

# **Government response to the implementation of foreign labour-related CoCs by Vietnamese enterprises**

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# Background

- Speak as a researcher, not government official
- Changed the topic of the presentation
- Address directly the reality of implementation of foreign labour-related CoCs by Vietnamese enterprises → Government roles

# Scope of the issue

- Talk about labour issue in CSR only
- Not about Government roles “in promoting CSR” but “in responding to the needs of VN enterprises to implement labour-related CoCs based on the requirements of foreign buyers”

# Why do we have a limited scope?

- Government has the function to ensure the implementation of national law and international commitments
- CSR is product of civil society in developed countries, not that of national or international law
- CSR comes to Vietnam in the form of CoCs, introduced by foreign buyers, private organizations/firms

# Who meets who's requirements?

- Foreign retailers meet requirements from consumers → **CSR and CoCs** (including certifications)
  - Vietnamese enterprises meet requirements from foreign buyers → **Trade requirements**
  - Organizations, associations meet the needs of their members → **Vietnamese enterprises**
- **Government responds to the needs of organizations, associations, businesses**

# Why and how CoCs should be implemented

The CoCs should be implemented in a way that:

- Help Vietnamese enterprises to integrate into the world market
- Comply with national law
- Increase competitiveness of VN enterprises and VN economy
- Protect interest of enterprises, workers and country

# How to define CSR

- In Vietnamese context, something is not clear and there are gaps
- Based on the goal (global) or the substance (Vietnam context specific)?
- CSR goal → through CoCs - But CoCs may be used for purposes other than CSR or with different motivations
- Does CSR include philanthropy and compliance with the law within the Vietnamese context?

# CSR, CoCs and developing countries

Depending on the requirements of particular CoCs and ability/capacity of enterprises, CoCs could:

- Provide economic incentives for sustainable development
- Provide an opportunity to comply with the national law
- Create a burden for SMEs
- Pose a barrier for those enterprise that can not meet CoC requirements

# CoCs and labour issues

- Labour issues have been traditionally handled through a tripartite mechanism - Both ILO conventions and national law were developed that way
- Are standards set through CoCs by the “fourth party” appropriate for all cases? When Yes and when No. Why?

# What does the Government care about?

- Implementation of national law
- International integration and increasing the competitiveness of the economy and enterprises
- Interests of the country and equality among different sectors of the economy and among parties involved in trade relations
- Interests of employers and workers

# Government's roles responding to CoC implementation

- Provide information on CSR and CoCs to policymakers, organizations, associations, enterprises
- Support/consult organizations, associations for them to find means to provide support/consultation services to their members
- Support and supervise the implementation of national law
- Promote and appreciate social programs extended by businesses