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the People of Japan

► Resilient Inclusive and Sustainable Supply Chain (RISSC) – INDONESIA Project

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The Big Picture

- ✓ Recent global disruptions have revealed both the **importance** and **fragility** of global supply chains
- ✓ To (re)build more resilient supply chains for the future, industries need to **invest in sustainability** –at the heart of which are **people**
- ✓ Ensuring **Decent Work** and **Responsible Business Conduct** are key to this future –and this is where ILO can support.
- ✓ The RISSC Project is part of broader **ILO Global Strategy on Decent Work in Supply Chains**



1. RISSC Project Overview

Objective: To foster a more resilient, inclusive and sustainable supply chains through decent work & responsible business conduct

Expected results:

- ✓ Better **understanding** of decent work gaps and opportunities
- ✓ Industry stakeholders take **actions** to address decent work challenges
- ✓ Due diligence and **responsible business** practices are **applied** more widely in the supply chain

Module 1: Supply Chain Research & Analysis

Helping stakeholders **understand decent work gaps & opportunities**, and informing our actions in the sector

Module 3: Policy Advice

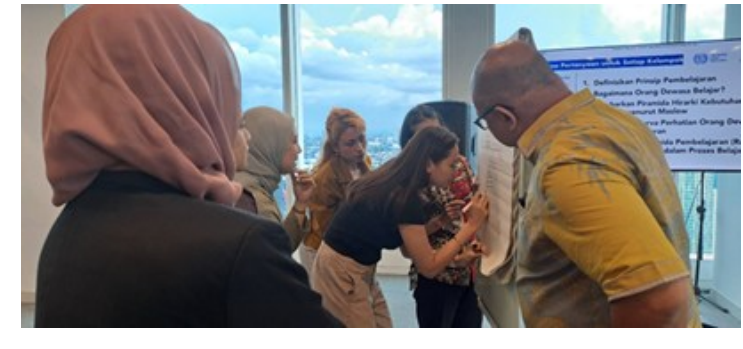
Support to local constituents to **strengthen the enabling policy environment** for decent work and responsible business

Module 2: Industry Tools & Advice

Demand-driven, industry specific tools to close decent work gaps and drive responsible business

Module 4: Support to national Business & Human Rights Commitments

by expanding **awareness and adoption of responsible business and due diligence**



2. The Electronics Industry in Indonesia

- ▶ **Status:** Relatively modest size but nationally prioritized (one of 6 priority manufacturing sectors)
- ▶ **Structure & Orientation:** Heavy domestic market focus, but with aspirations for greater export / global supply chain integration
- ▶ **Key products:** home appliances (local), digital electronics (joint ventures), computers
- ▶ **Key foreign investors:**



Key finding from the research

1. The electronic industry has been struggling
2. Growth in non-standard forms of employment
3. Workers- especially women face discrimination
4. Not all work is voluntary
5. Restriction on trade unions
6. Generally, low understanding and appreciation to Responsible Business Conduct



300,000
employees

\$13.9bn
export value (2021)

13.5%
of FDI (2017)

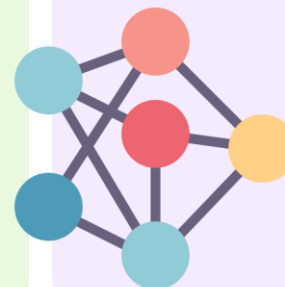
3. Key Achievements (selected highlights)

Data-Driven Insights



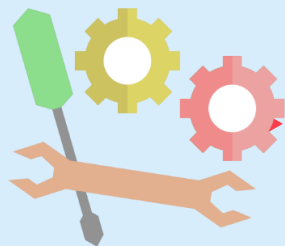
- ▶ Flagship research on Decent Work and Responsible Business Practice in Indonesia's electronics manufacturing sector
- ▶ Findings and Recommendations validated by key stakeholders and used for industry engagement and intervention design.

Shaping National RBC Policies



- ▶ Technical inputs to national RBC reforms Indonesia (Stranas BHAM) and Self Assessment Tool for the BHR (PRISMA)
- ▶ APINDO and Trade Union facilitated by the ILO providing input for the policy.

Tools, Training & Action



- ▶ Guidance Toolkits on Responsible Business in Electronics Sector that has rolled for covering 224 companies.
- ▶ More than 300 stakeholders trained through practical industry toolkits in Indonesian electronics sectors
- ▶ Total target beneficiaries of the project 3,328 (1825 Male and 1,503 Female or 45.16%), including through fun run and Vlog, and webinar series

Supply Chain Dialogue & Collaboration



- ▶ Seminar and Industrial National Dialogue on Responsible Business for Decent Work in 2023 and 2024
- ▶ Across national and cross-country supply-chain dialogues and awareness raising activities
- ▶ University Network on Responsible Business Conduct involving 6 leading universities.

3. Key achievements (2023-2025)



- ▶ Constituents more empowered *and* equipped
- ▶ Companies using tools and taking actions
- ▶ Improved supply chain resilience and sustainability

3. Outcome Level Results (2023-2025)

1

Constituents & stakeholders adopt recommendations for action
(Complete)

- ✓ Built a credible, shared evidence base on decent work risks and opportunities in target supply chains
- ✓ Enabled tripartite alignment around priority issues through stakeholder-validated research
- ✓ Built ownership and sustained use of findings across subsequent tools, dialogue and policy advocacy (Research, Validation Workshop and FGDs and Webinar Series)

2

Constituents & stakeholders prepare proposals for action
(Complete)

- ✓ Translated research into practical, industry-facing tools and large-scale capacity building
- ✓ Strengthened stakeholder ability to identify decent work gaps and prepare concrete proposals and actions. Generated informed inputs to national RBC reform processes alongside enterprise- and industry-level change.
[Seminar, FGD, Training of Trainers]

3. Results (2023-2025)

3

Constituents & stakeholders implement policies & measures
(Complete)

- ✓ Improved national RBC frameworks in Indonesia
- ✓ University RBC network in Indonesia is strengthening public discourse and training ‘responsibility’ minded professionals of the future (Number of trainings, seminar and FGDs)

4

Japanese and other constituents implement BHR commitments/plans
(Complete)

- ✓ Industry-specific toolkits, training and mentoring in electronics supply chains
- ✓ New (ILS-focused) BHR guidance for regulators and business in Japan
- ✓ Support to improve NAPs (Indonesia)
- ✓ (Seminar on Responsible Business (RBC) and Decent Work (DW) in 2023 & Industrial National Dialogue on RBC and DW –n 2024)

5. Way Forward: Sustaining RISSC impact



Industry and Enterprise Level: industry-facing tools and guidance will continue as ‘industry-owned’ assets; lead firms will continue to cascade RBC principles within supplier networks



Supply Chain Level: RISSC-supported platforms will continue to drive industry dialogue and upgrading efforts; sectoral bodies keen to take forward ‘industry dialogue’ model (for supply chain exchange, learning and collaboration)



National and Policy Level: RISSC’s policy influence sustains through improved national strategies and policies for decent work and responsible business



Key organizations RISSC has engaged with





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► Resilient, Inclusive and Sustainable Supply Chains (RISSC)

Thailand | Indonesia | The Philippines

‘Empowering people and upgrading global supply chains through decent work and responsible business conduct’

For more information, scan the QR code or contact David Williams, Project Manager at williamsd@ilo.org

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