



Project on the uptake and use of **ISO 26000** on **Social Responsibility** within the **MENA region**



Case Study

Country: Lebanon

Organization: Château Ksara



The MENA ISO 26000 project (1/2)

- **Donor agency:** Swedish International Development Cooperation Agency (Sida)
- **Implementation period:** 2011 - 2014
- **Beneficiary Countries:** Algeria, Egypt, Iraq, Jordan, Lebanon, Morocco, Syria* and Tunisia

* Syria was suspended from the ISO membership in July 2013 and has not benefited from the project thereafter.



The MENA ISO 26000 project (2/2)

Project Goal: To contribute to achieving sustainable development through effective integration of social responsibility principles and practices (ISO 26000) in the MENA region, using the national standards body (NSB) as the central pivot

Project Purpose: To build capacity in the MENA region through the creation of pool of national expertise supporting selected pilot organizations to implement social responsibility principles and practices (ISO 26000).

Output 1.1: National human and institutional capacity built on ISO 26000 and its application in the pilot countries within the MENA region

Output 1.2: Improved national awareness on social responsibility among the MENA region

Output 1.3: Technical support provided to selected pilot organizations operating in the MENA region to facilitate their application of ISO 26000

Output 1.4: Joint Coordination Committee (JCC) on SR within the MENA region operational

Output 1.5: Regional exchange mechanism on Social Responsibility set-up



The MENA ISO 26000 project – Achieved Results in Lebanon (1/3)

▪ At project output level

<i>Output 1.1: National human and institutional capacity built on ISO 26000 and its application in the pilot country</i>	<i>Output 1.2: Improved national awareness on social responsibility among the MENA region</i>	<i>Output 1.3: Technical support provided to selected pilot organizations operating in the MENA region to facilitate their application of ISO 26000</i>
<ul style="list-style-type: none">• 16 trained national project experts• 128 staff trained in pilot organizations	<ul style="list-style-type: none">• 6 national awareness-raising events	<ul style="list-style-type: none">• 13 participating pilot organizations• 9 POs delivered all deliverables• 28 training events by NEs for POs



The MENA ISO 26000 project – Achieved Results in Lebanon (2/3)

▪ At project purpose level

<i>Number of POs completing key project deliverables – as assessed by IEs</i>	<i>Number of good case studies prepared by POs – as assessed by PO</i>	<i>Performance of national project experts – as assessed by IE</i>
<p>Measured results: 9 pilot organizations completed the deliverables. General feedback: Four pilot organisations were still in the process of finalizing their long-term strategies at the end of 2014. The general quality of the deliverables was good although based on too many different tools.</p>	<p>Measured results: As agreed, Lebanon submitted three case studies.</p> <p>General feedback: The three selected pilot organisations from Lebanon delivered good quality case studies according to the agreed template. The case studies include:</p> <ul style="list-style-type: none"> • AL Khawtar (secondary school), illustrating improved procurement and reduced consumption • Banque Libano-Francais (bank), illustrating stakeholder engagement and work on sustainability strategy • Chateau Ksara (wine), illustrating environmental and consumer focus <p>Some of these organisations now have some information on their external website regarding their work on ISO 26000 and sustainable development.</p>	<p>Measured results: Thirteen out of fourteen showed good performance and participated actively. With some further mentoring and training they are able to offer training and advice to future organisations.</p> <p>General feedback: The project experts need to stay up-to-date with standards and tools, as well as current sustainability affairs, relevant to the application of ISO 26000. There are some examples of project experts taking voluntary initiatives to promote ISO 26000 and the project also outside the project.</p>



The MENA ISO 26000 project – Achieved Results in Lebanon (3/3)

▪ At project goal level

<i>Level of integration of SR in pilot organizations – as assessed by POs</i>	<i>Quality of advice provided by national project expert – as assessed by PO</i>	<i>Overall rating of project effectiveness – as assessed by PO, NE and NSB</i>	<i>Uptake of SR in country – as assessed by NE and NSB</i>
<p>General feedback: Most pilot organisations in Lebanon indicate that the project has helped them move towards a more proactive approach. Some pilot organisations indicate that they have stayed at the same level of performance in some parameters, for example governance and decision-making, external networking, sphere of influence. This is understandable as these changes require more time than was available through the project. One pilot organisation indicated having moved from reactive to inactive approach decision making related to responsibility issues. This may be due to the increase in issues to be handled.</p>	<p>General feedback: All of the national project experts were recommended by the pilot organisations to other organizations looking for advice on ISO 26000. The quality of the advice provided by the project experts improved over the project period.</p>	<p>General feedback: In general the project is seen by POs, NEs and the NSB as having had a significant positive impact, especially in the areas of executive and practitioner understanding of social responsibility, and changed approach to managing social responsibility. Areas that were seen as having medium positive impact include improved understanding throughout the whole organisation (including the NSB) and the sphere of influence, as well as changes to the core strategy. In general the project was seen as having had a minor impact on engaging with other organisations and initiatives on SR.</p>	<p>General feedback: Uptake of ISO 26000 improved as a result of the project based on perceived stakeholder interest. 30 % of the project experts strongly (45 % and the NSB partially) agree that project has improved the understanding of social responsibility and ISO 26000 outside the project. Levels of national sales of the standard ISO 26000 before and after the project are unknown.</p>



The MENA ISO 26000 project – Intergating SR throughout organaization

Figure 4 from ISO 26000:2010 illustrates what is expected from an organization using the standard

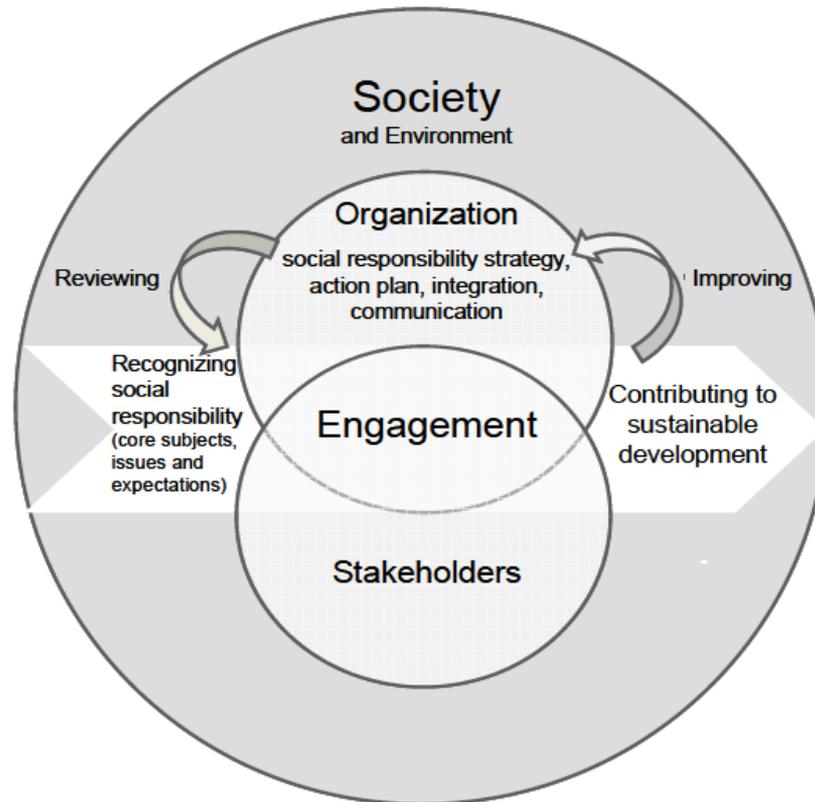
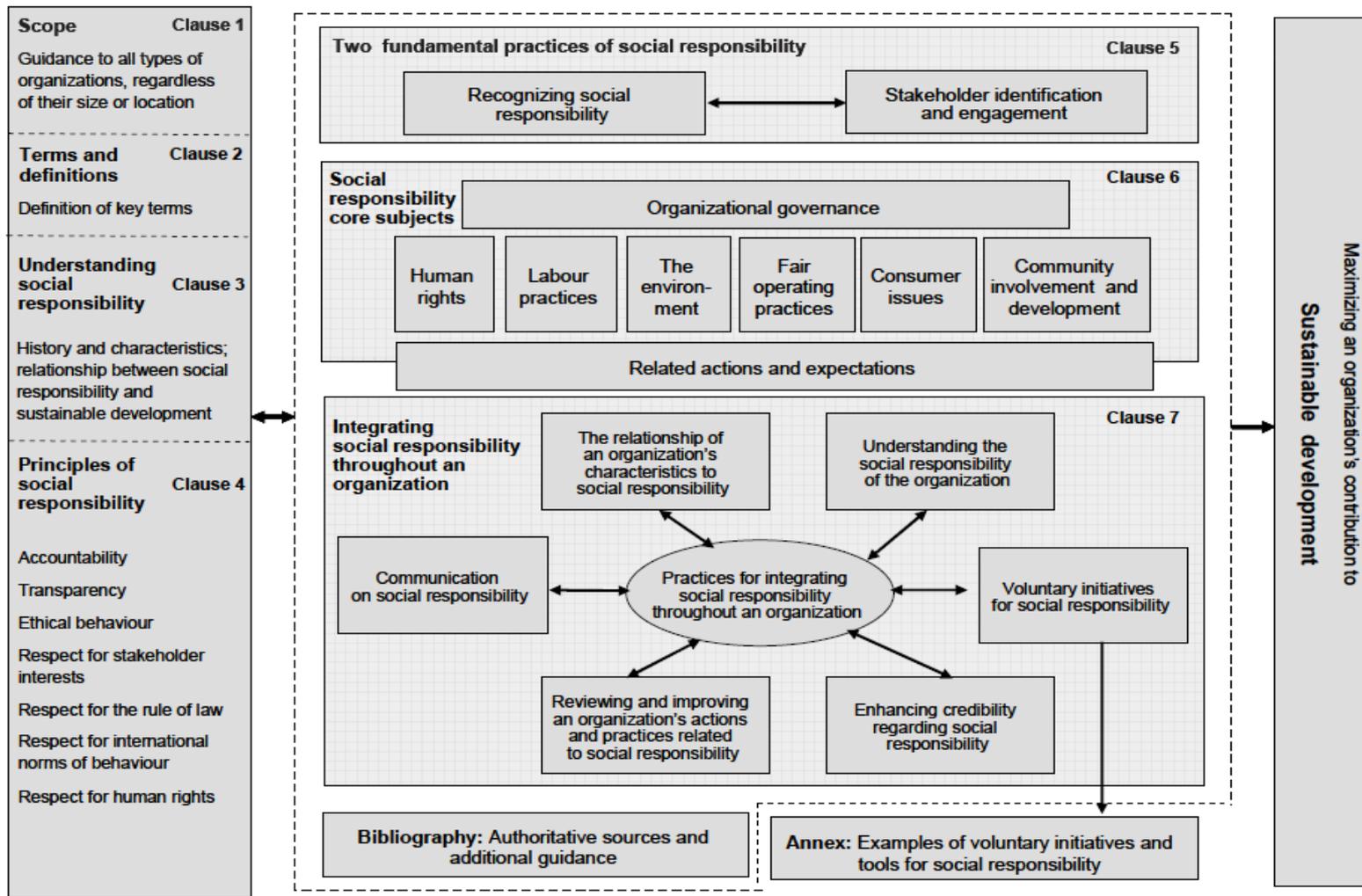


Figure 4 — Integrating social responsibility throughout the organization

Figure 1 in ISO 26000:2010 offers a schematic overview of the steps an organization is expected to take.





How ISO assisted the pilot organizations

1. Pilot organizations (POs) and national project experts (NEs) were identified together with the NSBs
2. The top management of the selected POs expressed commitment towards the application of ISO 26000
3. ISO appointed international experts (IEs) to build capacity of the NEs through training, refresher training, country visits and distance mentoring
4. NEs with the support of the IEs assisted POs by providing technical advise during the project period to apply ISO 26000 resulting in:
 - developing project deliverables such as gap-analysis, action plan, stakeholders map, progress reports, etc.
 - providing training and awareness raising events for the staff



- **Type of organization:** Joint Stock company (SAL)
- **Main activities:** Production and distribution of Spirits (wine and arack)
- **Location:** Head office: Tabaris, Beirut
 - Winery: Ksara, Bekaa
 - Warehouse: Sin El fil, Beirut
- **Number of employees:** 110
- **Annual budget / turnover (approximately) :** USD 16.000.000
- **Website:** www.chateauksara.com
- **Website related to social responsibility/ sustainable development**
www.grapewineinitiativelebanon.weebly.com



How we used ISO 26000:2010

- We have organized internal meetings with the NEs.
- During those meetings, we have:
 - Identified our Stakeholders
 - Defined our sphere of influence → sent e-surveys to our principal stakeholders → received the stakeholders expectations → drivers definition
 - Tackled every clause of ISO 26000 through the GAP analysis → defined Château Ksara's strong and weak points
 - Analyzed what is “material” for Ksara
 - Based on the above → action plan definition
 - Drivers + action plan → sustainable model



Our vision

- To establish the processes aiming at securing the products and the total satisfaction of internal and external clients.
- To integrate just principals, a corporate culture based on the comprehension of clients and their motivations.
- To create a synergy and creativity consolidating the organizational support of the corporation.
- To establish winner/winner cooperation based on a true internal unity.
- To maintain our position as leader of the vine and wine culture in Lebanon whilst seeking to develop aforesaid sector.

Changes made during the project

- To be the pillar of sustainable wine culture in Lebanon committed to create shared value and produce quality wine to people where we live and work.



Our mission

- Fully satisfy our clients while being wary of their needs, their motivations, their purchase practices.
- Develop a strategy taking into consideration the expectations of the shareholders as well as those of the employees and clients.
- Provide the cadre and all the personnel with the tools and capacity to achieve our objectives in the most efficient way possible.

Changes made during the project

- Produce the highest quality of the wine and Arak through a unique sustainable business model in respect to nobility, tradition and modernity
- Commit to economic growth while managing global risk and providing solutions that support communities and protect the planet



Our values and policies

Our values

Tradition, nobility and modernity

Our main policies

- Continuing commitment to behave ethically and contribute to social, economic & environmental development.
- Producing wine in an innovative way with less impact on the environment, stakeholders and people, and helping Ksara's competitors do the same – enabling their businesses to become more productive by providing products and solutions that use resources more efficiently.

Changes made during the project

- to promote healthier consumption patterns of wine by all consumers,
- to enhance the social responsibility of the wine sector
- to take every measure possible to ensure wine is always enjoyed in moderation.
- to care for our environment and community



Our stakeholders

Our external /internal stakeholders

- Consumer, End consumer, Government, Labor, NGO, OIV (Organization Internationale de la Vigne et du Vin), Suppliers, Wine industries.

- **Examples of how stakeholders are being engaged:**
 - ✓ Instead of making a decision on a corporate level, announcing it to our stakeholders and then defending this proposal to them, we have decided to let the people who are involved have their say before we do
 - ✓ Stakeholders were defined further to their influence and engagement towards our company.
 - ✓ Stakeholders range from our employees and customers to ministries and representatives of NGOs.
 - ✓ The survey allowed stakeholders to decide which issues they believed were important for ensuring successful sustainability management at Chateau Ksara
 - ✓ The results of the online survey were used to create our materiality matrix



Our most significant issues (3 examples) to be linked with the strategic targets

Co-creating wealth

- Help to improve the lives of the people working for us. (Involve the wine industry; producers, syndicate and public institution).

Consumer behavior

- Help customers to choose healthier lifestyles through PR activities and clear labeling for easily accessible information.

Environmental values

- We will aim to make none of our packaging end up as landfill.



Our revised strategic targets based on the most significant issues

- Target 1: The Grape Initiative
- Target 2: Spread awareness on responsible consumption.
- Target 3: Energy Management

Target 1

The Grape Initiative

Planned actions

1. Community support for the Bedouins
2. Lebanese wine industry involvement.
3. Human Rights academic approach

Follow up so far:

- Defining the mission, vision and objectives of the Grape Initiative.
- Establishing the web portal.
- Getting in touch with the bedouins and defining their needs.



Actions related to the strategic targets (2/3)

Target 2

Spread awareness on responsible consumption.

Planned actions

1. Spread Oeno-tourism and awareness in order to decrease underage drinking.
2. Recommend maximum intake of alcoholic beverages on the label.

Follow up so far

- Already done for exported products: defining the maximum intake of alcoholic beverages.
- Becoming an Approved Program Provider for the WSET (Wine & Spirit Education Trust) and spreading wine education.
- Focusing on the SR unit which is a fundamental unit in the WSET course.



Actions related to the strategic targets (3/3)

Target 3

Energy Management

Planned actions

1. Collect the empty glass bottles.
2. Reduce the water consumption during rinsing.
3. Use of organic fertilizers.
4. Make our operations carbon neutral by 2020.

Follow up so far

- Including the GGRIL (Green Glass Recycling Initiative) in our annual strategic plan and allocating a budget.
- Following up with the ministry of environment further to the Environmental Audit (Decree 8471/2012-LEPAP)
- All our fertilizers are organic since July 2014
- We asked for an environmental audit and received auditors from LEPAP (Lebanon Environmental Pollution Abatement Project) and we're waiting for our report and actual carbon footprint value.



Our main steps of integrating ISO 26000 - Focus on revised governance, systems and procedures (1/5)

- Updating 50% our procedures in order to reflect SR principles
- Establishing a new code of conduct with emphasis on:
 1. Organizational Governance
 2. Human Rights
 3. Labor Practices
 4. The environment
 5. Fair Operating Practices
 6. Consumer issues
 7. Community involvement and development



Our main steps of integrating ISO 26000 - Focus on measurements, monitoring and reporting of SR performance (2/5)

- Following up the results of the KPIs established in the action plan.
- All the project data is being collected in order to start the reporting procedure.



Our main steps of integrating of ISO 26000 - Focus on sphere of influence (3/5)

We have:

- Used our brands to talk to consumers about enjoying our brands in moderation.
- A culturally appropriate responsibility message on all our brands by 2015. (already done for exported products)
- Used our experience with the stakeholders in the survey which was an effective tool to confront “conventional wisdom” within our organizations.
- Challenged effectively embedded assumptions by directly comparing them with the expectations of our stakeholders which will add value in the eyes of the consumer



Our main steps of integrating ISO 26000 - Focus on training and communication (4/5)

Internal training/communication

- Including the SR in the new employees initial training.

External training/communication

- Participation in UAC forum, where Ksara take part of the panel discussions
- Coordination of the wine awareness day in USEK with OIV, UVL and the Lebanese public institution for wine and grape in September 2014



Our main steps of integrating ISO 26000 - Focus on SR related initiatives (5/5)

- National experts started the Grape initiative by developing a new website where we identified the vision mission and core value of the initiative. Meanwhile the worsening situation in the Bekaa obliged us to postpone a lot of planned actions not just SR related issues.
- Participation in LEPAP (Lebanon Environmental Pollution Abatement Project). 21/8/2014: 1st environmental audit.
- Awareness of daily dose consumption and the alcoholism began in the Enotourism Awareness Campaign organized by the ministry of agriculture (Summer 2014)

Our recommendations & lessons learned

- Most companies remain stuck in a “social responsibility” and philanthropy mind-set in which societal issues are at the periphery, not the core.
- The solution lies in the principle of **shared values**, which involves creating economic value in a way that also creates value for society by addressing its needs and challenges.
- ISO 26000 is not a substitute to legal initiatives but it is a positive tool to achieve economic success without jeopardizing the people and the environment.
- It is not on the margin of what companies do but at the center of their corporate strategies. We believe that it can give rise to the next major transformation of business thinking
- We recommend other organisations to move towards social responsibility both in the public and private sphere because society needs both political and voluntary initiatives in order to assure the sustainability of their businesses, the country and the planet.

Enough-For All-Forever



CHATEAU
KSARA

*African Delegate to Johannesburg (Rio+10)