



Post-Event Summary Report

ASEAN NEXT GEN CSR FORUM

3 to 7 February 2015
Laguna Resort, Bali, Indonesia

This report serves as a post-event summary report on the organization of the forum, focusing on discussion highlights and acknowledging contributions from external parties.

A. EVENT OVERVIEW

The ASEAN CSR Network (ACN) has a mandate to promote and enable responsible business conduct in ASEAN in support of sustainable, equitable and inclusive economic and socio-economic development. It in this spirit that ACN co-organized the ASEAN Next-Gen CSR Forum as part of an intensive **“CSR Week”** from 3 to 7 February in Bali to take stock of achievements and work to chart the way forward.



With the theme **“Breakthroughs for Inclusive & Sustainable Growth in ASEAN post-2015”**, we appraised the role of business and discussed CSR implementation challenges for the private sector and its partners. Corruption, sustainable agriculture, natural resource management, enabling local environments and human rights were among the topical subjects addressed. It was an opportunity to discover innovative approaches, share insights, and generate ideas and new partnerships. In addition, while learning from the experts, we looked to identify concrete strategies to spur the development of CSR in ASEAN beyond 2015.

B. MAIN FORUM DISCUSSION HIGHLIGHTS

ASEAN Post-2015 – New Opportunities, New Challenges

In his address, ASEAN Secretary General Le Luong Minh spoke of the importance of 2015 as a milestone for ASEAN’s development as we approach an integrated community at the end of the year. While he shared his thoughts on the opportunities and challenges for the region at this critical juncture, he underscored the need to fulfill the provisions in ASEAN’s Socio-Cultural Community Blueprint on ensuring that CSR, as defined and practiced in line with international standards and norms, be in the region’s corporate agenda.



ASEAN Secretary General Le Luong Minh

The Secretary General emphasized the vital role of the business sector in achieving inclusive, equitable and sustainable development, especially in addressing issues of human development, social protection and the promotion of social justice and rights. Mr. Le also stressed as priorities “the pursuit of more responsive and effective governance, better standards of living, environmental protection, women empowerment, promotion of human rights, as well as the creation of opportunities for all” in building a “people-oriented ASEAN”.



Minister Puan Maharani

In her Opening Remarks, Minister Puan Maharani reiterated the importance of partnerships between government and the businesses sector in solving problems, especially at the community level. She said, that due to the financial capacity and expertise of the private sector, companies could complement the government’s efforts particularly in the area of infrastructure, education, health, housing, water and sanitation. CSR, she said, can leverage both social development of the community and opportunities for the companies. Through CSR, she continued, companies “gain recognition and respect from the community” and “impact cohesiveness of the society”.

ASEAN CSR Network Chair Yanti Triwadiantini declared that as part of the ‘ASEAN CSR Vision 2020’, ASEAN must harness collective action on CSR. The agenda must go beyond corporate philanthropy and move towards businesses working jointly with government and civil society to address key issues as part of their business operations and strategy.



ACN Chair Yanti Triwadiantini

Enabling Breakthroughs for Inclusive and Sustainable Growth in ASEAN post-2015



Mr. John Elkington

John Elkington, a renowned thought leader on CSR and creator of the “Triple Bottom Line” approach to sustainability, delivered the keynote address. Elkington described CSR as the “art of the possible”, while stressing that we should constantly push the agenda and find breakthroughs to achieving a new way of doing business. We should not be limited by what is possible in today’s context, but instead have a bold vision for achieving what is seemingly impossible. He cited examples of visionary business leaders who have embraced the CSR agenda.

Among the examples he cited was the “Mission Zero” plan of Interface, the carpet tile manufacturing company led by the late Ray Anderson. Ray Anderson is among the visionary business leaders who was seen as “crazy” by many when he first

declared his “Mission Zero” plan in 1996 to achieve “three zero-based targets” to eliminate any negative impact the business would have on the environment by 2020 in their Europe facility. As of January 2014, the company has been operating with 100% renewable energy, both electricity and gas, effectively using zero water in its manufacturing processes and has attained zero waste to landfill. By doing so, Anderson helped transform his business into a sustainable and restorative enterprise. Elkington described this achievement as the new kind of CSR -- the “art of the impossible”.

Elkington cited “risk management, cost-savings, access to capital, customer relationships, human resources potential, and innovation capacity” as among the benefits that can accrue to companies that subscribe to CSR and innovation.



Addressing a question from a participant, John Elkington expressed concern that CSR and related concepts such as “Creating Shared Value” are becoming widely misunderstood and misinterpreted as they gain popularity. This leads to companies practising it the wrong way and creating doubt on its value. At the same time, he said he shared a great hope for the future because today’s youth think differently and have different expectations, paving the way for a new breed of business leaders. He emphasised the need to empower this idealism starting in business schools, which are generally seen as latecomers to the sustainability agenda.

The Role of the Private Sector in Post-2015 ASEAN and Global Context



The 1st panel session was a rich exchange between the speakers and the participants, as discussants presented insights as well as opportunities on how CSR can contribute to a more sustainable ASEAN Community.



Manulife Indonesia CEO & President Chris Bendl

Manulife Indonesia CEO and President Chris Bendl shared his company's focus on financial literacy and education as its CSR effort within Indonesia. Manulife also works with tertiary institutions to support their actuary curriculum. By focusing on CSR activities that are related to its business, Manulife is finding ways to provide opportunities for education and employment to the youth while also growing the market for its products. Bendl stressed the importance of collaborative relationships between the private, public and people sectors. He said that for a growing economy like Indonesia, doing business is not so much about increasing market share but more about increasing the size of the market itself and preparing for the future. This line of thinking allows Manulife to invest in CSR and have a long-term outlook in its efforts.

Roel Nieuwenkamp, Chair of the OECD's Working Party on Responsible Business Conduct, referred to the OECD Guidelines for Multinational Enterprises, as he proposed recommendations for companies operating in ASEAN post-2015. He stressed on the importance for government-backed international guidelines and for signatory governments to promote their adoption and implementation in partnership with the business sector. Nieuwenkamp highlighted one aspect of the OECD Guidelines that needed greater attention – the provision of grievance mechanisms, especially in cases of corporate misconduct in the area of human rights. He added that global corporations must be expected to be responsible for their entire supply chains, and there must be mechanisms in place to monitor their impacts on host countries.



Mr. Roel Nieuwenkamp



Mr. Rafendi Djamin

Rafendi Djamin, the Indonesian Representative for the ASEAN Intergovernmental Commission on Human Rights, spoke of the need for further engagement of the private sector and business ownership of the ASEAN post-2015 development agenda. Rafendi related this in connection to the lessons learned from the targets set for the Millennium Development Goals (MDGs), which he said, did not involve the consultation of the private sector, among others. Moving forward, touching on the development of the Sustainable Development Goals agenda, Rafendi shared how the private sector can drive the post-2015 agenda by addressing gaps in the plans such as on issues of water, health, environment, and human rights among others. In the context of business and human rights, he reiterated the importance of "due diligence" processes and "effective grievance mechanisms" to address the concerns of local stakeholders.

In his recommendation, Noriyuki Suzuki, the General-Secretary of ITUC Asia-Pacific, spoke of "partnerships" and "constructive industrial relations". He urged businesses to include trade unions as one of the "actors in the CSR movement" to promote sustainable business and social development. Trade Unions, he said, are "ready to work with business". The "interest of trade unions for better working conditions" and the companies' interest in sustainability can be the foundation of "mutual understanding" of CSR that would be able to promote sustainable business and social movement.



Mr. Noriyuki Suzuki

Towards a Corruption-free ASEAN

The 2nd panel session focused on how the business sector can help address the problem of corruption in the ASEAN Community.



Dr. Huguette Labelle

Giving examples in the international context on how corruption impacts different parts of our lives, Dr. Huguette Labelle, former Chair of Transparency International (TI), gave insights into the costs of corruption and instances of how governments, businesses and members of civil society have worked together as a way forward to address the concerns. Attention was also given to small and medium-sized companies on how these enterprises can work collectively as part of a sector. With strength in numbers, the collective action of businesses can provide solutions to the problem that needs addressing and even impact the community in which the firms operate.

Quoting the Secretary General of the OECD, Dr Labelle referred to corruption as one of the “biggest systemic threats of the 21st century”. Dr. Labelle emphasized that we should not treat corruption as victim-less crime and how a culture of corruption has far-reaching consequences. She described how corruption is a “common denominator in conflict countries” that has given rise to rebellions. On the other hand, tackling corruption brings stability and resilience and is also a measure towards “natural disaster proofing” and “food and water security”.

In the context of ASEAN, dealing with corruption will protect the resources for development in the region, said Dr. Labelle. As for resource-rich countries in the region, she said, “a corruption-free ASEAN would maximize the value of natural resources for the people”.

According to Dr. Labelle, with the increasing number of senior business leaders adopting zero-tolerance to corruption, the private sector can be the “solutions provider”. Importantly too, CSR should be transparent and built on integrity. In addition, firms should act beyond strict compliance to the law and seek to work with other firms in their sector as well as civil society and governments to improve the situations where they operate in.

The session engaged other experts in the discussion. It was moderated by Dr. Shervin Majlessi, Regional Adviser on Anti-Corruption of the United Nations Office on Drugs and Crime (UNODC) and joined by Yolanda Banks, Senior Advisor on CSR of the Export Development of Canada (EDC), Gerard Forlin (QC) of Cornerstones Barristers in London, Maxwell Chambers in Singapore and Denman Chambers in Sydney; and Maria Teresa Lopez Pacis, Assistant Vice President of Corporate Affairs of GMA Network.





Ms. Yolanda Banks

Yolanda Banks focused on the operations of small and medium-sized enterprises (SMEs) and alerted businesses to investors, who, as part of their due diligence process, investigate the risk of corrupt practices and the involvement of companies in them. She encouraged those facing the challenge of corruption to find cross-sectorial solutions and work with collaborators within industries. It is a method which Banks described as ‘impactful’. She recommended for the data on circumstances within which companies are asked for bribes, to be compiled as a way to monitor the trend. The data, instead of “anecdotal information”, can be used to prosecute the bribers as well as the bribe-takers and foil requests for bribes.

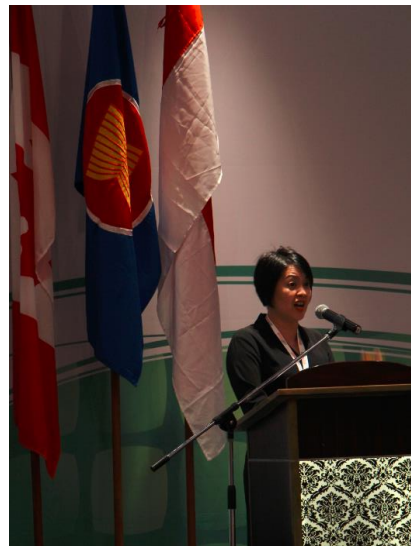
UK barrister Gerard Forlin QC stressed that when a company engages in corruption, it exposes itself to severe global legal and reputational risks. Under the new legal frameworks for tackling corruption and bribery, such as the UK Bribery Act, businesses can be held accountable in their home countries for misconduct of their employees and agents that take place overseas.

Further, he cited that poor corporate governance directly leads to broader problems on health and safety, environmental management, and human rights violations. This is why he said that good governance should be at the heart of any company’s CSR strategy.

Maria Teresa Lopez Pacis, Vice President for Corporate Affairs at GMA Network (Philippines), shared practical examples and went into specific suggestions on how an ASEAN-based company can avoid corruption and contribute to a corrupt-free ASEAN by joining collective action programs, such as the Integrity Initiative in the Philippines. With a shared understanding of corruption, the Initiative will pave the way for improved integrity standards and terms of compliance. For her, the motto is, to keep the conversation going and start to act against corruption now.



QC Gerard Forlin



Ms. Maria Teresa Lopez Pacis

On 6 February, the Regional Working Group on Business Integrity in ASEAN, composed of seven private sector networks engaged in anti-corruption work, continued the discussions through a consultation meeting. The meeting was organized with the support of the UK FCO and UNODC, and included partners from TI. The outputs of the meeting will inform the Regional Working Group’s Framework and Plan of Action, and efforts by TI to advocate for an ‘ASEAN Integrity Community as part of ASEAN’s post-2015 strategy.

MNCs Must Lead the Way in Ensuring ASEAN Food Security and Sustainability

Business will not be sustainable in unsustainable societies. As ASEAN progresses and grows, MNCs should be urged to play a more active role in supporting ASEAN food security, resource management and sustainability. Equally important is for businesses to be supported and incentivized with the necessary frameworks, institutions, and compliance to regulations. These were among the recommendations put forward by speakers and participants representing governments, state-owned companies, multinational corporations, international development agencies, as well as civil society.

Moderated by Amit Vatsayan, Economic Empowerment Manager, Asia of Oxfam GB, speakers for the session included Ali Mundakir, Vice President of Corporate Communications for Pertamina; Daniel Dumas, Executive Director of the Canadian International Resources and Development Institute (CIRDI); Potro Soeprapto, Senior Manager of Social Responsibility and Government of PT Newmont Nusa Tenggara; Ridwan Kamil, the Mayor of Bandung, West Java, Indonesia; Dr. Puvan Selvanathan, Head of Sustainable Agriculture of the United Nations Global Compact; and Debora R. Tjandrakusuma, Legal and Corporate Affairs Director of PT Nestle Indonesia.



Tjandrakusuma presented her organization's business strategy of "creating shared value". She explained that for the organization to prosper, the community in which it operates and serves needs to prosper too. She shared that Nestle works closely with its agricultural suppliers to meet shared objectives such as minimizing the environmental footprint and creating sustainable incomes. By helping its suppliers improve their practices and investing in new technologies, Nestle is able to contribute to the prosperity of the communities it operates in and help ensure food and environmental security, all while ensuring its own profitability by having a sustainable source of raw materials for its products. This is the "win-win-win" proposition of the creating shared value model.

Dr. Selvanathan pointed out that beyond the management of physical and natural resources like water, energy and food, there needs to be a focus on the human economy and capital to harness the "potential energy" of ASEAN. This is important as inequality and development gaps are growing.

Ridwan Kamil, the Mayor of Bandung, alluded to how businesses can work on their core values and business expertise. However, he mentioned that collaboration of private sector, government and civil society is needed for there to be sustainable outcomes for communities. He also encouraged the engagement of stakeholders and how the social media can be harnessed to gather people's ideas, feedback and for accountability.

Daniel Dumas opined that countries need frameworks in order "to manage resources effectively" and institutions that could monitor, manage and enforce the frameworks. Additionally, he said, to be able to enforce these frameworks, countries "should build the capacity" of the organizations.

Ali Mundakir and Potro Soeprato emphasized the need for tri-sector collaborations for ASEAN to harness and manage its natural and human resources for sustainable growth.

C. SIDE EVENTS AND WORKSHOPS

1. Masterclass on CSR & Stakeholder Engagement, 3 Feb 2015



- Prof. Tima Bansal from Ivey School of Business led the 1-day workshop
- 61 participants attended -- with 15 from business, 42 from civil society/ NGOs, and 4 from government. 11 countries were represented

2. Business & Human Rights Consultation, 4 Feb 2015



- The consultation focused on the development of National Action Plans (NAPs) based on the UN Guiding Principles on Business and Human Rights
- Four ASEAN Intergovernmental Commission on Human Rights (AICHR) representatives were speakers and participants at the consultation
- Michael Addo (Chair) and Puvan Selvanathan (Member) represented the UN Working Group on Business and Human Rights
- Main facilitators included Mahdev Mohan (Singapore Management University), Joanne Bauer (Columbia University), Cynthia Morel (Singapore Management University), and Michelle Staggs-Kelsall (Human Rights Resource Centre)
- 113 participants attended -- with 30 from business, 75 from civil society/ NGOs, and 8 from government. 15 countries were represented
- At the end of the Consultation, three countries committed to pursue the development of National Action Plans – Indonesia, Malaysia and Myanmar
- **Highlights of Discussions**
 - Businesses need to adopt and implement the UN Guiding Principles on Business and Human Rights (UN Guiding Principles), and should be encouraged to act as champions for human rights and CSR.
 - Existing mechanisms and general national plans of action that ASEAN states have committed to could be tapped upon to mutually reinforce the link between CSR and human rights.
 - And even as National Action Plans for Business and Human Rights is be encouraged to be developed in ASEAN member countries, Myanmar’s commitment to implement the development of NAP is recognized and supported.
 - Further, the NAPs for human rights in Thailand and Philippines too can be a starting point, or serve as the coherence tool within which, NAPs in these countries can be developed.
 - At the regional ASEAN level, the relevance of CSR should not be limited to purely the socio-cultural framework of the ASEAN Community framework. It must form part of the economic pillar and therefore the ASEAN Economic Community (“AEC”).
 - Currently, the AEC makes little reference to this as well as to SMEs. More than the preoccupation with traditional issues such as non-tariff barriers, concern is sought for an understanding that trade and investment do touch on CSR, and hence for human rights to be taken into account in the in AEC process.
 - In this connection, organizations such as the ASEAN CSR Network, various chambers of commerce, and local branches of the UN Global Compact can take the lead. They are in a position to identify and liaise with the champions leaders within the business community for this purpose.

3. Food & Agriculture Business Principles Meeting, 6 Feb 2015

- The meeting served as consultation and project kick-off of the Food & Agriculture Business Principles partnership between Global Compact and ASEAN CSR Network with the introduction of the Integrated Sustainable Agriculture Program (ISAP).
- ISAP will be piloted and rolled out in phases over 5 years. ASEAN’s ten Member States are part of the ISAP pilot.

- 70 participants attended -- with 21 from business, 37 from civil society/ NGOs, and 12 from government. 13 countries were represented
- Key resource speakers included:
 - Puvan Selvanathan, Head, Sustainable Agriculture, UN Global Compact
 - Thomas Thomas, CEO, ASEAN CSR Network



- Key organizations represented at the meeting included:
 - Global Compact Local Networks from Indonesia, Malaysia, Myanmar, Singapore, and Vietnam
 - Oxfam GB
 - Nestle
 - Sime Darby
 - Danone
 - PT Newmont
 - Bank Negara Indonesia (Central Bank of Indonesia)

- **Highlights of Discussions**

- Creating an evidence-based registry to measure the sustainable development of farmers and SMEs is needed.
- Using an Integrated Sustainable Agriculture Program (ISAP) as a tool to enable more actors in food and agriculture systems to adopt sustainable policies and evidence sustainable practices, as well as encourage progress toward better practices, and freely provide information to farmers and SMEs.
- Users of ISAP, collectively as an ISAP community and the Global Business Coalition for Food Security (GBC), will be able to take the lead in policy-practice discourse at sectoral and inter-governmental levels.
- It will provide timely and reliable data and information as needed to develop agricultural policies and long-term development plans for sustainable food production and trade in line with ASEAN Integrated Food Security (AIFS) Framework, conceptualized by the ASEAN Ministers of Agriculture and Forestry (AMAF).
- AIFS Framework arose as an urgent need to develop a policy framework for strategic measures and actions including requiring common understanding among ASEAN Member States over socio-economic concerns of sharp increases in international food prices across ASEAN as evident in 2007/2008.

- ACN, through its program Leveraging Business in ASEAN for Food Security and Sustainable Agriculture, will bridge the gaps working through supply chains with its partners to mainstream responsible business conduct to promote sustainable agriculture integrating ISAP and the FAB Principles.

4. Business Integrity & Anti-Corruption Working Group Meeting, 6 Feb 2015



- The consultation focused on the development of Regional Framework for Collective Action in ASEAN
- 86 participants attended -- with 23 from business, 51 from civil society/ NGOs, and 12 from government. 12 countries were represented
- Participants included representatives from Working Group members and partner organizations such as:
 - Indonesia Business Links (IBL)
 - Integrity Initiative (Philippines)
 - International Chamber of Commerce (ICC) – Malaysia
 - Singapore Compact for CSR
 - Thai Collective Action Coalition Against Corruption (Thai Institute of Directors-IOD)
 - Vietnam Chamber of Commerce and Industry
 - Transparency International, including chapters from Indonesia, Cambodia, Vietnam and Malaysia
 - UN Office on Drugs and Crime (UNODC)
 - UN Industrial Development Organization (UNIDO)
 - UN Development Program (UNDP)
 - UK Foreign & Commonwealth Office (project donor)
- Key resource speakers and facilitators, included:
 - Shervin Majlessi, Regional Adviser on Anti-Corruption, UNODC
 - Samantha Grant, Regional Coordinator for Southeast Asia, Transparency International
 - Jose Cortez, Project Coordinator, Integrity Initiative
 - Bernadette Low, Senior Manager, Marketing & Communications, Singapore Compact
 - Mohamad Fahmi, Project Manager, IBL
 - Tengku Ida Ismail, Board Member, ICC-Malaysia
 - Kulvech Janvatanavit, Principal Advisor on Anti-Corruption, Thai IOD
 - Florian Beranek, Senior CSR Specialist, UNIDO

- Liviana Zorzi, UNV on Transparency, Accountability & Anti-Corruption, UNDP
- TI representatives
- Priority actions identified in the Meeting, included:
 - Increase the awareness and understanding of corruption among different stakeholders through advocacy/communication campaign;
 - Support one another in building skills and capacity to combat corruption through information sharing, knowledge transfer and skill training;
 - Work with local, regional and international partners to harmonize existing strategies and programs, presenting opportunities for benchmarking and best practices adaptation.

D. MAIN PARTNERS

Organizers

The organizers jointly developed the overall concept of the Forum as well as its end-to-end implementation.

1. ASEAN CSR Network
2. Government of Canada through its Embassy in Jakarta

Co-Organizers

Co-Organizers provided significant financial and non-financial resources in organizing the Forum and its side events.

1. ASEAN Foundation, through the Japan-ASEAN Solidarity Fund
3. Government of Canada, through the Canada Fund for Local Initiatives
4. Government of Sweden, through its Embassy in Bangkok
5. United Kingdom Foreign and Commonwealth Office, through its Prosperity Fund

Corporate Sponsors

Corporate Sponsors provided financial support to the Forum

1. Platinum Sponsor (1) – Intel (Regional)
2. Silver Sponsors(2) – Nestle (Malaysia), PT Newmont Nusa Tenggara (Indonesia)
3. Bronze Sponsors (5) – DSN Group (Indonesia), PT Freeport Indonesia, Manulife (Indonesia), SingTel (Singapore), Unilever (Indonesia)

Participating Organizations & Supporting Partners

These organizations provided support for various aspects of the Forum and side events, including assisting in promotions, sponsoring speakers and delegates travel, sending participants, and/or other non-financial contributions.

1. ACN Participating Networks
 - a. Indonesia Business Links
 - b. International Chamber of Commerce – Malaysia
 - c. League of Corporate Foundations (Philippines)
 - d. Singapore Compact
 - e. Thai Listed Companies Association CSR Club
 - f. Vietnam Chamber of Commerce and Industry
 - g. Union of Myanmar Federation of Chambers of Commerce & Industry

2. Supporting Partners

- a. Canada-ASEAN Business Council – promotional partner
- b. Export Development Canada – cocktail sponsor
- c. Global Compact Food & Agriculture Business Principles – co-organizer and sponsor of Food & Agriculture side event
- d. Human Rights Resource Centre – co-organizer and sponsor of Business & Human Rights side event
- e. Indonesia Canada Chamber of Commerce – promotional partner
- f. Indonesian Mining Association – promotional partner
- g. Kadin Indonesia—promotional partner
- h. PT Pertamina – sponsor of Mangrove Eco-Tour Field Trip
- i. Singapore Management University -- co-organizer and sponsor of Business & Human Rights side event
- j. US-ASEAN Business Council – promotional partner

E. PARTICIPANTS BREAKDOWN

There were a total of 250 participants over the 4 days of events, broken down, a follows:

- Day 1: **61** Day 2: **113** Day 3 (Main Forum): **214** Day 4: **156**
- 166 men, 84 women
- Sector breakdown :125 business, 77 civil society, 48 government
- Country breakdown:

Country	Number
Australia	3
Thailand	13
Cambodia	6
Canada	13
China	3
Vietnam	11
India	1
Indonesia	123
Japan	5
Korea	3
Malaysia	11
Lao	3
UK	4
Myanmar	14
Philippines	12
Netherlands	1
USA	6
Singapore	16
Sweden	2

*** END ***

For more information, please email info@asean-csr-network.org or bryan@asean-csr-network.org