

ASEAN Corporate Social Responsibility (CSR) on Labour Forum
“ASEAN CSR on Labour: from Guideline to Action”
18 – 19 August 2016
Bangkok, Thailand

**Recommended strategies to promote application of
ASEAN CSR Guidelines on Labour to business sector**

Background

1 The ASEAN Guidelines for Corporate Social Responsibility (CSR) on Labour, an output from the first CSR project of ASEAN Labour sector “Moving forward with an ASEAN CSR on Labour to support an ASEAN Community”, were adopted at the 24th ASEAN Labour Ministers Meeting convened on 15 May 2016 in Vientiane, Lao PDR. This is intended to serve as a guide for governments, enterprises and establishments, employers’ and workers’ organisations to raise awareness of labour issues among enterprises and incorporate CSR, human rights and decent work into their business practices. Please refer [here](#) for the communique stating the adoption of the guidelines and the attached for details of the specific ASEAN Guidelines for CSR on Labour.

2 Prior to this meeting, the Thai Ministry of Labour organised a workshop in March 2016 with representatives from the ASEAN member states, ASEAN Secretariat, ASEAN CSR Network (ACN) and International Labour Organisation (ILO) to draft the ASEAN CSR Model on Labour to develop directions to implement it as a mechanism to strengthen trade within the ASEAN region, and to improve trade competitiveness in the global arena.

About the ASEAN CSR on Labour Forum “ASEAN CSR on Labour: from Guideline to Action”

3 To continue the momentum and introduce the Guidelines to stakeholders i.e. ASEAN tripartite constituents, the Thai Ministry of Labour together with the ASEAN Secretariat, ACN and ILO convened an ASEAN CSR on Labour Forum in August 2016 to socialize the Guidelines, share best practices and experiences on implementation of CSR on labour in the workplace and develop strategies to promote application of ASEAN CSR Guidelines on

Labour to the business sector. Please refer to Annex A for the list of participating organisations.

Opportunities and Challenges

4 Delegates shared experiences on implementation of CSR in the workplace. This provided insights into opportunities and challenges of the various ASEAN member states and laid the background for developing strategies to promote application of ASEAN CSR Guidelines on Labour to the business sector.

5 The Forum agreed that governments should seize the opportunity to align and educate through streamlining standards and developing guidelines/ manuals. From the employers' perspective, they have come to most appreciate that companies committed to CSR, values and ethics, attract talent in a competitive employee's market. The business case for CSR also emphasises the benefits to reputation (which translates to consumer loyalty and public goodwill), investor confidence (which leads to capital access) and operational efficiency (which reduces costs). With employees' protection and access to decent work agenda becoming the norm, employee satisfaction and talent retention (which also reduce costs) will follow. If such opportunities are fully realised, these contribute to the Sustainable Development Goal 8 of Decent work and Economic growth.

6 While there are opportunities, the Forum also deliberated on the challenges. On one hand, there are companies whose understanding and implementation of CSR are currently largely confined to philanthropic activities; on the other, small and medium enterprises particularly, are discouraged by lack of resources and knowledge with the numerous standards and seemingly complex requirements. There are also companies which hold the misperception that sustainability reporting constitutes a loss of competitiveness. Another challenge is the conflict of certain requirements with religious connotations across various ASEAN member states. With such concerns, governments may find it trying to persuade the business sector. In turn, employees suffer from a lack of tripartite and bipartite involvement and consultation.

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7 Nevertheless, there exist countless opportunities for the business sector to engage with the sustainability agenda through inclusive business models.

8 First and foremost, governments, companies and employees need to come together to develop National Action Plans (NAPs) with measurable outputs and outcomes. Alongside adoption of common standards and benchmarking on CSR implementation against international standards, stakeholders should be equipped with the necessary capacity to implement the NAPs. To raise awareness, social media could be employed.

9 Apart from enforcement, governments could also employ both the carrot and stick approach i.e. incentives such as tax rebates, priority consideration for government contracts, recognition awards, etc and vice-versa, similar penalties. Tripartism and bipartism at all levels must also be strengthened in order to institutionalise the DNA of sustainability as second nature to all stakeholders. Lastly, educational and research institutions should also be involved to promote greater research, teaching and practice of CSR.

10 How and whether we continue to do so will result in a stronger or weaker ASEAN in the global stage. Despite gaps in the region, the Forum believes that with tripartite constituents coming together, we can seize the opportunity to play a bigger role in shaping the sustainability agenda to build a more sustainable, equitable and inclusive ASEAN and realise a truly rules-based, people-oriented, people-centred ASEAN Community.

Annex A

List of participating organisations

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|----|---------------|---|
| a | Cambodia | <ul style="list-style-type: none"> ● Ministry of Labour and Vocational Training ● Cambodian Federation of Employers and Business Associations ● Cambodian Confederation of Trade Union |
| b | Lao PDR | <ul style="list-style-type: none"> ● Lao National Chamber of Commerce and Industry ● Lao Federation of Trade Unions |
| c | Malaysia | <ul style="list-style-type: none"> ● Ministry of Human Resources ● Malaysian Employers Federation |
| d | Myanmar | <ul style="list-style-type: none"> ● Ministry of Labour, Immigration and Population ● The Union of Myanmar Federation of Chambers of Commerce and Industry |
| e | Philippines | <ul style="list-style-type: none"> ● Department of Labour and Employment ● Employers Confederation of the Philippines ● Trade Union Congress of the Philippines |
| f | Singapore | <ul style="list-style-type: none"> ● Ministry of Manpower ● Singapore National Employers Federation ● Singapore National Trades Union Congress |
| g | Thailand | <ul style="list-style-type: none"> ● Ministry of Labour ● Employers' Confederation of Thailand ● Thai Listed Company Association ● Charoen Pokphand Group |
| h | Vietnam | <ul style="list-style-type: none"> ● Ministry of Labour –Invalids and Social Affairs (MOLISA) ● Vietnam Chamber of Commerce and Industry ● Vietnam General Confederation of Labour |
| i | ASEAN | <ul style="list-style-type: none"> ● ASEAN Secretariat ● ASEAN CSR Network ● ASEAN Confederation of Employers ● ASEAN Trade Union Council ● ASEAN Services Employees Trade Union Council |
| j. | International | <ul style="list-style-type: none"> ● International Labour Organization |