

REGIONAL CONFERENCE ON CORPORATE RESPONSIBILITY

# Overview of RBC/ CSR Initiatives in Southeast Asia

Joëlle Brohier  
Anakout

October 2009

2-3 NOVEMBER 2009  
UNITED NATIONS CONFERENCE CENTRE  
BANGKOK, THAILAND

Organised by the OECD and UN ESCAP in co-operation with ILO, UN Global Compact  
and the GRI on the occasion of the First Asia-Pacific Trade and Investment Week



*This document was prepared by Joëlle Brohier, CSR Consultant, Anakout. It has been prepared for the OECD to serve as a background document for the Regional Conference on Corporate Responsibility organized by the OECD and ESCAP on the occasion of the First Asia-Pacific Trade and Investment Week (Bangkok, 2-3 November 2009). The views expressed in this paper are those of the author and do not necessarily represent those of the OECD or its Member governments.*



# Table of Contents

Purpose and Methodology.....	7
Southeast Asia Background & RBC/CSR Challenges.....	8
Key Findings: the State of RBC/CSR in Southeast Asia.....	10
<b>I - Southeast Asia.....</b>	<b>18</b>
<b>A - Initiatives by the ASEAN (Association of Southeast Asian Nations) .....</b>	<b>18</b>
1. Blue Print for the Socio-Cultural Community – Promoting Corporate Social Responsibility.....	18
2. CSR ASEAN.....	18
<b>B - Other Regional Institutions' Initiatives .....</b>	<b>19</b>
3. APEC (Asia-Pacific Economic Cooperation) 2008 Leaders' Declaration "A New Commitment to Asia-Pacific Development".....	19
4. APEC CSR Activities.....	19
<b>C - Engagement in International Initiatives.....</b>	<b>20</b>
5. Investors for Development (I4D) project – Support to the UN Global Compact in Asia	20
6. ILO Programmes & Projects.....	20
7. Caring for Climate.....	20
8. Climate Neutral Network.....	20
9. The Copenhagen Communiqué .....	21
10. GRI (Global Reporting Initiative) Organisational Stakeholders in Southeast Asia.....	21
<b>D - Other RBC/CSR Initiatives and Organisations .....</b>	<b>21</b>
11. International Business Leaders Forum (IBLF) in Asia .....	21
12. Association for Sustainable & Responsible Investment in Asia (ASrIA) .....	21
13. Asian Forum on CSR.....	21
14. CSR Asia Advocacy and Awareness activities .....	21
15. TBLI Asia Conference .....	21
16. CSR Asia Summit.....	22
17. International Corporate Social Responsibility Conference.....	22
18. Responsible Research.....	22
19. Caux Round Table Coordinating Office for Southeast Asia .....	22
20. Global CSR Summit & Global CSR Summit Awards.....	23
21. Asian Sustainability Rating (ASR).....	23
22. Impact Investment Exchange Asia (IIX).....	23
<b>II - Thailand.....</b>	<b>24</b>
<b>A - Main National Initiatives.....</b>	<b>24</b>
1. National Policy for CSR to be released in 2010 .....	24
2. CSR Center.....	24
3. CSR Institute (CSRI) & other initiatives from the Stock Exchange of Thailand .....	24
4. CSR Guidelines for Listed Companies and others Companies.....	24
5. Process for Designing a Set of SRI Criteria.....	25
6. Stock Exchange CSR Awards .....	25
<b>B - Engagement in International Initiatives .....</b>	<b>25</b>
7. UN PRI: the Government Pension Fund (GPF) is an Asset Member .....	25
8. UN PRI: other Members .....	25
9. UN Global Compact Local Network.....	25
<b>C - Other Activities and Organisations Related to RBC/CSR .....</b>	<b>26</b>
10. Thai Initiative for Green Procurement and Purchasing.....	26
11. AIDS-response Standard Organization Thailand (ASO Thailand) .....	26
12. Thai Industrial Standards Institute (TISI) .....	26

13.	Thai Certificate Based on ISO 26000 .....	26
14.	CSR Day – March 19 <sup>th</sup> , 2009 .....	26
15.	CSR Campus - Apr 23 <sup>rd</sup> , 2008.....	26
16.	Kenan Institute of Asia.....	26
17.	Caux Round Table Thailand (CRTT) .....	27
18.	Social Ventures Network (SVN).....	27
19.	Thai Business Council for Sustainable Development.....	27
20.	Net Impact Bangkok.....	27
21.	Thai Institute for Industrial Standards.....	27
22.	Thai Productivity Institute .....	27
23.	Employers Confederation of Thailand (ECOT) .....	27
24.	AIT (Asian Institute of Technology).....	27
25.	The NETWORK of NGO and Business Partnerships for Sustainable Development ..27	
<b>III - Malaysia</b> .....		<b>28</b>
<b>A - Main National Initiatives.....</b>		<b>28</b>
1.	CSR Framework for Public Listed Companies (PLCs) .....	28
2.	CSR Disclosure for Public Listed Companies (PLCs).....	28
3.	Prime Minister CSR Awards .....	28
4.	Corporate Governance Index .....	28
5.	SRI Index.....	28
6.	Government Linked Companies (GLCs) philanthropic programmes - Sejahtera Programme and PINTAR Foundation.....	28
7.	Plan to launch a SRI Index.....	29
<b>B - Engagement in International Initiatives .....</b>		<b>29</b>
8.	UN Global Compact local network .....	29
9.	UNPRI.....	29
10.	Secretariat of Roundtable on Sustainable Palm Oil (RSPO) .....	29
<b>C - Other Activities and Organisations Related to RBC/CSR .....</b>		<b>29</b>
11.	OWW Consulting Partnership with Vigeo for ESG Analysis on Asian Companies .....	29
12.	Department of Standards Malaysia (DSN).....	29
13.	ACCA (Association of Chartered Certified Accountants) Malaysia & the ACCA Malaysia Sustainability Reporting Awards .....	29
14.	National Annual Corporate Report Awards (NACRA) – Corporate Social Responsibility Category .....	30
15.	Caux Round Table Malaysia (CRT-MY) .....	30
16.	Business Council for Sustainable Development Malaysia.....	30
17.	Institute of Corporate Responsibility, Malaysia.....	30
18.	Business Ethics Institute Malaysia .....	30
19.	Malaysian Institute of Corporate Governance .....	30
<b>IV - Vietnam</b> .....		<b>31</b>
<b>A - Main National Initiatives.....</b>		<b>31</b>
1.	Vietnam Business Links Initiative .....	31
2.	Integrity and Transparency in Business Relationships Initiative for Vietnam.....	31
3.	Factory Improvement Programme (FIP) in Vietnam.....	31
4.	Project: Helping Vietnamese SMEs Adapt and Adopt Corporate Social Responsibility (CSR) for Improved Linkages with Global Supply Chains in Sustainable Production .....	31
5.	Better Work Programme (BWP) .....	31
<b>B - Engagement in International Initiatives .....</b>		<b>32</b>
6.	UN Global Compact.....	32
<b>C - Other Activities and Organisations Related to RBC/CSR .....</b>		<b>32</b>
7.	Vietnam Forum on CSR .....	32
8.	CSR Award for Businesses.....	32
9.	Code of Conduct (Labour standards) promoted within the Vietnam Leather and Footwear Industry .....	32
10.	Vietnam Chamber of Commerce & Industry (VCCI) .....	32
11.	VCCI HCM (Vietnam Chamber of Commerce & Industry, Ho Chi Minh City) .....	32
12.	Vietnam Cleaner Production Centre (VCPC) .....	32
13.	Vietnam Business Council for Sustainable Development.....	33
14.	Leather and Footwear Association (LEFASO VIETNAM) .....	33

15.	Directorate for Standards, Metrology and Quality (STAMEQ)	33
16.	Central Institute for Economic Management (CIEM)	33
17.	University of Labour & Social Affairs (ULSA)	33
18.	French-Vietnamese Center for Management Education (CFVG)	33
<b>V - Indonesia</b>		<b>34</b>
<b>A - Main National Initiatives</b>		<b>34</b>
1.	Article 74 of the 2007 Law on Limited Liability Companies (40/2007), Requiring Companies to Invest in CSR	34
2.	Article 66 of the 2007 Limited Liability Company Law (40/2007), Making CSR Reporting Mandatory	34
3.	SRI-Kehati	34
4.	Indonesia Business Links (IBL)	35
5.	National Center for Sustainability Reporting (NCSR)	35
6.	Indonesia Sustainability Reporting Award (ISRA)	35
<b>B - Engagement in International Initiatives</b>		<b>35</b>
7.	UN Global Compact	35
8.	UN PRI	35
9.	GRI	35
10.	EITI (Extractive Industries Transparency Initiative) – Expression of Intention to Make an Application to Become an EITI Candidate	36
11.	RSPO (Roundtable for Sustainable Palm Oil) Liaison Office in Jakarta	36
<b>C - Other Activities and Organisations Related to RBC/CSR</b>		<b>36</b>
12.	National Standard Bureau (Badan Standarisasi Nasional)	36
13.	Indonesian Institute of Management Accountants	36
14.	Forum for Corporate governance in Indonesia	36
15.	Yayasan Keanekaragaman Hayati Indonesia (KEHATI) - Indonesian Biodiversity Foundation	36
16.	Indonesia Stock Exchange (IDX)	36
17.	Indonesia Capital Market and Financial Institutions Supervisory Agency (BAPEPAM-LK)	36
18.	Lead Indonesia - Foundation for Sustainable Development (YPB)	36
<b>VI - The Philippines</b>		<b>37</b>
<b>A - Main National Initiatives</b>		<b>37</b>
1.	Philippine Business for Social Progress (PBSP)	37
2.	League of Corporate Foundations (LCF)	37
3.	Ramon V. del Rosario, Sr. Center for Corporate Social Responsibility (AIM-RVR CSR Center)	37
4.	Ramon V. del Rosario Sr. Graduate School of Business (De La Salle University)	37
5.	Securities Regulation Code – Requirement for Public Listed Companies to Make a Statement in their Reporting Regarding their Compliance with Environmental Laws and Regulations	37
6.	2007 Investment Priorities Plan – CSR Mandatory for Companies Entitled to a Six-year Income Tax Holiday	38
<b>B - Engagement in International Initiatives</b>		<b>38</b>
7.	UN Global Compact	38
<b>C - Other Activities and Organisations Related to RBC/CSR</b>		<b>38</b>
8.	Bureau of Product Standards (BPS)	38
9.	KAPATID Awards	38
10.	Best Workplace POPDEV Program Award	38
11.	Employers Confederation of the Philippines (ECOP)	38
12.	Philippine Institute of Certified Public Accountants (PICPA)	38
13.	Philippine Chamber of Commerce and Industry (PCCI)	38
14.	Philippine Business for the Environment (PBE)	39
<b>VII - Singapore</b>		<b>40</b>
<b>A - Main National Initiatives</b>		<b>40</b>

1. Singapore Compact for CSR .....	40
<b>B - Engagement in International Initiatives .....</b>	<b>40</b>
2. UN Global Compact.....	40
<b>C - Other Initiatives and Organisations Related to RBC/CSR.....</b>	<b>40</b>
3. Sustainability Reporting Handbook.....	40
4. ACCA Singapore Awards for Sustainability Reporting .....	40
5. ACCA Sustainability Reporting Conference .....	41
6. Book: “CSR for Sustainability and Success” .....	41
7. Spring.....	41
8. Singapore National Employers Federation (SNEF) .....	41
9. National Trade Union Congress (NTUC).....	41
10. Singapore Environment Institute (SEI).....	41
11. Singapore Environment Council (SEC) .....	41
<b>VIII - Cambodia .....</b>	<b>42</b>
<b>A - Main Initiatives (with involvement in international initiatives) .....</b>	<b>42</b>
1. Better Factories Cambodia .....	42
<b>B - Other Initiatives Related to RBC/CSR.....</b>	<b>42</b>
2. CSR Cambodia Conference .....	42
3. CSR Summer University.....	42
<b>IX - East-Timor / Timor-Leste .....</b>	<b>43</b>
<b>A - Engagement in International Initiatives .....</b>	<b>43</b>
1. Candidate Country to the Extractive Industries Transparency Initiative (EITI).....	43
<b>Acronyms.....</b>	<b>44</b>
<b>References.....</b>	<b>45</b>

## Purpose and Methodology

The purpose of this paper is to provide an overview of RBC<sup>1</sup>/CSR initiatives in Southeast Asia. The overview covers initiatives and steps taken by governments, public agencies, and business organisations and to some extent organisations working with businesses.

It also covers regional involvement in international leading initiatives and instruments, and more specifically: the OECD Guidelines for Multinational Enterprises, the UN Global Compact, the ILO instruments, the GRI Guidelines and the UN Principles for Responsible Investment.

The overview does not cover the numerous CSR activities undertaken by development agencies and NGOs or the initiatives focused on one industry or one topic (except a few).

Information is based on websites of the related organisations and initiatives. The author also consulted around 50 organisations.

This paper has been prepared for the Regional OECD-ESCAP Conference “Why Responsible Business Conduct Matters”, Bangkok, 2-3 November 2009. Participants to the OECD-ESCAP Conference were invited to bring to the author’s attention (Joëlle Brohier, Anakout, joelle.brohier@gmail.com) any information gap or inaccuracy. This final version of the study has taken these remarks into account.

---

<sup>1</sup> Responsible Business Conduct

## **Southeast Asia Background & RBC/CSR Challenges**

Southeast Asia comprises of Brunei, Burma (Myanmar), Cambodia, East Timor, Laos, Indonesia, Malaysia, The Philippines, Singapore, Thailand and Vietnam.

### ***Southeast Asia is a big player***

With 550 million people and a GDP of US\$ 1,266 Billion<sup>2</sup>, Southeast Asia is a big player on the international scene. Yet its countries are very heterogeneous, both in terms of development - with GDP per capita<sup>3</sup> ranging from US\$47,426 (Singapore) to less than US\$2,000 for Cambodia, Laos, Myanmar and East-Timor - and in terms of culture, religion and politics. See table 1.

### ***A natural resources-rich region***

Southeast Asia is rich in natural resources: gas, oil, minerals, forests, agricultural and fishing resources. As a result, Southeast Asia has to deal with related issues: natural resources depletion and environmental degradation, alleged negative impacts on the surrounding communities.

### ***A world factory***

Southeast Asia is producing various manufactured goods for the world: textile and garment, electronics, processed food and toys to name some. Though these industries provide numerous jobs, there are frequent allegations of labour abuses along their supply chain. On the other hand, there are fantastic opportunities for small and medium-sized enterprises (SMEs) to be CSR best-in-class supplier if they succeed to implement good working conditions.

### ***The Climate Change threat***

Southeast Asia will be – and is already – severely hit by Climate Change: flooded deltas, sea level rise, droughts, and extreme weather events. Southeast Asian countries are extremely unequal in terms of capacity to cope with the impacts of Climate Change and to implement the necessary adaptation. The private sector has to adapt to the already unavoidable impacts as well as to move to low-energy production modes in order to keep competitive and sustainable; and to allow for regional sustainable development.

---

<sup>2</sup> For comparison, India has a population of 1,130 Million people and a GDP of US\$1,137 Billion

<sup>3</sup> PPP (Purchasing power parity), US\$, 2006



### *The role of the private sector in poverty alleviation and economic development*

Large social inequalities remain within most countries, and impede development in the region. The private sector, through wages and employment practices, is a key stakeholder for income distribution. Building on this role, it can positively contribute to poverty reduction. Businesses can also contribute to poverty reduction through community investment.

**Table 1 - Socio-economic Data – Southeast Asia**

	<i>Foreign Direct Investment - Inflows (2008, M\$)</i>	<i>Foreign Direct Investment - Outflows (2008, M\$)</i>	<i>Nominal GDP (2008, M\$)</i>	<i>GDP Per capita (2006, PPPUS\$)</i>	<i>Percentage of population under national poverty line</i>	<i>Surface (1,000 km<sup>2</sup>)</i>	<i>Population (2007, million)</i>
Brunei Darussalam	239	34	12 300	-		5,8	0,40
Cambodia	815	24	11 471	1 619	35,00	181,0	14,40
Indonesia	7 919	5 900	514 389	3 455	16,70	1 891,0	224,90
Lao People's Dem. Rep.	228	-	4 190	1 980	33,00	237,0	5,90
Malaysia	8 053	14 059	194 927	12 536	5,10	330,0	27,20
Myanmar	283	-	-	881	32,70	677,0	57,70
Philippines	1 520	237	166 909	3 153	25,10	300,0	88,60
Singapore	22 725	8 928	181 948	47 426	-	0,7	4,60
Thailand	10 091	2 835	260 693	7 613	13,60	513,0	65,80
Timor-Leste	-	-	415	-	41,10	15,4	1,08
Viet Nam	8 050	100	90 705	2 363	28,90	329,0	85,20
<b>Total</b>	<b>59 923</b>	<b>32 117</b>	<b>1 266 389</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

Sources: UN (United Nations), World Bank, ADB (Asian Development Bank)

## **Key Findings: the State of RBC/CSR in Southeast Asia**

### ***Gearing up from awareness raising and capacity building to strategic RBC/ CSR***

RBC/CSR in Southeast Asia was, until recently, at an early stage. It has developed rapidly in the past few years. First CSR initiatives focussed on awareness raising, education (conferences, CSR education and learning) and capacity building. Recent initiatives are now developing at a more strategic level, inter alia led by governments, the financial sector and recently the ASEAN; new initiatives are also being set up to develop accountability and transparency. The next steps could be developing initiatives for further CSR implementation by companies and evaluation.

### ***The ASEAN (Association of Southeast Asian Nations) is embarking in CSR***

ASEAN (Association of Southeast Asian Nations) leaders have adopted a Blue Print for a Socio-Cultural Community in 2009. The Blue Print aims at creating a unified community, and includes CSR. The CSR section refers to international CSR standards, and to the designing of a CSR public policy model. In order to implement this Blue Print, the ASEAN Foundation has launched the CSR ASEAN initiative, which puts together CSR practitioners from ASEAN countries and has started some activities.

### ***Governments are taking steps for RBC/CSR***

Several governments and public actors have taken provisions for RBC/CSR, as shown in Table 2.

**Table 2 – CSR Public Action in Southeast Asia: major initiatives from Public Actors and ASEAN**

Year	Country, institution	Initiative	Reference to International Initiatives
2006	Malaysia	Government CSR Framework	-
2006	Malaysia	Bursa Malaysia: mandatory CSR reporting for listed companies	-
2006	Thailand	Stock Exchange: CSR Awards	-
2007	Indonesia	Law: CSR investment mandatory	-
2007	Indonesia	Law: CSR reporting mandatory for Limited Liability Companies	-
2007	The Philippines	Board of Investment: registered companies entitled to 6-year tax holiday must implement CSR programmes	-
2007	Thailand	Stock Exchange: set up a CSR Institute (CSRI)	-
2007	Thailand	Thai Government Pension Fund Member of UN PRI	UN PRI, OECD Guidelines, UN Global Compact
2008	Malaysia	Ministry of Women, Family and Community Development: Prime Minister CSR Awards	-
2008	Thailand	Securities & Exchange Commission/Stock Exchange: CSR Guidelines	OECD Guidelines, UN Global Compact
2008	Thailand	Ministry of Social Development and Human Security: launched the CSR Centre (promotion of CSR and coordination of CSR activities, including an Entrepreneur's Manual on CSR)	-
2008	Thailand	Department of Industrial Works: Thai Certificate based on ISO 26000	ISO 26000
2008	ASEAN Foundation	ASEAN CSR Network	-
2009	ASEAN	ASEAN Blue Print for a Socio-cultural Community: includes promotion of CSR and the designing of a model national CSR Policy	ISO 26000, international instruments in general
2010	Thailand	National CSR Policy - To be released	NA

Among the various public actors' initiatives we can mention:

- Malaysia has set up a CSR framework in 2006, and has made CSR reporting mandatory for listed companies;

- Indonesia has passed two laws in 2007, one requiring companies in the natural resources industry to invest in CSR, and the other making CSR disclosure mandatory;
- Thailand will launch its national CSR policy in 2010. This policy comes after several steps taken by governmental bodies or state agencies: the Ministry for Social Development and Human Security launched a CSR Center in 2007; the Securities & Exchange Commission together with the Stock Exchange of Thailand have published a CSR Guide for companies (2008), and the Thai Government Pension Fund is an Asset Member of the UN PRI.

In several countries, the public sector has initiated CSR guidelines and frameworks, mandatory CSR reporting provisions, and CSR awards. Interestingly, Thailand is to release a National CSR Public Policy paper and the ASEAN has included in its Blue Print the designing of a model National CSR Public Policy.

***Socially Responsible Investment (SRI)-related initiatives have been and are being set up***

Another recent trend in Southeast Asia is the rise of SRI (Socially Responsible Investment) – See Table 3. The Indonesian Stock Exchange has announced in June 2009 the launch of the first SRI index by a Stock Exchange in Southeast Asia: SRI-Kehati. OWW Consulting had previously launched a SRI Index in Malaysia. In Thailand, the Securities & Exchange Commission and the Stock Exchange are planning to release SRI criteria and possibly a SRI Index. Bursa Malaysia has announced similar plans. The Singapore Compact for CSR is undertaking consultations for possibly establishing a SRI Index. Bursa Malaysia – a financial actor - has a CSR disclosure requirement for listed companies as mentioned above. Public actors lead most of these initiatives.

**Table 3 – Responsible Investment Initiatives in Southeast Asia**

Year	Country	Initiative
2006	Malaysia	OWW Consulting SRI Index
2006	Malaysia	Bursa Malaysia: mandatory CSR reporting for listed companies
2007	Thailand	Thai Government Pension Fund Asset Member of UN PRI
2008	Thailand	Securities & Exchange Commission/Stock Exchange CSR Guidelines
2008	Singapore	Responsible Research Company established – ESG Research for Western investors
2008	Malaysia	Bursa Malaysia/MSWG launched Corporate Governance Index
2010	Thailand	The Securities & Exchange Commission started consultation for launching SRI criteria and possibly a SRI Index
2009	Indonesia	Stock Exchange launches SRI-Kehati Index
2009	Singapore	Singapore Compact for CSR held discussions for a possible SRI Index
2009	Malaysia	Bursa Malaysia: announced plans to launch its own ESG index

Public sector initiative

Private sector initiative

***Some recent initiatives tend towards greater CSR transparency and accountability***

SRI initiatives involve greater accountability: for example the SRI-Kehati index in Indonesia and lists the companies performing best against the index.

In addition, some initiatives are pushing for more accountability:

- The Minority Shareholder Watchdog Group has launched the Malaysian Corporate Governance (MCG) Index in June 2009 – first results will be released in December 2009;
- The Asian Sustainability Rating has just been launched – it discloses CSR information and evaluation on Asian companies;

While some others are pushing transparency:

- We already mentioned CSR Disclosure provisions by public actors (see Table 2). There are also private initiatives, such as CSR Disclosure awards (Indonesia, Malaysia), or the handbook for CSR Reporting published by the Association of Chartered Certified Accountants (ACCA) Singapore together with the Singapore Compact for CSR in 2008. These organisations also co-held a conference on Sustainability Reporting in June 2009.

Tables 4 and 5 show these initiatives.

**Table 4 – Initiatives towards Greater Accountability**

Year	Country	Initiative
2006	Malaysia	OWW Consulting SRI Index
2008	Asia	Responsible Research Company established – ESG Research for Western investors
2009	Asia	CSR Asia launches Asia Sustainability Index
2008	Malaysia	Bursa Malaysia/MSWG launches Corporate Governance Index
2009	Indonesia	Stock Exchange launches SRI-Kehati Index
2009	Malaysia	Bursa Malaysia announces plan to launch its own ESG index
2010	Thailand	The Securities & Exchange Commission is preparing SRI criteria and possibly SRI Index with other stakeholders



**Table 5 – Initiatives towards Greater Transparency**

Year	Country	Initiative
2002-3	Malaysia	ACCA Malaysia/Singapore Sustainability Awards
2005	Indonesia	NCSR (National Center for Sustainability Reporting), NCSR Award (CSR Disclosure)
2006	Malaysia	Bursa Malaysia: mandatory CSR reporting for listed companies
2007	Indonesia	Law: CSR reporting mandatory for Limited Liability Companies
2008	Singapore	ACCA/Singapore Compact for CSR: CSR Reporting Guide
2008	Malaysia	Bursa Malaysia, Malaysian Association of Certified Public Accountants (MACPA), and Malaysian Institute of Accountants (MIA): National Annual Corporate Report Awards (NACRA) – Corporate Social Responsibility Category added

***Countries have different CSR approaches***

Drivers for CSR vary according to countries. In some countries, like Malaysia, CSR is pushed mostly by the government and other public actors. In other countries, business organisations are leading the way (e.g. The Philippines). Thailand and Indonesia CSR approaches are more balanced with government-, private sector- and civil society-led initiatives.

In Cambodia and Vietnam, many CSR activities aim to build the capacities of small and medium-sized enterprises (SMEs). This sounds logical in economies recently open to international trade and thus exposed to CSR. These countries take benefit from CSR capacity building projects targeted at SMEs, which account for a very large share of the economy,

Singapore's CSR approach builds on one national, centralised and tripartite initiative – Singapore Compact for CSR. The government, the private sector and trade unions were involved.

***Involvement in international leading initiatives can be further developed***

CSR international initiatives have started activities in the region in the past few years:

- The UN Global Compact has set up local networks in six Southeast Asian countries: Indonesia, Malaysia, The Philippines, Singapore, Thailand and Vietnam. The I4D Programme, managed by ESCAP, puts in place various activities in order to develop and consolidate the local networks;
- They are some UN PRI signatories in Southeast Asia;
- The GRI guidelines start to be integrated to CSR activities of various organisations – from Singapore Compact for CSR and ACCA (Association of Chartered Certified Accountants) Singapore, to the NCSR (National Center for Sustainability Reporting) in Indonesia;
- ILO is promoting good CSR practices and building capacities of businesses through different programmes and initiatives based on ILO conventions and instruments.

These activities are implemented at national level in Southeast Asian countries mostly through non-public actors.

Involvement of governments and ASEAN in CSR international initiatives remains weak – see Table 2. We can however point out:

- Some Thai initiatives and organisations refer to the OECD Guidelines for Multinational Enterprises (CSR Guidelines from the Securities & Exchange Commission and the Stock Exchange; Thai Government Pension Fund);
- The Thai Government Pension Fund is an asset member of UN PRI;
- ISO 26000 has gained notoriety in Southeast Asian countries thanks to the consultations organised by ISO with its working members. National standardisation bodies of six Southeast Asian countries are working members of ISO 26000 Working Group;
- ASEAN refers to ISO 26000 in its Blue Print for a Socio-Cultural Community.

**Table 6 - Involvement in International CSR Initiatives**

<b>International Instrument</b>	<b>Country</b>	<b>Involvement of country in International Instruments</b>
<b>OECD Guidelines for MNEs</b>	Thailand	Securities & Exchange Commission and Stock Exchange: CSR Guidelines includes reference Thai Government Pension Fund checks investments against OECD Guidelines for MNEs Securities & Exchange Commission has included OECD Guidelines for MNEs in possible instruments for designing SRI criteria
	The Philippines	Past project led by ECOT with GTZ focused on Social Accountability standard which includes reference to OECD Guidelines for MNEs
	ASEAN	Presentation of OECD Guidelines for MNEs at ILO/ASEAN CSR Workshop
<b>UN Global Compact</b>  * Signatories checked on UN Global Compact website, between July and October 2009	Indonesia	Launched 2006; 155 signatories*
	Malaysia	Launched 2008; 54 signatories*
	The Philippines	Launched 2002; 43 signatories*
	Singapore	Launched 2005; 67 signatories*
	Thailand	Launched 2001; 21 signatories*
	Vietnam	Launched 2007; 27 signatories*
<b>ILO Tripartite Declaration for MNEs, other ILO instruments</b>	Cambodia	Better Factories Cambodia
	Vietnam	Better Work Programme FIP (Factory Improvement Programme)
	Southeast Asia	Programmes and projects, by ILO and other organisations, referring to ILO instruments
	ASEAN	ILO/ASEAN Technical Workshop on CSR and SMEs

**Table 6 - Involvement in International CSR Initiatives (cont'd)**

International Instrument	Country	Involvement of country in International Instruments
<b>ISO26000</b>	ASEAN	Refers to ISO 26000 in the CSR Section of its Blue Print for a Socio-Cultural Community
	Indonesia	National Standard Bureau (NSB; Badan Standarisasi Nasional) involved in consultation process as the national standardisation body NSB hosted a seminar on ISO 26000 in 2006
	Malaysia	Department of Standards Malaysia involved in consultation process as the national standardisation body
	The Philippines	Bureau of Product Standards involved in consultation process as the national standardisation body
	Singapore	Spring involved in consultation process as the national standardisation body
	Thailand	Thai Industrial Standards Institute (TISI) involved in consultation process as the national standardisation body TISI hosted an ISO 26000 international meeting in 2006 Thai certificate based on ISO 26000 delivered by Department of Industrial Works
	Vietnam	Directorate for Standards, Metrology and Quality involved in consultation process as the national standardisation body
<b>GRI</b>	Indonesia	Bali International Consulting Group, Konsorsium Pengembangan Masyarakat Madani and NCSR are Organisational Stakeholders of GRI
	Malaysia	OWW SRI Index: reference to GRI Counterpoint Consulting and OWW are Organisational Stakeholders of GRI
	The Philippines	Philippine Institute of Certified Public Accountants (PICPA) refers to GRI
	Singapore	Amplios Consultants, CSR Asia and Singapore Compact for CSR are Organisational Stakeholders of GRI CSR Reporting Guide from Singapore Compact for CSR and ACCA based on GRI3 <sup>4</sup> Sustainability Reporting Conference hosted by these two organisations also based on GRI3

<sup>4</sup> GRI3: 3rd version of GRI Guidelines for CSR Disclosure

### ***CSR next challenges in Southeast Asia***

This overview of RBC/CSR Initiatives in Southeast Asia suggests that the next challenges in the region will include:

- To complete, coordinate and consolidate the recent RBC/CSR initiatives developed and under development in Southeast Asia, at national public and ASEAN levels, as well as financial level;
- To gain further ownership of RBC/CSR through indigenous regional and national initiatives;
- To adopt and implement further international RBC/CSR instruments. These instruments can help to develop RBC/CSR faster and to involve further the region in the global RBC/CSR arena – for example in bringing more attention on Southeast Asia specific CSR background and expectations. The OECD Guidelines revision could be a timely opportunity for this;
- To develop greater transparency and accountability;
- To involve more stakeholders, including the civil society, in CSR – this can contribute to further transparency and accountability;
- To develop initiatives for CSR implementation and evaluation.

# I - Southeast Asia

## A - Initiatives by the ASEAN (Association of Southeast Asian Nations)

### 1. Blue Print for the Socio-Cultural Community – Promoting Corporate Social Responsibility

ASEAN

Adopted March 2009

The ASEAN leaders have committed to an agenda for developing a socio-cultural community. CSR is part of this agenda.

The CSR Section of the Blue Print is as follows:

#### **Box 1 - Blue Print for the Socio-Cultural Community – 2008-2015 – Section: Promoting Corporate Social Responsibility (CSR)**

“C3. Promoting Corporate Social Responsibility (CSR)

29. Strategic objective: Ensure that Corporate Social Responsibility (CSR) is incorporated in the corporate agenda and to contribute towards sustainable socio-economic development in ASEAN Member States.

Actions:

- i. Develop a model public policy on Corporate Social Responsibility or legal instrument for reference of ASEAN Member States by 2010. Reference may be made to the relevant international standards and guides such as ISO 26000 titled “Guidance on Social Responsibility”;
- ii. Engage the private sector to support the activities of sectoral bodies and the ASEAN Foundation, in the field of corporate social responsibility;
- iii. Encourage adoption and implementation of international standards on social responsibility; and
- iv. Increase awareness of Corporate Social Responsibility in ASEAN towards sustainable relations between commercial activities and communities where they are located, in particular supporting community based development.”

The Blueprint aims to engage the private sector in the development of the ASEAN Community through, among others, the promotion of corporate social responsibility. The ASEAN Foundation is conducting projects to implement the Blue Print.

[www.aseansec.org/18770.htm](http://www.aseansec.org/18770.htm)

References to international instruments: ISO 26000 and other international standards (not named)

### 2. CSR ASEAN

ASEAN Foundation

Started November 2008

CSR ASEAN is a network of Corporate Foundations and Corporations dedicated to increasing the role of CSR in ASEAN, for human development and poverty alleviation. The ASEAN Foundation, established by ASEAN leaders, is the umbrella organisation. With currently 15-20 members, CSR ASEAN welcomes new members from corporate foundations and corporations, NGOs, business groups and other organizations with active CSR activities.

It aims to develop CSR among ASEAN countries and to create a CSR community. Specifically, the objectives of CSR ASEAN are to:

- Establish a comprehensive database of corporate foundations, corporations and other organizations with CSR initiatives in the region;
- Identify gaps among CSR programs in different ASEAN countries;
- Share and document best practices, new and emerging frameworks and strategies in CSR in the region;
- Promote the integration of CSR into the core business and operation;
- Promote exchange of learning and experiences and replication of successful programs in the region; and
- Develop cooperation and partnerships with similar networks in other regions such as CSR Europe and the like.

CSR ASEAN has hosted a conference in July 2009: ‘ASEAN-Europe CSR Exchange’.

CSR ASEAN network should, by 2010, submit a proposal for CSR Guidelines for ASEAN businesses.

[www.aseanfoundation.org/csr/index.php](http://www.aseanfoundation.org/csr/index.php)



## ***B - Other Regional Institutions' Initiatives***

### **3. APEC (Asia-Pacific Economic Cooperation) 2008 Leaders' Declaration "A New Commitment to Asia-Pacific Development"**

*APEC (APEC members include the following Southeast Asian countries: Brunei Darussalam, Indonesia, Malaysia, The Philippines, Singapore, Thailand, Viet Nam)*

*November 2008*

In 2008, Peru, who hosted APEC, put CSR on the APEC agenda. As an outcome, the 2008 Leaders' Declaration "A New Commitment to Asia-Pacific Development", released at the 16<sup>th</sup> Economic Leaders' Meeting, in Lima, Peru, 22-23 November includes a sub-section on CSR, in the section "Addressing the Social Dimension of Globalization". See Box 2.

#### **Box 2 - "A New Commitment to Asia-Pacific Development Promoting Corporate Social Responsibility (CSR) in the Asia-Pacific Region"**

We stressed that globalization based on economic, social and environmental progress can bring sustainable benefits to all APEC economies, their business sectors and their people. CSR can reinforce the positive effects that trade and investment have on growth, competitiveness and sustainable development. We encourage responsible and transparent business conduct that adheres to local legislation and regulations and takes into account guidelines related to CSR that have been developed by multilateral bodies, as appropriate.

We agreed that given increasing expectations amongst global consumers, investors and business partners regarding responsible and sustainable business practices, the voluntary activities that comprise CSR will remain an important aspect of doing business in the 21st century. We recognize that all stakeholders in our communities benefit when governments foster a business environment that encourages voluntary CSR practices. This will create greater value both for businesses and for the societies in which they function.

We welcomed the work that has been undertaken within APEC to promote CSR awareness and capabilities in the region, and future work that will encourage dialogue on CSR among relevant stakeholders including: businesses, governments, employees, communities, consumers, investors, and non-governmental organizations. We recognized ABAC's efforts in promoting CSR awareness and uptake in the region through the dissemination of information regarding CSR principles, practices and benefits.

We encouraged companies to incorporate CSR into their business strategies to take account of social, labour and environmental concerns. The development of CSR in the region will depend on the different domestic economic, social and cultural context of APEC members. We agreed to promote CSR practices in APEC economies on a voluntary basis in business operations of all sizes to complement public policies that foster sustainable development."

### **4. APEC CSR Activities**

*APEC*

*2005 and following*

APEC has released research on CSR, co-held events, and runs projects.

2009 projects include:

- Capacity Building of Mining Stakeholders in APEC Economies on Corporate Social Responsibility;
- Creating a Framework for Corporate Social Responsibility Stakeholder Dialogue: Mining Industry Operations;
- New Corporate Procurement Strategy on Trade in Goods and Services in APEC Region - Supply-chain options with CSR perspective.

Research includes:

- Corporate Social Responsibility in the Global Supply Chain: An APEC Casebook, December 2007 (Published in March 2008);
- Corporate Social Responsibility in the APEC Region – Current Status and Implications (December 2005)  
[www.apec.org/apec/news\\_media/fact\\_sheets/csr.html](http://www.apec.org/apec/news_media/fact_sheets/csr.html)

### ***C - Engagement in International Initiatives***

#### **5. Investors for Development (I4D) project – Support to the UN Global Compact in Asia**

*UNESCAP (Trade and Investment Division)*

2007

The Trade and Investment Division of UNESCAP launched the Investors for Development (I4D) project in 2007 for increasing the contribution of business to Sustainable Development through more effective implementation of the principles of the Global Compact in Asia and the Pacific. The project aims to enhance the capacity of and the cooperation between the Global Compact Local Networks (GCLNs) in Asia and the Pacific in order to help businesses to implement the Global Compact principles. The project focuses on fifteen countries in the Asia-Pacific region - Bangladesh, China, India, Indonesia, Japan, Malaysia, Mongolia, Nepal, Pakistan, the Philippines, Republic of Korea, Singapore, Sri Lanka, Thailand and Vietnam. These fifteen GCLNs play a crucial role in rooting the Global Compact within different cultural and linguistic environments. GCLN activities in the region are gaining momentum with 2 new networks launched in 2009 – Bangladesh and China. The project builds the organizational capacity of the GCLNs and supports the establishment of new networks in the region. It does so by providing a variety of management tools and resources designed to help the networks to adopt sustainable business models. In order to facilitate cooperation and exchange of experiences among the GCLNs in the region, the project has also initiated the establishment of an online Community of Practice. This will allow businesses, governments, civil society organizations, academic institutions and CSR practitioners in the region to share more advanced information. References to international instruments: UN Global Compact (which itself refers to the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Convention Against Corruption)

#### **6. ILO Programmes & Projects**

*ILO*

ILO runs different programmes and projects in the region. Some are detailed in country sections (Better Factories Cambodia, Better Work Programme, ILO FIP).

ILO held on September 28 & 29 the ILO/ASEAN Technical Workshop on Corporate Social Responsibility (CSR) and Small and Medium-sized Enterprises (SMEs). The workshop aimed to develop a better understanding of international instruments such as the ILO's Tripartite Declaration of Principles concerning Multinational Enterprises and the OECD Guidelines on Multinational Enterprises; to share information and views on the opportunities and challenges associated with CSR in SMEs; to identify possible areas of action. The Workshop identified as follow-up the need for research on the application of responsible and sustainable workplace practices along the supply chain, including in SMEs; and further capacity-building on the understanding of CSR, integrating the concept of decent work.

[www.ilo.org/asia/lang--en/index.htm](http://www.ilo.org/asia/lang--en/index.htm)

#### **7. Caring for Climate**

*UN Global Compact*

Caring for Climate is a voluntary platform for UN Global Compact participants, providing a framework for action for business leaders.

Around 20 Southeast Asian companies are signatories to the Caring for Climate Initiative.

[www.unglobalcompact.org/Issues/Environment/Climate\\_Change/list\\_of\\_signatories.html](http://www.unglobalcompact.org/Issues/Environment/Climate_Change/list_of_signatories.html)

#### **8. Climate Neutral Network**

*UNEP (UN Environment Programme)*

The Climate Neutral Network is an initiative bringing together businesses, cities and countries that have committed to achieve carbon neutrality, and therefore exchange on best practices for carbon emissions reductions and offsetting.

[www.unep.org/climateneutral](http://www.unep.org/climateneutral)

## **9. The Copenhagen Communiqué**

*September 2009*

*University of Cambridge – Programme for Sustainability Leadership*

The Communiqué calls on world leaders for an ambitious and equitable deal at the Copenhagen conference. It was released on Tuesday 22<sup>nd</sup> September and has 727 signatories as of October 27<sup>th</sup>.

[www.copenhagencommunique.com/signatories/signatories-by-region/asia](http://www.copenhagencommunique.com/signatories/signatories-by-region/asia)

## **10. GRI (Global Reporting Initiative) Organisational Stakeholders in Southeast Asia**

GRI has an international network of Organisational Stakeholders. Following organisations based in Southeast Asia are part of this network: Amplios Consultants, CSR Asia and Singapore Compact for CSR in Singapore; Counterpoint Consulting and OWW Consulting in Malaysia; Bali International Consulting Group, Konsorsium Pengembangan Masyarakat Madani and NCSR in Indonesia.

## ***D - Other RBC/CSR Initiatives and Organisations***

## **11. International Business Leaders Forum (IBLF) in Asia**

*Regional office based in Hong Kong*

*Started 1990*

IBLF has developed CSR projects in Asia Pacific, building on partnerships with local business organisations. IBLF has currently joint projects in China, Indonesia, The Philippines and Vietnam and will soon be launching new ones in Thailand and Malaysia. More information can be found in the country sections of this document.

[www.iblf.org](http://www.iblf.org)

## **12. Association for Sustainable & Responsible Investment in Asia (ASrIA)**

*Hong Kong*

*2001*

ASrIA is a membership organisation – with a strong basis of Asian and non-Asian members – dedicated to promoting the adoption of environmental, social and governance (ESG) criteria by investors in Asia. ASrIA runs conferences, trainings and workshops; publishes research; sends out a newsletter and has an information website: [www.asria.org](http://www.asria.org). ASrIA is coordinating the CDP (Carbon Disclosure Project) for Asia.

## **13. Asian Forum on CSR**

*RVR-AIM Center for Corporate Responsibility (The Philippines)*

*Started 2002*

The AFCSR will hold its 8<sup>th</sup> edition in Manila on 19-20 November 2009. Its scope is Asia, but ASEAN is well represented. In addition to the conference, there is a CSR expo, and the Asian CSR Awards are presented. [www.asianforumcsr.com](http://www.asianforumcsr.com)

## **14. CSR Asia Advocacy and Awareness activities**

*Established in 2002*

CSR Asia, a consultancy and training firm, sends out a weekly newsletter on CSR in Asia, publishes research, advocates for CSR, organises free briefings on a monthly basis in several Asian cities. They have offices in Hong Kong, Singapore, Kuala Lumpur and China. They also organise each year the CSR Asia Summit. [www.csr-asia.com](http://www.csr-asia.com)

References to international instruments: signatory to the UN PRI (professional service partners category), Organisational Stakeholder of GRI

## **15. TBLI Asia Conference**

*TBLI (headquarters in The Netherlands)*

*Started 2006*

It is an annual conference on Socially Responsible Investment covering Asia. It was held in Bangkok until 2008 and has taken place in Japan in 2009.

<http://tbliconference.com>

## **16. CSR Asia Summit**

*CSR Asia (headquarters in Hong Kong)*

*1<sup>st</sup> regional conference held in 2007*

It is one of the most important annual conferences on CSR in Asia. The aim of the summit is to showcase the most cutting-edge CSR strategies, tools and case studies to CSR professionals in the region. The next one will take place in Kuala Lumpur on 27-28 October 2009. [www.csr-asia.com/conference.php](http://www.csr-asia.com/conference.php)

## **17. International Corporate Social Responsibility Conference**

*OWW Consulting, in Kuala Lumpur*

*Started 2008*

It takes place in Kuala Lumpur in August. The 2009 Conference was held from 3<sup>rd</sup> to 7<sup>th</sup> of August in 2009, and focused on “Responsible Recovery from the Global Crisis.”

[www.csrconferences.com/2009/conference-announcement.html](http://www.csrconferences.com/2009/conference-announcement.html)

## **18. Responsible Research**

*Set up in 2008*

Responsible Research is an independent research company, which produces conflict-free reports on ESG issues in Asia for global investors. The research has a sectoral and thematic approach, reviewing potential financial risks at a country and company level, which derive from performance and disclosure on material ESG indicators. The company was set up in 2008 and is based in Singapore. Investors and foundations can commission specific reports or subscribe to a year of research. [www.responsiblesearch.com](http://www.responsiblesearch.com)

References to international instruments: signatory to the UN PRI (professional service partners category)

## **19. Caux Round Table Coordinating Office for Southeast Asia**

*Established January 2009 in Kuala Lumpur*

It includes the Caux Round Table Thailand and the Caux Round Table Malaysia.

CRT Southeast Asia aims to coordinate the national CRT networks. It held its first Southeast Asia Dialogue in Bangkok in August 2009 and issued a first version of Guidelines.

Its statement of objective is as follows:

### **Box 3 - Caux Round Table Southeast Asia**

“Statement of Objective:

The Round Table proposes to demonstrate that Southeast Asian ethical philosophies can make important contributions to the global community in the 21<sup>st</sup> Century. Two approaches familiar to the Caux Round Table have been selected for review and discussion. They are, first, understandings of Qur’anic Guidance for good governance evolving from workshops and study at the International Islamic University Malaysia, and second; the principles of a Sufficiency Economy articulated in a Theravada Buddhist context initially by His Majesty the King of Thailand.

Southeast Asia, throughout history a crossroads of people, cultures, trade and political influences, has a unique intellectual and moral relationship to decision-making. Southeast Asian cultures, communities and nations stand apart from the more hierarchical traditions and highly structured social patterns of Northeast Asia and the Indian subcontinent. In Southeast Asia, a deeply personal sense for the individual in the context of cosmic movement is paramount. Southeast Asian perspectives center on fluidity, the flow of time and the changing currents of circumstance. Southeast Asians, in general as there are always exceptions, seek a balance and a sense of due proportion in their relationships – neither too close to shore nor in over their heads. Adjusting one’s circumstances without loss of faith or self-confidence as larger trends reveal themselves is often seen as successful accomplishment.

This perspective gives rise to important insights about human nature and human opportunities, insights which deserve to be shared with the larger global community.

The study of Qur’an in the International Islamic University Malaysia reflects such a vision of a person’s place in being responsible as a Khalifa, or steward of God’s purposes and open to the needs for justice as they may arise in different settings.

The standards of a Sufficiency Economy similarly acknowledge the responsibility of companies to subordinate inordinate demands to the needs of the total environment which supports their profitability.”

The CRT Southeast Asia has issued draft CSR guidelines for Southeast Asia, based on Thai Self Sufficiency Economy and Kur’an ethical philosophies.”

[www.cauxroundtable.org/eventsmaster.cfm?&menuid=96&action=viewevent&retrieveid=42](http://www.cauxroundtable.org/eventsmaster.cfm?&menuid=96&action=viewevent&retrieveid=42)

## **20. Global CSR Summit & Global CSR Summit Awards**

*The Pinnacle Group International*

*Started 2009*

[www.tpgi.org/globalCSR2009/1\\_4.php](http://www.tpgi.org/globalCSR2009/1_4.php)

## **21. Asian Sustainability Rating (ASR)**

*October 2009*

*Project partners: CSR Asia, Responsible Business Initiative Pakistan, EON, and Responsible Research*

ASR is an open-source, benchmarking tool on businesses from 10 Asia-Pacific countries, in which Malaysia, The Philippines, Singapore and Thailand. ASR is for use by companies, investors and other stakeholders. It analyses business practices with respect to CSR.

[www.asiansr.com](http://www.asiansr.com)

## **22. Impact Investment Exchange Asia (IIX)**

*March 2009*

IIX was created to provide a capital market for Asian social enterprises. It is registered in Singapore.

IIX describes itself as follows: “The Impact Investment Exchange Asia (IIX) will be Asia’s first social stock exchange, providing a trading platform and an efficient capital raising mechanism for Asian Social Enterprises (SEs), including both for-profit and not-for-profit entities with a social mission. IIX will connect these SEs with impact investors seeking to achieve both a social return and an economic return on their investment while providing capital to fund innovative social businesses.”

[www.asiaiix.com](http://www.asiaiix.com)



## **II - Thailand**

### ***A - Main National Initiatives***

#### **1. National Policy for CSR to be released in 2010**

*Ministry for Social Development and Human Security  
Recommendation to the cabinet planned in 2010*

The Thai government through the Ministry of Social Development and Human Security conducted the project “CSR public policies proposal development and education program” in 2008. During the first drafting process, the representatives from businesses, civil society, and local administration authorities in each province of Thailand actively participated in brainstorming, giving opinions, and sharing comment in the 76 provincial-level workshops nationwide. The proposal then was submitted to 4 regional-level workshops and finally brought into the national-level in Bangkok. About 4,000 participants in total have been involved throughout the drafting process. Upon the ministerial endorsement, the Ministry of Social Development and Human Security plans to submit this policy for cabinet approval and publicly announce the “Nation CSR Policy” in 2010.

#### **2. CSR Center**

*2007*

*Ministry of Social Development and Human Security*

The Royal Thai Government recognizes significant roles of the corporate sector in enhancing social development and addressing social problems. It encourages people participation in social responsibility challenges. Accordingly, the Corporate Social Responsibility Promotion Center was established in June 2007 under the responsibility of the Ministry of Social Development and Human Security (MSDHS). It functions as the government center for promoting and coordinating CSR activities in Thailand as well as networking. So far, the center has implemented many campaigns and projects to promote accurate understanding of CSR, raise public awareness and increase accessible channels to CSR information. It has organised nation-wide seminars and exhibitions, launched a website and a handbook with guidelines for Responsible Business Conduct. One notable activity is the Award Competition for Outstanding Workplace with Handicapped-Friendly Facilities initiated by the National Office for Empowerment of Persons with Disabilities. This Award aims to encourage public and private sectors to create friendly facilities for person with disabilities and promote such practices.

#### **3. CSR Institute (CSRI) & other initiatives from the Stock Exchange of Thailand**

*Stock Exchange of Thailand (SET)*

*Launched 2007*

In 2007, SET established a Corporate Social Responsibility Institute (CSRI) to encourage the business sector to get more involved with society and the environment; and to promote concepts and practices relating to CSR. Substantive measures have also been taken to raise good governance standards.

SET also runs the annual CSR Awards to recognize listed companies that demonstrate exceptional contributions to society. See point 6.

As a whole, SET provides a knowledge base and platform support for CSR development among businesses. CSRI also positions itself as a facilitator and match-maker between listed companies and external parties for building partnerships and making strategic use of their resources and capabilities to impact social issues on various strategic themes. These themes include employee development, community linkage, responsible financial institutions and socially responsible investment.

#### **4. CSR Guidelines for Listed Companies and others Companies**

*Securities & Exchange Commission (SEC) of Thailand, Stock Exchange of Thailand (SET)*

*Issued Jan. 2008*

In 2008, the Stock Exchange of Thailand and the Thai Securities and Exchange Commission jointly published the “Corporate Social Responsibility Guidelines”. These guidelines recommend an integrative approach for Thai corporations for being strategically responsible, both internally and externally.

The CSR Guidelines Handbook was distributed to listed companies’ executives. However, the guidelines are also relevant for other companies. The guidelines encompass the following sections:

- Corporate Governance (refers to OECD Guidelines for Corporate Governance);
- Fair practice (refers to free trade, avoidance of intellectual property rights violation and conflict of interest);

- Human Rights (general statement, and Human Rights in the workplace);
- Consumer rights;
- Community development;
- Environment;
- Technology;
- CSR Disclosure.

References to international instruments: OECD Guidelines for Multinational Enterprises, OECD Guidelines for Corporate Governance, UN Global Compact

## **5. Process for Designing a Set of SRI Criteria**

*Securities & Exchange Commission (SEC) of Thailand, Stock Exchange of Thailand (SET)*

*Process started 2008, Guidelines release planned 2009*

In order to develop the Sustainable Investment market in Thailand, SET and SEC are working with various institutions representing the private sector, the civil society and Academics for establishing Socially Responsible Investment (SRI) road map and criteria. The criteria should allow comparison and benchmarking with internationally recognized SRI criteria, in particular the UN “Principles for Responsible Investment (PRI)”, and reporting standards - while adapting all of them to fit the local context. The working draft for criteria is in public hearing stage in 2009.

The criteria could rely on the following international standards: OECD guidelines, ISO 26000, DJSI and FTSE4Good, GRI.

References to international instruments (considered): OECD Guidelines for Multinational Enterprises, GRI

## **6. Stock Exchange CSR Awards**

*Started 2006*

*Stock Exchange of Thailand (SET)*

CSR Awards was established by SET in 2006. Candidates companies must be Thai listed companies. They are required to submit a CSR report on a voluntary basis. In 2009, six categories – according to market capitalization – were created, in order to encourage participation of all listed company to the Awards. The double increase of candidate companies in the CSR Awards 2009 shows CSR development in the past few years.

## ***B - Engagement in International Initiatives***

### **7. UN PRI: the Government Pension Fund (GPF) is an Asset Member**

The GPF manages assets worth Thai Baht 375,550 Million (approx. Euros 8 Billions). Its policy statement refers to UN PRI, OECD Guidelines, and OECD Corporate Governance Guidelines. The GPF checks company information with respect to OECD Guidelines and UN Global Compact.

References to international instruments: UN PRI, OECD Guidelines, UN Global Compact, OECD Guidelines for Corporate Governance)

### **8. UN PRI: other Members**

In addition to the GPF, Westmount Pacific LLC, Thailand (asset owner category) and Prime Energy Development (Investment manager category) are both signatories to the UN PRI.

### **9. UN Global Compact Local Network**

*The focal point is the Employers Confederation of Thailand (ECOT). The UNDP, the OHCHR, and UNEP are also involved.*

*Launched in 2001*

21 Global Compact signatories (businesses and others – as of September 24th, 2009)

[www.unglobalcompact.org/NetworksAroundTheWorld/display.html?id=TH](http://www.unglobalcompact.org/NetworksAroundTheWorld/display.html?id=TH)

References to international instruments: UN Global Compact

## ***C - Other Activities and Organisations Related to RBC/CSR***

### **10. Thai Initiative for Green Procurement and Purchasing**

The Thai Green Purchase Network has published a Guidance Manual and a report on Green Procurement and Purchasing.

### **11. AIDS-response Standard Organization Thailand (ASO Thailand)**

*Department of Labour Protection and Welfare, Ministry of Labour, Department of Disease Control, Ministry of Public Health and Thai Business Coalition against AIDS/HIV (TBCA)*  
*Started 2005*

ASO consists of implementing effectively guidelines and processes for preventing, controlling and managing HIV/AIDS in the workplace. The Guidelines established are consistent with ILO standards.

ASO has recently announced 1,528 names of companies who successfully established effective HIV/AIDS prevention and management programs in their workplace for the year 2008. These companies will be granted ASO Awards in the coming months.

TBCA is a Thai NGO established in 1992. It promotes good, non-discriminatory workplace policies with respect to HIV/AIDS, through training, advocacy, consultancy. It has established a code of conduct. It has worked with more than 7,000 companies.

References to international instruments: ILO standards

### **12. Thai Industrial Standards Institute (TISI)**

TISI is the Thai national standardisation body participating in the ISO working group on ISO 26000. TISI hosted an international ISO 26000 meeting in 2005.

[www.tisi.go.th](http://www.tisi.go.th)

### **13. Thai Certificate Based on ISO 26000**

*Department of Industrial Work*

*Started 2008*

The Department of Industrial Works (DIW), together with the Management System Certification Institute, has awarded a CSR-DIW certificate to 28 Thailand-based companies or plants in 2008. This CSR-DIW is a certificate attesting the preparedness of these companies/plants to ISO 26000. It encompasses the following topics: Corporate supervision, Human rights, Treatment of Labour, Surroundings, Fair business conduct, Consumers' issues, Social Development. Companies (or one of their plants) awarded include: PTT, Thai Oil, Siam City Cement, Map Ta Phut Site of Bayer Thai, Khanom Power Plant of EGCO. 110 businesses have agreed in April 2009 to participate to the CSR-DIW programme, which aims at preparing businesses to ISO 26000.

References to international instruments: ISO 26000

### **14. CSR Day – March 19<sup>th</sup>, 2009**

*CSRI (CSR Institute of the Stock Exchange of Thailand), Thaipat Institute*

*Started 2009*

The Corporate Social Responsibility Institute (CSRI) and the Thaipat Institute ("Foundation for Thailand Rural Reconstruction Movement Under Royal Patronage) held the CSR DAY to encourage listed companies and other firms to strengthen their business operations and increase their business opportunities by applying business strategy on a CSR basis. The CSR Day focused on employee participation at all levels. DTAC and Bangchak were among the participating firms.

[www.thaipr.net/nc/readnews.aspx?newsid=E3CAA62DE571490A234AD6B43CB41630&sec=&query=ZXZlcnkZGF5](http://www.thaipr.net/nc/readnews.aspx?newsid=E3CAA62DE571490A234AD6B43CB41630&sec=&query=ZXZlcnkZGF5)

### **15. CSR Campus - Apr 23rd, 2008**

*DTAC, CAT TELECOM, TOYOTA, Thaipat Institute*

*Started 2008*

The objective is to educate SMEs in all Thai 76 provinces so as to develop a better understanding of CSR. The project is continuing in 2009.

### **16. Kenan Institute of Asia**

KIA proposes CSR training and consultancy programmes on CSR.

[www.kiasia.org](http://www.kiasia.org)

**17. Caux Round Table Thailand (CRTT)**

It is the Thai Chapter of the Caux Round Table Organisation. It is part of the Southeast Asia network of Caux Round Table.

**18. Social Ventures Network (SVN)**

SVN Thailand is an organisation promoting sustainability in SMEs. It presents every year the SVN Awards.

**19. Thai Business Council for Sustainable Development**

*Established 1993*

The TBCSD partners with the WBCSD. Its work focuses on the Environment: Green Supply Chain Initiative, ISO 14000.

**20. Net Impact Bangkok**

It is the Thai Chapter of the global Net Impact network, headquartered in San Francisco.

Net Impact Bangkok hosts a monthly lunch with a speaker on a CSR topic. It is hosted by Sasin (Chulalongkorn University), a flagship business school in Thailand.

**21. Thai Institute for Industrial Standards**

The TISI is involved in the CSR-DIW project. It is a member of ISO working group.

**22. Thai Productivity Institute**

It held a CSR conference in 2007.

**23. Employers Confederation of Thailand (ECOT)**

ECOT is the local focal point for the UN Global Compact.

**24. AIT (Asian Institute of Technology)**

AIT and CSR Asia have announced the launch in February 2009 of the Asian Centre for Corporate Social Responsibility at AIT (ACCSR). The Centre will be based at AIT.

**25. The NETWORK of NGO and Business Partnerships for Sustainable Development**

The NETWORK aims to encourage and develop partnerships between NGOs and businesses on social and environmental agenda. It runs seminars and sends out a newsletter, releases books and publications and has a website: [www.ngobiz.org](http://www.ngobiz.org).

## III - Malaysia

### A - Main National Initiatives

#### 1. CSR Framework for Public Listed Companies (PLCs)

*Ministry of Finance*

*Launched 2006*

Tan Sri Nor Mohamed Yakcop, Minister of Finance, who presented CSR as part of Malaysia Government strategy for Sustainable Development, launched the Framework.

The framework encompasses 4 topics: the environment, the workplace, the community and the marketplace.

#### 2. CSR Disclosure for Public Listed Companies (PLCs)

*Bursa Malaysia*

*2006*

Bursa Malaysia requires all listed companies to incorporate information on their CSR activities in their annual report (Chapter 9 - Continuing Disclosure, Listing requirements, Main market).

An assessment of CSR disclosure has been conducted by CSR Asia, commissioned by Bursa Malaysia. This assessment was done on 2006-2007 reports, thus before the requirement was fully implemented. 40% of PLCs fell in the poor and below average band.

#### 3. Prime Minister CSR Awards

*Ministry of Women, Family and Community Development*

*2007*

The Prime Minister has presented the so-called Anugerah CSR Perdana Menteri for the years 2007 and 2009. There are 8 Award categories: Education, Environment, Culture & Heritage, Community & Social Welfare, Best Workplace Practices, Small Company CSR, Empowerment of Women, and Media Coverage. 70 companies sent entries in 2009 for around 150 projects.

[www.anugerahcsrmlaysia.org](http://www.anugerahcsrmlaysia.org)

#### 4. Corporate Governance Index

*Minority Shareholders Watchdog Group (MSWG)*

*2009*

The index, announced in June 2009, will assess corporate governance practices of the 960 companies listed in Malaysia. The top 100 companies will be announced at the end of 2009. Companies will be assessed, amongst others, against the stock exchange's Listing Requirements and the Malaysian Code on Corporate Governance Standards. The Nottingham University Business School and the National University of Singapore's Corporate Governance Financial Reporting Centre will assist MSWG for setting up the methodology.

[www.mswg.org.my](http://www.mswg.org.my)

#### 5. SRI Index

*OWW Consulting*

*2006*

OWW Consulting has launched a SRI Index in 2006, based on international standards as well as on the CSR Framework for Public Listed Companies. Criteria encompass governance, transparency, codes of conduct, corruption and bribery, employment, marketplace, environment, community, and human rights.

[www.sri-asia.com/products/malaysian-sri-index-8.html](http://www.sri-asia.com/products/malaysian-sri-index-8.html)

References to international instruments: GRI, UN PRI

#### 6. Government Linked Companies (GLCs) philanthropic programmes - Sejahtera Programme and PINTAR Foundation

*Government*

*Started 2008*

The Sejahtera Programme is part of the GLC Transformation Programme, which aims to uplift GLCs and enhance their performance. The Sejahtera programme is the CSR component of this GLC Transformation



Programme. His objectives are to help the poor, in areas such as housing, access to electricity and water, support for social business...

The PINTAR Foundation allows adoption of schools by GLCs – the GLCs adopting a school should provide it with support.

## **7. Plan to launch a SRI Index**

*Bursa Malaysia*

*Announced October 2009, to be implemented in the next few years.*

Bursa Malaysia's CEO has announced the decision to launch a SRI Index. The objective of the index would be to attract investors while providing them with information and guidance on ESG of Malaysian listed companies. The Index would also be a driver for CSR implementation with Malaysian firms.

## ***B - Engagement in International Initiatives***

## **8. UN Global Compact local network**

*Local network launched in 2008*

*The Network Focal Point is the Caux Round Table (Malaysia). It acts in partnership with UNDP and Khazanah Malaysia.*

54 Global Compact signatories (businesses and others – as of August 24th, 2009)

[www.unglobalcompact.org/NetworksAroundTheWorld/display.html?id=MY](http://www.unglobalcompact.org/NetworksAroundTheWorld/display.html?id=MY)

References to international instruments: UN Global Compact

## **9. UNPRI**

Corston-Smith Asset Management is a UN PRI signatory in the investment manager category.

OWW Consulting is a signatory of the UN PRI in the Professional service partner category.

References to international instruments: UN PRI

## **10. Secretariat of Roundtable on Sustainable Palm Oil (RSPO)**

*Roundtable on Sustainable Palm Oil (RSPO)*

*2004*

The RSPO is an international multi-stakeholder initiative involving businesses, NGOs and banks/investors aiming at developing and implementing global standards for palm oil. The RSPO Principles and Criteria were adopted in 2005 and encompass a grievance mechanism.

References to international instruments: RSPO Principles & Criteria

[www.rspo.org](http://www.rspo.org)

## ***C - Other Activities and Organisations Related to RBC/CSR***

## **11. OWW Consulting Partnership with Vigeo for ESG Analysis on Asian Companies**

In addition to the SRI index mentioned above (See Malaysia – #3), OWW has signed a partnership with Vigeo aiming at conducting social and environmental research on the companies included in the DJStoxx 600 Asia-Pacific.

## **12. Department of Standards Malaysia (DSN)**

DSN is the Malaysian national standardisation body participating in the ISO working group on ISO 26000. It has a website dedicated to CSR, which delivers information on ISO 26000 and the UN Global Compact:

[www.standardsusers.org/mysr](http://www.standardsusers.org/mysr).

References to international instruments: UN Global Compact, ISO 26000

## **13. ACCA (Association of Chartered Certified Accountants) Malaysia & the ACCA Malaysia Sustainability Reporting Awards**

ACCA Malaysia organises every year the ACCA Malaysia Sustainability Reporting Awards since 2002 and has released a CSR Guide for the private sector in 2008.

**14. National Annual Corporate Report Awards (NACRA) – Corporate Social Responsibility Category**

*Bursa Malaysia, Malaysian Association of Certified Public Accountants (MACPA), and Malaysian Institute of Accountants (MIA)*

2008

The NACRAs were created in 1990 and were the outcome of the merging of two previous awards. The NACRAs award the Best Corporate Reports in various categories. In 2008, a CSR Report Category was added, with a Platinum, a Gold and a Silver Awards. CSR Reports are evaluated according to the CSR Framework designed by Bursa Malaysia – More details are available in the NACRA 2009 Brochure:

[www.micpa.com.my/micpamember/document/NACRA\\_2009\\_Brochure.pdf](http://www.micpa.com.my/micpamember/document/NACRA_2009_Brochure.pdf)

[www.micpa.com.my/micpamember/public/nacra.asp](http://www.micpa.com.my/micpamember/public/nacra.asp)

**15. Caux Round Table Malaysia (CRT-MY)**

CRT-MY is the local focal point organisation of the UN Global Compact.

**16. Business Council for Sustainable Development Malaysia**

[www.bcsdm.com.my](http://www.bcsdm.com.my)

**17. Institute of Corporate Responsibility, Malaysia**

It held a conference in 2007 on CSR with UNDP.

[www.icrm.com.my](http://www.icrm.com.my)

**18. Business Ethics Institute Malaysia**

**19. Malaysian Institute of Corporate Governance**

[www.micg.net](http://www.micg.net)

## IV - Vietnam

### A - Main National Initiatives

#### 1. Vietnam Business Links Initiative

VCCI (Vietnam Chamber of Commerce & Industry), IBLF (International Business Leaders Forum)  
Started 1999

The initiative first aimed at improving working standards in the export-oriented Vietnamese Footwear Industry, which employs over 400,000 people. It has gained the support of international sportswear companies (Adidas-Salomon, Asics, Nike, Pentland, Puma) and other stakeholders (ActionAid Vietnam, Ethical Trading Initiative Norway, SGS Vietnam).

The initiative is now extending to SME suppliers to the footwear industry, and to the garment industry, with the support of the World Bank.

[www.vcci.com.vn/vbli](http://www.vcci.com.vn/vbli)

[www.iblf.org/regions/asia/vietnam.jsp](http://www.iblf.org/regions/asia/vietnam.jsp)

#### 2. Integrity and Transparency in Business Relationships Initiative for Vietnam

VCCI, IBLF, Transparency International, Embassies of Sweden and Britain  
Will start late 2009

This initiative is a 3-year programme. It aims at promoting transparency and good governance in Vietnamese companies.

#### 3. Factory Improvement Programme (FIP) in Vietnam

VCCI HCM (Vietnamese Chamber of Commerce & Industry, Ho Chi Minh City) and Vietnam Cleaner Production Centre (VNCPC) (implementation), ILO (project development)  
Started 2006

FIP objective is to help factories from the garment industry to improve their quality and productivity while also building better worker/management relationships through training and dialogue. The programme focuses on the following topics: workplace cooperation, Human Resources & workplace relationships, Health & Safety, quality, productivity and cleaner production.

The project was first implemented in North Vietnam by VNCPC and is now being implemented in South Vietnam by VCCI HCM.

References to international instruments: ILO Conventions

#### 4. Project: Helping Vietnamese SMEs Adapt and Adopt Corporate Social Responsibility (CSR) for Improved Linkages with Global Supply Chains in Sustainable Production

European Commission (funding), implementation: UNIDO, Vietnam Chamber of Commerce and Industry (VCCI), EuroCham, Vietnam Leather and Footwear Association (LEFASO), Vietnam Textile and Apparel Association (VITAS), Vietnam Electronics Industry Association (VEIA), Institute of Labour Science and Social Affairs (ILSSA), Directorate for Standards, Metrology and Quality (STAMEQ), National Metal and Materials Technology Center (Thailand), and SEQUA (Germany)

Planned to start in late 2009

The project's goal is to "improve the environmental and social performance of Vietnamese small and medium enterprises (SMEs) and enhance their international competitiveness through better understanding of corporate social and environmental standards and strengthened cooperation between Europe and Asia."

#### 5. Better Work Programme (BWP)

ILO, IFC (International Finance Corporation)  
Launched 2008

The programme builds on Better Factories Cambodia. It aims to develop capacities for improving working conditions in various industries. It includes monitoring of these working conditions. Better Work Programme brings together local enterprises, international buyers, governments, and workers' and employers' organisations. It is designed to benefit to the workers, the local companies (competitiveness) as well as international brands (supply chain).

The BWP is being implemented in Vietnam in addition to Cambodia (Better Factories Cambodia); other Asian countries are being considered also.

References to international instruments: ILO Conventions

## ***B - Engagement in International Initiatives***

### **6. UN Global Compact**

*Local network launched in 2007*

*The Network Focal Point is the VCCI*

27 Global Compact signatories (businesses and others – as of October 6<sup>th</sup>, 2009)

[www.unglobalcompact.org/NetworksAroundTheWorld/display.html?id=VN](http://www.unglobalcompact.org/NetworksAroundTheWorld/display.html?id=VN)

References to international instruments: UN Global Compact

We can also mention programmes and projects referring to ILO instruments.

## ***C - Other Activities and Organisations Related to RBC/CSR***

### **7. Vietnam Forum on CSR**

*ActionAid, Center for Development and Integration (CDI)*

Sponsored and managed by ActionAid Vietnam and the Center for Development and Integration (CDI), Vietnam Forum on CSR is an information and resource website on CSR, aiming to raise awareness, share best practices and exchange points of views on CSR.

[www.vietnamforumcsr.net](http://www.vietnamforumcsr.net)

### **8. CSR Award for Businesses**

*VCCI*

*Started 2005*

The award was first launched first in 2005 by ActionAid Vietnam (AAV), Vietnam Leather and Footwear Association (LEFASO VIETNAM) and the Centre for Development and Integration (CDI) for enterprises operating in the Leather and Footwear Sector.

In 2006, CSR Awards was extended to other industries and started to cover the Textile & Garment sector as well as the Leather & Footwear sector. It was then managed by VCCI and Action Aid Vietnam.

It is now organized by the VCCI for various sectors. The CSR Award 2009 will be presented in December.

[http://vibforum.vcci.com.vn/news\\_detail.asp?news\\_id=17745](http://vibforum.vcci.com.vn/news_detail.asp?news_id=17745)

### **9. Code of Conduct (Labour standards) promoted within the Vietnam Leather and Footwear Industry**

*Sponsored and managed by Action Aid Vietnam (AAV), Vietnam Leather and Footwear Association (LEFASO Vietnam) and Leather and Footwear Research Institute*

*Started 2004 and completed in 2006*

The programme promoted the implementation of a Code of Conduct within Leather and Footwear Industry's enterprises in Vietnam.

### **10. Vietnam Chamber of Commerce & Industry (VCCI)**

The VCCI is involved in various CSR projects. It has awareness raising and capacity building activities: seminars, research, and awards.

<http://vibforum.vcci.com.vn>

### **11. VCCI HCM (Vietnam Chamber of Commerce & Industry, Ho Chi Minh City)**

VCCI HCM, in addition to the FIP programme, is also involved in other CSR activities, such as training and consultancy for CSR.

### **12. Vietnam Cleaner Production Centre (VCPC)**

*Ministry of Education and Training (MOET), UNIDO, Institute for Environmental Science and Technology (host), Swiss State Secretariat for Economic Affairs (SECO)*

*Started 1998*

VCPC purpose is to develop cleaner production practices across various industries, thanks to knowledge, training and advice.

[www.vncpc.org](http://www.vncpc.org)

### **13. Vietnam Business Council for Sustainable Development**

VCCI, UICN, SNV Netherlands Development Organization

Starting 2009

VBCSD is the local branch of the WBCSD. The 12 founding companies are: Holcim Vietnam, BP, Unilever, Son Ha Garment Co., Shell Vietnam, Dragon Clean Development, Hanoi Trade Corp., Vietnam Coal and Mineral Group, Nippon Vietnam, Ho Chi Minh Securities Co., Saigontourist, OSB, HiPT, Bayer Vietnam Ltd., and SGS Vietnam Ltd. VBCSD expects to have more than 100 members by 2010.

### **14. Leather and Footwear Association (LEFASO VIETNAM)**

LEFASO participates in various CSR projects.

[www.lefaso.org.vn](http://www.lefaso.org.vn)

### **15. Directorate for Standards, Metrology and Quality (STAMEQ)**

The Directorate for Standards, Metrology and Quality is the Vietnamese national standardisation body participating in the ISO working group on ISO 26000.

[www.tcvn.gov.vn](http://www.tcvn.gov.vn)

### **16. Central Institute for Economic Management (CIEM)**

The Central Institute for Economic Management (CIEM) is a national institute (a think tank) under the direct authority of the Ministry of Planning and Investment of Vietnam was founded in May 1978. CIEM has 96 professional staffs undertaking research activities

The research works related to CSR (RBC) achieved by CIEM in the last 3 years are as follows:

- 2007, Vu Xuan Nguyet Hong, Director of Management Science Department with her Team carried out the Study assigned by MPI “Proposing Policy and Mechanism to Encourage Businesses to Invest in Environment Protection”;
- 2008, Dr. Nguyen Thi Tue Anh, Director of Macroeconomic Policy Department with her Team carried out the Study assigned by MPI “Social Responsibility and Demand of Laborers in Vietnamese Businesses”;
- 2008, Dr. Nguyen Dinh Tai and Le Thanh Tu publicized the research “Responsibility to Employees – the First Component of CSR” in “Ouverture International”, No. 12, 6/2008, CFVG, Hanoi;
- 2009, Dr. Nguyen Dinh Tai and Le Thanh Tu presented the research paper “Enhancing CSR to Employees and Consumers by Incorporating Public-Private Efforts – the Case of Vietnam” at APEC Symposium “Enhancing Public-Private Partnership on CSR”, Hanoi, 1-2 October, 2009.

### **17. University of Labour & Social Affairs (ULSA)**

The ULSA has integrated CSR into the University curriculum.

### **18. French-Vietnamese Center for Management Education (CFVG)**

The CFVG is a participant to the UN PRME (United Nations Principles for Responsible Management Education).

## V - Indonesia

### A - Main National Initiatives

#### 1. Article 74 of the 2007 Law on Limited Liability Companies (40/2007), Requiring Companies to Invest in CSR

2007

See Box 4 for a translation of the Law:

##### **Box 4 – Article 74, 2007 Limited Liability Company Law (40/2007), Chapter V – Environmental and Social Responsibility**

- 1) Companies doing business in the field of and/or in relation to natural resources must put into practice Environmental and Social Responsibility.
- 2) The Environmental and Social Responsibility contemplated in paragraph (1) constitutes an obligation of the Company which shall be budgeted for and calculated as a cost of the Company performance of which shall be with due attention to decency and fairness.
- 3) Companies who do not put their obligation into practice as contemplated in paragraph (1) shall be liable to sanctions in accordance with the provisions of legislative regulations.
- 4) Further provisions regarding Environmental and Social Responsibility shall be stipulated by government regulations

This law shows an interest of the government in CSR and is a milestone for Indonesia.

#### 2. Article 66 of the 2007 Limited Liability Company Law (40/2007), Making CSR Reporting Mandatory

2007

The law requires Limited Liability Companies to report on social and environmental aspects. It is too early to assess its impact. See Box 5.

##### **Box 5 - Article 66 of the 2007 Limited Liability Company Law (40/2007) (abstract)**

The annual report as meant in paragraph (1) shall contain at least:

...

c. Report on realization of social and environmental responsibility;

...

#### 3. SRI-Kehati

June 2009

*PT Bahana Sekuritas (Indonesia Stock Exchange), with the support of Kehati (Indonesian Biodiversity Foundation)*

The new index (Sustainable Responsible Index) is based on financial and non-financial criteria. Non-financial criteria are the environment, the community, corporate governance, human rights, ethical business behaviour and labour practices.

The 25 stocks selected at the time of the launch are PT Astra Agro Lestari, PT AKR Corporindo, PT Aneka Tambang, PT Astra International, PT Bank Central Asia, PT Bank Rakyat Indonesia, PT Bank Danamon Indonesia, PT Berlian Laju Tanker, PT Bank Mandiri, PT Global Mediacom, PT Bank CIMB Niaga, PT Bank Panin Indonesia, PT Indofood Sukses Makmur, PT Indocement Tungal Perkasa, PT Indosat, PT Kalbe Farma, PT Lippo Karawaci, PT Medco Energi International, PT Perusahaan Gas Negara, PT Tambang Batubara Bukit Asam, PT Holcim Indonesia, PT Timah, PT Telekomunikasi Indonesia, PT United Tractors, and PT Unilever.

#### **4. Indonesia Business Links (IBL)**

*Established as a business forum in 1998, and as a foundation in 2001*

*IBLF was instrumental in the setting up stage*

IBL registered as foundation in 2001 and has now over 45 corporate members, and hundreds of program partners (corporate, government, and civil society). IBL aims at raising awareness and building the private sector capacities on CSR. It also helps to build partnership initiatives for sustainable development.

It was initially partly funded by UNDP. It has since received supports from DfID, USAID (through International Youth Foundation), IFC, ILO, IBLF (International Business Leaders Forum), Center for International Private Enterprise (CIPE) and the Ford Foundation. IBL is implementing several programs including Business Ethics, Young Entrepreneurs Start-Up (YES) in Indonesia, Small Business Development, and Environment. IBL held CSR conferences in 2006 and 2008. IBL is also active in international networking, with a number of like-minded organizations.

[www.ibl.or.id](http://www.ibl.or.id)

#### **5. National Center for Sustainability Reporting (NCSR)**

*Founding members: Indonesian Institute of Management Accountants (IAMI), Indonesia-Netherlands Association (INA), National Committee on Governance (KNKG), Forum for Corporate Governance in Indonesia (FCGI), and the Association of Indonesian Publicly Listed Companies (AEI) 2005*

The NCSR promotes CSR reporting through awareness raising, awards and training.

The NCSR is an organisational stakeholder member of GRI since 2006.

[www.ncsr-id.org](http://www.ncsr-id.org)

References to international instruments: GRI

#### **6. Indonesia Sustainability Reporting Award (ISRA)**

*2005*

*NCSR*

The NCSR presents each year since 2005 the ISRA, for promoting CSR reporting among Indonesian companies,

[www.ncsr-id.org](http://www.ncsr-id.org)

### ***B - Engagement in International Initiatives***

#### **7. UN Global Compact**

*Local network launched in 2006*

*The Network Focal Point is the Indonesia Global Compact Network (IGCN), formally launched during the Asia-Pacific Forum.*

*155 participants (businesses and others – as of July 21<sup>st</sup>, 2009)*

The network is supported by the UNDP.

[www.unglobalcompact.org/NetworksAroundTheWorld/display.html?id=ID](http://www.unglobalcompact.org/NetworksAroundTheWorld/display.html?id=ID)

References to international instruments: UN Global Compact

#### **8. UN PRI**

A workshop co-hosted by Indonesia Stock Exchange (IDX), Yayasan Keanekaragaman Hayati Indonesia (KEHATI) and the PRI Initiative was held in January 2009 in Jakarta. Keynote speakers included HE Ir Rahmat Witoelar, Minister of the State Ministry of Environment and HE Prof. Emil Salim, Member of the Advisory Council to the President of Republic of Indonesia. There were presentations and panel discussions with representatives from IDX, MEDCO, Indonesia Capital Market and Financial Institutions Supervisory Agency (BAPEPAM-LK), the Mutual Fund Association (APRDI), Fortis, Schrodgers and OWW Consulting.

References to international instruments: UN PRI

#### **9. GRI**

The National Center for Sustainability Reporting (see above) is an organisational stakeholder of the GRI.

References to international instruments: GRI



**10. EITI (Extractive Industries Transparency Initiative) – Expression of Intention to Make an Application to Become an EITI Candidate**

Government  
2009

**Box 6 – Indonesia: Expression of Intention to Make an Application to Become an EITI Candidate**

“An official Note of Understanding between the Coordinating Minister for Economic Affairs, the Finance Minister and the Minister for Energy and Mineral Resources sets out an agreement to work together on the implementation of extractive industries revenue transparency, based on international best practices including the criteria and implementation indicators of the Extractive Industries Transparency Initiative (EITI)”

source: EITI website

References to international instruments: EITI

**11. RSPO (Roundtable for Sustainable Palm Oil) Liaison Office in Jakarta**

2006

The liaison office aims at a better implementation of RSPO initiative in Indonesia.

[www.rspo.org](http://www.rspo.org)

***C - Other Activities and Organisations Related to RBC/CSR***

**12. National Standard Bureau (Badan Standarisasi Nasional)**

The National Standard Bureau is the Indonesian national standardisation body participating in the ISO working group on ISO 26000. It held a national seminar on ISO 26000 in 2006.

[www.bsn.go.id/bsn/activity.php?id=55&language=en](http://www.bsn.go.id/bsn/activity.php?id=55&language=en)

**13. Indonesian Institute of Management Accountants**

It has co-founded the National Center for Sustainability Reporting (NCSR).

**14. Forum for Corporate governance in Indonesia**

It has co-founded the National Center for Sustainability Reporting (NCSR).

[www.cic-fcgi.org](http://www.cic-fcgi.org)

**15. Yayasan Keanekaragaman Hayati Indonesia (KEHATI) - Indonesian Biodiversity Foundation**

Kehati co-hosted the UN PRI workshop in January 2009, and launched with IDX the Kehati-SRI index.

[www.kehati.or.id](http://www.kehati.or.id)

**16. Indonesia Stock Exchange (IDX)**

IDX co-hosted the UN PRI workshop in January 2009. It launched with Kehati the Kehati-SRI index.

[www.idx.co.id](http://www.idx.co.id)

**17. Indonesia Capital Market and Financial Institutions Supervisory Agency (BAPEPAM-LK)**

Baepam-LK co-hosted the UN PRI workshop in January 2009

**18. Lead Indonesia - Foundation for Sustainable Development (YPB)**

YPB and Lead have activities in the field of Sustainable Development. Lead organised the ISO 26 000 workshop with the National Standard Bureau in 2006.

## VI - The Philippines

### A - Main National Initiatives

#### 1. **Philippine Business for Social Progress (PBSP)**

*Established in the 70's*

Committed to poverty reduction, Philippine Business for Social Progress (PBSP) is a large corporate-led social development foundation in the Philippines. PBSP has promoted and encourage the practice of corporate social responsibility (CSR) for a long time.

PBSP comprises of more than 250 large, medium-scale and small businesses.

PBSP operates nationwide, with programs in Education, Health, Sustainable Livelihood, and Micro, Small and Medium Enterprise Development. Working with partners and communities, PBSP's programmes help the poor rise above poverty and become self-reliant.

Since its inception in 1970, PBSP has benefited 4.5 Million Filipinos and assisted over 6,200 social development projects with over PHP 7 Billion in grant assistance and development

[www.pbsp.org.ph](http://www.pbsp.org.ph)

#### 2. **League of Corporate Foundations (LCF)**

*Established 1996*

The LCF is a membership organisation with over 70 operating and grant making corporate foundations. His purpose is to provide 'business solutions to social problems through Corporate Social Responsibility'.

In order to promote CSR, the LCF started a CSR Institute in 2007. The CSRI organised a 3-day CSR conference in 2008. The CSR Institute conducts specialized seminars/workshops for CSR practitioners. It works toward embedding CSR into university curriculum; proposes monthly roundtables on CSR and publishes research.

The LCF held a CSR Expo on July 9-10 2009. The Expo was organised back to back with the ASEAN-Europe CSR Exchange.

[www.lcf.org.ph](http://www.lcf.org.ph)

#### 3. **Ramon V. del Rosario, Sr. Center for Corporate Social Responsibility (AIM-RVR CSR Center)**

*Launched July 2000*

The Ramon V. Del Rosario Sr. Center for Corporate Social Responsibility (RVR CSR Center) was organised in September 1999 and formally launched on July 18, 2000.

The RVR CSR Center is a research and programme center within the Asian Institute of Management. Its main task is the management of corporate citizenship with respect to the competitiveness of firms and its impact on society. The Center is engaged in case writing, research, surveys, program development, executive education, training, book writing and publication. It conducts an annual regional conference on Corporate Social Responsibility. At this occasion, it presents CSR Awards. See I-C.

The RVR CSR Center also provides consultancy services in a range of Corporate Social Responsibility areas as an integral part of its mission. These services are available to corporations throughout Asia.

In addition to the AIM-RV CSR Center, AIM has created the Center for Corporate Social Responsibility for Human Development (CSRHD).

[www.rvr.aim.edu](http://www.rvr.aim.edu)

#### 4. **Ramon V. del Rosario Sr. Graduate School of Business (De La Salle University)**

It is a participant to the UN PRME (Principles for Responsible Management Education).

References to international instruments: UN PRME - UN Principles for Responsible Management Education

#### 5. **Securities Regulation Code – Requirement for Public Listed Companies to Make a Statement in their Reporting Regarding their Compliance with Environmental Laws and Regulations**

*Philippine Securities and Exchange Commission (PSEC)*

*2000*

[www.sec.gov.ph/index.htm?src/index](http://www.sec.gov.ph/index.htm?src/index)

## **6. 2007 Investment Priorities Plan – CSR Mandatory for Companies Entitled to a Six-year Income Tax Holiday**

*Board of Investment (BOI)*

2007

Companies operating in selected areas can register with the BOI – Board of Investments. They can thus be granted a six-year income tax holiday. Registered companies should implement CSR programmes. The companies should present their CSR Programme in the fourth year of this Income Tax Holiday, and report on it in the last two years. Failing to submit a report may lead to the remaining investment perks being discontinued.

[www.boi.gov.ph](http://www.boi.gov.ph)

## ***B - Engagement in International Initiatives***

### **7. UN Global Compact**

*The local network was launched in 2002.*

*In addition to the UNDP, the following organisations are involved in the development of the local network: Employers Confederation of the Philippines (ECOP), Philippine Chamber of Commerce and Industry (PCCI), Philippine Business for Social Progress (PBSP).*

There are currently 43 Global Compact Signatories (business and others – as of September 2009).

[www.unglobalcompact.org/NetworksAroundTheWorld/display.html?id=PH](http://www.unglobalcompact.org/NetworksAroundTheWorld/display.html?id=PH)

References to international instruments: UN Global Compact

## ***C - Other Activities and Organisations Related to RBC/CSR***

### **8. Bureau of Product Standards (BPS)**

BPS is the national standardisation body from The Philippines participating in the ISO working group on ISO 26000.

[www.bps.dti.gov.ph](http://www.bps.dti.gov.ph)

### **9. KAPATID Awards**

*Employers Confederation of the Philippines (ECOP)*

1995

These Awards were launched in 1995 by ECOP and recognize companies with the best performances in industrial relations, quality and productivity, social accountability, strategic visioning, and partnering for business and job survival.

### **10. Best Workplace POPDEV Program Award**

It is a co-initiative from the Philippine Chamber of Commerce and industry (PCCI) and the Employers Confederation of the Philippines (ECOP).

### **11. Employers Confederation of the Philippines (ECOP)**

In addition to the promotion of the UN Global Compact, ECOP conducts different activities and projects in CSR areas such as child-labour free, forced-labour free workplaces; and equal employment opportunity promotion. In 2002-2007, it participated in a project with GTZ (German Development Agency) to raise awareness and implement Social Accountability standard, which refers to the OECD Guidelines for MNEs.

[www.ecop.org.ph](http://www.ecop.org.ph)

References to international instruments: OECD Guidelines for Multinational Enterprises

### **12. Philippine Institute of Certified Public Accountants (PICPA)**

PICPA has established a Sustainability Reporting and Assurance Committee. The role of the committee is to promote and raise awareness on CSR and CSR disclosure; to participate in GRI activities; and to conduct other activities in the area of CSR Reporting.

[www.picpa.com.ph/PICPA-Committees-/COMMITTEE-CLUSTER-1/Sustainability-Reporting-and-Assurance.aspx](http://www.picpa.com.ph/PICPA-Committees-/COMMITTEE-CLUSTER-1/Sustainability-Reporting-and-Assurance.aspx)

### **13. Philippine Chamber of Commerce and Industry (PCCI)**

The PCCI is involved in the UN GC local network. It has a CSR Division, conducting CSR activities.

[www.philippinechamber.com](http://www.philippinechamber.com)

#### **14. Philippine Business for the Environment (PBE)**

The PBE has been involved in the development of the UN Global Compact local network.

It promotes corporate involvement in Sustainable Development and environmental management, through information, advocacy, and facilitation.

Part of his corporate members has signed the PBE Charter.

[www.pbe.org.ph](http://www.pbe.org.ph)

## VII - Singapore

### *A – Main National Initiatives*

#### **1. Singapore Compact for CSR**

*Started 2005*

*Set up by the National Tripartite Initiative (NTI) on CSR. The NTI included the NTUC (National Trade Unions Congress), the SBF (Singapore Business Federation), the SNEF (Singapore National Employers Federation) and the Ministry of Manpower.*

Singapore Compact for CSR is the 'national CSR society in Singapore'.

It acts as a multi-stakeholder platform, comprising of 250 members, in which 180 are large listed companies and SMEs over 10 employees.

It raises awareness and builds capacities in the field of CSR, and more specifically for the UN Global Compact and Sustainability Reporting.

It organises regular meetings, trainings, conferences and releases publications.

This year, it organised its inaugural Singapore Compact CSR Summit on 6<sup>th</sup> and 7<sup>th</sup> October 2009. The 2008 conference was done in partnership with Asian Forum on CSR, one of the largest annual regional CSR event, and the two previous ones was organised with the National Volunteering & Philanthropic Centre.

The Singapore Compact for CSR is conducting meetings for possibly setting up a SRI index in Singapore – this project is at an early stage.

It is an organisational stakeholder of GRI. It is the local focal point for the UN Global Compact.

[www.csrsingapore.org](http://www.csrsingapore.org)

References to international instruments: UN Global Compact, GRI

### *B - Engagement in International Initiatives*

#### **2. UN Global Compact**

*The local network was launched in 2005.*

*The Singapore Compact for CSR is the focal point.*

There are 67 Global Compact signatories (business and others – as of July 2009).

[www.unglobalcompact.org/NetworksAroundTheWorld/display.html?id=SG](http://www.unglobalcompact.org/NetworksAroundTheWorld/display.html?id=SG)

References to international instruments: UN Global Compact

### *C - Other Initiatives and Organisations Related to RBC/CSR*

#### **3. Sustainability Reporting Handbook**

*Singapore Compact for CSR, ACCA (Association of Chartered Certified Accountants)*

*Published 2008*

The Sustainability Reporting Handbook builds on the GRI3.

References to international instruments: based on GRI

#### **4. ACCA Singapore Awards for Sustainability Reporting**

*ACCA (Association of Chartered Certified Accountants)*

*Started 2003*

ACCA Singapore is the Singapore branch of ACCA Global, the organisation for professional accountants.

Beyond its duties on accountancy, it raises awareness and builds capacities in the field of sustainability and presents every year Sustainability Reporting Awards.

## **5. ACCA Sustainability Reporting Conference**

*ACCA, with Singapore Compact for CSR and Singapore Environment Institute (SEI)*

*June 2009*

The conference was targeted at professionals for the private sector. The training was based on GRI3.

References to international instruments: based on GRI

## **6. Book: “CSR for Sustainability and Success”**

*Singapore Compact for CSR*

*Launched October 2009*

This book is another effort to fulfil the mission of Singapore Compact for Corporate Social Responsibility (CSR) – to raise awareness, build capacity and share the CSR journey. It is a collaboration of many and truly reflects the Singapore Compact for CSR vision: “To be a dynamic network of stakeholders to advance sustainability for global good”. The 10 companies that share their experiences in the book are global and local companies in diverse industries, with operations in Singapore: food and beverage, retail, financial services, telecommunications, property development/management, construction, steel and energy. Their CSR experiences provide insights into the motivation, processes, challenges and opportunities in adopting an integrated approach to CSR aligned to business, and will be relevant to other organisations, including small and medium-sized enterprises.

## **7. Spring**

Spring is the Singaporean national standardisation body participating in the ISO working group on ISO 26000.

[www.spring.gov.sg](http://www.spring.gov.sg)

## **8. Singapore National Employers Federation (SNEF)**

SNEF was part of the National Tripartite Initiative on CSR, which created the Singapore Compact for CSR.

[www.sgemployers.com](http://www.sgemployers.com)

## **9. National Trade Union Congress (NTUC)**

NTUC was part of the National Tripartite Initiative on CSR, which created the Singapore Compact for CSR.

## **10. Singapore Environment Institute (SEI)**

SEI is the training division under the National Environment Agency (NEA) of Singapore. It is the government body responsible for the implementation of Singapore’s environmental policies. SEI also provides the government with expertise on the environment. SEI organises trainings for professionals on environmental issues including Climate Change. They have co-organised the Sustainability Reporting Workshop in June 2009 (see Singapore #5).

[www.nea.gov.sg/cms/sei/index.html](http://www.nea.gov.sg/cms/sei/index.html)

## **11. Singapore Environment Council (SEC)**

SEC is a non-profit independent organisation which purpose is to ‘nurture, facilitate and coordinate’ environmental causes in Singapore. SEC works with different groups of the society, including the private sector.

[www.sec.org.sg](http://www.sec.org.sg)

## VIII - Cambodia

### *A - Main Initiatives (with involvement in international initiatives)*

#### **1. Better Factories Cambodia**

*ILO*

*Started 1999*

Better ILO set up Factories Cambodia (BFC) for monitoring working conditions, and building capacities to improve them, in the garment industry.

The project, still on going, involves different stakeholders in addition to ILO: the Ministers of Commerce and Labour, the Garment Manufacturers' Association of Cambodia and Trade Unions. It is based on shared benefits: better working conditions for employees, enhanced competitiveness for employers, better information on supply chain for international brands.

The project grew up from a US-Cambodia textile trade agreement under which the US promised the Cambodian textile industry a better access to the US market in exchange for improved working conditions. In 2008, the project was extended to other industries and countries and became the Better Work Programme (see Vietnam).

[www.betterfactories.org](http://www.betterfactories.org)

References to international instruments: ILO Conventions

### *B - Other Initiatives Related to RBC/CSR*

#### **2. CSR Cambodia Conference**

*UNDP, ILO, Better Factories Cambodia*

*December 2008*

The conference, supported by UNDP, ILO and Better Factories Cambodia, brought together the public, the private sector, and the civil society in order to engage dialogue on and promote CSR. More than 250 delegates attended the sessions.

#### **3. CSR Summer University**

*Université Royale de Phnom Penh*

*September 2008*



## **IX - East-Timor / Timor-Leste**

### *A - Engagement in International Initiatives*

#### **1. Candidate Country to the Extractive Industries Transparency Initiative (EITI)** 2008

East-Timor has been accepted as a candidate country to the EITI and has undertaken validation.

References to international instruments: EITI

## Acronyms

ACCA	Association of Chartered Certified Accountants
APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of Southeast Asian Nations
GLC	Government Linked Company
GRI	Global Reporting Initiative
IBL	Indonesia Business Links
IBLF	International Business Leaders Forum
IUCN	International Union for the Conservancy of Nature
LCF	League of Corporate Foundations
MNCs	Multinational Companies
PBSP	Philippines Business for Social Progress
PLC	Public Listed Company
RBC	Responsible Business Conduct
RSPO	Roundtable for Sustainable Palm Oil
SMEs	Small & Medium-sized Enterprises
SRI	Socially Responsible Investment
UN PRI	United Nations Principles for Responsible Investment
UN PRME	United Nations Principles for Responsible Management Education
VCCI	Vietnamese Chamber of Commerce and Industry
WBCSD	World Business Council for Sustainable Development

## References

- ASEAN Foundation (2009), *ASEAN Foundation and Emerging CSR Issues and challenges*
- ADB (Asian Development Bank) (2009), *The Economics of Climate Change in Southeast Asia: A Regional Review*
- ADB (Asian Development Bank Institute) (2007), “Enhancing Corporate Social Responsibility Event (17-19 October 2007)”, *Papers & Presentations*
- Bertelsmann Stiftung and GTZ (2007), *The CSR navigator: Public policies in Africa, the Americas, Asia and Europe*
- Bursa Malaysia (2007), *Corporate Social Responsibility in Malaysian PLCs, 2007 Status Report, An Executive Summary*
- Byung-il Choi (2008), *Corporate Social Responsibility (CSR) in the APEC: Another Common Denominator or Harmonizing Measure?*
- CSR Asia (2008), *CSR Asia Business Barometer - The State of CSR Disclosure in Asia 2008*
- Filemon J. Uriarte (2008), “Corporate Social Responsibility in ASEAN”, LCF CSR Conference 2008
- International Finance Corporation & World Resources Institute (2009), *Undisclosed Risks: Corporate Environmental and Social Reporting in Emerging Asia*
- Ong, Melissa (2008), *Contextualising Corporate Social Responsibility in Singapore*
- Institute for International Studies and Training, Japan (2005), *Corporate Social Responsibility in the APEC Region – Current Status and Implications*
- SIDA (Swedish International Development Cooperation Agency), WRI (World Resources Institute) & CSR Asia (2009), *Making Climate Your Business - Private Sector Adaptation in Southeast Asia*

