

REGIONAL STRATEGY TO PROMOTE CORPORATE SOCIAL RESPONSIBILITY AND HUMAN RIGHTS IN ASEAN

1. INTRODUCTION

a) This Regional Strategy document is intended as a follow-up to the recommendation of the [ASEAN Intergovernmental Commission of Human Rights \(AICHR\) Baseline Study on Corporate Social Responsibility \(CSR\) and Human Rights in ASEAN](#). The Baseline Study and Report were released in June 2014 and a follow-up seminar was held on 3 and 4 November 2016 in Singapore, with an intention to develop an ASEAN Regional Strategy on CSR and Human Rights based on internationally-accepted business and human rights principles, in particular the **UN Guiding Principles on Business and Human Rights (UNGPs)**

b) This Regional Strategy enables the fulfilment of the [ASEAN Community Vision 2025](#):

“We resolve to consolidate our Community, building upon and deepening the integration process to realise a rules-based, people-oriented, people-centred ASEAN Community, where our peoples enjoy human rights and fundamental freedoms, higher quality of life and the benefits of community building, reinforcing our sense of togetherness and common identity, guided by the purposes and principles of the ASEAN Charter.” (ASEAN 2025: Forging Ahead together. Point 4 of the ASEAN Community Vision, page 13).

c) The work plan of ASEAN sectoral bodies and entities also contain elements of CSR. An example is the [“Vientiane Declaration on Transition from Informal Employment to Formal Employment towards Decent Work Promotion in ASEAN”](#) (adopted by the 28th and 29th ASEAN Summits in September 2016 in Lao PDR). Leaders understood that *“the high rate of informal employment in the region poses a major challenge to the protection of the rights of workers and promotion of social protection and social dialogue and, therefore, to the achievement of inclusive growth and sustainable development”*. The leaders also recognised that *“a managed transition process from informal to formal employment of workers is necessary and plays an important role in enhancing the well-being of workers and their families, promoting inclusive growth, and eradicating poverty.”*

d) The Regional Strategy is also in line with the objects of the [Terms of Reference of AICHR](#) and the [ASEAN Human Rights Declaration \(AHRD\)](#). In the chapter on the ‘Right to Development’ in the AHRD, it states:

- *“Peoples of ASEAN are entitled to participate in, contribute to, enjoy and benefit equitably and sustainably from economic, social, cultural and political development.”* (para 35); and
- *“ASEAN Member States should adopt meaningful people-oriented and gender responsive development programmes aimed at poverty alleviation, the creation of conditions including the protection and sustainability of the environment.”* (para 36).

e) The involvement and participation of businesses through good economic, social and environmental performance is essential to realise the Vision and work plans of ASEAN.

2. PURPOSE OF THE REGIONAL STRATEGY

a) To fulfil the aspirations of the [ASEAN Charter](#), the [ASEAN Community Vision 2025](#), the [Terms of Reference of AICHR](#) and the AHRD, among other ASEAN Instruments;

b) To support businesses in ASEAN as they mainstream CSR and Human Rights in all aspects of their operations; and

c) To promote and enable CSR and Human Rights among businesses in ASEAN as practices that are part of sustainable, equitable and inclusive social, economic and environmental development.

3. UNDERSTANDING CSR

- a) CSR is the responsibility of enterprises for their human rights, social and environmental impact on society. It is able to deliver long term value in financial, environmental and ethical terms;
- b) CSR is beyond charity and philanthropy. It is about how businesses make money, rather than how they spend money;
- c) The principles that socially responsible businesses adopt include respect for the law and the rule of law, accountability, transparency, ethical behaviour, respect for stakeholder interests, respect for international norms of behaviour and respect for human rights;
- d) The subject areas covered by CSR include governance, human rights, anti-discrimination, labour practices, consumer rights, the environment, anti-corruption, fair operating practices, community involvement and development; and
- e) Human rights are an important component of CSR.

4. APPLICATION

- a) CSR and Human Rights principles can be applied to businesses, establishments, and organisations of all sizes, private or public, for-profit or not-for-profit, whose decisions and activities may have economic, social and environmental impact, with respect for national circumstances.
- b) It envisions businesses, governments, academia, trade unions, civil society organisations (CSOs) and other stakeholders working together to implement CSR and Human Rights.

5. ROLE OF STATES

National governments in ASEAN have an important role to encourage CSR and Human Rights, and to foster an enabling environment with respect for national circumstances.

These actions include the need to:

- a) Take steps to encourage and enforce national legislation to promote CSR and respect for Human Rights, as well as to review such legislation periodically to ensure they remain relevant in evolving circumstances;
- b) Take steps to formulate and implement enabling policies, practices and governance structures related to CSR and Human Rights;
- c) Have economic actors such as State-owned or controlled enterprises to act as leading examples in CSR and Human Rights;
- d) Encourage all businesses conducting commercial transactions with the State to behave with a high level of respect towards CSR and Human Rights;
- e) Take appropriate steps to ensure that effective remedies are available to affected stakeholders;
- f) Protect marginalised, vulnerable and affected peoples and communities (including groups such as women, children, indigenous peoples and persons with disabilities);
- g) Work with and support National Human Rights Institutions (NHRIs), where they function;
- h) Explore the development of a National Action Plan (NAP), insofar as a NAP may be a suitable vehicle for the promotion of meaningful, multi-stakeholder engagement to promote CSR and Human Rights; and
- i) Promote Tripartism and socialise the [ASEAN Guidelines for CSR on Labour](#).

6. ROLE OF BUSINESSES

Businesses in ASEAN, irrespective of their size, sector, operational context, ownership and structure, need to go beyond pre-existing notions of CSR as philanthropic-giving and charity, to assessing the human rights, social and environmental impacts connected to their business activities.

These actions include the need to:

- a) Commit to fulfil their CSR and Human Rights responsibilities, in accordance with the UNGPs and other relevant documents;
- b) Take guidance, as appropriate, from national, regional and international mechanisms;
- c) Contribute to national and regional development goals;
- d) Take steps to reduce the risk of adverse social, environmental and human rights effects caused by their business activities;
- e) Facilitate, where appropriate, a multi-stakeholder approach throughout their business operations;
- f) Ensure effective remedies are available to affected stakeholders through full cooperation with judicial and non-judicial mechanisms;
- g) Contribute to the creation of conducive environments for ASEAN to achieve its goals on sustainable development;
- h) Promote tripartism and socialise the ASEAN Guidelines for CSR on Labour; and
- i) Communicate their CSR and Human Rights performance, noting that international standards, like the [Global Reporting Initiative \(GRI\)](#) are being used by many companies.

7. ROLE OF TRADE UNIONS, CIVIL SOCIETY ORGANISATIONS, NATIONAL HUMAN RIGHTS INSTITUTIONS, AND OTHER STAKEHOLDERS

Trade unions, CSOs, National Human Rights Institutions (NHRIs) and other stakeholders in ASEAN can play their part to further mainstream CSR and Human Rights, fostering an enabling environment for CSR and Human Rights to thrive.

These actions include the need to:

- a) Create advocacy campaigns and capacity-building events to increase awareness and education on CSR and Human Rights among the business community and other stakeholders;
- b) Facilitate regular and open discussions on CSR and Human Rights in order to share best practices among governments, businesses, CSOs and other stakeholders, including the media, consumers, academia, investors, trade unions;
- c) Promote the rights of the marginalised, vulnerable and affected peoples and communities (including groups such as women, children, indigenous peoples and persons with disabilities);
- d) Promote tripartism and socialise the ASEAN Guidelines for CSR on Labour; and
- e) Monitor and support the implementation of CSR and Human Rights policies, plans and measures of governments and businesses

8. REALISING THE REGIONAL STRATEGY

ASEAN CSR Network (ACN), together with stakeholders, will coordinate the implementation of this Regional Strategy.

These actions include the need to:

- a) Raise awareness about CSR and Human Rights with businesses and other stakeholders;
- b) Build capacity of businesses by engaging governments, businesses, CSOs and other stakeholders;
- c) Create as a platform for networking, the exchange of best practices and peer learning in ASEAN;
- d) Create a repository of ASEAN knowledge on CSR and Human Rights;
- e) Identifying a focal point of applied research on the practice of CSR and Human Rights;
- f) Provide support for the development of NAPs;
- g) Address transboundary issues and high-risk areas;
- h) Assist AICHR in coordinating the next steps to realise this Regional Strategy;
- i) Support and strengthening in-country Networks that promote CSR and Human Rights; and
- j) Work with and organising consultations with governments, businesses, CSOs and other stakeholders for collective action to address CSR and Human Rights issues in ASEAN.

9. REFERENCES

This Regional Strategy proposes the following relevant international and regional instruments as key references for CSR and Human Rights:

- [Universal Declaration of Human Rights \(1948\)](#);
- [ILO Declaration on Fundamental Principles and Rights at Work \(1998\)](#);
- [Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy \(2006\)](#);
- [Ten Principles of the UN Global Compact \(2008\)](#);
- [UN Guiding Principles on Business & Human Rights \(2011\)](#);
- [ASEAN Human Rights Declaration \(2012\)](#);
- [Sustainable Development Goals \(2015\)](#);
- [ASEAN Guidelines for CSR on Labour \(2016\)](#); and other globally-recognised standards and principles on CSR & Human Rights which include the [ISO 26000 International Guidance on Social Responsibility \(2010\)](#), [OECD Guidelines for Multinational Enterprises \(2011\)](#), [Child Rights and Business Principles \(2012\)](#), [Women's Empowerment Principles \(2010\)](#) and the [Global Reporting Initiative \(GRI\)](#).

10. ENSURING SUCCESS

Following the adoption of this Regional Strategy, the ASEAN CSR Network will identify relevant stakeholders and partners to implement the Regional Strategy, with support from donors and supporters, as well as ASEAN businesses and governments.