Electricity Regulatory Authority [ERA]

Regulating the Electricity Industry for Efficient and Reliable supply at Equitable Prices

CORPORATE SOCIAL RESPONSIBILITY POLICY

November, 2013

TABLE OF CONTENTS

1 COMMITMENT 4
2 PURPOSE AND AIMS. 5
3 OBJECTIVE OF THIS POLICY 5
4 MANDATE 5
5 VISION 5
6 MISSION STATEMENT 5
7 CORE VALUES include the following:- 5
8 CORPORATE SOCIAL RESPONSIBILITY STATEMENT 5
9 WHAT CORPORATE SOCIAL RESPONSIBILITY MEANS 5
10 OUR CSR AGENDA 6
11 CORE THEMES 6
12 GUIDELINES 7
13 CONTRIBUTION GUIDELINES 8
14 MONITORING AND REPORTING. 10

Corporate Social Responsibility (CSR) is the integration of business operations and values, whereby the interests of all stakeholders including investors, customers, employees, the community and the environment are reflected in the entity's policies and actions.

1 MANDATE

The Electricity Regulatory Authority (ERA) is a statutory corporation set up in 1999 under the Electricity Act 1999, (Chapter 145 Laws of Uganda) ERA's operations are guided by the Authority whose roles include inter alia the following: -

(i) Supervising the electricity sector, encouraging private investment by instituting an enabling regulatory framework;

(ii) Enhancing efficiency of the operators by setting performance standards and efficiency targets in the sector; approving fair tariff structures for both the general and rural electricity consumers

(iii) Licensing of the electricity generation, transmission, distribution and sale of electricity projects;

(iv) Tariff setting and approval of tariffs and rates of charges

(v) Monitoring and enforcement of performance obligations and standards under contracts or laws and regulations.

(vi) Development of uniform industry standards and codes of conduct.

(vii) Preparation of Industry Reports on the generation, transmission and distribution

(viii) Advisory role to Ministry of Energy and Mineral Development on the need for electricity sector projects

(ix) Powers to make subsidiary legislation in form of regulations, guidelines and directives.

(x) Resolution of disputes between and amongst licensees, consumers of electricity, acquisition of land for electricity projects and/or activities level of royalties for hydro sites.

(xi) To ensure compliance and sustainability, the Authority exercises control through the issuance of licenses specifying the necessary conditions that enhance the

(xii) ERA is established as an independent G.O.U regulatory Agency to regulate the ESI by ensuring a balance of the interests of all stake holders in a liberalized electricity sector as the key objective.

2 VISION

"A well-developed and sustainable electricity industry that meets the national and regional demands"

3 MISSION STATEMENT

"Regulating the electricity industry for efficient and reliable supply at equitable prices"

4 CORE VALUES include the following:-

(i) Stakeholder Satisfaction;
(ii) Professionalism;
(iii) Integrity, Transparency and Accountability;
(iv) Team Work;
(v) Equal and Fair Opportunity, and;
(vi) Sustainability.

5 COMMITMENT

As Electricity Regulatory Authority [ERA], we are committed to the following:-

(i) Continually improving our performance and meeting all relevant legislations;

(ii) Continuous improvement in our Corporate and Social Responsibility (CSR) strategy;

(iii) Encouraging our licensees to strive for efficiency and matching performance and be mindful of the effect of their operations and actions on stakeholders and the environment

(iv) Acting in a socially responsible way, and;

(v) Encouraging our staff to be mindful of the effect of their actions on stakeholders, the environment and to conduct themselves as responsible citizens.

6 PURPOSE AND AIMS.

(i) The purpose of the policy is to make clear to all stakeholders what we mean by CSR and how we propose to work towards achieving it. The CSR policy will be applied throughout all of ERA's activates as the regulatory of the Electricity supply industry, and;

(ii) In implementing this policy ERA aims and aspires to be responsible corporate citizen and an exemplar of good practice.

7 OBJECTIVE OF THIS POLICY

This Policy sets out direction and boundaries of ERA's engagement with stakeholders in the social and environmental sphere.

8 CORPORATE SOCIAL RESPONSIBILITY STATEMENT

ERA is committed to carrying out its business affairs in a socially responsible, sustainable and meaningful manner, conscious of ethical values, the environment and society at large.

9 WHAT CORPORATE SOCIAL RESPONSIBILITY MEANS

ERA regards Corporate Social Responsibility ("CSR") as:-

(i) A strategic means to make a positive contribution to our business success;

(ii) Part of our plan to continue to build trust and public confidence in our institution through public awareness and strong stakeholder engagement; and

(iii) Part of our plan to generate teamwork among employees and pride and commitment in the institution.

10 OUR CSR AGENDA

In making a positive contribution to the challenges in our corporate environment, we set out our strategic intent as:

(i) **Doing the right thing** - Playing our part responsibly on issues that are central to our mandate – from the quality of our services and the diversity of our people, to our engagement with communities and our environmental footprint.

(ii) **Being a catalyst for change** - Applying our competencies, voice, and relationships to work with others and influence activities that make a qualitative difference, create change and have a lasting impact on the world around us.

11 CORE THEMES.

Electricity Regulatory Authority focuses its external commitment and contributions along the following core themes:

11.1 Community Involvement

Electricity Regulatory Authority is committed to:

(i) Community involvement in line with this Policy, especially in the areas of Rural Electrification, health, education and disaster circumstances;

(ii) Encouraging our employees' involvement in the community at different levels;

(iii) Encouraging licensees and their employees to participate in community work and taking a leading role in community initiatives; and

(iv) Seeking innovative ways to perform our social responsibilities.

11.2 Environmental Protection

The impact of ERA on the environment is not direct; mainly it manifests through decisions made in its licensing activities. ERA is therefore committed to sound organizational practices and will, always seek to minimize negative institutional impact on the environment.

12 GUIDELINES

12.1 Electricity Regulatory Authority may support any causes, activities, projects or events that are in line with our core themes including community or charitable activities which:-

(i) Are relevant to the people of Ugandan; and/or
(ii) Involve our employees either as active individual contributors or as a team.

12.2 Electricity Regulatory Authority may support its employees' participation in charitable activities or community work of any kind and in any reasonable manner including any of the following:

(i) giving donations in cash or kind;
(ii) providing contributions in kind, such as administrative support;
(iii) participating in programs initiated by, or involving, its employees or officers; or
(iv) Allowing employees reasonable time off to carry out charitable activities or community work, provided such involvement does not create a real or apparent conflict of interest or adversely affect work performance.

12.3 Electricity Regulatory Authority will:

(i) On its own initiative, participate in, and contribute to, charitable causes or community work impartially and without prejudice in terms of race, gender, ethnicity or religion; and/or
(ii) Provide corporate support where deemed necessary in a way that minimizes any inference or perception of a conflict of interest.

12.4 Unless otherwise authorized by the Authority [Board of ERA], the aggregate amount of contribution in monetary terms for each year will be the sum budgeted for in the approved financial budget based on an approved program of activities.

12.5 Contributions may only be made to entities which use the funding or assistance for the benefit of Ugandans and within Uganda.

13 CONTRIBUTION GUIDELINES

As a statutory body responsible for regulating the electricity sub-sector in Uganda, ERA intends to carry out its Corporate Social Responsibility as established in this Corporate Social Responsibility Policy:-

(i) ERA will identify noble causes or projects to be involved in annually and these will underpin the bulk of its CSR engagements.
(ii) Appropriate partners may be identified to pursue projects with mutually reinforcing objectives.
(iii) A limited window of opportunity will be left in the program and budget to enable flexibility in responding to emergencies or disasters.
(iv) Requests for support shall be reviewed carefully based on our Corporate Social Responsibility agenda and core themes as set out in this Policy.
(v) A direct cash contribution may be considered where the CSR intervention was formed as a result of, or otherwise relates to a natural disaster, in which case ERA, in tandem with its role as the electricity sector regulator, seeks to offer support and stability in such a crisis.
(vi) So as to keep in tandem with our core themes of community involvement and environmental protection, requests for cash donations will generally be limited to extra-ordinary circumstances where ERA, though willing, is not able to provide direct non-cash support.

13.1 Request Requirements.

External parties wishing to request for support, sponsorship or contributions for their initiative(s) will be required to send a written proposal at least [3]

months before the date of the said initiative(s). The proposal must contain the following information:-

(i) Official name of the organisation, details of registration with government including registration number (where applicable), location/mailing address, telephone and fax details, and email address (if any);

(ii) Name and title of the contact person in the organisation, with contact details;

(iii) Brief description of the organisation, with credential details or its past initiatives;

(iv) Details of the project to be supported, by ERA, including the objectives, timeline, location and targeted audience or beneficiaries;

(v) Reasons for requiring assistance;

(vi) Explanation of how the initiative is distinct from others, and why ERA should offer contributions;

(vii) Information on the type and level of contribution sought, including a description of how the contribution will be used;

(viii) Details of relevant market research, if any;

(ix) Details of other people or organisations providing previous or current contributions (if any); and

(x) Details of media exposure and media partners, if any.

Parties receiving contributions from ERA are required to adhere to such conditions by ERA concerning marketing, publicity and impact assessment.

ERA shall not consider proposals that do not satisfactorily comply with these requirements stated.

13.2 What ERA will not support.

Electricity Regulatory Authority will not support or contribute to any cause, activity, project or event that:-

(i) Does not correspond with; and conform to the agenda and core themes of this Policy;

(ii) Relates to or is associated with political organizations, or political groups or their representatives, campaigns, candidates or partisan activities;

(iii) Is not well-managed or sustained;

(iv) Goes against the institution's core values, or

(v) Is suspicious or dubious in nature.

(vi) Originates from an entity that is not registered by the relevant authorities/ bodies relating to their work.

14 MONITORING AND REPORTING.

This policy will be reviewed at regular intervals and revised as necessary. The policy will be available to all employees, electricity stakeholders and members of the public. We will regularly share information on our CSR performance which will be externally verified within our annual corporate reporting mechanisms.

IN WITNESS WHEREOF the Common Seal of the Electricity Regulatory Authority has been affixed hereto this .....29th.....day of November 2013 in the presence of:-

.....

CHIEF EXECUTIVE OFFICER

.....

AUTHORITY MEMBER

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AUTHORITY CHAIRMAN