

Responsible business conduct in Thailand auto parts supply chains

Global decent work challenges in the sector

The automotive industry is comprised of motor vehicle assemblers, and manufacturers of components and parts. Given that a single car has more than 30,000 parts, auto parts manufacturing is the largest subsector of the entire automotive industry. In 2017, global employment in the sector was estimated at nearly 14 million workers (ILO 2020). However, female participation in the automotive workforce is historically low due to: (i) lack of qualification; (ii) gender discrimination and sexual harassment; (iii) lack of work/life balance; and (iv) lack of flexible working schedules to accommodate family responsibilities. Migrant workers constitute an important share of the workforce of the automotive industry in many countries, including Thailand (ILO 2020).

The automotive industry is dominated by a few large lead firms, who exert control over upstream actors (ILO 2020). The supply chains of auto parts tend to be organized regionally or nationally (Duke CGGC 2016). The bulky, heavy, and model-specific parts-production is usually concentrated close to final assembly plants, to assure timely delivery and minimize inventory, transportation, and storage costs. The lighter and generic parts are produced at a distance to take advantage of scale economies. The lighter and generic parts are produced at distant low-cost production locations to take advantage of scale economies.

The auto parts market consists of: (i) original equipment manufacturers (OEM) market – supply of parts for the production of new vehicles; (ii) replacement equipment manufacturers (REM) market – supply of parts to replace original

parts as they become worn or damaged; and (iii) aftermarket – supply of replacement parts that are not made by OEM. Competition has increased in each of these markets and a key driver has been cost reduction, which, in turn, contributed to deteriorating working conditions, increased labour flexibility, and constant or declining wages.

Once established, automotive clusters tend to be long-lived, given the high investment. However, while automotive companies provide a significant number of jobs, an ILO study showed that the adoption of lean manufacturing methods increased the use of temporary workers, outsourcing, and contract labour (ILO 2020). The use of temporary workers is prevalent among second-, third- and fourth-tier suppliers, for which capital intensity is low. Process optimization (e.g., robotics, increased digitalization, new materials, etc.) and product innovation (e.g., electronic vehicles) can create new opportunities for enterprises and workers, particularly high-skilled workers. However, these technological advances can also potentially cause significant job losses. Findings of a 2016 study conducted by the ILO indicated that automation and robotics will have the largest impact on the more than 800,000 workers in the industry, particularly on low-skilled workers. This signifies the importance of upskilling and reskilling. Access to training among workers, however, is dependent on the type of employment contract with temporary workers having the least access.

Although the industry has a relatively strong occupational safety and health system, it remains hazardous. In the United States, for example, the incident rate is higher than reported by other

hazardous sectors such as mining or basic chemical manufacturing (ILO 2020). The sector's high accident rate is because workers are exposed to many risk factors, including ergonomic conditions; being hit by or trapped between objects, slips, trips and falls; exposure to noise, vibrations, fire and other hazardous conditions; and hazardous substances (ILO 2020). The industry also has a high unionization rate especially in developed economies. In many of the developing economies, trade union membership rates are affected not only by restrictive legislative frameworks, but by insufficient governance, and thus, inadequate protection and enforcement of collective rights. Accordingly, trade unions either lack the freedoms to carry out their objectives, or the capacity to do so.

The movement restrictions imposed as a means to curb the spread of COVID-19 in 2020 were acutely felt by automotive manufacturers globally, as vehicles are assembled on a just-in-time basis, and depend upon a timely and uninterrupted supply of materials and components. Factory closures, supply chain disruptions and diminishing demand in the automotive industry have furthermore taken their toll on the automotive workforce. Many employees took pay cuts and accepted shortened work schedules to avert industry-wide bankruptcy, while even more faced layoffs (Eichenberg 2021). Many of the Tier 1 companies (lead firms) negotiated collective agreements with their trade unions to provide compensation for quarantined workers, and paid wages during the initial rounds of factory closure.

Thailand: generating decent work in the auto parts sector through responsible business practices

Decent work at a glance: Thailand Auto Parts Sector	
Employment promotion	<ul style="list-style-type: none"> About 66% of the 890,000 workers in the automotive industry worked in the auto parts sector in 2019. The workforce was constituted by Thai nationals, migrant workers, and trainees who were treated as “regular workers.”
Social security	<ul style="list-style-type: none"> Only 380,802 workers were registered in the national social security system in 2019. Migrant and agency workers are among the major groups that do not enjoy social security benefits.
Forced labour	<ul style="list-style-type: none"> Recruitment fees are deducted from wages of migrant workers, which increase the risk of debt bondage. Trainees are subjected to the same rigours and workload as regular workers. Refusal to follow instructions resulted in non-graduation.
Child labour	<ul style="list-style-type: none"> Some of the trainees are below 18 years old and handle hazardous work.
Equality of opportunity	<ul style="list-style-type: none"> Women comprise 15–20 per cent of the workforce, and are mainly employed in accounting, sales or the human resources departments. Gender stereotyping limits work opportunities and advancement of women workers. The pay gap between women and men is, however, narrower than in other sectors.
Security of employment	<ul style="list-style-type: none"> Prevalence of contract and agency labour, primarily due to the widespread adoption of just-in-time inventory systems.
Training	<ul style="list-style-type: none"> Human resource development activities are largely confined within foreign owned firms and focused on the skills requirements of higher-tier enterprises.
Conditions of work and life	<ul style="list-style-type: none"> Enterprises within the auto parts sector, especially tier 1 companies, have good practices for occupational safety and health. Agency or subcontracted workers in many of the companies work under substandard conditions
Industrial relations	<ul style="list-style-type: none"> Workers in assembly plants are generally organized, and many major plants have unions or some form of worker representation but mechanism for collective bargaining is weak.

Among ASEAN countries, Thailand is the largest exporter of auto parts. In 2019, it was ranked 14th in the world. Historically, export receipts comprised 30% to 40% of the annual revenue, while the domestic market accounted for 60% to 70% (Yongpisanphob 2020).

The Thailand automotive industry is dominated by Japanese automakers, followed by American and European companies (Rastogi 2018). During recent

years, there have been growing investments from Chinese automotive manufacturers (Zhang 2021).

Approximately 1,800 enterprises were active in the auto parts sector in Thailand by 2019. There were 720 tier 1 suppliers, of which 47% were foreign-owned, 30% were joint ventures, and 23% were Thai owned. The 1,100 tiers 2 and 3 suppliers were mostly Thai-owned small and medium enterprises.

The auto parts sector employed 66% of the 890,000 workers in the automotive sector in 2019.

In 2020, the ILO conducted a study¹ on labour practices in the Thai auto parts sector, using the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) as the framework for analysis. The findings of this study indicated that, in general, enterprises in this sector have good practices on occupational safety and health (OSH). This can be attributed to the following factors: (i) the manufacturing process of auto parts is inherently hazardous and prone to accidents, motivating producers to ensure they have the right policies and procedures in place; (ii) occupational safety and health is an area prioritized by buyers who require their business partners, including their suppliers to comply with strict requirements to remain competitive; and (iii) accidents are more visible and, thus, easily monitored, compared to other decent work issues.

The study also identified the following decent work challenges:

Employment. Gender stereotyping appears to be prevalent, resulting in unequal treatment between women and men workers, placing the former at a disadvantaged position. Based on interviews with tiers 1 and 2 auto parts manufacturers, women comprise 15% to 20% of the workforce, and are mainly engaged in white-collar jobs (accounting, sales, human resources department, etc.) rather than in operations. It was, however, noted that the pay gap between women and men workers in the auto parts sector is narrower than the average gap across industries in Thailand.

Migrant workers are prevalent in the auto parts sector. Recruitment fees are said to be deducted from workers' wages (Weerasombut 2017), which is contrary to International Labour Standards and Thai Labour Law, and increases the risk of workers being trapped in debt bondage. The auto parts companies also characteristically have a sizeable number of trainees and interns as part of their workforce. The study showed that these trainees work in shifts, engage in overtime work, and are

not (sufficiently) supervised by the trainer as required. There are also cases of students younger than 18 who engage in hazardous work, or work at night. Refusal to engage in work as instructed would result in a failure to "graduate" from the placement.

Contract and agency labour account for an estimated 40–50 per cent of the total workforce in the automotive industry. This was attributed to: (i) legal loopholes and lack of legal protection; (ii) tight competition; and (iii) widespread adoption of just-in-time inventory systems and lean production methods. The use of contract and agency labour led to increased informalization of work and job insecurity, as well as difficulty for workers to fully access social protection.

About 380,802 workers in the auto parts sector were registered in the social security fund in 2019 (Kulkolkarn 2019). However, migrant workers, contract and agency workers, and trainees employed in this sector are not covered by the national social security system.

Training. Since the early 2000s, foreign auto assemblers have invested heavily in technologically sophisticated research and development (R&D) activities in Thailand, such as the "Toyota Technical Centre Asia Pacific Thailand" (Duke CGGC 2016). The country has also been proactively promoting university-industry linkages (UILs) to support functional upgrading into R&D activities. Several large Japanese firms established a "train-the-trainer" program, which involve cross-firm agreements on skill-specific certification standards and training curricula for technicians.

It is mainly in the foreign owned firms that human resource development activities can be identified. They mainly focus on the skills needs of higher-tier enterprises. The upgrading of skill sets in small and medium enterprises and their workers has been lagging behind, resulting in lower productivity and wages, which in turn increased staff turnover. Contract and agency workers, as well as migrant workers, received basic training on safety, product quality and processes, but had no career path or avenue to future employment.

1 ILO, Driving Change: A market systems analysis of responsible business practices in Thailand's automotive parts sector, 2021

Good socially responsible labour practices

Robert Bosch Thailand Limited

ILO MNE Declaration Principle:
Employment, Training, Industrial
relations

Robert Bosch Thailand Limited, a leading German automotive parts company focuses on four areas: mobility solutions, industrial technology, consumer goods and energy/building technology. Bosch is among the pioneers in the Thai automotive sector, with its first plant established in 1923. It currently employs 1100 people, with over 900 employees working at the Bosch Hemaraj Plant in Rayong, which produces automotive power trains. The Bosch workforce is comprised of 40% female and 60% male employees.

Bosch policies reflect an emphasis on 'diversity as opportunity'. Bosch believes in Equality of Opportunity and Treatment as outlined in the MNE Declaration. Their internal policies and procedures are aimed at making their global workforce feel valued; and can devote their individual strengths, experience, and potential to the company.

Human resources practices at Bosch have been designed with the objective of sustaining excellence in manufacturing. The company aims to provide each employee with the following: (i) job specific curriculum and training; (ii) training that follows position and title; (iii) goal performance dialogues; and (iv) access to 50,000 training modules.

Management reported that there is less than 1% turnover for direct employees (operators). They believe this high level of job satisfaction is due to a focus on active dialogue between operators and management. One such practice is the use of employee meetings where workers at all levels have the right to make proposals and provide suggestions. The results of these meetings are integrated into the continuous improvement process in their facilities. While management reported some discontinuity as a result of the Covid-19 pandemic, prior to the crisis, Bosch employees would engage in regular 'town halls.' These activities provided an opportunity to bring together line operators, and production groups to cascade information.

At their Thai manufacturing plant, Bosch has an active trade union, which enjoys a membership of the majority of the workforce. Monthly meetings between the company and union are standard practice, and management reported that their goals are well-aligned with those of the company. Bosch explained that the union is involved in yearly wage negotiations and provides positive contributions to their fair work policy. Bosch management also expressed that the union's suggestions and ongoing participation in building strategies to prevent Covid-19 have provided holistic benefits to their operations.

Conditions of work and life. Working conditions in the auto parts sector depend largely on the type of employment contract and position (tier) of employer in the overall production chain. Workers in large auto assembly companies and in top-tier suppliers generally receive higher salaries than the domestic standards. Agency or subcontracted workers in many of the companies work under

substandard conditions. They are paid a daily wage and have only partial entitlement to benefits.

Large tier 1 suppliers have an OSH system in place. This is continuously upgraded and adapted to changes in their operations and processes. Small and medium enterprises can further improve their OSH systems.

Good socially responsible labour practices

Toyota: Enforcing the occupational safety and health agenda along supply chains

ILO MNE Declaration Principle:
Conditions of work and life

Toyota Thailand is one of the companies that is well known for good OSH practices. Its OSH system is implemented in all its plants and forms part of the code of conduct for tier 1 and tier 2 suppliers. According to a Toyota Thailand labour union, Toyota plants have a rigorous safety department that regularly monitors and enforces both on- and off-the-job safety protocols. For example, while walking or driving on the company premises, employees – whether they are managers or workers – are required to follow the safety protocols without exception. The company also conducts regular safety awareness trainings and sets high standards for employee tests.

The OSH committee is composed of representatives from the union and management at the supervisor and executive levels. This flows from the mutual trust and responsibility between management and trade unions, which Toyota places at the heart of its corporate success. High OSH standards, as well as regular dialogue between management and workers, contribute towards higher productivity, creating a virtuous circle and agility to adapt quickly to change. For example, during the COVID-19 pandemic, Toyota built on its OSH system to quickly provide workers the necessary personal protective equipment and institute necessary protocols within the tier 1 and tier 2 suppliers.

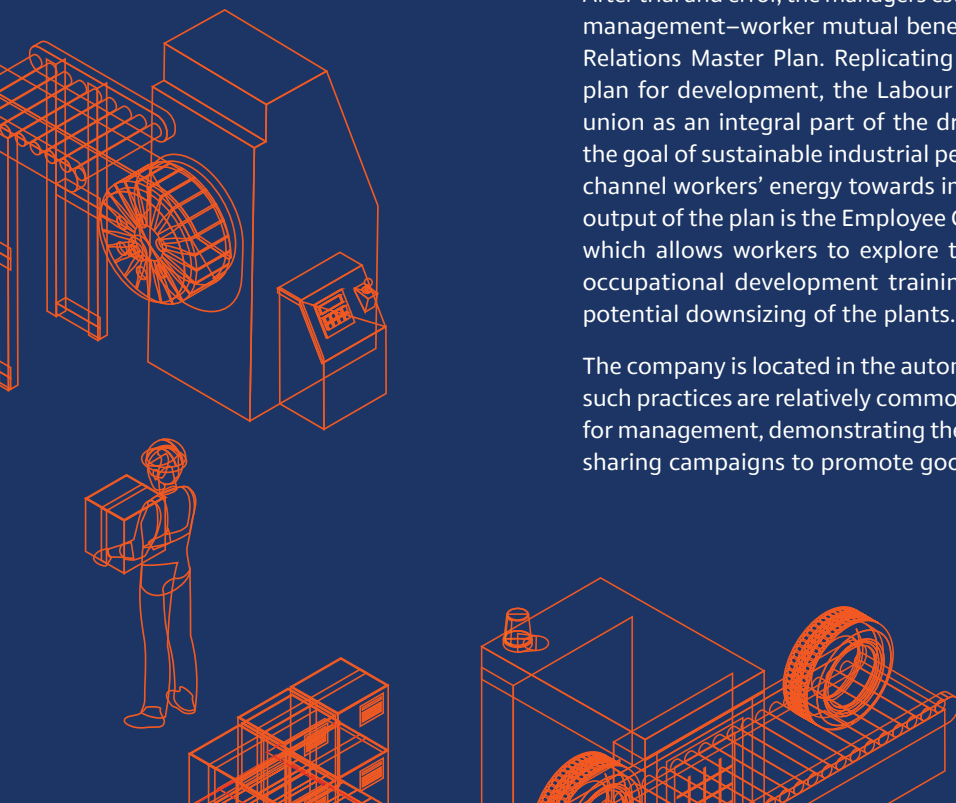
Auto Alliance Thailand: Promoting industrial peace through industrial relations

ILO MNE Declaration Principle:
Industrial relations

The Auto Alliance Thailand was established as a joint venture between the Ford Motor Company and Mazda Motor Corporation to produce compact pick-up trucks. The Auto Alliance Thailand's relationship with trade unions had previously been contentious, but management realized the significance of trust for the company's long-term performance, and thus developed an initiative aimed at promoting industrial peace through trust-building and the promotion of worker voice. Management initiated small programmes, such as a worker income-generation programme from production waste recycling, in which union leaders and worker representatives participated in the planning and implementation processes to build understanding and trust. Management also worked with the trade union to replace contract work with full-time employment.

After trial and error, the managers established a constructive model for achieving management-worker mutual benefits and building trust: a five-year Labour Relations Master Plan. Replicating the Government's public-private master plan for development, the Labour Relations Master plan includes the trade union as an integral part of the drafting and implementation process, with the goal of sustainable industrial peace in the plants. The underlying idea is to channel workers' energy towards improving their well-being. One interesting output of the plan is the Employee Choices for Alternative Career programme, which allows workers to explore their alternative plans and organize their occupational development training in view of imminent automation and potential downsizing of the plants.

The company is located in the automotive hub of the Eastern Seaboard, where such practices are relatively common and likely serve as a source of inspiration for management, demonstrating the value of public education and experience-sharing campaigns to promote good industrial relations.



Industrial relations. The study identified that workers in assembly plants are generally organized, and many major plants have unions or some form of worker representation. The five biggest carmakers in Thailand have unions, while some of their business partners/suppliers have established trade union federations. The study, however, identified the absence of a mechanism for collective bargaining. Trade unions in the assembly plants and tier 1 companies have filed cases of complaints with the ILO supervisory mechanism. The ILO Committee on Freedom of Association has called on the Government of Thailand to ensure effective protection of workers from acts of anti-union discrimination, both in law and in practice, and that this protection covers all legitimate trade union activities, including those relative to the establishment of workers' organizations. Thailand has not ratified Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), nor the Right to Organise and Collective Bargaining Convention, 1949 (No. 98).

Decent work challenges in the Thai auto part sector are underpinned by the following systemic constraints:

- a) Existing training programmes were designed and developed by tier 1 companies and, thus, are less responsive to needs of lower tier suppliers. Furthermore, the Skills Development Promotion Act offers incentives (e.g., tax benefits) only to companies with 100 employees or more, who have provided or organized training to at least 50% of its workers. In essence, smaller-sized companies are not eligible to avail of the tax incentives.
- b) The absence of a long-term human resource strategy, particularly in the lower tiers of the automotive supply chain, leads to lack of investment in skills development of the workforce, and high turnover rates.
- c) Suppliers assume all risks of short-term fluctuations, creating the incentive to maximize flexibility and cost-control by buyers. This ultimately contributes to precarious employment and poor working conditions among workers in the supplying companies, such as lower wages and excessive hours of work.
- d) Insufficient investment from government and buyers to upgrade local suppliers. Lower tier suppliers, in particular, do not have sufficient resources or access to resources to invest in upgrading.
- e) Capacity, communication and coordination challenges among government agencies hinder the effective implementation of responsible business practices in the sector.

Dialogue between the Government, enterprises and social partners is lacking at the national and sectoral levels.
- f) Buyers or original equipment manufacturers do not use commercial incentives to stimulate their business partners to effectively implement a code of conduct or other sustainability policies, nor to develop a more comprehensive view of responsible business.

The way forward

The ILO MNE Declaration

Corporate social responsibility (CSR) as defined by the International Labour Organization (ILO) is “a way in which enterprises give consideration to the impact of their operations on society and affirm their principles and values both in their own internal methods and processes and their interaction with other actors.” The main guiding instrument regarding the labour dimension of CSR or responsible business conduct (RBC) is the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (MNE Declaration), which was adopted in 1997 and most recently updated in 2017. The MNE Declaration sets out principles in the fields of general policies, employment, training, conditions of work and life and industrial relations which governments, employers and workers organizations and multinational and national enterprises are recommended to observe on a voluntary basis.



How a company relates with its workers, suppliers, host communities, and the marketplace can greatly contribute to the sustainability of its business success. For companies to stay productive, competitive, and relevant in the face of rapid globalization, they have to become environmentally viable and socially responsible. Labour related CSR entails companies taking responsibility for their impacts on decent work throughout their operations and with their business partners and identifying ways to enhance their positive contribution to decent work in dialogue with their workers, suppliers, host communities, and buyers. Responsible businesses create social value by addressing needs and challenges of their stakeholders while simultaneously creating their own economic value.

The Responsible Supply Chains in Asia (RSCA) programme in Thailand organised tripartite-plus dialogues through a tripartite body called the Project Advisory Committee (PAC), whose mandate was to support the development of project strategy, review and implementation, as well as proposing project activity agendas, and policy recommendations. Furthermore, with the support of the RSCA programme, actors in Thailand's Auto Parts Sector established a Taskforce on Promoting Socially Responsible and Sustainable Business in Auto Parts Supply Chains (Auto Parts Taskforce). With the objective of establishing a platform to further responsible business in the sector, the Auto Parts Taskforce is comprised of representatives from the Ministry of Labour, Ministry of Industry, Ministry of Commerce, Employers' Confederation of Thailand (ECOT), Federation of Thai Industries (FTI), Thai Auto-parts Manufacturers Association (TAPMA), Thai Confederation of Electronic, Electrical Appliances, Auto and Metal Workers (TEAM) and

Federation of Thailand Automobile Workers Union (TAW), Thai Trade Unions Council (TTUC), The Labour Congress of Thailand (LCT), Solidarity Centre, Thailand Automotive Institute (TAI) and International Institute for Trade and Development (ITD).

The recommendations that emerged from these policy dialogues are outlined below, especially from the recent events such as "The Business Roundtable: Socially Responsible Business Practices in the Automotive Sector in Asia," which was organized by the RSCA programme in collaboration with the European Association for Business and Commerce (EABC) and the Thai European Business Association (TEBA) and the International Labour Organization (ILO) last July 2021. The recommendations are guided by the principles of the MNE Declaration and other instruments on responsible business and, with a view of 'building back better' by advancing decent work in COVID-19 recovery of the auto parts sector in Thailand.

Policy recommendation	Stakeholder
<p>The Auto Parts Taskforce should build and profile the business case on the link between responsible practices and long-term business success. Further work is required to quantify the benefits of responsible business conduct and understand how this impacts the bottom line of companies. Such a business case would incentivize businesses throughout the value chain to behave more responsibly and to effectively implement a code of conduct or other sustainability policies. To develop such a business case would require the enterprises in the auto parts sector to come together to collect information and develop such a business case. It would also require further engagement with the government of Thailand and with the governments of the home countries of the car brands (MNEs), with workers' organizations, and with industry associations/ employer organizations on specific actions needed to promote this business case.</p>	<ul style="list-style-type: none"> ■ Auto Parts Taskforce
<p>The Thai Government should take the lead in the harmonization of the different policies on responsible businesses and strengthen its institutionalization and coherent implementation. Thailand has taken a number of initiatives to promote the labour dimension of responsible business conduct. To take these policy initiatives further, there needs to be coherence among various mechanisms. The National Action Plan on Business and Human Rights and its implementing committee can be the main mechanism to coordinate policies on responsible business from different ministries to be more coherent and comprehensive, particularly on the labour dimension, as indeed Labour is one of the four thematic areas prioritised in the NAP in Thailand. Another mechanism to be considered is the appointment of national focal points for the promotion of the MNE Declaration. Such tripartite appointed national focal points would coordinate the activities to promote and implement the principles of the MNE Declaration at the country and sectoral levels as well as facilitate tripartite-plus dialogues on issues related to responsible supply chains and the promotion of labour dimension of CSR/RBC.</p>	<ul style="list-style-type: none"> ■ Government

Policy recommendation	Stakeholder
<p>Multinational enterprises (MNEs) and first tier suppliers should conduct a comprehensive mapping to understand connected sectors. A comprehensive mapping to understand how the different tiers in this sector are connected and the opportunities these connections / business relationships offer for upgrading of labour practices. Such a mapping should be complemented by measures to incentivise the sharing of good practices between buyers and their first tier and lower tier suppliers.</p>	<ul style="list-style-type: none"> ■ MNEs ■ First tier suppliers
<p>Government, in collaboration with the Auto Parts Task Force and civil society organizations, should lead the establishment and exchange of good practices on socially responsible labour practices among foreign-owned enterprises and local SMEs. Programs and incentives that will encourage MNEs to build the capacity of suppliers to adhere to its socially responsible labour policies should be established. Strengthening of relationships between MNEs and local SMEs is important for operating efficiencies as well as for promoting commonality of socially responsible labour policies and continuous improvement towards policy implementation</p>	<ul style="list-style-type: none"> ■ Government ■ Auto Parts Task Force ■ Civil society organizations
<p>The Auto Parts Taskforce, in partnership with academic institutions, should establish capacity building programmes on socially responsible labour practices among future business leaders and trade unions in Thailand. A series of targeted trainings in partnership with academic institutions in Thailand to raise the awareness among future business leaders on the importance of corporate sustainability and responsible business conduct. Such training will also stimulate the interest of academic institutions in Thailand to carry out more research on this topic that in turn can inform evidence-based policy dialogues.</p>	<ul style="list-style-type: none"> ■ Auto Parts Taskforce ■ Academic institutions

Further developments

Conduct of tripartite-plus social dialogue to promote the labour dimension of responsible business in the auto parts sector in Thailand.

The programme in Thailand organised tripartite plus dialogues through the Project Advisory Committee (PAC) and Taskforce on Promoting Socially Responsible and Sustainable Business in Auto Parts Supply Chains (Auto Parts Taskforce). The engagement of key stakeholders and actors in social dialogue stimulates the effective implementation of the labour dimension of CSR/RBC in specific sectors and supply chains, and facilitates the development of concrete inputs for policy design processes. Engagement with these partners is instrumental for broadening the outreach and uptake of the principles of the ILO MNE Declaration in the auto parts sector, as part of efforts to adopt socially responsible labour practices along supply chains. The policy dialogue space has developed/adopted their own action plans to guide the implementation of concrete activities to advance socially responsible labour practices in the automotive sector.

Training of local SMEs, academe, and future business leaders on socially responsible labour practices.

The programme collaborated with TEBA, Rajamangala University of Technology Phra Nakhon, Thammasat University, and Chulalongkorn University to deliver a series of training on International Labour Standards, the MNE Declaration and responsible business conduct for university lecturers, and future business leaders.

The programme held a technical seminar on “The Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration)” for representatives of trade unions in Thailand. In the discussions, the workers’ organisations expressed their concern on existing labour issues, particularly on labour relations, in various foreign-owned multinational enterprises operating in Thailand. This established the clear need for home-host country dialogues, as foreseen in the ILO MNE Declaration.

The programme, together with the National Congress Private Industrial of Employees (NCPE) co-organised a “Training seminar on social security and the MNE Declaration” (THA D5). The objective of this training, as requested by the trade union, was to raise trade union leaders’ awareness of responsible business, as well as the principles and operational tools of the MNE Declaration. This training was the first time that many of the participants had the opportunity to learn about responsible business conduct and the institutional context around it. The participants requested more training for workers’ organisations.

The RSCA programme, together with UNDP Thailand, Global Compact Network Thailand (GCNT), the Securities and Exchange Commission

and the Rights and Liberties Protection Department (RLPD) of Ministry of Justice, co- organized the training “Business and Human Rights training: Human Rights Due Diligence Practical Guides.” The ILO-led training session provided an overview of the ILO MNE Declaration and its relation to international labour standards, as well as salient human rights issues in Thailand, based on comments of the Committee of Experts on the Application of Conventions and Recommendations (CEACR or Committee of Experts). It also provided an overview of the CSR Training manual developed in the context of the RSCA programme, the ILO Helpdesk, and the fundamental principles and rights at work to businesses.



For more information:

MNE Declaration web portal – www.ilo.org/mnedeclaration

ILO-OECD-OHCHR responsible Supply Chains in Asia: Thailand - https://www.ilo.org/asia/projects/WCMS_678345/lang--en/index.htm

Labour Standards in Global Supply Chains: An ILO training module for SMEs and other enterprises
https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/instructionalmaterial/wcms_725761.pdf

ILO Helpdesk for Business on international labour standards (www.ilo.org/business)
How to align corporate policies and practices with International ILS and build good industrial relations

Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy
https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/--multi/documents/publication/wcms_094386.pdf
https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_684935.pdf

Responsible Business: Key Messages from International Instruments
https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_724747.pdf

Labour Issues in CSR: Examples from the ILO Helpdesk for Business Q & A
https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/instructionalmaterial/wcms_740229.pdf

ILO company-union dialogue facilitation
https://www.ilo.org/empent/areas/mne-declaration/WCMS_572115/lang--en/index.htm

Measurement for the employment and labour-related impacts of the Multinational Enterprises (MNEs)
https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/--multi/documents/publication/wcms_620788.pdf

The ILO MNE Declaration: What's in it for Workers?
https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---actrav/documents/publication/wcms_627351.pdf

Engaging multinational enterprises on more and better jobs
http://www.oit.org/wcmsp5/groups/public/---ed_emp/---emp_ent/--multi/documents/publication/wcms_175477.pdf

Responsible business -- labour standards in global supply chains
<https://www.itcilo.org/courses/responsible-business-meeting-labour-standards-global-supply-chains> - rolled out together with the ILO SCORE programme, targeting SMEs in global supply chains (enhance manager-workers workplace cooperation)

The future of work in the automotive industry: The need to invest in people's capabilities and decent and sustainable work
https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---sector/documents/meetingdocument/wcms_741659.pdf

ASEAN in transformation Automotive and auto parts: Shifting gears
https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---act_emp/documents/publication/wcms_579557.pdf

COVID-19 and the automotive industry
https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---sector/documents/briefingnote/wcms_741343.pdf

Technical meeting on the future of work in the automotive industry
https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---sector/documents/meetingdocument/wcms_821994.pdf

Responsible Supply Chains in Asia (RSCA) Programme in Thailand

www.ilo.org/rsca

The “Responsible Supply Chains in Asia” (RSCA) programme (RAS/16/13/EUR) is a programme developed by the European Union together with the International Labour Organization (ILO) and the Organisation for Economic Co-operation and Development (OECD). The programme promotes corporate social responsibility (CSR) / responsible business conduct (RBC) with regard to the environment, decent work and the respect of human rights.

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 the EU Treaties and reinforced in the European Commission’s trade policy strategy of 2015 “Trade for All”. It falls in particular under the Commission’s commitment to identify opportunities for responsible supply chain partnerships and the EU’s strategic approach to responsible business conduct, which is based on internationally agreed principles and guidelines. It will also contribute to the EU strategic approach to CSR/RBC as put forward in the Commission 2011 Communication “A renewed EU strategy 2011-14 for Corporate Social Responsibility.”

The four-year programme (2018-2021), carried out in collaboration with Japan, China, Myanmar, Philippines, Thailand and Vietnam, has two broad objectives to:

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

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.

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