



European Institute for Asian Studies

Communication on Engagement (COE)
UN Global Compact

1) Statement of continued support by the CEO

To our stakeholders:

I am pleased to confirm that the European Institute for Asian Studies (EIAS) asbl reaffirms that it supports the ten principles of the United Nations Global Compact with respect to human rights, labour, environment and anti-corruption. We continue our commitment to make the principles of Global Compact part of our culture and day-to-day operations.

In order to make most of the engagement of non-business partners, and enhance transparency, in this Communication on Engagement (COE) we describe our actions since becoming a participant of UN Global Compact in May 2011.

Sincerely yours,

Axel Goethals
CEO

2) Description of practical actions

The European Institute for Asian Studies (EIAS) over the past years has been increasingly active in capacity building focused on professionalization of Corporate Social Responsibility. Especially in India, where with the passing of the New Companies Act requiring Central Public Sector Enterprises (CPSEs) and large private companies to spend 2% of their net profit on CSR, there is ample room for improvement. Furthermore, it provides a great opportunity for the sharing of best practices and sharing of values on issues related to human rights, labour, environment and anti-corruption.

In 2001 EIAS initiated a first dialogue between the EU and India on the topic of CSR. The aim was for European companies to better understand the Indian business practices and the needs of the local communities, and for Indian companies to be aware of European best practices in order to meet increasingly higher standards. The new legislation imposing Indian companies to spend a fraction of their profits on Corporate Social Responsibility creates an opportunity to lift the EU-India dialogue to action. If the measures are implemented well, they will bring on a more inclusive socio-economic progress and a cleaner environment in India. For companies the CSR expenditure can be a burden or a benefit depending on how the money is spent. In any event, CSR investment in R&D will become increasingly important since innovative eco-technology is the key to allaying environmental concerns about economic growth. It can ultimately help India on the path to sustainable development and shape a model for other nations to follow.

In line with UN Global Compact, the EIAS therefore joins and proposes partnership projects on corporate social responsibility, and through those engages with companies in order to improve their understanding and adherence to the ten principles of UN Global Compact and related issues.

To further the work of EIAS on social impact assessment and CSR, the EIAS since 2011 is coordinating and implementing two major EU funded projects (EIDHR) in India: 1) “Capacity Building for the Promotion of Labour Rights for Vulnerable Groups of Workers” and 2) “Impacts of the EU-India FTA on Human and Social Rights Issues”. Taking regards of ILO standards, the aim of these projects is to strengthen the capacity of Indian civil society organisations in improving and developing socio-economic and labour conditions. In addition, the focus is on strengthening the monitoring, reporting and advisory capacities of CSOs regarding the impacts of the FTA on human, social and labour rights aspects.

Another initiative was organized by EIAS in cooperation with the Standing Conference of Public Enterprises (SCOPE) in March 2014 in New Delhi, India. This interactive roundtable conference focused on the following topic: “Effective Implementation of Corporate Social Responsibility (CSR) Guidelines in India and Learning from good Global Practices – A Capacity Building Program for Meeting Expectations of Stakeholders”. This one-day conference was truly an initiative providing collaborative solutions to fundamental challenges facing both business and society. EIAS emphasized the involvement of stakeholders from the public, private, civil society and NGO field to ensure added value, and advance concrete solutions and practices in line with UN Global Compact’s principles. The conference addressed the need for the professionalization and innovation in CSR practices and how crucial the sharing of good practices is in order to optimize and streamline efforts.

3) Measurement of outcomes

With regard to the two administered EU projects (EIDHR), the activities targeted mainly CSOs with human/social rights as well as socio/economic vocations. The measures that were taken led to a number of outcomes. First it led stronger, more meaningful participation, awareness and contribution of Indian civil society in the human rights and social dimensions of the Free Trade Agreement process. Moreover the opinions existing amongst civil society organisations were made more readily available and publicised in order to be taken better into account by policy makers and major economic actors in the negotiations and potential implementation stages of the FTA. Civil society organisations were provided with the necessary set of tools to structure their assessments,

monitoring and reporting on FTA impacts. Last but not least, CSO networks were established for continuous dialogue on FTA related issues.

The roundtable conference “Effective Implementation of Corporate Social Responsibility (CSR) Guidelines in India and Learning from good Global Practices – A Capacity Building Program for Meeting Expectations of Stakeholders” was attended by a total number of 75 participants. As the roundtable conference brought together a wide variety of stakeholders, it provided a perfect platform for the sharing of best practices, matchmaking, and creation of new projects in order to constructively implement Corporate Social Responsibility Guidelines.

Following the successful completion of this roundtable conference, the EIAS has initiated a number of follow-up events to further professionalise and optimise CSR-practices, again creating an inclusive platform for a large number of stakeholders to enhance the sense of ownership amongst participants.