

## **FORUM URGES BANKS TO ADOPT RESPONSIBLE POLICIES**



Grayson, right, Torbey, baasisi, Fletcher and Kassar at the conference in Beirut.

**Beirut, Lebanon – December 2<sup>nd</sup>, 2011** – The development of a profitable business with a positive impact on society was the focus of discussions at the 2nd CSR Lebanon Forum Thursday to promote corporate sustainability and encourage Lebanese banks to adopt socially responsible policies.

Key speakers from prominent academic and business institutions around the globe gathered Thursday at Le Bristol Hotel in Beirut where they lectured on the importance of promoting corporate social responsibility strategies.

The debate on the ramifications and implications of CSR on both society and businesses stretched for several hours with six sessions and workshops that elaborated on the definition, the evolution, integration and reporting of CSR strategies.

CSR plays today a pivotal role behind the development and consequently the success of any organization, CSR Lebanon founder and CEO Khaled Kassar said at the opening of the conference.

“Statistics released at the 10th anniversary of the announcement of the U.N. Global Compact proved that the business world is witnessing a new era of sustainable development whereby 93 percent of CEOs believe that environmental and social issues will play a pivotal role in the success of firms,” Kassar said.

Though the main objective for any business institution lies in making profits to avoid bankruptcy, Kassar said such goal shouldn't take place at "any expense."

"Business cannot succeed in societies that fail."

A key speaker at the event, Dwayne Baraka, the Business Development and Support manager of a business-led charity, Business in the Community, said the success of any business relies on the health of the community, workplace, marketplace and environment.

Among business institutions that play a major role in shaping societies is the banking sector that influences the lives of thousands of families, firms and sectors, Kassar added.

"This is why we chose 'Banking and Finance: The Social Risk' as the title of our conference this year."

Kassar said the Lebanese banking sector assumes a major responsibility since its capacities now exceed those of the Lebanese state.

The size of Lebanon's banking sector amounts to triple that of the Lebanese economy with a growth rate of 7 percent in 2011, Prime Minister Najib Mikati said last week at the Annual Arab Banking conference in Beirut.

With more than 21,000 employees, the banking sector could greatly contribute to the development of the Lebanese society without spending cash, Kassar said.

"If banks' management allows every employee an hour of voluntary work per week, we will be looking at more than one million hour of voluntary work yearly which is estimated at tens of millions of U.S. dollars without spending any cash," Kassar said.

Head of the Lebanese Bank Association Joseph Torbey told participants at the conference that banks have long been adopting CSR strategies but added that "the path remains a long and difficult one."

"The first social contract between the Lebanese Bank Association and the Union of Bank Employees was signed and became effective on Jan 1, 1972 and it guarantees employees the implementation of the Labor Law as well as benefits, family compensations, scholar and medical compensations," Torbey said.

"We update and revise this contract on a regular basis."

Among other socially responsible policies that banks took the initiative to implement is an agreement between the Lebanese Bank Association and each banks in Lebanon to fight narcotic money laundering, Torbey said.

However, Torbey said the adoption of CSR isn't just the responsibility of the Banking sector or large institutions but also that of medium- to small-sized enterprises in all other fields.

"CSR is enforced by law or through regulations but should rather encourage laws and regulations that promote CSR. CSR should stem from within the institution not from outside it," Torbey said.

The president of the Lebanese Banks Association was adamant in stressing that CSR isn't just charitable work.

“It is about preserving human rights, abolishing discrimination in employment, working in transparency and hosting and fighting all kinds of corruption,” Torbey said.

Among other key speakers at the event were British Ambassador Tom Fletcher, professor David Grayson, the director of the Doughty center for Corporate Responsibility, Cranfield University and Dr. Rosamund Thomas, the director of the Center for Business and Public Sector Ethics at Cambridge