





The Responsible Supply Chains in Asia Programme in Japan

The Responsible Supply Chains in Asia (RSCA) Programme aims to address decent work and environmental challenges through promoting responsible business practices in the operations of enterprises, including multinational enterprises, and their supply chains. The <u>four-year programme</u> (2018-2021), carried out in collaboration with Japan, China, Myanmar, Philippines, Thailand and Vietnam, has two broad objectives:

- To promote smart, sustainable and inclusive growth by ensuring that investors and businesses have a better understanding of corporate social responsibility; and
- To create policy environments conducive to promoting responsible business conduct and increased opportunities for dialogue.

Under the RSCA Programme, ILO and OECD work to strengthen networks, capacity building and supporting policy integration of RBC working with government, business stakeholders and CSO stakeholders. Information on activities under the RSCA Programme are available through the programme webpages of the <u>ILO</u> and <u>OECD</u>. In Japan, engagement with business is focussed on the auto parts and electronics industries and their supply chains.

Through the programme, the OECD, ILO and project partners are making an impact in many areas, including through:

- Fostering policy dialogue between the private sector and government institutions on strategies to establish an enabling environment for the implementation and promotion of socially responsible business practices.
- Supporting policy integration of RBC standards through work with government ministries and business associations.
- Train the trainer sessions leading representatives from employer organisations, academia and worker's organisations have been brought together and trained as 'champions' in responsible business practices.
- Establishing forums for dialogue between suppliers and buyers to share goals and expectations on incorporating responsible business practices into their supply chains.
- Engaging business associations in discussions to identify the challenges of implementing good RBC, including labour practices in supply chains and canvas opportunities to support companies in becoming more competitive, productive and with better access to new markets.

Examples of activities under the RSCA programme are provided below.

Dialogue, collaboration and partnerships

• In November 2019, OECD and ILO organised and co-hosted a joint event on "Advancing international collaboration on responsible business conduct for sustainable supply chains in Asia". The event brought together multiple stakeholders, including the EU Commission, European governments, the Japanese Government, as well as businesses, research institutions and business associations active across Asia. Participants discussed the implementation of international Responsible Business Conduct expectations across supply

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chains. The event included high-level representation and opening remarks from the Government of Japan, the EU, ILO, and the OECD, and encompassed two technical and highly interactive roundtable sessions. The OECD-led roundtable included substantive interventions by over 10 key discussants, spanning a range of key stakeholders and interlocutors under the Action. This included representatives from Germany and Netherlands, investors representing the sustainable finance sector, Japanese businesses, Japan Business Council in Europe (JBCE), IDE-JETRO, and the Human Rights Lawyers Network of Japan. The ILO-led session concluded that engaging workers is crucial in implementing changes to supply chain policies and practice. It particularly highlighted the importance of supporting lower-tier suppliers in dealing with their lack of resources. The event was also the first time that some of the interlinkages between trade, RBC and the opportunities afforded by the RSCA were discussed in a public setting. The event on 21 January 2021 will build off this discussion.

- Seminars with key stakeholders on OECD and ILO instruments on RBC/CSR, including: October 2018, joint Keidanren-ILO-OECD symposium; February 2019 OECD- the Japan Electronics and Information Technology Industries Association (JEITA) joint seminar and training; November 2019 ILO-JEITA sectoral tripartite seminar with stakeholder groups in the electronics sector; January 2020 ILO-Japan Council of Metalworkers' Unions (JCM) seminar for trade unions from electronics, automotive, and other sectors; December 2020, a study session with the Japanese Parliamentarians' League on ILO Activities for 17 Japanese parliamentarians.
- Supporting dialogue through round tables, workshops and training including collaborating with RENGO, CBCC, Keidanren, the Global Compact Network Japan, the National Conference of Association of Small Business Entrepreneurs, and the Japanese Consumers' Co-operative Union, IDE-JETRO and Japan Business and Human Rights Lawyers Network.

Guidance, tools and research

- Partnerships with academic institutions including with the Institute of Developing Economies
 and Japan External Trade Organization (IDE-JETRO): ILO collaboration in conducting a joint
 study and co-hosting a sectoral seminar in February 2021. OECD Collaboration with IDE-JETRO
 in developing the Japanese translation of the OECD Due Diligence Guidance for RBC. The ILO
 also worked with the Asia Pacific Institute of Research (APIR) to disseminate the outcome of
 a study conducted in the electronics sector in the Osaka region. Future business leaders were
 introduced to key CSR concepts in lectures at Waseda University and Sophia University in
 Japan.
- Research on socially responsible labour practices with JEITA and the Japan Auto Parts Industries Association (JAPIA). The ILO has gathered examples of good practices from eleven leading electronics companies and four major vehicle parts companies and developed policy recommendations for governments, industrial bodies, businesses and workers in these and other sectors. Research is a key activity of the programme.
- Collaborating with the Japan Responsible Supply Chains Committee (JRSC) in the development
 of the <u>"Engagement and Remedy"</u> Guidelines for Promotion of Responsible Business Conduct
 and Responsible Supply Chains. The Guidelines provide practical guidance for Japanese
 business on establishing effective operational level grievance mechanisms in accordance with
 international norms, such as the OECD Guidelines, UN Guiding Principles on Business and
 Human Rights and ILO MNE Declaration.

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Collaborating with the Japan Ministry of Environment (MOEJ) in development and implementation of its' new Guide on Environmental Due Diligence in Value Chain Management. The OECD's engagement with MOEJ on environmental due diligence builds off the OECD Global Forum on Responsible Business Conduct session held in partnership with the Germany Environment Government, UNEP and with the support of MOEJ which discussed trends and policy developments related to environmental supply chain due diligence.

Resources available also include:

- EU, ILO, OECD and OHCHR Responsible business: Key messages from international instruments <u>ENG | JAP</u>
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Guidance: <u>ENG | JAP</u>, Flyer <u>ENG | JAP</u>
- OECD Due Diligence Guidance in the Electronics Sector <u>ENG | JAP</u>
- OECD Due Diligence Guidance for Responsible Supply Chains in the Garment & Footwear Sector. Guidance: <u>ENG | JAP</u>. Flyer <u>ENG | JAP</u>
- OECD-FAO Guidance for Responsible Agricultural Supply Chains Japanese. Guidance <u>ENG</u> | JAP, Flyer <u>ENG</u> | JAP
- OECD Policy Note on COVID-19 and Responsible Business Conduct. <u>Policy Note</u> and <u>Overview</u>.
- ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) <u>ENG | JAP</u>
- ILO MNE Declaration: What's in it for Workers? ENG | JAP
- ILO E-learning module 'Business and Decent Work: an introduction to the MNE Declaration'. ENG | JAP
- ILO Helpdesk for Business. <u>ENG</u> | <u>JAP</u>
- ILO Business and COVID-19. ENG JAP
- ILO Restructuring for recovery and resilience in response to the COVID-19 crisis. <u>ENG</u> |
 JAP

Promoting responsible supply chains in Asia

This high-level dialogue is supported by the Responsible Supply Chains in Asia (RCSA) programme¹ which is implemented by the International Labour Organization (ILO) and the Organisation for Economic Co-operation and Development (OECD) with funding from the European Union. The RSCA programme aims to promote respect for human rights, including labour rights, and responsible business standards in global supply chains.

This programme is carried out in partnership with Japan (an OECD member) and five partner economies, namely China, Thailand, Viet Nam, Philippines, and Myanmar.



¹ http://mneguidelines.oecd.org/globalpartnerships/responsible-supply-chains-asia