

About IA HUB

With the passage of the Companies Act 2013 in Parliament and with its new provisions of Corporate Social Responsibility (CSR) there is a big paradigm shift in the development initiatives of the Corporate Sector. If the recent developments in India's legislative and policy landscapes are anything to go by, companies are being expected to take responsibility for the impacts they are making on society and the environment.

In this context, it is essential that implementing agencies like NGOs, CSOs, VOs, Foundations, Trusts or Section 8 Companies understand the CSR landscape in India. The contours of what can be called a new age relationship need to be shaped and carved. A partnership that is based on factors as diverse as historical records, thematic priorities, geographic preferences, resource utilization, management information systems, financial management and convergence of economic benefits with social returns in the long run, requires deep understanding of either party's vision and values.

Although in general, the majority of businesses are still in the early stages of developing collaborations with NGOs/Implementing Agencies (IAs), a wave of companies both new and longstanding are taking the lead in adopting a systems approach to the job of bridging India's wide gap between rich and poor. NGOs/IAs need to improve transparency to counter negative stereotypes and professionalize management processes, but they need help to do this.

The scene is set for corporates that need to comply with the new legislation to take advantage of the opportunity, to use their unique status and capabilities and to lead a collaborative effort with NGOs/IAs and government. This would help capitalize the growth potential of India and create a lasting legacy of equity and prosperity for all.

The unique context for corporate - NGO collaboration in India entails-

- ✓ A business sector which currently experiences strong growth, draws on a historical precedent of social engagement and is trusted more highly than in the other major world economies and are also bound by section 135 of the new Companies Act, 2013
- ✓ An NGO sector which is large and vibrant but which sometimes suffers from unreliability, mismanagement and under-investment.

- ✓ A divided society with striking inequities between rich and poor that makes it simultaneously one of the world's biggest economies and a potential superpower that also that also houses a third of the world's poorest people.

The rules that have been notified on the Ministry's website underscore the importance of implementing agencies and also make it clear that corporates are not required to conduct CSR programmes by themselves. They are free to take the help of implementing agencies thus generating a win-win situation.

At present there is certainly a lack of recognition of NGOs as drivers of CSR, concerns about their legitimacy in relation to CSR, difficulties in the mutual understanding between NGOs and corporates and a lack of self-confidence among NGOs as important players in CSR. The role of NGOs is often regarded as controversial and their integrity is contested. This deep-seated misunderstandings and mistrust among different stakeholder groups (particularly between NGOs and corporates) can be a possible impediment for concrete CSR initiatives.

It has to be acknowledged that over the years, a fairly large trust deficit has developed between NGOs and corporates. NGOs, particularly small and medium sized NGOs, frequently paint corporations as solely profit-maximizing entities with little care for stakeholders or the environmental impact. Corporations, for their part find it difficult at times to place their faith in NGOs. Their hesitation relates largely to issues of ethics and implementation capabilities.

Synergistic partnership between corporations, NGOs and the government should also allow for greater transparency in the operations of all three agencies. Government data can help guide CSR agendas into areas it is most needed, corporations have experience making sure the projects are streamlined and cost-conservative, and NGOs have experience and knowledge of marginalized and underserved areas of society as well as experience in operational transparency (some NGOs, in fact, directly target transparency as a goal). As such, if a symbiotic relationship can develop between corporations, NGOs and the government, socially responsible programs have a measurable impact faster and more efficiently than if there is less transparency and no trust.

The present challenge is therefore to bring all the implementing agencies under one umbrella and create a one shop stop for good and reliable NGOs/IAs for corporate India.

In order that Corporates can connect with good quality and well established Implementing agencies, IICA has set up a CSR Implementing Agency (IA) Hub. This would seek to meet the urgent requirement by corporates who would look out for trustworthy and reliable implementing agencies.

The CSR Implementing Agency Hub would have the following aims and objectives:-

- ✓ To generate a database of implementation partners with information about their geographical presence, area of work, previous projects executed;
- ✓ To generate a database of agencies conducting baseline surveys, impact assessments and social audits;
- ✓ To initiate a continuous online registration process of implementing agencies and other agencies.
- ✓ To take concerted steps for the training and development of comprehensive skill enhancement of Trusts/Society/Section 8 Company/Foundation/CSOs operating within India;
- ✓ To organise regular meets of NGOs/Implementing agencies and Corporates on national and international levels;
- ✓ To facilitate the IAs to showcase their work.

The Implementation Agencies Hub (IA Hub) will be a part of National Foundation for Corporate Social Responsibility (NFCSR). It has the following staff structure:-

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