



# POLICY BRIEF

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## Promoting Japanese Leadership through a Multi-Stakeholder Platform on International Environmental CSR

*Linking Japanese Business-Industry, Civil Society, and Governmental Sectors to Strengthen Green Markets in East Asia*

### Main Proposals and Messages

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 The policy brief proposes the establishment of a multi-stakeholder platform on international environmental Corporate Social Responsibility (CSR) to provide a coordinating role by linking Japanese companies to relevant and appropriate international CSR initiatives especially focused on strengthening green markets in East Asia.
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 Japanese businesses and civil society organisations have expressed a desire for better participation in the formation of the government's international environmental cooperation strategy. Aligning this environmental cooperation with the CSR efforts of Japanese companies provides a thematic target which addresses identified priorities of all three sectors and builds upon their existing strengths and competencies. This in turn will fortify the overall position of Japan as an environmental leader in the region.
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 The "Japanese Multi-Stakeholder Platform on International Environmental CSR" could achieve high value added impact through the following approach:
  - ✓ Developing country cooperation frameworks to link CSR activities with specific national development priorities in individual countries.
  - ✓ Targeting activities to improve compliance with environmental requirements for supply chain certification by Small to Medium Enterprises (SMEs).
  - ✓ Promoting responsible relationships between parent companies in Japan with suppliers in SE Asia to promote cleaner production for primary producers and bring better accountability across the whole lifecycle of the production process.



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## Introduction

Corporate Social Responsibility (CSR) is considered a popular tool for the private sector to support less developed countries. In particular, CSR is a significant part of the Green Economy concept which emphasises use of environmentally friendly technologies through market mechanisms and corporate activities. Nevertheless, coordination amongst private companies and various stakeholders in developing countries can be challenging, inefficient, and costly. Small to Medium-sized Enterprises (SMEs) especially face a burden in conducting international CSR as they often lack wide networks in developing countries; therefore, their CSR activities on environment quality are difficult to achieve. Consequently, forming a supportive mechanism for conducting international CSR activities is needed. This supportive mechanism could also enhance CSR activities by providing cooperative opportunities for companies, NGOs, public sectors, and other stakeholders to match up their demand and supply; hence, significantly reducing the costs of finding partners to pursue Green Economy.

This policy brief examines the role of a proposed CSR platform in Japan to promote Green Economy. This policy brief focuses on Japan because the country has been at the forefront of environment cooperation in Asia and an international trendsetter in green market promotion for multiple decades. As economies of neighbouring countries expand rapidly, many Asian countries have followed Japan's implementation of tools for green markets such as Ecolabels, Green Purchasing Network, and Green Public Procurement. Accordingly, it is proposed that a CSR platform for environmental cooperation would provide Japan a

new, niche area in which to promote green markets in East Asia while not requiring significant new budget resources for international cooperation. China, South Korea, Malaysia and other countries could also consider adopting similar initiatives, but Japan is uniquely positioned with substantial incentive and capacity to pursue this.

This brief proposes the development of a platform that combines the Japanese governments' strategies on international environmental cooperation and the business sectors' interests in corporate social responsibility as a means to enhance the country's position as a leader in promoting green markets in East Asia. This platform has been developed as an innovative solution to address three identified challenges in Japan.<sup>1</sup>

- 1) There is concern that Japan is losing its edge as an environmental leader in the the Asia-Pacific region.
- 2) Both domestic business and civil society sectors have expressed concern over their lack of participation in developing Japan's international environmental cooperation strategy.
- 3) The international Corporate Social Responsibility (CSR) activities of Japanese companies often lack a clear, long-term strategy for value-added impact.

This brief addresses how these three current challenges can be addressed in unison by establishing better cooperation mechanisms between the relevant stakeholders, and it provides an outline for the establishment of a system to achieve this.

<sup>1</sup> These challenges were identified through a series of interviews with Japanese government officers, business executives and civil society representatives regarding the development of Japan's updated international environmental cooperation strategy.

## I Securing Japan's Environmental Leadership

Over the past two decades, Japan has developed strong tools to domestically promote green markets based on a three-pronged strategy of Eco-Labeling, Green Purchasing Networks, and Green Public Procurement. This successful approach has also allowed Japan to take a strong leadership role in supporting countries across Asia-Pacific to develop green markets. However, there is now a growing concern that Japan is “falling behind” as an environmental leader in the region.

The review of other East Asian countries' efforts to promote green markets strongly illustrates the effectiveness of Japan's leadership over the past decade. Many countries have learned from the good practice models in Japan and have adapted them to the specific context of their countries. Direct support from the Japanese government and from Japanese-based NGOs have allowed other countries to achieve a similarly impressive level of implementation in promoting their domestic green markets.

The reality though is that Japan is not “falling behind”, or quantitatively losing ground, but rather that other countries are catching up by emulating the Japanese best practice model. As some of these countries achieve a high level of domestic good

practice, they too are taking actions to provide leadership on promoting green markets across the region. So the real challenge in this case is that Japan has lost its niche as the only country in the region that has important lessons to share on green market promotion. Furthermore, with countries like Republic of Korea, China and Malaysia all recently highlighting new strategies to enhance their own international environmental cooperation, the competition for being the primary environmental leader in the region is becoming more robust.

It is thus recommended that Japan should continue to work strongly with the areas of Eco-Labeling, Green Purchasing Networks, and Green Public Procurement as this is the country's existing strengths both domestically and internationally. However, if Japan intends to maintain its position as a strong leader in international environmental cooperation across Asia-Pacific, it is necessary to also consider developing new areas and progressive niches in which to work. The establishment of a platform for CSR activities is proposed as an innovative opportunity through which Japan could develop global leadership in by demonstrating a way for businesses and private companies to strengthen and unite with the government's international environmental cooperation strategy.

**Table 1 Green Market Mechanisms in Japan**

Environmental Labelling		Green Public Procurement		Other Green Market Mechanisms
Eco Labels and other Type I labels	Type III Labels	National Law on Public Procurement	Green Purchasing Network	
<ul style="list-style-type: none"> <li>✓Eco-Mark started 1989; Initiated by Ministry of Environment (MOEJ); Managed by NGO Japan Environment Association (JEA),</li> <li>✓Other labels include: Organic, CASBEE, Eco-Rail, &amp; Green Pla(stics).</li> </ul>	<ul style="list-style-type: none"> <li>✓Eco-Leaf label on energy consumption based on life cycle assessment; Initiated by Ministry of Economy, Trade and Industry (METI)</li> <li>✓Energy Saving Label; Managed by Energy Conservation Center Japan (state agency under METI).</li> </ul>	<ul style="list-style-type: none"> <li>✓National policy (since 2000) with full implementation across national and prefectural level; implemented down to 73% of local towns.</li> <li>✓Managed by the Environment and Economy Division of MOEJ.</li> </ul>	<ul style="list-style-type: none"> <li>The Green Purchasing Network-Japan was founded in 1996.</li> <li>Japan Environment Association serves as GPN-J secretariat.</li> </ul>	<ul style="list-style-type: none"> <li>GPN-J was a main actor in the Sendai conference in 2004 that led to the founding of the International Green Purchasing Network; with headquarters in Japan.</li> </ul>

## 2 The Challenges of International CSR Activities

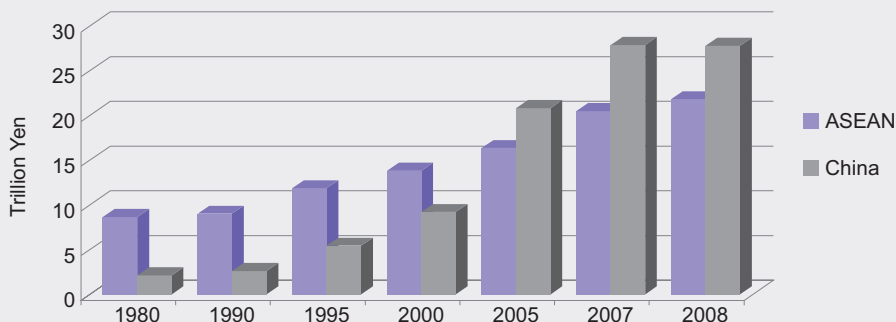
Japanese companies are taking impressive steps to strengthen their CSR activities, and in many cases they have formulated effective strategies for the long-term impacts of these efforts within Japan. Domestically, networking opportunities have already been established to strengthen the CSR activities occurring within Japan. Environmental and sustainability initiatives are priorities for CSR of many Japanese corporations. Japanese businesses are also readily applying significant environmental performance and management practices in order to achieve stringent low-carbon targets.

However, Japanese companies often face significant challenges implementing international CSR activities (outside of Japan), especially in developing countries. A survey conducted by JICA (2009) found that the four major barriers faced by Japanese firms are: 1) inadequate knowledge about the CSR activities, 2) inadequate information on potential partner firms and organisations, 3) absence of in-house support for CSR activities, and 4) lack of information on foreign business practices and social and cultural

differences.<sup>2</sup> One reason for this is that companies lack coordinating strategies for the selection of their CSR activities in other countries. Due to the fact that many corporations' resource capacity and budgets for international CSR are often limited, it is difficult to ensure the continuity of individual projects. In relation to this, smaller to medium enterprises may lack sufficient capacity to initiate and manage international CSR projects on their own.

Many challenges are also the result of working in foreign and unfamiliar situations, such as the difficulty in coordinating CSR activities with a given country's national sustainable development priorities. Lacking knowledge of relevant partners within a given country can limit the access Japanese companies have to appropriate CSR opportunities. The amount of time that it takes a business to develop a CSR initiative in a foreign country can be substantially longer than in domestic activities due to several obstacles, and thus it often makes the overall operational value too costly.

*In light of these challenges, coordinated access to international CSR opportunities through a multi-stakeholder network could achieve a higher impact level by overcoming these identified challenges.*



Note: Import value of Viet Nam excluded for 1980-1990  
 Source: The Summary Report on Trade of Japan. Japan Tariff Association: various issues.

**Figure 1** Trend of Japan's Trade Value with ASEAN (member countries) and China

<sup>2</sup> Tomoe Seki. 2009. "Responsible Business Activities in Developing Countries: Linkage of JICA partnerships." Japan International Cooperation Agency.

### 3 The Importance of Bottom-of-Pyramid

International sales currently account for one third of the market for Japanese industries. Furthermore, many Japanese companies have identified the growing economies in developing countries as important markets which their long-term profits will increasingly depend on.<sup>3</sup> As the Japanese business sector has begun to place more concern on low-income households (the so-called “Bottom of the Pyramid”), especially in developing Asian countries, they have started to target their CSR activities on “human rights”, “social contributions”, “local development”, and “environmental preservation”.<sup>4</sup> Japanese firms engage in such CSR activities because they recognize that this can help poor people to become economically self-reliant.

**“Doing business with the world’s 4 billion poorest people – two-thirds of the world’s population – will require radical innovations in technology and business models”.**<sup>5</sup> With the majority of the world’s population growth occurring among the population at the bottom of the pyramid, even with limited spending power, the vast size of this grouping will mean that it is still a multitrillion-dollar market. However, if companies

want access to this market, then they will need to shift their approach away from high profit margins towards a model driven on volume and capital efficiency.<sup>6</sup>

Some Japanese firms are starting to develop strategies to access bottom of the pyramid markets, but they are also recognizing the need to support the security of these low-income households if they are to provide a sustainable market opportunity. To do this, Japanese companies are developing CSR targets for technology transfer, process management (assistance to obtain ISO standards), and improving working environments along with other major issues such as providing funds, various training packages, and developing new products for local consumers.<sup>7</sup> In the table below, the positive and negative factors faced by Japanese firms conducting CSR in developing countries are summarised. By analysing these factors, it can be concluded that the success of Japanese firms’ CSR activities in developing countries relies on good communication with local customers and business partners to reduce uncertainty.

**Table 2 Views of Japanese firms regarding CSR activities in their Supply Chain in developing countries**

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>▶ Long lasting, close business partnerships</li> <li>▶ Knowledge of quality management from experience of Green Purchasing program</li> </ul>	<ul style="list-style-type: none"> <li>▶ Late start of activities compared with foreign counterparts</li> <li>▶ Poor ability to communicate with various stakeholders</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>▶ Rising concerns on CSR activities among business owners/managers in developing countries</li> <li>▶ Dissemination of CSR purchasing /procurement</li> </ul>	<ul style="list-style-type: none"> <li>▶ Rapid changes in CSR related laws and frameworks outside of Japan</li> <li>▶ High mobility of human resources in partner companies</li> </ul>

Source: Takashi Ikuta, *Research Report #308*, Fujitsu Research Institute, Jan 2008

<sup>3</sup> Tomoe Seki (2009) Ibid.

<sup>4</sup> Japan Association of Corporate Executives. 2006. “Survey of corporate executives’ consciousness on Corporate Social Responsibility;” internet: [http://www.doyukai.or.jp/policyproposals/articles/2005/060307a.html] accessed 20 May, 2011.

<sup>5</sup> Prahalad, C. K. and S. L. Hart (2002) “The Fortune at the Bottom of the Pyramid”. *Strategy + Business*, Issue 26, pp. 2.

<sup>6</sup> Prahalad, C. K. and S. L. Hart (2002) Ibid. pp. 2-5.

<sup>7</sup> Tomoe Seki (2009) Ibid.

## 4 Southeast Asia – a Priority Target for CSR Efforts

There are many justifications for focussing international CSR activities on the East Asia sub-region, and especially in Southeast Asia. Numerous Japanese corporations have relationships with primary producers in SE Asia and depend on this sub-region for the supply of vital resources. CSR activities could support a movement towards greener supply chains by promoting environmental performance and cleaner production for primary producers in SE Asia and to strengthen the responsible relationships between parent companies in Japan with suppliers in SE Asia. Value-added producers and retailers in Japan who promote their products' environmental benefits are challenged by the lack of accountability for materials

and components sourced from SE Asia. CSR activities to green the supply chain would bring better accountability across the whole lifecycle of the production process.

Furthermore, by supporting the development of East Asian domestic green markets, Japanese companies are strengthening the sales opportunities for a niche-market of which they are a major supplier. CSR activities in the rapidly developing economies of SE Asia are also an important public relations and marketing activity for creating consumer loyalty towards green and socially responsible Japanese brands.

## 5 Growing Cooperation Mechanisms for CSR in Southeast Asia

The promotion of Japanese CSR efforts in SE Asia is both relevant and timely as ASEAN has identified CSR as a major area it plans to focus on in 2011. In early January 2011, the inauguration and incorporation of the ASEAN CSR Network took place.<sup>8</sup> The ASEAN Intergovernmental Commission on Human Rights (AICHR) is also undertaking a study to develop a regional framework to identify the minimum standards for CSR this year. The ASEAN Foundation and the ASEAN CSR Network formed a partnership in March 2011 to promote CSR initiatives in SE Asia that are aimed at achieving the objectives of the *Blueprint for ASEAN Socio-Cultural Community*.<sup>9</sup>

The Singapore Compact, established in line with the principles of the United Nations Global Compact, is one of leading national network initiatives in SE Asia for promoting CSR in the sub-region. This has been established as “a multi-stakeholder platform for

wider collaboration through coordinated strategies and implementation”.<sup>10</sup> The United Nations Global Compact is based on ten universally agreed principles that address areas of human and labour rights, anti-corruption, environmental concerns, and provides strategic policy for businesses committed to high-quality CSR.<sup>11</sup> In Asia-Pacific, the UN's Economic and Social Commission for Asia and the Pacific (ESCAP) is providing a coordinating role for the Global Compact initiatives in the region.

Japan, as an exemplary country in environmental performance, could demonstrate significant leadership for the new CSR institutions in SE Asia by providing a coordinated and cohesive approach between its international environmental cooperation and CSR activities. This method provides the type of strategic approach and objectives that the current, sudden increase in CSR promotion is lacking.

<sup>8</sup> On 11 January 2011, the ASEAN Foundation, Indonesia Business Links, International Chamber of Commerce-Malaysia, the League of Corporate Foundations (Philippines), CSR Club of Thai Listed Companies Association and Singapore Compact for CSR joined as the founding members of the ASEAN CSR Network.

<sup>9</sup> This partnership will be supported by the Japan-ASEAN Solidarity Fund; Source: ASEAN Foundation eNews report from 18 March 2011.

<sup>10</sup> <http://www.csrsingapore.org/aboutus.php>

<sup>11</sup> <http://www.unglobalcompact.org/>

## 6 Japan's Benefit in Integrating CSR & International Environmental Cooperation

The goals of aligning the government's strategy for international environmental cooperation with the CSR efforts of Japanese companies are to achieve a more strategic and meaningful impact for all actors involved and to secure Japan's regional role as an environmental leader, especially in green market promotion.

Both Japanese businesses and civil society organisations have expressed a desire for better participation in the formation of the government's international environmental cooperation strategy. The harmonizing

of the needs and priorities of these three sectors will strengthen the overall position of Japan as an environmental leader in the region. Furthermore, it will greatly increase the substantive capacity for achieving the objectives of this strategy through coordinating the efforts of these various actors. Environmental sustainability and the promotion of green markets provides a thematic target that actors across these three sectors already have identified priorities in and towards which each sector can bring its own unique strength and competency.

## 7 "Japanese Multi-Stakeholder Platform on International Environmental CSR"

The solution proposed in this brief to tackle the identified challenges is one that seeks a high-level of impact by establishing better cooperation and coordination between the business-industry, civil society and governmental sectors in Japan. The proposed process for doing this is to establish a multi-stakeholder platform to support the international environmental CSR activities of Japanese businesses and companies. The establishment of this type of CSR platform stands out as an activity in which Japan could take global leadership.

This platform would initiate a process to coordinate environmental cooperation priorities between business, civil society and governmental sectors along with finding synergies between international CSR activities and the government's strategy on international environmental cooperation. The platform will provide a coordinating role by linking Japanese companies to potential CSR opportunities in SE

Asia; although SE Asia is justified as the starting sub-regional focus for this platform it is fully feasible for the platform to extend to other sub-regions, especially South Asia, once it is established and functioning. The platform will also help coordinate cooperative actions between Japanese companies and multiple actors on larger projects. It will be important for the platform to develop strategic connections with in-country partners across SE Asia and identify individual countries' environment and development priorities. In this manner, the platform could develop individual country cooperation frameworks to delineate most appropriate CSR activities for each given country and to establish a long-term schedule of actions that different businesses or companies could contribute to. Finally, while at the same time providing a gateway for companies to easily access relevant and appropriate international CSR initiatives, the platform should also allow companies to input their own unique solutions/efforts into a larger framework of action.

## 8 Importance of Civil Society Participation and Representation

Although the main actors being targeted by this policy brief are relevant government and business officers, it is necessary to highlight the significant importance of insuring the participation and representation of civil society in the formation of such a multi-stakeholder platform. The main access to relevant civil society participation is generally through the involvement of appropriate NGOs and CSOs, and there are several benefits that they can bring. First, it is most likely that an NGO would provide the overall coordination and management of such a multi-stakeholder platform. Second, involvement of CSOs can aid in identifying the social needs and development priorities

for both Japanese civil society and also for the citizen groups at which international CSR activities are targeted. Furthermore, by establishing cooperation between NGOs both within and outside of Japan, it will be possible to develop strong working partnerships and better provide CSR opportunities. Finally, the representation of civil society helps to bring a process of accountability to both the business and governmental sectors in regards to their responsible practices and would allow them to respond to general movement towards multi-stakeholder and multilevel governance that is emerging on a global level.

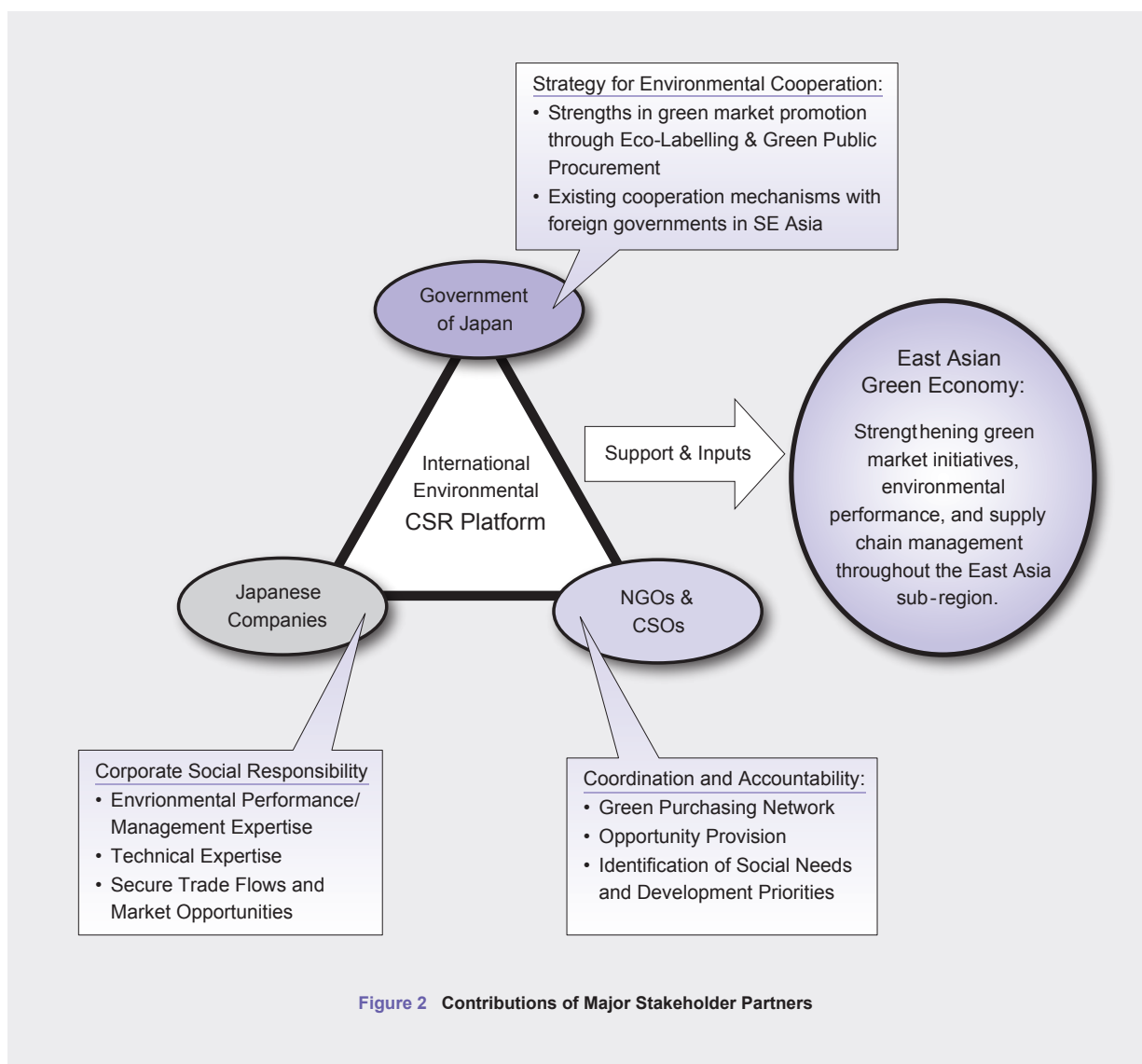


Figure 2 Contributions of Major Stakeholder Partners



## 9 Initial Efforts to Establish a “Japanese Multi-Stakeholder Platform on International Environmental CSR”

This section describes the basic steps that would be required to initiate the proposed “Japanese Multi-Stakeholder Platform on International Environmental Corporate Social Responsibility”. As this platform aims to develop common linkages and synergies across the business-industry, civil society, and governmental sectors in Japan, it is suggested that the most appropriate actor to take the lead in initiating and endorsing this platform is an agency of the Government of Japan. One of the first steps in initiating this platform though would be to also secure the input of all relevant government agencies; these may include Ministry of the Environment (MOEJ), Ministry of Economy, Trade and Industry (METI), Ministry of Foreign Affairs (MOFA), Cabinet Office of Japan (CAO), and also agencies such as Japan International Cooperation Agency (JICA) and Asian Productivity Organization (APO). A second primary step in initiating this platform would then be to initiate partnerships with the business and civil society sectors in Japan. For this step, the participation of existing networking bodies such as the Green Purchasing Network of Japan and the Japan CSR Forum could secure access to a wider body of stakeholders.

Once the relevant actors are brought together, the next steps will revolve around establishing the working model of the platform. A multi-stakeholder advisory group could be established to investigate the various structures and systems that will be most appropriate for the functioning of this platform. Issues on the

management structure and the provision of resources for this platform will have to be addressed. It is suggested that either the establishment of a new NGO or linking this platform to the work of an existing NGO would provide the ideal management and general affairs mechanisms. In terms of resource provision, two parallel approaches are envisioned. First, in the initial stages of establishing this platform, the main support would need to come from the government and especially from the initiating agency. Second, once the platform is successfully established, core funding and membership fees would come from businesses and organisations participating in the platform.

During the early phases of initiating this platform, the establishment of a research process to investigate the ideal procedures and activities for the proposed CSR work would provide benefit. This research process would need to investigate best practices in CSR and examples of multi-stakeholder partnership in CSR activities. Furthermore, this research process should clearly outline the relevant needs and desires of the multiple stakeholders involved in this platform, provide a review of CSR opportunities in SE Asian countries, and clarify the main areas for common objectives. Finally, a detailed action plan or work plan will need to be developed for this CSR Platform, and a framework of the specific CSR activities that the platform will work to support should be prepared (*some activities that will offer high-value impact are identified in the following section*).

## 10 Priority Activities for the Multi-Stakeholder Platform

The main action goal for the establishment of this type of multi-stakeholder platform is to create synergistic coordination between the government's international environmental cooperation strategy and the CSR approaches of Japanese companies conducting activities in foreign countries around the primary theme of promoting green markets across the East Asia sub-region. Five priority activities have been identified as areas that will create high-value impact towards greening markets in the East Asia sub-region and secure Japan's leadership in the area of international environmental corporate social responsibility.

### Developing CSR Strategies for Specific Sectors and Countries

The entry points for a corporation's effective CSR activities can be framed in one of two manners, either by identifying the sector or the country in which a company wants to conduct CSR. The choice of what sector or which country a corporation would like to work in is their own to take but will likely be directed by some aspect of their existing business activities. There are three steps that this platform could undertake to support the identification of appropriate entry points for international CSR activities.

- 1) In order to address the sectorial approach to CSR activities, the platform should survey Japanese corporations to identify the priority areas in which they are conducting CSR activities. For each of these identified areas, the platform should develop a comprehensive strategy outlining important actions for strengthening and improving this overall sector.
- 2) The platform should conduct surveys in the individual SE Asian countries to identify the most appropriate CSR actions to support the individual countries' needs.
- 3) Utilising these two criteria sets, a database should be developed to compile potential CSR opportunities that a Japanese company can search through in order to find projects that meet both their specific strengths and desires for CSR practice.

### Aligning CSR Activities with National Development Priorities

This CSR Platform can secure more lasting, value-added impact by supporting the long-term achievement of specific national development priorities in individual countries in SE Asia.

- 1) In order to achieve this though, it will be important for the platform to form productive relationships with relevant environmental and development officers from the government's of these countries in order to clearly identify the countries' development priorities and needs.
- 2) The platform will need to work to identify the common strategies and priorities that exist between these individual countries and the Japanese government's strategy for international environmental cooperation.
- 3) Once these areas of possible synergies are identified, the platform should prepare individual country cooperation frameworks to delineate the most appropriate CSR activities for individual countries.
- 4) The platform should also cooperate directly with ASEAN to incorporate wider regional development strategies such as the *Blueprint for ASEAN Socio-Cultural Community* and the growing efforts to develop an ASEAN CSR network.

### Strengthening SMEs Environmental Performance

Small to Medium Enterprises (SMEs) provide a large majority of the employment in SE Asia, however it is recognised that increasing environmental requirements for supply chain certification often results in a disproportionate disadvantage on SMEs for compliance. To avoid creating a significant social problem in the attempt to reduce environmental impacts, it is important to specifically target activities to strengthen the environmental performance of SMEs.

- 1) One basic principle the platform can encourage is the prioritisation of SMEs as a main target for ODA activities and funding.
- 2) A common challenge to working with SMEs is lack of wide access and limited ability to secure coverage of relevant actors, but the platform

could overcome this by working directly with the national governments in these countries to develop local institutions from which SMEs can directly gain training and support.

- 3) The platform could also develop partnerships with national Chambers of Commerce and Green Purchasing Networks to bring groups from multiple SMEs together for participation in CSR activities.
- 4) Finally, the CSR Platform should encourage Japanese companies to develop long-lasting and mutually beneficial relationships with growers and producers in SE Asia, however at the same time it must also discourage exclusive supply contracts and uphold the freedom of association for these SMEs.

### Capacity Building for Supply Chain Greening

When addressing accountability across the supply chain and improving the environmental performance of primary production practices, clear barriers are encountered due to current lack of capacity for greening production and performance from the bottom-up in terms of limited knowledge, funding, and technology.

- 1) In order to initiate appropriate actions in this area, the platform should first conduct a survey to identify the production sectors in SE Asia that have histories of poor environmental performance. Linkages should then be made with value-added producers and companies in Japan who depend on these supply chains to clarify the environmental performance criteria that they are trying to achieve and also to solicit their direct support in the CSR activities.
- 2) Once the required environmental performance and management requirements are defined, a comparison between existing practices of these production sectors and the desired practices

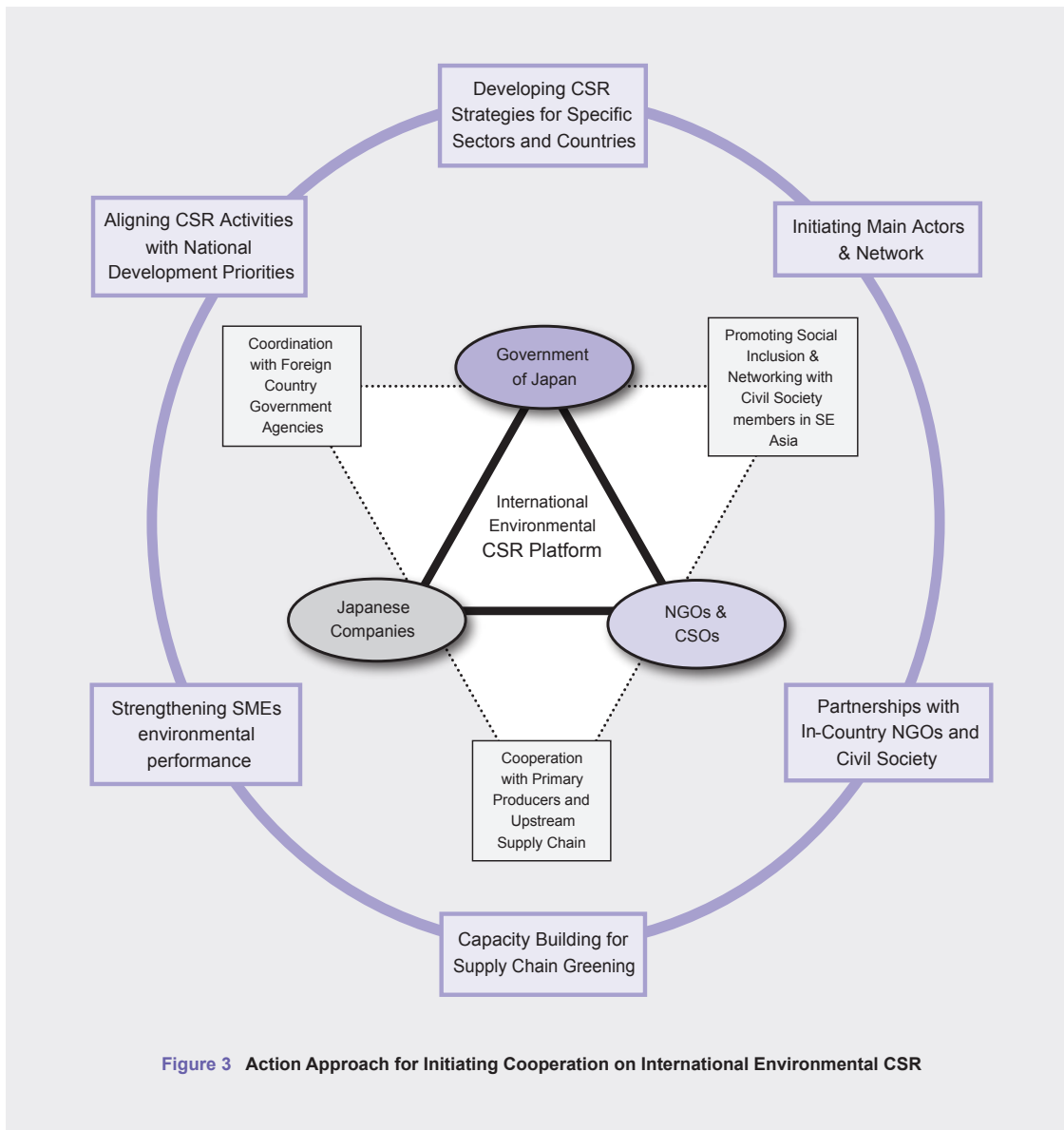
should be made to identify the main barriers and obstacles to achieving improved performance. Based on the findings from this comparison, needs for knowledge transfer, funding, and technology transfer are all likely to become apparent.

- 3) The CSR Platform can then develop both knowledge transfer and technology transfer programmes to link the expertise of specific Japanese companies with the identified production challenges in these sectors.
- 4) Cooperation with agencies such as JICA and APO may also provide valuable support in the implementation of these programmes.

### Partnerships with In-Country NGOs and Civil Society

To achieve lasting impacts from this work on international environmental CSR, it will also be important for the CSR Platform to secure in-roads with civil society members in SE Asian countries to strengthen social participation and inclusion in environmental quality measures and sustainable development initiatives stimulated by these CSR activities.

- 1) The CSR Platform can support civil society participation in environmental and sustainability activities by developing strong relationships with NGOs and CSOs in SE Asia, especially those that are now strongly encouraging CSR activities.
- 2) The platform should also establish channels for open communication with CSOs in SE Asia and create a channel for them to request support or propose specific projects to the CSR Platform.
- 3) Finally, working relationships and cooperation should be developed and targeted with NGOs that are actively working to improve labour conditions, human rights and anti-corruption measures throughout the region as these are significant issues in many countries in the region but also one that Japan has limited capacity for addressing.



**Figure 3** Action Approach for Initiating Cooperation on International Environmental CSR

**• Acknowledgement**

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