ASEAN CSR Vision 2020

Mainstreaming Responsible Business Conduct

"Can CSR foster social cohesion and community engagement?"

4 November 2014
Orchard Hotel, Singapore

The ASEAN Community Blueprint recognizes CSR as a tool for community-building

ASEAN Socio-Cultural Community Blueprint

C3. *Promoting Corporate Social Responsibility (CSR)*

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 Recommended

1.   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"**;

2. **Engage the private sector** to support the activities of sectoral bodies and the ASEAN Foundation, in the field of corporate social responsibility;

1. Encourage adoption and implementation of **international standards on social responsibility**; and

2. 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**.

ASEAN CSR Network

- Established through the ASEAN Foundation
    - Initially hosted by Singapore Compact
    - Currently represented in 7 of 10 ASEAN countries

- Support the vision of an ASEAN Community
    - ASEAN Economic Community
    - ASEAN Socio Cultural Community
    - ASEAN Political Security Community

- Provides a platform for regional collaboration in CSR advocacy, capacity-building and research
    - Engages with local stakeholders and addresses local needs
    - Partners with international agencies and other regional bodies
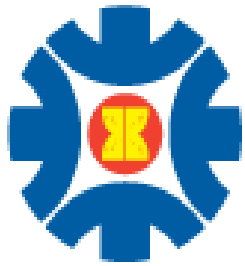
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OUR VISION

A responsible business community helping make ASEAN a better place to live for ALL

OUR MISSION

To promote and enable responsible business conduct among businesses in ASEAN, and their stakeholders, to achieve sustainable, equitable and inclusive socio-economic development.

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A proposed model for joint action

ASEAN CSR Vision 2020

Building Block 1:

To facilitate the formulation of an 'ASEAN CSR Vision 2020' agenda and strategy in support of ASEAN Community-Building

Building Block 2:

To increase awareness and adoption of international principles, frameworks and standards on CSR

Building Block 3:

To initiate and coordinate regional collective action programs on thematic issues related to CSR

Propsoed way forward

1. Promote the adoption of international standards
   - In corporate action
   - In policy development

2. Engage multiple stakeholders/sectors → *No single actor can be effective when acting alone*

3. Bridge the knowledge gap with CLM countries

4. Catalyze partnerships and collective action on key issues:
   - Business Integrity & Anti-Corruption
   - Business & Human Rights
   - Sustainable Agriculture & Food Security

But first, what is CSR?

CSR is NOT the same as simple Corporate Philanthropy

"CSR is not about how money is spent, but about how money is made"

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Converging principles & standards

ISO 26000 *Guidance on social responsibility*

7 Core Principles

1. Accountability
2. Transparency
3. Ethical behavior
4. Respect for stakeholder interests
5. Respect for the rule of law
6. Respect for international norms of behavior
7. Respect for human rights

7 Core Subjects

1. Organizational governance
2. Human rights
3. Labour practices
4. The environment
5. Fair operating practices
6. Consumer issues
7. Community involvement and development

UN Global Compact 10 Principles

HUMAN RIGHTS

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

- Principle 2: make sure that they are not complicit in human rights abuses.

LABOUR

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

- Principle 4: the elimination of all forms of forced and compulsory labour;

- Principle 5: the effective abolition of child labour; and

- Principle 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- Principle 7: Businesses should support a precautionary approach to environmental challenges;

- Principle 8: undertake initiatives to promote greater environmental responsibility; and

- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Common frameworks and standards provide opportunities for engagement
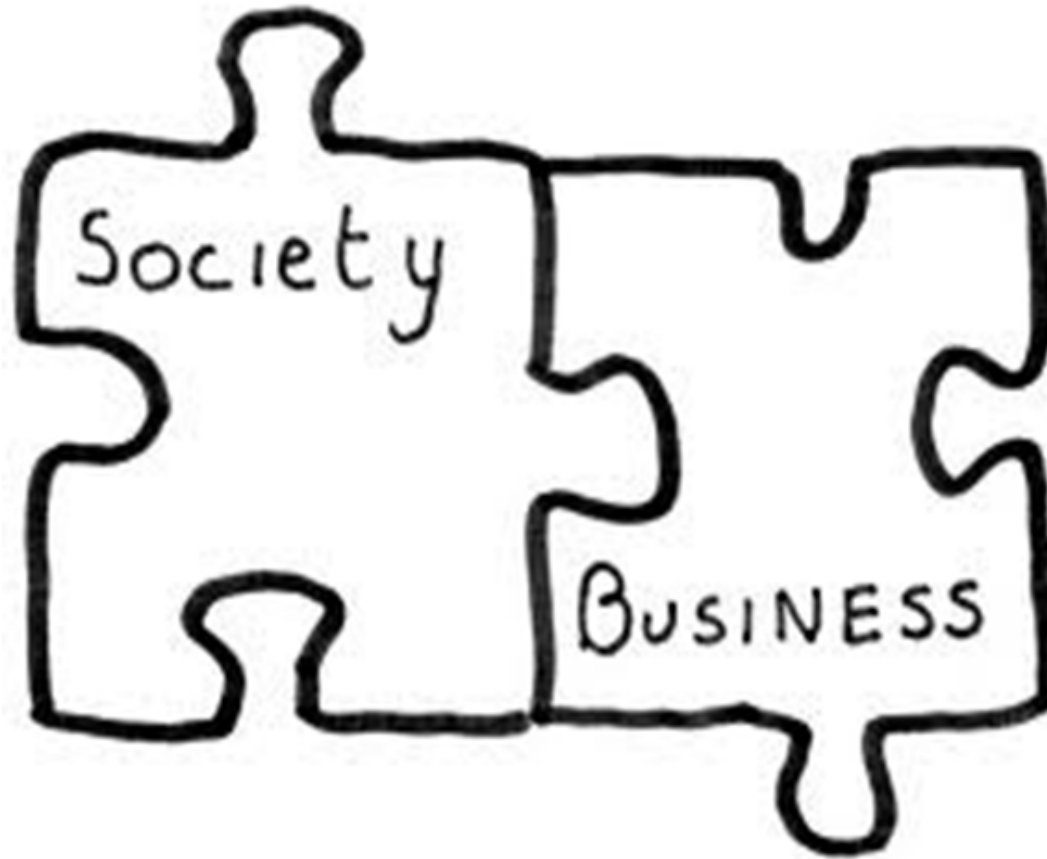
Among many others, all CSR frameworks start with emphasis on:

STAKEHOLDERS rather than stockholders

- *Definition: Stakeholders are individuals or groups who are affected by, or have the ability to impact, the organization's actions*

- 'TRIPLE BOTTOMLINE' approach puts equal weight to a company's performance on 3 aspects:
    - ECONOMIC (Profit)
    - SOCIAL (People)
    - ENVIRONMENTAL (Planet)

- Stakeholders are in a company's entire 'Value Chain', not just internal

"Can CSR foster social cohesion and community engagement?"

YES, if it is understood and practiced correctly and comprehensively:

1) If it emanates not just from a desire to "do good", but also to improve business performance and competitiveness

2) If it is done and reported in a transparent and accountable manner

3) If it goes beyond 'rule of law' and recognizes the business responsibility to respect human rights and improve lives

4) If it is practiced in all aspects of the business and across the entire value chain

5) If it has the interests of stakeholders, not just stockholders, as its guiding force

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