



## Responsible Supply Chains in Asia – the Philippines

Global supply chains have rapidly expanded in recent decades. They are an integral feature of international production, trade and investment, and contribute to economic growth, job creation and poverty reduction. Asian economies, including the Philippines, play a key role in many global supply chains.

This growth, however, has brought its own challenges. To ensure the sustainability of this growth in the long term, it is important for the competitiveness of the economy to ensure that conditions in supply chains meet international standards and that the impact on the environment is adequately addressed.

The Responsible Supply Chains in Asia Programme aims to support decent work and environmental governance through promoting responsible business practices in the operations of enterprises, including multinational enterprises, and their supply chains.

The programme supports the growing interest of the Philippine government, workers organisations, businesses and other stakeholders in mainstreaming social and environmental principles in business operations, with the goal of enhancing the reputation of the Philippines as a responsible sourcing destination and increasing business competitiveness.

## Responsible Business Practices in the Philippines

The Philippines has in place a wide array of policies on responsible business practices, many requiring mandatory reporting of activities in this field. However, on-the-ground actions to promote risk management, including related to labour rights and environmental protections, are not yet widely considered as elements of core business strategies. Firms often lack awareness of international standards and the connections between demonstrating responsible business conduct and increased access to international markets, competitiveness, and progress towards the SDGs.

### About the Programme

A partnership between the European Union (EU), the International Labour Organization (ILO) and the Organisation for Economic Co-operation and Development (OECD), with 9 million EUR funding by the European Union, the programme works with partners in Asia to promote respect for human rights, including labour rights, and responsible business standards in global supply chains.

The three year programme (2018-2020) has two broad objectives in The Philippines, to:

- promote smart, sustainable and inclusive growth by ensuring that investors and businesses have a better understanding of internationally accepted responsible business practices.
- support an enabling policy environment conducive to promoting responsible business conduct and increase opportunities for dialogue.

### Who benefits?

The programme aims to directly improve the welfare of people working in Philippines' agricultural supply chains by working directly with business in the sector and supporting the practical implementation of responsible business conduct and simultaneously working with the government in developing enabling policy frameworks. In raising awareness and providing hands-on training for business on internationally recognised tools and instruments for responsible business conduct, companies will benefit from increased productivity, new competitive advantages, and sustainable growth. Consumers enjoying products made in a responsible and ethical manner

## The Programme in action

The programme in the Philippines is making an impact in a number of areas, including through:

- **Working with** the Department of Labour and Employment, and the Employers' Confederation of the Philippines to establish networks and involve their partners to jointly implement the promotion of responsible business practices.
- **Engaging with representatives** from Philippine government agencies, international organisations, workers' groups, employers' associations, academia, civil society groups and the media in events aiming to outline industry trends, and share experiences on how to address challenges in corporate social responsibility and responsible business conduct in the country.
- **Providing seminars and training** for representatives of regional enterprises, business organisations, and government agencies on international tools and instruments that can support responsible business practices and how they can improve the competitiveness and productivity of businesses.
- **Developing joint research** with academia to map existing responsible business conduct, labour and environmental policies and practices, as well as identifying areas where these objectives could be further supported.
- **Supporting better business practices** in the agricultural supply chain in Southeast Asia through a dedicated pilot project to implement the OECD-FAO Guidance for Responsible Agricultural Supply Chains.

also stand to gain, as will citizens living in communities that value environmental protection and respect for human rights.

### Target sectors

In the Philippines, the programme focuses on **agriculture** with an emphasis on the food commodity sector, which is an important employer and driver of the Philippines' export economy.



Agriculture

## A unique collaboration

The programme represents the first time that the ILO, OECD and the EU have joined forces to promote responsible supply chains on a regional scale. Each organisation contributes their expertise and tools to the programme.

### International Labour Organization (ILO)

The UN's first specialised agency, the ILO brings together governments, employers and workers of 187 member States, to set labour standards, develop policies and devise programmes promoting decent work and social justice for all women and men.

### Organisation for Economic Co-operation and Development (OECD)

The OECD is an intergovernmental organisation with a mission to promote better policies for better lives of people around the world. Its member countries span the globe and include many of the world's advanced and emerging economies. The goal of the OECD is to build a stronger, cleaner and fairer world.

### European Union (EU)

This initiative is a part of the EU's long-standing commitment to promote human rights, decent work and sustainable development, a pledge underpinned by EU Treaties and reinforced in the European Commission's trade policy strategy of 2015 "Trade for All", under the Commission's commitment to identify opportunities for responsible supply chain partnerships.



**Contact us:**  
Stephanie.VENUTI@oecd.org  
rbc@oecd.org  
banez@ilo.org  
Rsca@ilo.org

**Follow us:**  
@Trade\_EU  
@RSCAPprogramme  
@OECD\_BizFin

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