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Resilient, Inclusive and Sustainable Supply Chains Asia (RISSC) Thailand automotive sector

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► At a glance



Key areas of work

- Research & analysis
- Enhancing stakeholder knowledge & capacity
- Policy advice, tools & guidance



Partners

- Government: Ministry of Labour & other ministries/agencies
- Employer & Business Membership Organizations (EBMOs)
- Trade unions
- Constituents in home countries of the automotive supply chain (especially Japan) & industry stakeholder



Donor

Government of Japan (MHLW)



Duration

2023 – 25



Target beneficiaries

Employers and workers in the sector, policymakers, and other key industry stakeholders



Sectoral focus

Automotive manufacturing



Budget

Approx. US\$1.3 million (for Thailand)

► What is the RISSC project?

Recent global disruptions, including COVID-19, economic downturns and growing trade tensions, have exposed how **important but also how fragile** global supply chains are.

To rebuild for the future with greater resilience, industries will need to invest in sustainability – at the heart of which are **people**.

The Japan-funded RISSC project aims to support these efforts by harnessing opportunities for **decent work and responsible business conduct** in key export sectors.

It will also help constituents better understand changing **supply chain requirements** and uphold and apply key **business & human rights commitments** in global supply chains.



RISSC in Thailand

RISSC in Thailand, which is part of Automotive Supply Chain Programme in Thailand, aims to build a more resilient and sustainable automotive manufacturing supply chain by addressing **human and labour rights risks**, while expanding **decent work and responsible business practices**.

It will work with the government, employers, trade unions and industry partners – to identify challenges and priorities, building tools, supporting to address critical risks, and improving working conditions in the sector.

Profile: Thai automotive sector

- Leading automotive producer-exporter in ASEAN; 10th largest in the world¹; capacity to produce over 2 million units per year.
- Accounts for approx. 10 per cent of Thailand's GDP.
- Generates **exports** worth US\$ 10.9 billion in 2021², with key markets mostly in Asia and the Pacific region.
- Industry led by approximately 30 lead OEM (assembly) firms, mostly Japanese and European (but with growing Chinese investment).
- Whole sector employs 850,000 people, manufacturing alone employs some 520,000 people.³
- More than 80 per cent⁴ of the workforce in manufacturing are registered in the social security system (50% of whom are female).
- Ambitious plans to be a leading producer of zero-emission and e-vehicles by 2030, with 30,000+ specially trained workers.⁵
- Opportunities to advance decent work and responsible business are available through – among others– improved compliance, tackling inequality & discrimination, and strengthening social dialogue at enterprise & industry level.⁶

Project approaches

- Supply chain research & analysis: helping industry partners understand decent work gaps and opportunities, and informing joint actions in the sector
- Industry tools & advice to close these gaps and drive responsible business practices
- Policy advocacy to support Thai constituents to build an enabling policy environment for decent work and responsible business
- Helping Thailand & other industry stakeholders to meet new and existing national business and human rights commitments (including due diligence)

Expected project outcomes

- Constituents and industry stakeholders have a better understanding of decent work gaps and opportunities, and are adopting actions and policies to address key challenges (with ILO tools and support).
- Responsible business practices (including human rights due diligence, HRDD) are more widely understood and applied in the Thai automotive manufacturing supply chain.

Scan here for the latest RISSC report on the automotive sector



Scan here for more info on RISSC in Thailand



1 2022 Statistics, ASEAN Automotive Federation (AAF), 2023.

2 Export Destinations, The Observatory of Economic Complexity (OEC), 2021.

3 Number of employees (private sector) in the automotive and auto-part industry (2001-23), National Statistical Office of Thailand (NSO), 2023.

4 Automotive manufacturing employees registered in the social security system, The Social Security Office (SSO), 2023.

5 Thailand's 13th National Economic and Social Development Plan (2023-27).

6 ILO-Japan RISSC project's research study on decent work and responsible business practices in Thailand's automotive manufacturing sector, 2023.

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