

CSR AS A PATHWAY TO SDGS: HOW BANKS ARE FINANCING SUSTAINABILITY CHALLENGES IN BANGLADESH

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Keywords: SR, sustainable development, banks, South Asia

JEL Classification: M14

1 INTRODUCTION

Corporate Social Responsibility (CSR) has gained remarkable attention across developing economies, functioning as a strategic approach to addressing sustainability challenges and enhancing organizational legitimacy [1]. In the context of Bangladesh which is a fast-growing South Asian economy transitioning into a lower-middle-income country, the role of CSR in fostering sustainable development has become increasingly critical. Despite the country's substantial economic growth over the past two decades, several environmental and socio-economic challenges such as climate change vulnerability, resource depletion, income inequality, and social exclusion persist [2]. It faces a significant financing gap in achieving the Sustainable Development Goals (SDGs) by 2030, requiring over USD 68.83 billion from domestic sources and USD 11.03 billion from international assistance. Therefore, the banking sectors in the country can be a critical component of the financial ecosystem and can leverage gaps by its CSR initiatives to support national development agendas [3]. To fill this gap, the present study investigates the strategic integration of CSR in the banking sector of Bangladesh and its alignment with the SDGs based on CSR report and existing studies.

2 MATERIAL AND METHODS

This study combines mixed-methods research design combining qualitative and quantitative data analysis. In the qualitative phase, a text mining approach was utilized through the SDG Mapper Tool provided by the European Commission to map existing literature from Scopus databases relating CSR practices to specific SDGs in the Bangladesh context. This method enabled the identification of research clusters and the degree of academic engagement with sustainability-related themes and identify SDGs uses. Quantitatively, secondary data were collected from the Bangladesh Bank's CSR expenditure reports spanning from 2020 to 2024. The dataset comprised CSR expenditure data from four categories of banks operating in Bangladesh: private commercial banks, public sector banks, specialized banks, and foreign banks.[4] The analysis categorized CSR expenditure areas into education, health, environment, disaster management, infrastructure development, income generation, and sports and culture, aligning them with relevant SDG targets. Descriptive statistical analysis was used to evaluate the proportion of CSR spending allocated to different thematic areas.

3 RESULTS

The results show that CSR literature mapping revealed that academic research in Bangladesh has primarily focused on SDG 8 (Decent Work and Economic Growth), SDG 12 (Responsible Consumption and Production), SDG 16 (Peace, Justice, and Strong Institutions), and SDG 3 (Good Health and Well-being) [5]. These findings suggest that the socio-economic aspects of CSR have dominated scholarly research. Though some sectors such as environmental sustainability issues remain relatively underexplored. Empirical analysis of CSR expenditure data confirmed a similar pattern. Disaster management emerged as the largest recipient of CSR spending, accounting for 41% of total expenditures during 2020–2024. It shows that the banking sector's responsiveness to Bangladesh's climate vulnerability and disaster-prone geography. Education and health received 24% and 15% of CSR expenditures, respectively, indicating the banks' role in fostering human capital development. Besides, CSR initiatives targeting environmental sustainability and climate change adaptation represented only 2% of total expenditures, indicates critical gap in environmental efforts.

4 CONCLUSIONS

This study concludes that CSR practices in the banking sector of Bangladesh are largely driven by socio-economic priorities, with disaster management, education, and health emerging as the primary focus areas. However, the limited allocation of CSR resources toward environmental sustainability and climate change adaptation signals a misalignment with the holistic vision of the SDGs. Achieving the 2030 Agenda for Sustainable Development requires an integrated and multi-stakeholder approach where banks, governments, civil society, and international organizations collaborate to foster inclusive and sustainable growth.

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