Case Study: Institutionalization of CSR Activities of MRGC through an NGO (OSDI)

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Abstract: In a country where 45.6 per cent of the total population lives below the poverty line, according to the Human Development Report 2014 by UNDP, an increasing number of private companies are now dedicating their resources to remedy this situation of chronic poverty. Most corporations in Pakistan now have a separate and dedicated department for Corporate Social Responsibility (CSR), albeit with varying goals and hence different strategies for achieving those goals. Similarly, Marine Group of Companies (MRGC) also has a robust CSR policy which the group implements through a Non-Government Organization (NGO) called Organization for Social Development Initiatives (OSDI). This organization, which operates under the ambit of MRGC's CSR division, has a concentrated focus on helping the poorest communities in the rural areas of Pakistan to break out of intergenerational poverty. This paper maps the theoretical strategies as well as practical activities undertaken by OSDI for poverty alleviation via rural development in Pakistan. To obtain in-depth information of demographics, livelihood and socio-economic indicators in OSDI's focused districts; a combination of quantitative and qualitative research methodologies was used during the course of this research. The paper highlights and explains OSDI's unique three-pronged approach which aims at reducing poverty through income generation via the livelihood assistance program and through the provision of access to the most basic services (including health and education) via the community development and food security programs. Modeled on the concept of capacity building, OSDI's modus operandi is centered on disbursing timely microcredit facilities to farmers who can benefit from these funds by investing in productive assets to foster financial capability for the future. With a focus on increasing the income of poor farmers, OSDI's approach is to integrate all the socio-economic facets: education, health and sanitation and food security, to induce a sustained positive impact on their living standards.

Keywords: CSR, poverty, rural, sustainability

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