



Responsible Supply Chains in Asia – Thailand

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 Thailand, play a crucial role in many global supply chains.

The Responsible Supply Chains in Asia 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 programme in Thailand will contribute to building awareness of and concretely promoting responsible business behaviour as a measure to improve competitiveness and enhance responsible investment in Thailand. Some activities will specifically focus on small and medium sized enterprises that support larger, export oriented businesses in targeted sectors. The programme will also build capacity in responsible business risk-based due diligence.

Responsible Business Practices in Thailand

The government and other stakeholders have been building Thailand's reputation in the area of responsible business practices, including good labour practices. However, challenges with implementation remain in key sectors due to complex and not transparent supply chains, a high number of informal workers and a need to continue building the case for implementing responsible practices.

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 Thailand:

- 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.

The Programme in action

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

- **The creation of an inter-ministerial committee** to advise the programme and drive improvements in policy and coherence within the government. Ministries represented include Labour, Agriculture, Commerce and Industry, among others.
- **Facilitating peer learning on responsible business practices** with poultry exporters and their suppliers, in partnership with Employers' Confederation of Thailand (ECOT), the Thai Broiler Processing Exporters Association, the Thai Feed Mill Association & the Thai Poultry Veterinary Association.
- **Collaborating with independent researchers** on building knowledge of supply chains for targeted sectors, including the vehicle parts industry and the agricultural sector, identifying decent work deficits, and highlighting good practices.
- **Promoting policy coherence**, including by integrating responsible business conduct in the ongoing policy reviews requested by the Thai government and by providing technical support in the context of the elaboration of the Thai National Action Plan on Business and Human Rights.
- **Working directly with businesses**, including the Joint Steering Committee on Commerce, Industry, and Banking (JSCCIB), Federation of Thai Industry, Thai Bankers' Association, Stock Exchange of Thailand, and Global Compact Network Thailand, on better risk management and due diligence.

Target sectors

In Thailand, the programme focuses on the **agricultural industry** (for labour components, in particular, the meat, fruit and vegetable sub-sectors) and the **vehicle parts industry**. These industries are important drivers of the Thai export economy and are characterised by extensive supply chains in Asia.



Agriculture



Automotive

Who benefits?

The programme aims to directly improve the welfare of people working in the supply chains of the agriculture and automotive sectors. Consumers enjoying products made in a responsible and ethical manner will also stand to gain, as will citizens living in communities that value environmental protection and respect for human rights. Companies will benefit from increased productivity, new competitive advantages, especially in the EU, and sustainable growth.

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 large scale. Each organisation contributes their expertise and tools to the programme.

International Labour Organisation (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.



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