATION

The objects of the Foundation are to:

(a) Undertake programmes and projects for the benefit of individuals and families registered under the Social Register of Mauritius (SRM) and of vulnerable groups in the following priority areas:

- (i) Socio-economic development as a means for poverty alleviation;
- (ii) Educational support and training;
- (iii) Social housing;
- (iv) Supporting people with disabilities;
- (v) Dealing with health problems;
- (vi) Family protection including gender-based violence;
- (vii) Leisure and sports;
- (viii) Environment and sustainable development;
- (ix) Peace and nation-building;
- (x) Road Safety and Security.

In addition, advocacy, capacity building and research are fields to be considered as cross-cutting across all the above-listed priority areas.

The Council is entitled to define and be guided by any such codes, policies, explanatory notes and any other internal regulations to further detail programmes and projects qualifying under each of the above-listed priority areas.

(b) For the purposes of the CSR guidelines, vulnerable groups are defined as follows:

- (i) Children and/or adults living below the poverty line, as defined by Government;
- (ii) Children and /or adults living below the absolute poverty line, as defined by the World Bank;
- (iii) Children and/or adults with disabilities and/or suffering from a severe disease;
- (iv) Abused children and/or adults;

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- (v) Neglected/Abandoned children and orphans;
 - (vi) Street children, including (a) children who live and sleep in the street; and (b) children who are in the street during the day but sleep in the family home;
 - (vii) Teenage mothers;
 - (viii) Children with parents in prison;
 - (ix) Children in conflict with the law;
 - (x) Out-of-school and illiterate children and illiterate adults;
 - (xi) Children and/or adults suffering from substance abuse;
 - (xii) And such other stigmatized, discriminated, most-at-risks group as determined by the Founder.
- (c) Establish and update a register of NGOs dealing in the specific priority areas listed above and any other areas as determined by the Founder, and to allocate CSR funds accordingly;
- (d) Request and examine call for proposals for the implementation of projects by NGOs in the above-listed priority areas;
- (e) Monitor and evaluate CSR programmes;
- (f) Serve as a platform for coordination and communication among all stakeholders;
- (g) Liaise with the relevant Ministries when the Council finds it fit that the proposals for the implementation of projects by NGOs fall within the direct scope of responsibilities of the concerned ministries for actions to be taken by the latter; and
- (h) Promote awareness of, adherence to and compliance with the United Nations Sustainable Development Goals 2015-2030.

3. ALLOCATION OF FUNDS

Money endowed to the National CSR Foundation will primarily be allocated to support actions in the priority areas. It will also consider the co-financing of existing CSR Programmes which are carried out by Companies and Businesses and their Foundations and fit within the priority areas.

As per the Finance (Miscellaneous Provisions) Act 2016, every company shall, in every year, set up a CSR Fund equivalent to 2 per cent of its chargeable income of the preceding year. The company shall remit at least 50 % of its CSR Fund in 2017 and thereafter 75 % of the CSR Fund to the Director-General of the Mauritius Revenue Authority.

The remainder shall be used by the company:

- (a) in respect of a CSR Fund set up before 1 January 2019, to implement a CSR Programme in accordance with its own CSR Framework;
- (b) in respect of a CSR Fund set up on or after 1 January 2019, to implement a CSR Programme or finance a non-governmental organization implementing a CSR Programme in the priority areas of intervention.

The amount to be remitted to the Director General shall be reduced by such amount as the company intends to spend in respect of an approved CSR programme which fits within the priority areas of intervention. This is only permissible if the company submits all projects details for consideration and then receives the prior written approval of the National CSR Foundation.

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It should be highlighted that no CSR money shall be spent by a company in respect of the following:

- Contribution to any governmental institutions or any parastatal institutions;
- Contribution to religious/spiritual activities;
- Activities promoting alcohol, cigarettes and gambling;
- Staff welfare and training of employees of a company;
- Natural disasters mitigation programme;
- Sponsorship for marketing purposes for companies;
- Any activity discriminating on the basis of race, place of origin, political opinion, sexual orientation, colour or creed and any other such anti-social behavior as enshrined in the Constitution.

4. CONSEQUENTLY

- (a) The National CSR Foundation wishes to inform Companies and Businesses liable to CSR that they may disburse funds in line with the provisions of the Finance (Miscellaneous Provisions) Act 2016.
- (b) The National CSR Foundation is presently finalizing its Guidelines 2017 for the approval of projects as required by the Finance (Miscellaneous Provisions) Act 2016. It will then be in a position to entertain submissions for approval as required.
- (c) The National CSR Foundation will appreciate that Companies and Businesses liable to CSR provide us with a list of projects and the amount committed to help the National CSR Foundation avoid duplication and ensure better outcomes on CSR Projects. A proposed format is attached.

Looking forward for close and fruitful collaboration

Yours faithfully



Medavy Pillay MUNIEN
Chairman