

A Practical Guide for *Civil Society Organizations*

Why This Matters

Many CSOs use the terms Corporate Social Responsibility (CSR) and Environmental, Social and Governance (ESG) interchangeably. They are not the same. Understanding the difference helps organizations identify opportunities and build stronger private sector partnerships.

What is CSR?

CSR refers to activities companies undertake to contribute positively to society beyond their core business operations. CSR often includes donations, sponsorships, community projects, charitable giving and volunteer programmes.

Key Question: What can we give back to the community?

What is ESG?

ESG refers to how a company manages environmental, social and governance risks and opportunities within its business operations. ESG is increasingly integrated into business strategy, investor expectations, regulatory requirements and risk management.

Key Question: How do we operate responsibly and sustainably?

THE THREE COMPONENTS OF ESG



Environmental (E)
Climate resilience, carbon emissions, renewable energy, waste management, water stewardship and biodiversity conservation.



Social (S)
Workforce inclusion, employee wellbeing, human rights, community engagement, gender equality, disability inclusion and youth employment.



Governance (G)
Ethical leadership, transparency, accountability, compliance, anti-corruption, board effectiveness and risk management.

CSR VS ESG COMPARISON

Corporate Social Responsibility (CSR)	Environmental, Social & Governance (ESG)
Community giving	Business strategy
Donations and sponsorships	Long-term operational & sustainability priorities
Often short-term	Often multi-year
Activity focused	Outcome focused
Voluntary community investment	Linked to business performance and risk
Managed by CSR/communications teams	Managed by sustainability, HR, operations, procurement, risk or executive leadership
“What can we give?”	“How do we operate responsibly?”

CSR EXAMPLE



School Infrastructure

A telecommunications company funds the construction of a classroom block. Community benefit: improved learning environment. Company benefit: brand visibility and community relations.



Tree Planting Campaign

A bank sponsors a tree-planting exercise. Community benefit: environmental awareness. Company benefit: positive publicity and environmental reputation.

ESG EXAMPLE



Workforce Inclusion

A manufacturing company partners with a CSO to train young women for technical careers. Community benefit: employment opportunities. Business benefit: stronger and more diverse talent pipeline.



Sustainable Supply Chains

An agricultural company partners with a CSO to improve farmer livelihoods and climate-smart agriculture. Community benefit: higher incomes and resilience. Business benefit: more reliable and sustainable supply chains.

Translating Community Priorities into ESG Opportunities

Community Issue	ESG Priority	Business Interest
Youth unemployment	Social	Future talent pipeline
Women's economic empowerment	Social	Workforce inclusion
Disability inclusion	Social	Diversity and Inclusion
Environmental conservation	Environmental	Climate resilience
Farmer livelihoods	Environmental/Social	Sustainable supply chains
Financial literacy	Social	Financial inclusion

Key Takeaways

- CSR and ESG are not the same.
- CSR often funds projects; ESG supports strategic priorities.
- Community trust remains civil society's greatest asset.
- The strongest partnerships emerge when community needs and business priorities align.
- Organizations that understand ESG are better positioned to build long-term private sector partnerships.