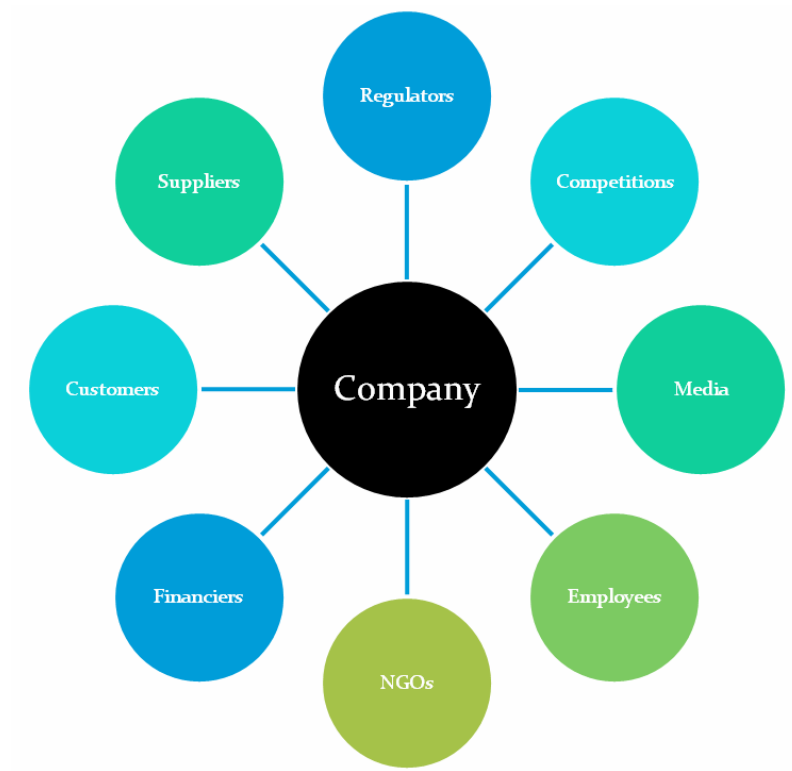


Research Paper on Promoting Corporate Social Responsibility in Thailand and the Role of Volunteerism



Executive Summary

Governments and other development actors (including civil society) increasingly realize that the private sector could and should be an inclusive partner in development. Businesses progressively take responsibility for the impact of their activities on the environment, consumers, employees, communities, and other relevant stakeholders. General components of Corporate Social Responsibility (CSR) like human rights, labour standards, environment and good governance (including anti-corruption) are areas of common interest to development, government and private sector partners. Many Thai companies also see advantages in engaging in CSR activities, because they foster trust and nurture goodwill. This will positively influence the reputation of these companies. The social/religious context in Thailand is the basis for performing good deeds, because of the Buddhist merit-making culture. Therefore a lot of Thai companies are involved in philanthropic actions and employee volunteering.

The United Nations Development Programme (UNDP) and United Nations Volunteers (UNV) in Thailand have recognized the opportunity and potential to work with private sector in the area of CSR that could lead to a win-win-win situation for all parties involved. This preliminary analysis is intended to assist in better understanding the current status of CSR and corporate volunteering in Thailand.

There are different kinds of frameworks regarding CSR such as guidelines/principles from the United Nations Global Compact (UNGC), Organization for Economic Cooperation and Development (OECD), International Organization for Standardization (ISO), Global Reporting Initiative (GRI), Principles for Responsible Investment (PRI), and the Securities and Exchange Commission, Thailand (SEC); all of which basically aim towards the same ultimate goal: sustainable development. Although there may be limitations to CSR in Thailand, because of for instance limited understanding of the concept, a question of sincerity of the private sector (green-washing) attempts in the CSR area and avoidance of controversial topics, there is already a foundation which can be built upon.

This research study utilized both primary (in-depth interviewing of governmental officials and officers from supporting organizations) as well as secondary resources. Based on the findings, four main conclusions can be drawn:

- In the current global financial crisis, Thai businesses are facing difficult times in engaging CSR in a sustainable manner especially if they view it as community development or in terms of merely public relations (PR) or social marketing activities. The global CSR trends stipulate that CSR evolves as a tactical development tool to strengthen corporate, community and social values when the company can understand the essence of CSR and learn how to integrate each component of it within the company business model.
- There are challenges for CSR supporting organizations in Thailand in terms of continued promotion of CSR as a sustainable development tool. Also, there is no coordinating governmental body taking that role.
- There continues to be positive alignment between the UNDP's practice/focus areas and UNV's mandate regarding volunteerism and CSR trends.
- The level of awareness of the UN Global Compact in Thailand is still not very high.

A number of suggestions are proposed in the area of awareness raising, capacity building knowledge-sharing, advocacy and creating a conducive environment. More specifically UNDP could support to:

- Play a focal or coordinating role to align different agendas of different supporting organizations to ensure continuous support to CSR development in Thailand. Within this, UNDP should work with the National Statistics Office (NSO) and the National Economic Social Development Board (NESDB) to identify sustainable development attributes as well as collect CSR information in order to disclose both positive and negative impacts of business operations.
- Provide knowledge-based arguments to create more and deeper understanding of CSR and UN Global Compact as a means to address development issues among Thai companies. The Employers' Confederation of Thailand, currently secretariat of the national network on UN Global Compact, could be instrumental.
- Build on existing CSR efforts (community engagement through philanthropy and corporate volunteering) and turn them into more sustainable and strategic activities, and encourage innovative practices and showcase best practices to help accelerate growth and proper application of CSR.
- Promote CSR as means for human resource development.
- Advocate for regulatory mechanisms enforcing companies to practice CSR, as well as advocate for incentives to increase their interest to practice CSR (voluntarily).

In line with their focus areas UNDP and UNV could further:

- Share their technical knowledge on environmental sustainable development, Millennium Development Goals) MDGs, responsive governance, HIV/AIDS, and volunteering infrastructure and management.
- Use CSR as indicator for the private sector's contribution to human development and publish it in its National Human Development Report for additional awareness raising and advocacy activities.
- Explore partnerships with companies to share resources and design programmes for sustainable development.

When progress will be made in these areas Thailand will accelerate its development in a concerted effort sustainably. The analysis and recommendations of this Report do not necessarily reflect the views of the United Nations Development Programme, its Executive Board or its Member States. The Report is an independent research commissioned by UNDP.

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