RESPONSIBLE SUPPLY CHAINS IN ASIA

PROMOTING DECENT WORK
AND RESPONSIBLE BUSINESS CONDUCT
IN GLOBAL SUPPLY CHAINS









Roundtable on Advancing international collaboration on responsible business conduct for sustainable supply chains in Asia

19 November, Tokyo
Tokyo Prince Hotel, Providence Hall on 2nd Floor
3-3-1 Shiba-koen, Minato-ku Tokyo, 105-8560, Japan

Background

Companies are increasingly looking into practical ways to manage risks in their supply chains and conduct business in a way that contributes to sustainable development. Responsible business conduct (RBC) expectations are prevalent in global supply chains and reflect increasing business case for responsibility, consumer pressure, evolving regulations, and shareholder and investor expectations. This momentum is exemplified by the recent <u>EU-Japan Economic Partnership Agreement</u> (EPA) which includes a comprehensive chapter on trade and sustainable development; promoting Corporate Social Responsibility (CSR) and recognizing the importance of internationally recognized guidelines and principles (including the <u>OECD Guidelines for Multinational Enterprises</u> on Responsible Business Conduct (RBC)¹ and the <u>ILO's Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy</u> (ILO MNE Declaration)².

The purpose of this event is to discuss how the EU-funded <u>Programme on Promoting Responsible Supply Chains in Asia</u> can support implementation of international RBC expectations in the supply chain and support business collaboration and peer learning among companies and institutions active in the field of RBC/CSR. For that purpose participants will provide technical insights to shape action items on joint-collaboration to address RBC/CSR in the region.

- 1 The OECD Guidelines for Multinational Enterprises (OECD MNE Guidelines) is the most comprehensive set of recommendations from governments from 48 countries to business on RBC, and are aligned with other key international instruments on business conduct, including the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the International Labour Organisation's <u>Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy</u> (ILO MNE Declaration).
- 2 The Tripartite declaration of principles concerning multinational enterprises and social policy (MNE Declaration) is the ILO instrument that provides direct guidance to enterprises on social policy and inclusive, responsible and sustainable workplace practices. The Declaration aims at encouraging the positive contribution which multinational enterprises can make to economic and social progress and the realization of decent work for all; and to minimize and resolve the difficulties to which their various operations may give rise.

The event builds on the joint <u>Event</u> hosted by the OECD, EU and Japan on 13 June 2019 as part of the <u>Responsible business and Human Rights Forum</u> (RBHR Forum)³. Both events respond to business calls for action to increase collaboration, particularly in the context of the EU-Japan Economic Partnership Agreement. This objective was also emphasised at the EU-Japan CSR Business Dialogue Meeting⁴, held as part of the 5th Japan-EU CSR Working Group Meeting in November 2018 in Brussels and where the Japanese Ministry of Economy, Trade and Industry (METI) and the European Commission agreed to hold seminars on supply chain risks in third countries - with a focus on raising awareness on international expectations on RBC/CSR policies and business practices in the Asia region.⁵

The Event is open to companies, investors across all sectors and relevant actors in the field of CSR/RBC, with examples from the electronics and vehicle parts sectors to illustrate RBC challenges in the supply chains. Participants are expected to include representatives from European and Japanese companies operating across Europe, Japan and Asia. Directors, managers, and senior staff from Procurement/Purchasing, Corporate Affairs, Sustainability/CSR, Human Resources, Risk Management and Finance who can speak about their company strategies in supply chain risk management are particularly invited to attend.

The Event will be held under Chatham House Rule in order to facilitate open discussions among participants.

Please confirm your participation by 10 November 2019 by registering your attendance through the QR code below or by clicking this link.

For further inquiries, please contact Ms. Stephanie Venuti, Policy Advisor and Country Manager (Asia), Centre for Responsible Business Conduct and Ms. Shoko Shinohara, Responsible Supply Chains in Asia (Japan) National Project Coordinator at: shinohara@ilo.org and stephanie.venuti@oecd.org.



³ The RBHR Forum is a multi-stakeholder event addressing an array of priority issues under the Responsible Business Conduct and Business and Human Rights agendas. It took place during the Bangkok Business and Human Rights Week (10-14 June 2019) and was co-organised by the Royal Thai Government, Organisation for Economic Co-operation and Development (OECD), United Nations Development Programme (UNDP), United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), International Labour Organization (ILO), and with the participation of the UN Working Group on Business and Human Rights. The RBHR Forum includes the OECD Global Forum on Responsible Business Conduct.

⁴ Report on the 3rd EU- Japan CSR Business Dialogue Meeting, "Responsible Global Sourcing: A Collaborative Approach to Achieve the SDGs: The challenges and the way forward"; https://www.jbce.org/wp-content/uploads/2019/01/Report CSR-Business-Dialogue 23Nov2018 final.pdf

⁵ This Consultative Dialogue will also build off discussions taking place during the 2019 EU Japan CSR Business Dialogue meeting taking place on 18 November.

Roundtable Agenda

(Simultaneous translation is available in Japanese and English)

08:30 - 09:00 Registration

09:00 – 09:30 Opening and welcome remarks: Japanese and European ambition for RBC/CSR action in Asia

- Mr. Toshiro lijima, Deputy Assistant Minister, Economic Affairs Bureau, Ministry of Foreign Affairs, Government of Japan
- Ms. Kristin Schreiber, Director, DG Internal Market, Industry, Entrepreneurship and SMEs, European Commission (DG GROW, EC)

Scene setting:

- Ms. Cristina Tébar Less, Head, OECD Centre for Responsible Business Conduct
- Ms. Akiko Taguchi, Director, ILO Office for Japan

09:30 – 11:00 Roundtable Session - Applying the OECD Due Diligence approach to address supply chain risks (led by OECD): Example of sourcing raw materials from high-risk areas

Japanese and EU companies are global leaders in the electronics and vehicle-parts sectors, which requires significant raw material inputs often sourced from high-risk areas. Business efforts in responding to supply chain risks associated with "conflict minerals" (tin, tantalum, tungsten and gold) have progressed significantly. However, businesses are still facing challenges in regard to other commodities (such as cobalt, lithium, mica, natural rubber) and expanding the understanding of risks to include human rights, labour rights and the environment. The purpose of this session will be to provide a clearer understanding of the OECD Due Diligence framework as it applies to all raw materials, beyond just conflict minerals, as well as the tools available to help companies conduct supply chain due diligence and support collaborative efforts.

Chair: Rashad Abelson, Legal Expert, OECD Centre for Responsible Business Conduct

11:00 - 11:15 Coffee Break

11:15 – 12:15 Roundtable Session - Advancing decent work in overseas operations of MNEs in Asia (led by ILO)

Global supply chains have become a common way of organising investment, production and trade in the global economy. In many countries, particularly developing countries, they have created employment and opportunities for economic and social development. Despite the great contribution in terms of jobs and economic development, there are still some challenges when it comes to advancement of decent work and good working conditions along supply chains. This session will focus on how socially responsible labour practices help businesses operating in Asia to become more competitive and productive so that they can access new markets; as well as on and steps businesses are taking or could take to collaboratively work with local governments, international organizations, suppliers and other stakeholders along their supply chains.

Presenter: Fredy Guayacan, Programme Manager RSCA programme, ILO

12:15 – 12:30 Closing remarks and the way forward: joint work in the context of the RSCA programme

- Fredy Guayacan, ILO Programme Manager, Responsible Supply Chains in Asia Programme
- Stephanie Venuti, Policy Advisor and Country Manager (Asia), OECD Centre for Responsible Business Conduct

12:30 - 14:00 Networking Lunch

Key discussants:

- Minister Counsellor Mr. Paul Zwetsloot, Head of Economic Affairs Embassy of the Kingdom of the Netherlands (tbc)
- Dr. Miriam Häfele, First Secretary Economic Affairs Embassy of the Federal Republic of Germany Tokyo
- Ms. Kazuko Andersen, Deputy Director, Japan Electronics and Information Technology Industries Associations (JEITA)
- Ms Yukako Kinoshita, Chair CSR Committee Japan Business Council in Europe (JBCE)
- Mr. Daisuke Takahashi, Attorney at Law (Japan) / Master of Laws (U.S., France, Germany, and Italy),
 Partner Shinwa Sohgoh Law Offices, Secretariat Japan Responsible Supply Chains Committee
- Ms Miwa Yamada, Director, Law and Institution Studies Group, Inter-disciplinary Studies Center, Institute of Developing Economies Japan External Trade Organisation (IDE-JETRO)
- Ms. Emi Omura, Attorney at Law (Japan)
- Ms Miyuki Zeniya, Head of Sustainable Finance, The Dai-ichi Life Insurance
- Mr Shuichi Osaki, General Manager of CSR Planning & Promotion Department. Teijin Limited.
- Mr Kenichi Kumagai, The ILO Association of Japan

