

Enabling Change through Meaningful Corporate Social Responsibility

Creating a strong business and building a better world are not conflicting goals – they are both essential ingredients for long-term success – William Clay Ford.

Gone are the days when business was about financial gains and profit-making without being concerned about the community at large. Today, Corporate Social Responsibility has become the cornerstone of any successful business. It is imperative to create sustainable shared value in the community in which a business operates. As the very successful business woman, Anita Roddick, aptly commented that, *“the business of business should not be about money; it should be about responsibility. It should be about public good, not private greed”*. Based on this various organizations globally have recognized the need to integrate financial returns with social value. Similarly, Pakistan has recently seen some phenomenal developments in this regard which have not only changed the social landscape of the country but have also inspired many other organizations working in Pakistan to support sustainable social corporate responsibility programs.

With over two decades of unparalleled commitment towards serving low-income household communities of Pakistan, Kashf Foundation has taken a step forward in planning and implementing inspirational corporate social responsibility programs which serve not only the poorest and the remotest segments of the community but are also self-sustainable in the long term. In order to make it possible, Kashf joined hands with

two of the most responsible organizations pertaining to corporate social responsibility, the Coca-Cola Company and OMV. It is through unending mutual support and cooperation of these institutions with Kashf Foundation that the corporate social responsibility reached a new pinnacle and the smiles, lost long ago, were seen once again on the faces of those people whose lives were touched by Kashf Foundation.

A partnership of Kashf Foundation and Coca-Cola that began in 2010 culminated in the possibility of an immensely beneficial social responsibility program through which the Coca-Cola Company provided a colossal support of USD 271,500 to invest in the provision of financial services to women from low-income household communities across Pakistan. As a result of such unswerving endeavors during the past three years, Kashf Foundation has been able to provide micro-credit to an astounding figure of over 1,011 women. Since the CSR grant was aimed at impact investing, i.e. ensuring that the grant was invested in a sustainable program, once the loan tenure ended the loan disbursed to the client was repaid which was then used by Kashf to re-finance other loans in the coming years. This virtuous cycle will continue, especially in light of the high repayment



Helping Low-Income Women Entrepreneurs through CSR

rates and low PAR ratios maintained by Kashf Foundation. As a result, Kashf has been able to re-disburse an additional 2,775 loans. This implies that for every 1 USD invested in Kashf Foundation, Kashf Foundation has been able to disburse loans worth 2.4 USD to low-income women. As this cycle continues – Kashf will be able to use 1 USD invested in Kashf to disburse loans worth USD 7 by 2019. The same women who were previously chained in the shackles of poverty will be seen leading their dream entrepreneurial ventures; same children who did not have books will go to schools; same families which had no food to eat will have savings to meet future contingencies. Many houses will see a new ray of hope and light for their better future in Pakistan like Kashf Foundation's client Ramzana from Kasur

who stated, "My husband was unemployed and due to financial constraints, I was forced to take away all my children from school leaving the children crying and being deprived of education.



Helping low-income households invest in the future

At that point of time when I was in despair, a neighbor told me about Kashf Foundation so I decided to avail a loan facility from Kashf. This loan enabled me to start a clothing business venture through which I was able to generate revenue which not only helped me and my family in combating poverty but also enabled us to become financially sustainable in addition to earning enough to send my children back to school. Today, I encourage all the women to take initiative and come out of poverty with the help of Kashf Foundation's financial services".

This success story highlights the role that Kashf Foundation has played in Pakistan in being a catalyst of sustainable positive social change in the community by financially empowering the low-income women of Pakistan and thereby leading to economic development of the country.

Kashf Foundation takes pride in being a part of another breakthrough corporate social responsibility program having a long-lasting impact in supporting the infra-structure development in areas which are impoverished and lack access to microcredit. OMV, a renowned international oil and gas marketing company, has taken an inspiring initiative in this regard by supporting Kashf Foundation in setting up of

two of its branches in Khairpur (Sindh) through a generous grant of USD 195,000. Whereas it takes 18 months of operations for a typical branch of Kashf Foundation to become operationally sustainable, this one-of-its-kind CSR collaboration investment has enabled Kashf Foundation to extend its services to low-income households in a place like Khairpur where market penetration of microfinance has previously been less than 10% i.e. out of a potential microfinance market of 401,853, only 40,214 have had access to microfinance[1] thereby rendering the community of Khairpur financially weak and dependent.

With the help of this grant, Kashf has been able to set up two branches and provide easy access to formal financial services to thousands of low-income household communities who otherwise



Using CSR to build capacity

would have been denied the opportunity to gain financially and socially sustainable prosperity. At the end of 18 month term, Kashf Foundation will have disbursed 3,000 loans, undertaken 1,800 Systemized Financial Education trainings, and graduated 76 women business owners through the very innovative Business Incubation Lab program.

Moreover, with sustainability being a priority, even after the grant period Kashf will be in a

position to support the branch operations through revenue generation from the business and will be able to disburse over 15,000 loans in the next 5 years resulting in a significant boost to the standard of living of these low income household women, generating employment opportunities and empowering them in manner unprecedented in Pakistan.

Kashf Foundation is determined that it is through these social corporate responsibility collaborations that those communities in Pakistan who are denied economic and social prosperity will be able to enjoy inclusive development in the economy. As Professor Yunus, Nobel Laureate and Founder of Grameen Foundation Bangladesh highlighted that "the poor especially women themselves can create a poverty free world. All we have to do is to free them from the chains that we have put around them." Similarly, Kashf Foundation hopes to fulfill the corporate social responsibility in the best possible manner by providing access to formal financial and non-financial services to the women from marginalized segments of the society thereby bringing historic positive change in the socio-economic landscape of Pakistan.



Empowering low-income households to transform their lives