

# SWITCH-Asia Regional Policy Advocacy Component

## Full Event Report

### *Sustainability Reporting – Thinking Circular Economy by Businesses*



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## List of Acronyms

<b>AIT</b>	Asian Institute of Technology
<b>CDP</b>	Carbon Disclosure Project
<b>CSR</b>	Corporate Social Responsibility
<b>GIZ</b>	Die Deutsche Gesellschaft für Internationale Zusammenarbeit
<b>DJSI</b>	Dow Jones Sustainability Index
<b>EUD</b>	European Union Delegation
<b>FAO</b>	Food and Agriculture Organization
<b>GRI</b>	Global Reporting Initiative
<b>IFC</b>	International Finance Corporation
<b>JICA</b>	Japan International Cooperation Agency
<b>MTEC</b>	National Metal and Materials Technology Center
<b>ONEP</b>	Office of Natural Resources and Environment Policy and Planning
<b>OECD</b>	Organisation for Economic Cooperation and Development
<b>SEC</b>	Securities and Exchange Commission
<b>SCP</b>	Sustainable Consumption and Production
<b>SDGs</b>	Sustainable Development Goals
<b>SIDA</b>	Swedish International Development Cooperation Agency
<b>SWITCH-Asia RPAC</b>	SWITCH-Asia Regional Policy Advocacy Component
<b>TDRI</b>	Thailand Development Research Institute
<b>APFSD</b>	The 6th Session of The Asia-Pacific Forum on Sustainable Development
<b>BPK</b>	The Audit Board of the Republic of Indonesia
<b>RRC.AP</b>	The Regional Resource Centre for Asia and the Pacific
<b>UNESCAP</b>	The United Nations Economic and Social Commission for Asia and the Pacific
<b>UNGM</b>	The United Nations Global Marketplace
<b>UNIDO</b>	The United Nations Industrial Development Organization
<b>USAID</b>	The United States Agency for International Development
<b>UNCC</b>	United Nations Conference Center
<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organization
<b>UN Environment</b>	United Nations Environment Programme
<b>WWF</b>	World Wildlife Fund

## Key Messages



**Mr. Giuseppe Busini**

Deputy Head of the EU Delegation to Thailand

*“Achieving Sustainable Development Goals (SDGs) is the shared responsibility required for a change of thinking among public sectors, individuals and private sectors. Companies are encouraged to take responsibility of activities in their value chain that have impacts on society and environment. In European Union (EU), large companies across Europe systematically produce sustainability report disclosing their non-financial performance of those environment and social challenges in their operation and management to the public. Through these disclosures, the companies are driven to develop more responsible approach to apply in their business activities in the value chain for the better society and environment”*



**Ms. Isabelle Louis**

Deputy Regional Director

United Nations Environment Programme, Asia and the Pacific Office

*“We are encouraging companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle. Sustainability Reporting is one of the key mechanisms for businesses to increase efficiency of their businesses including products and services and to reduce the footprints of the businesses on the environment”*



**Ms. Cristina Tebar Less**

Head, Responsible Business Conduct

Organisation for Economic Co-operation and Development (OECD)

*“Society, including investors, shareholders and consumers, are demanding more and better reporting by companies. Demand is moving away from Corporate Social Responsibility (CSR) reporting to meaningful disclosure of company related action to identify and address risks through entire value chains including issues of human rights, environment, labour, corruption, tax, etc. In response to this demand, OECD has developed due diligence guidance to help companies ‘do good while avoiding doing harm’, including in their supply chains”*



**Ms. Sirivipa Supantanet**  
Deputy Secretary-General  
Office of Securities and Exchange Commission, Thailand

*"We are so proud to support Sustainable Development Goals of Thailand. As a champion of SDG target 12.6: sustainability reporting, we are encouraging Thai listed companies in the stock exchange of Thailand to adopt sustainable practices and integrate sustainability reporting in their reporting cycle. The 99% of listed companies report on sustainability in their annual reports, while another 89 listed companies (out of 683 which is approximately 13%) develop reports based on the Global Reporting Initiative guidelines"*



**Mr. Rakesh Bhargava**  
Chief Climate & Sustainability Officer  
Shree Cement Limited, India

*"Transparent reporting on both positive and negative doings to the stakeholders holds the key to overcome the barrier for sustainability. Using international standards such as GRI for reporting on common parameters improves comparability across the industry and scope of improvement. A quality report is prepared after rigorous materiality and stakeholder assessment. A transparent, reliable, accurate and timely report may provide solutions to small and large industries for better handling of their waste and vice versa. It will lead to not only efficient utilization of resource, but also better utilization of minimum waste generated. The reporting increases comparability, competitiveness eventually making the global economy circular in true sense."*



**Mr. Charkrit Direkwattanachai**  
Chief Corporate Affairs Officer  
BEC World Public Company Limited, Thailand

*"Sustainability Reporting is not just a report. It's a promise to society and community. It's a pride to all staff. It can be used as tracking system for management team of the company. It also helps to increase value of the shareholders." The Corporate Social Responsibility (CSR) involves strong partnership. How to conduct a successful CSR campaign? --You are required to use your expertise for good, to consider the issues of community and to work with the government sector in order to make your CSR campaign impactful"*



**Ms. Marit Nilses**

Economic Affairs Officer, United Nations Economic and Social Commission for Asia and the Pacific (ESCAP)

*“Sustainability Reporting helps drive company actions to be more sustainable, and thus contributes to resource efficiency and circular economy”*

## Event Summary

### Welcome and Introduction

- The dialogue focused on how sustainability reporting will help drive sustainable development and circular economy thus increase resource efficiency.
- An example from the European Union (EU) was highlighted wherein matters pertaining to sustainable consumption and production are addressed by both public and private sectors with a focus on greening businesses within the Sustainable Development Goals (SDGs) framework. Meeting the SDG targets requires a new way of thinking and a shared responsibility between the public and private sectors, and individuals.
- Since 2011, the EU has been encouraging companies to take responsibility of the impacts of their activities in the value chain, society and the environment. In 2014, the EU required large companies with over 500 employees and welcome small companies to disclose certain information on the way they operate and manage social and environment challenges. This public information helps investors, consumers, policy makers, and stakeholders to assess and evaluate non-financial performance of these large companies. It is a powerful push to companies to develop a more responsible approach in their business activities in the value chain for a better society and environment.
- As part of overall communication obligations of companies in Europe, more than 6,000 large companies and groups submit sustainability report. Though not required, small companies have the option to submit their reports as well.
- Sustainability Reporting is becoming one of the key mechanisms for businesses to think and act on circular economy and increase the efficiency of their products and services, as well as reduce their environmental footprints. Circular economy has been used by companies as a business model to reduce cost and promote a more ethical corporate social responsibility.

- Adopting sustainable practices and integrating sustainability information into their reporting cycle is encouraged for companies, especially large and transnational companies in Asia and the Pacific to take forward.

### **Panel Discussions “Sustainability Reporting-Thinking Circular Economy by Businesses”**

- The term ‘Responsible Business Conduct’ introduced by the Organisation for Economic Cooperation and Development (OECD) places social and environment responsibility at the core of the business.
- The OECD Guidelines for Multinational Enterprises are recommendations addressed by governments to multinational enterprises operating in or from adhering countries. It covers all areas of business behavior and responsibility including human rights, environment, labour, corruption, tax, etc. This guideline provides business sectors with recommendations on environmental impact management such as waste management, pesticide, chemical handling and impact to climate change. It also provides guidance on due diligence and risk assessment in the entire supply chain.
- Thailand’s corporate governance and sustainable development are built around three pillars -- regulatory tools, self-disciplinary, and market force. Listed companies in the country are required to submit sustainability reports since 2014 wherein they disclose corporate social responsibility activities along with other performance indicators and policies. The Securities and Exchange Commission (SEC) of Thailand recommends companies to follow the guidelines developed by the Stock Exchange of Thailand (SET) or international guidelines such as Global Reporting Initiative (GRI).
- In 2017, SEC-Thailand and SET championed SDG 12.6 which *requires Member States to encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle*. 99% of the listed companies report on sustainability in their annual reports, while 89 out of 683 listed companies develop reports based on the Global Reporting Initiative guidelines. As of January 2019, Thailand hits ninth spot in the GRI ranking.
- Sustainability is a strategic enabler for businesses with multiple potential benefits to stakeholders, customers, partners, government, and the business itself.
- Using international standards such as GRI for reporting on common parameters improve comparability across the industry and scope of improvement. Transparent, reliable, comparable, accurate and timely reporting can offer solutions to small and large industries.

- Sustainability Reporting is not just a report. It's a promise to society and community and source of pride to all staff. It also helps to increase value of the shareholders.
- Corporate Social Responsibility (CSR) involves strong partnership. An impactful CSR campaign requires use of expertise for good; considers the issues of the community and good collaboration with the government sector.

## Detailed Event Information

**Name:** Side Event “Sustainability Reporting-Thinking Circular Economy by Businesses” at the 6<sup>th</sup> Session of The Asia-Pacific Forum on Sustainable Development

**Date:** 27 March 2019, Bangkok, Thailand

**Venue:** United Nation Conference Center (UNCC), Bangkok, Thailand

**Objectives:** This side event organized a dialogue between private sectors and policy makers on Sustainability Reporting to support Sustainable Development Goals (SDGs) by looking at: -

- Awareness of private sector and policy makers for sustainability reporting
- Standards of sustainability reporting such as Global Reporting Initiative
- Interact partnership between private sector and government for effective sustainability reporting

The entry point of the side event “Sustainability Reporting – Thinking Circular Economy by Businesses” is Sustainable Development Goal (SDG) 17 for sustainability reporting as a means of implementation through target 12.6 (12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle 12.6.1 Number of companies publishing sustainability reports).





From right to left: Welcome and Opening Remarks by: Mr. Giuseppe Busini, Deputy Head of the EU Delegation to Thailand and Ms. Isabelle Louis, Deputy Regional Director, the United Nations Environment Programme, Asia and the Pacific Office



From right to left: Panel Discussions: **Mr. Charkrit Direkwattanachai**, Chief Corporate Affairs Officer, BEC World Public Company Limited, Thailand; **Mr. Rakesh Bhargava**, Chief Climate & Sustainability Officer, Shree Cement Limited, India; **Ms. Sirivipa Supantanet**, Deputy Secretary-General, Securities and Exchange Commission (SEC, Thailand); and **Ms. Cristina Tebar Less**, Head, Responsible Business Conduct Organisation for Economic Co-operation and Development (OECD)



More than 80 participants from governments, inter-governmental organizations, private sectors, civil society organizations and academia attended the side event Sustainability Reporting-Thinking Circular Economy by Businesses

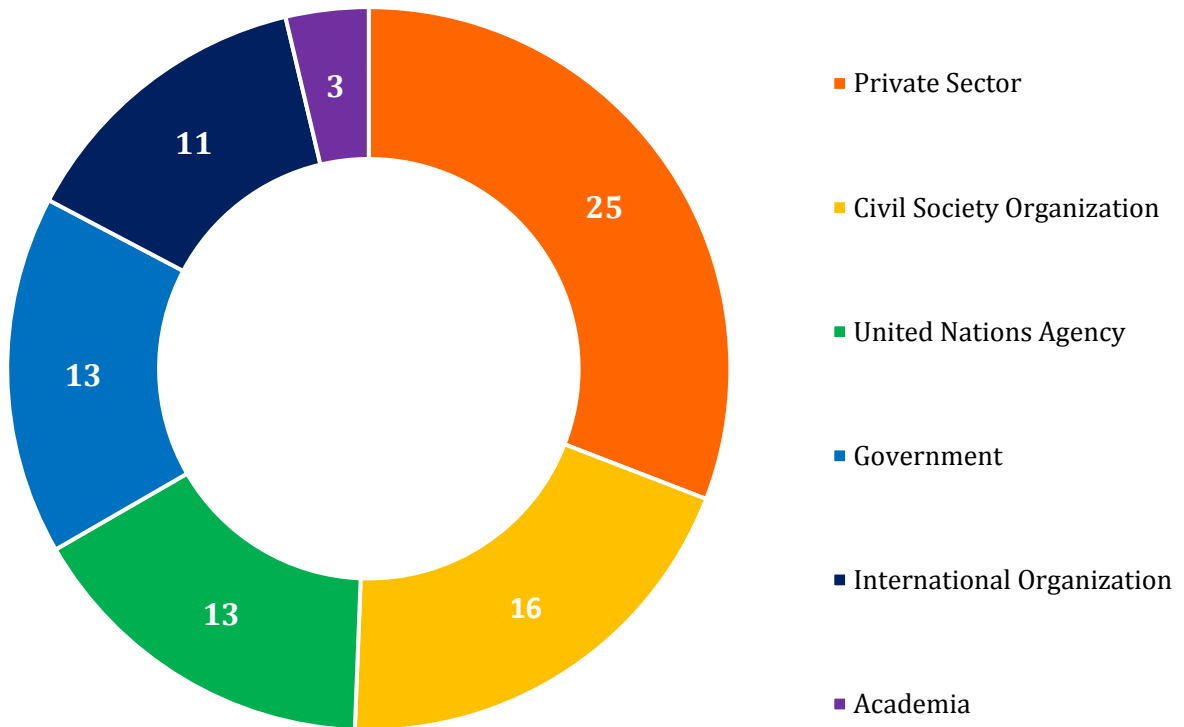




SWITCH-Asia's Visibility at the side event

**Targeted Participating Organizations:** The event involved wide spectrum of participants with a total of 81 participants, including governments, inter-governmental organizations, private sectors, civil society organizations and academia, as shown in the following diagrams:

**Participants by Category**



## For more information

SWITCH-Asia event page:

<https://www.switch-asia.eu/events/sustainability-reporting-thinking-circular-economy-by-businesses/>

### **Contact SWITCH-Asia Regional Policy Advocacy Funded by European Union**

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