

**ADDIS ABABA CITY ADMINISTRATION, PUBLIC ENTERPRISE
ADMINISTRATION AUTHORITY**

DIRECTIVE NUMBER 172/2025

**PUBLIC ENTERPRISES' CORPORATE SOCIAL RESPONSIBILITY
SERVICE DELIVERY DIRECTIVE**

March 2025

Addis ababa

Since public enterprise are responsible for protecting the health and safety of the workers and supporting the social development of the community in their to achieve the purpose for which they were established;

Public enterprise alongside their practical activities to achieve their objectives, ensure the benefit of the community as a part of their work, which enables them to create a strong bond with the community;

Public enterprises must fulfill their social responsibilities and maintain their competitiveness and profitability in the market, thus requiring the establishment of a clear system that allows them to run side by side;

The Addis Ababa City Administration has issued this directive in accordance with the authority given by Article 11 and Article 57 of Regulation No. 159/2016 issued to re-determine the conditions under which public enterprise are managed by the authority.

CHAPTER ONE **GENERAL PROVISIONS**

1. Short title

This directive may be referred to as "Public enterprises' Corporate Social Responsibility Service Delivery directive number 172/2025".

2. Definition

In this directive, unless the context of the word or phrase dictates otherwise:

- 1) "**Administration**" means Addis Ababa city administration;
- 2) "**Corporate Social Responsibility Service**". means by alleviating the problems of the local community where public enterprise exist, or by law to fulfill social obligations or other similar results theirs Activities by performing different Services;
- 3) "**Management**" means the organizations chief executive officer and the management members of the Public enterprises who are accountable to the chief executive are found;
- 4) Words or phrases defined Regulation No. 159/16 shall have the same meaning in this directive.
- 5) "**Person**" means natural man or by law right given body is it.
- 6) In this Directive expressions in masculine gender shall apply to feminine gender.

3. Scope of Application

This directive shall be applicable to public enterprise respondent to the authority.

CHAPTER TWO

THE RESPONSIBILITY OF THE RELEVANT PARTIES

4. Duties and responsibilities of the authority

Subject to the duties and responsibilities given to the authority by other laws, he will have the following role:-

- 1) Monitors the implementation of the Corporate Social Responsibility service delivery directives by all public enterprises; controls;
- 2) Approves the public enterprises strategic and annual corporate social responsibility service delivery plan submitted by the public enterprise management board; monitors their performance, controls;
- 3) By conducting a survey of the performance of the Corporate Social Responsibility Service, corrective action will be taken in the gaps;
- 4) Provides timely performance reports from public enterprises, evaluates their performance and provides appropriate feedback; it controls their functionality.

5. The duties and responsibilities of the board

In accordance with the duties and responsibilities given by Regulation No. 159/2016 issued to redefine the conditions of management of public enterprises in Addis Ababa city administration, the management board will have the following role:-

- 1) The public enterprise will implement the Corporate Social Responsibility service delivery directives; follows the performance, controls;
- 2) Determines the direction, appropriateness, scope and focus of the corporate social responsibility service;
- 3) The public enterprise ensures that corporate social responsibility service activities are included in the strategic and annual plan; monitors their performance, evaluates and provides direction.
- 4) Approves the budget required to carry out corporate social responsibility service activities by submitting it to the authority;
- 5) Evaluates the performance of social service responsibilities every month and every quarter, and the results are included in a current report and submitted to the authority;

- 6) Monitors the full implementation of the corporate social responsibility service delivery directives issued by the authority, if it is not used properly, the board will be responsible.

6. Public enterprise management bodies or management duties and responsibility

The management of any public enterprise will have the following duties and responsibilities:-

- 1) Ensures proper implementation of the Corporate Social Responsibility Service Delivery directive and reports performance to the Board;
- 2) It approves the inclusion of corporate social responsibility service activities in the strategic and annual plan and the provision of appropriate human, material and financial resources to the board;
- 3) According to the scope and nature of the public enterprise, it establishes a work unit that coordinates the delivery of corporate social responsibility services as necessary;
- 4) The Corporate Social Responsibility Service works in accordance with the strategic plan and action plans and reports to the Board;
- 5) Provides awareness training for management and employees focused on corporate social responsibility service delivery;
- 6) It creates a consensus regarding the responsibilities and roles of the community and stakeholders to achieve a common goal, it also participates in planning and evaluation.
- 7) It ensures the safety of the employees of the public enterprise and makes it practical by designing a project that will benefit the local community, monitors performance, it also provides a report.

7. The duties and responsibility of the department that coordinates the delivery of corporate social responsibility services

- 1) Coordinates the implementation of the directive; Supervises emerging programs as directed by the management;
- 2) Monitors requests for support from relevant parties to receive responses in accordance with the directives;
- 3) Prepares the public enterprise's annual corporate social responsibility service delivery plan and detailed schedule; Submits to chief executive officer for approval.
- 4) The Corporate Social Responsibility Service evaluates requests based on criteria set forth in the directives; proposes a resolution;

- 5) The work unit submits an evaluation report to the Chief Executive officer for both approved and unapproved social service support requests;
- 6) A work unit that coordinates these activities may be organized by the institution as needed or may be assigned to another work unit by the chief executive officer.

CHAPTER THREE

CORPORATE SOCIAL RESPONSIBILITY SERVICE

IMPLEMENTATION PROCESS

8. Focus fields of Corporate Social Responsibility Service;

The public enterprise should pay attention to the following main issues while maintaining the obligations and responsibilities stipulated by the city administration laws:-

- 1) Social supports,
- 2) Economic supports and
- 3) Environmental supports;;

9. Corporate Social Service Principles

- 1) Free from negative influence;
- 2) Perpetual existence;
- 3) Building a good image.
- 4) Free from wastage of resources.

10. Financial Source of Corporate Social Responsibility Service

- 1) When the public enterprise has a profitable performance in the previous fiscal year, it must have a budget for corporate social responsibility in the annual plan;
- 2) If a non-profitable public enterprise is forced to provide community support by its nature, it is required to maintain a budget that allows it to provide corporate social support in accordance with its capabilities;
- 3) In its implementation, a non-profit public enterprise should participate in grants that do not require a budget for the implementation of corporate social responsibility and that can be carried out within the organization's capacity;
- 4) The public enterprise should carry out corporate social responsibility activities, which have been obliged by lenders, based on loan funds from various institutions.

11. Corporate Social Responsibility Service Plan

Corporate Social Responsibility Service plan for its effectiveness the preparation depends on the following basis:

- 1) Identification of a list of corporate social service issues identified by research and given priority attention;
- 2) Corporate social service issues that have been identified by research and prioritized by discussing with stakeholders and setting measurable objectives and including them in planning;
- 3) Clearly identify the role of the institution and the stakeholders and clearly set the share of work and responsibility;
- 4) Determining and approving budgets for the implementation of planned grants;
- 5) Prepare a corporate social responsibility service delivery plan and program;
- 6) Establish a plan support and monitoring system.

CHAPTER FOUR

MISCELLANEOUS PROVISIONS

12. Activities prohibited by corporate social responsibility service delivery

Any public enterprise does not provide any support for the issues listed below:

- 1) Support for religious institutions;
- 2) Support for activities that may promote discrimination on the basis of race, color, language or any other reason;
- 3) Support for political parties;
- 4) Support for activities that endanger public safety and security;
- 5) Support for an act contrary to public morals and faith;
- 6) Support that incurs the firm's recognized or unrecognized debt.

13. inapplicable laws

Any directives and customary practices issued by the authority that are inconsistent with this directive shall not apply to the matters covered by this directive.

14. Amendment of the directive

The authority can modify this directive as needed.

15. Effective date of the directive

This directive shall be effective as of the date of its registration with the Ministry of Justice and its posting on the website of the Public Enterprises Administration Authority.

Addis ababa 2025

Tenkuay Jok Rom

Public enterprise administration Authority

Chief executive officer