



Pakistan Poverty Alleviation Fund
Communication on Progress (COP)

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Human Rights

Assessment, policy and Goals

Description of the relevance of human rights for the company (i.e. human rights risk-assessment). Description of policies, public commitments and company goals on Human Rights.

As one of the largest sources of pro-poor spending in the country, the Pakistan Poverty Alleviation Fund (PPAF) is the lead agency for poverty reduction in Pakistan. It embodies the spirit of public-private partnership to address the multi-dimensional issues of poverty with a view to achieving social and economic change.

PPAF has a profound knowledge and broad experience in the field of human rights; gender; health; education; community rights; socio-cultural conditions and developments. The different aspects of human rights are fully integrated into our daily work and numerous assignments on sustainable value chains and (environmental) assessments.

PPAF respects the Universal Declaration of Global Compact across its activities and through the relationships with its stakeholders such as partner organizations, community organization and donors.

Policies

The respect for human rights is integrated in both the internal and external operations of the organization. Internally, the Human Resource policy describes clearly the rights and obligations of the employees and management. Also, the quality management protocol is used to maintain and further optimize the integration of human rights into the organization's activities. Externally, our code of conduct encompasses the rules of engagement for potential and actual clients, as well as for suppliers.

Furthermore, PPAF follows an effective approach to poverty alleviation, which is aligned closely with Pakistan's commitment to the Millennium Development Goals (MDGs). While we strongly uphold an overall holistic and multi-sectored strategy to generate broad and deep impacts at the community level, we are also cognizant of certain community needs that entail specifically tailored responses. "Institutions of the poor"-existing at the bottom of the socio-economic pyramid- constitute the focal point of our programmes; PPAF's all models of interventions revolve around empowering these institutions of the poor to make a considerable and sustainable dent in poverty. We strive to be a dedicated market developer committed to the emergence of professional and sustainable civil society organizations.

Implementation

Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.

PPAF respects and protects human rights in its daily operations. It is recognized that this responsibility extends beyond the organizations own activities and includes relationships with partners, suppliers, and other non-State and State entities that are associated with PPAF activities.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

PPAF has not received any complaint from employees, business partners or clients in relation to (potential) human rights violations, nor was the organization involved in any human rights incidences before or during the reporting period.

Furthermore, our organization has been active in promoting human rights within the activities of our business partners and clients by advising them on human rights issues and measures to respect; protect; and promote human rights.

Corporate responsibility in PPAF begins with the responsible attitude towards the company's employees and their responsible behavior that occurs as a result. Both as a function and as a separate structure, the external and internal communication is inseparable part of everything that happens in PPAF.

The official external and internal communication channels contribute daily to establishing and maintaining supportive environment and professional corporate culture through transparency, expedience and objectivity of the information that is provided. Internal communication is a strategic partner in all the activities of the company as an employer, as a partner and as an operator providing services to its stakeholders.

Communication is a key factor for the success of the corporate responsibility, for running each internal campaign and for the promotion of different initiatives among employees. Internal communication is actively and consistently working for promoting, inspiring and achieving specific objectives of the corporate responsibility program using different communication channels, campaigns, events, etc.

External & internal Grievance Redressal

A grievance can be defined as any sort of dissatisfaction, which needs to be redressed in order to bring about the smooth functioning of the individual in the organization.

Our company has an open policy for communication and problem communication and problem consultation concerns are often raised and settled as a matter of course.

Maintaining quality of work environment for its employees is an important concern for.

Labor

Assessment, policy and goals

Description of the relevance of labor rights for the company (i.e. labor rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.

PPAF's Human Resource policy describes all required labor rights, including non-discrimination and equal opportunities, the freedom of association and right to collective bargaining, workplace health and safety, as well as conditions of employment and work (wages, working hours, leave, benefits etc).

Implementation

Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations.

PPAF's Human Resource Policy in line with the UN Global Compact Principles. Specific procedures that have been further developed are: the internal grievance mechanisms (for employees); and the institutionalization of an in house counseling procedure, if required by an employee. Furthermore, in 2011 PPAF reviewed the procedures for personal development to enhance organizational growth. As a result, organizational competences have been developed that describe the required competences at different levels of seniority. Secondly, the guidelines and format for personal development plans have been updated.

Through teamwork on assignments, PPAF facilitates employees in receiving on-the-job training, but also offers opportunities to participate in training activities.

Measurement of outcomes

Description of how the company monitors and evaluates performance.

PPAF has received no grievances or complaints from employees or others in relation to (potential) labor rights violations, nor was the organization involved in any labor rights incidences before or during the reporting period.

Furthermore, our organization has been active in promoting labor rights within the activities of our stakeholders by advising them on human rights issues and measures to respect, protect and promote labor rights.

Environment

Assessment, policy and goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

Any impact on poverty cannot be lasting and sustainable unless environmental safeguards have been embedded in the overall solution. PPAF views environment responsibility as one of its essential values cutting across all of its programmes and activities.

PPAF is proud to claim that spanning over a period of last five years installations of its micro hydel power plant have resulted in Carbon emissions savings of about 40 tons per annum. Besides reducing green house gases, the alternate energy initiatives have saved forests while preventing respiratory problem because of burning wood.

PPAF has designed a comprehensive capacity building program to institutionalize environmental and social assessment within PPAF and its partner organizations (PO). In addition to conducting a series of PO specific and province-wise workshops to disseminate Environment and Social Management (ESM) guidelines as well as hands-on training to field staff, PPAF further plans to incorporate ESM capacity building program into the Community Managerial Skills Trainings. Also, PPAF has formulated a comprehensive strategy to develop linkages with renowned national, regional, and international institutions, as well as, indigenous peoples' organizations for technical and policy support.

Implementation

Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.

Environmental assessment procedures are in place that requires PPAF and its POs to assess the environmental consequences of their interventions, with a view to preventing execution of interventions with significant negative environmental and social impacts. It also attempts at minimizing potential negative impacts by incorporating mitigations at the design stage and implementing mitigations at the implementation stage of the PPAF's interventions. These procedures include:

- i) Instructions of the Pakistan Environmental Protection Act 1997 (PEPA) and Pakistan Environmental Assessment Procedures 1997 (PEAP) for the level of assessment required for the intervention i.e. Initial Environmental Examination (IEE) or Environmental Impact Assessment (EIA);
- (ii) Individual and cumulative environmental impacts of interventions in different geographical areas;
- (iii) World Bank Environmental / Social Assessment requirements.

Measurement of outcomes

PPAF has a dedicated Environment and Social Management Group (ESMG) mandated to provide oversight in the implementation of its environmental and social management framework at all levels including PPAF, its partners and community institutions. Environment and social management is central to the design and implementation of all PPAF interventions and draws upon a coherent policy framework constituting the Environmental Protection Act 1997 and World Bank' Operational Policies vis-à-vis Environmental and Social Safeguards.

The Group has designed a comprehensive capacity building program to institutionalize environmental and social assessment within PPAF and its partner organizations. In addition to conducting a series of PO specific and province-wise workshops to disseminate ESM and to provide hands-on training to field staff, the Group further plans to incorporate ESM capacity building program into the Community Managerial Skills Trainings. Also, the Group has formulated a comprehensive strategy to develop linkages with renowned national, regional, and international institutions, as well as, indigenous peoples' organizations for technical and policy support.

Anti-Corruption

Assessment, policy and goals

Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.

There are strict guidelines for personnel on how to act in case of bribery or extortion. Integrity is a vital part in the Human Resource policy as well as the Code of Conduct of PPAF. The personnel of PPAF cannot be involved in any form of corruption. Therefore,

neither employees nor members of the management team accept remuneration outside of the agreed quotation unless it is formally agreed upon.

The organization does not engage with stakeholders with a track record of corruption.

Implementation

Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.

PPAF has a thorough Operational manual, based on the international standards. The organization only accepts assignments which are within the range of our expertise and experience and are compatible with our vision and mission.

Furthermore, employees are not permitted to accept payment for recommending the services of third parties to stakeholders.

Measurement of outcomes

Description of how the company monitors and evaluates anti-corruption performance.

In order to comply with best practices, PPAF has adopted the code of corporate governance applicable to listed companies in Pakistan and ensures compliance with the requirements stipulated in the Code. Competition allows technological advancements to develop. In order to make this possible, loyal conduct on behalf of business is essential.

The Company is committed to ensure business integrity and upholding the confidence of all its stakeholders by observing high standards of corporate governance. We have made corporate governance a system of structuring, operating and controlling the Company with a view to achieve long term strategic goals to satisfy all our stakeholders.

The Articles of Association of the PPAF prescribe a three-tier governance structure comprising of a General Body, Board of Directors and a Management Team headed by a Chief Executive Officer (CEO).

Cardinal principles of PPAF:

- (i) The resources of the Company are not to be used for political purposes;
- (ii) The funds of the Company are treated as a sacred trust and utmost fiduciary care is exercised in the management of resources;
- (iii) The Company's operations are decentralized;
- (iv) The resources of the Company are provided to well managed institutions; and
- (v) Financial assistance to partner organizations and beneficiaries is based on sound principles of cost sharing and sustainability and financial viability

Accountability and Transparency:

- The financial statements prepared by the Management, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company are maintained.
- Appropriate accounting policies are consistently applied in preparation of the financial statements. Accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, are followed in the preparation of financial statements and any departure there from has been adequately disclosed.

- The system of internal control is sound in design and has been effectively implemented and monitored with on-going efforts to improve it further.
- The Company's ability to continue as a going concern is well established.
- There has been no material departure from the best practices of corporate governance.

Awareness & prevention

In the framework of Compliances of Corporate Governance, the following policies were adopted by the PPAF:

- Code of Conduct
- Operational Manual
- Investment Policy
- Risk Management Framework
- Administrative Manual
- Environmental & Social Framework
- HR Manual
- Procurement Manual
- Internal Audit Policy
- Internal & External Grievance Redressal Policy
- Health & Safety Policy
- Security Policy
- Code of Client Privacy Protection
- Information Technology Policy