Human Rights on Sustainable Business Workshop

"Improving Sustainable Business Actions: Exploring Alternative Way of Public Private Partnership"

Jakarta, 16 March 2017

Executive Summary

In March 16th, ICCO Cooperation and IBCSD held a workshop on ***Human Rights on Sustainable Business*** *with the topic of* ***"Improving Sustainable Business Actions: Exploring Alternative Way of Public Private Partnership".*** *The workshop has gathered 78 participants from various sector. The workshop shared a learning from ASBALR PACT project on conflict resolution between companies, government, and local community, and also to provide platform for participants that were divided into 3 groups: Consumer Goods, Agro Forestry, and Others, to identify their achievement, challenge, and the future plan for implementing human rights into their business. The report will show how the discussion going on and also showing the level of understanding of participants on relation between human rights and sustainable business. The workshop is only a small part of the continuous effort of ICCO Cooperation and IBCSD towards the achievement of sustainable development through collaborative action of business, government, and community.*

Introduction

Background

Over the decades, the demands for business sector to operate the term sustainable business by adopting the principles in their internal policies and implement the principles over its supply chain are increasing. This increasing demand was made possible by the awareness of the global society on the role of private sectors to contribute to the economic growth and at the same time contribute to the sustainable environment to enable future generations to meet their own needs. The private sectors are now called to be more responsible on the impacts of their operation towards society and the environment. Consequently, the business sectors need to take up these demands by reshaping their framework, business model, and internal rules.

Referring to the Office of the United Nations High Commissioner for Human Rights (OHCHR), several global trends have come together to place human rights higher on the business agenda:

1. *The emergence of the global economy as the central geopolitical fact of our time, and the emergence of foreign trade as a polarizing political issue globally;*
2. *The information technology revolution that links the world as never before;*
3. *Increased consumer awareness and attention to issues like the labor practices of companies whose products they buy;*
4. *Privatization, which has elevated both the influence of business, as well as stakeholder assertions that companies should be publicly accountable;*
5. *Several high-profile events in which businesses have been implicated in serious human rights violations;*
6. *Broad demands that companies operate in a more transparent manner, and;*
7. *The rapid growth of stakeholder groups, as, for example, the number of internationally recognized NGOs has grown from 6,000 to 26,000 during the 1990s (The Economist, 11 December 1999).*

Recently, we should note some of the pressuring demands of sustainability arising in the multilateral organization fora. In December (2015), the Paris Climate Change Conference (COP 21)- which brought leaders of the world and private sectors to discuss challenges of climate change, with aim keeping the global warming below 2 degree C - concluded to deep reduction of carbon emissions and that states should take actions to environmental challenges and climate change by respecting and promoting human rights, in particular; right to health, right of indigenous peoples and local communities, child rights, and rights of people in vulnerable development as well as right to development. The government of Indonesia, has provided a serious response towards this agreement. Under the administration of Joko Widodo, Indonesia has issued a policy of moratorium for forest clearance, and is currently planning to issue a moratorium for the expansion of palm oil plantations. There are also growing market-government aligned responses towards business practices. This was seen from the policies of the European Union and Singapore over the palm oil business. While countries in the European Union apply a deforestation tax over palm oil business, the Singaporean government has withdrawn palm oil and pulp/paper green label on its product. Both EU countries and the Singaporean government, as well as the Singaporean market, have been blaming palm oil and pulp/paper industries for trans-continental smog, forced eviction, land grabbing and child labor.

On the internal side, we should recognize the struggling efforts of the business sectors to respond to the external demands from various stakeholders. The availability of policies concerning social impact management, forest management - including anti-deforestation policy, and the involvement of the private sector in the global arena aim to restore the forest ecosystem, are some examples on how business has responded to the demands. Business sectors should follow up various internal policies adopting the term 'sustainable' by making it work on the ground and make the policies incorporated into their business practices - not as standalone documents.

Various ways to make it work, including through an engagement of senior business leaders with sustainability initiatives, and by implementing authentic corporate social responsibility to improve competitiveness of products on the global market. The following are some examples of efforts on the inclusion of human rights in business practice that have been the focus of ICCO Cooperation and IBCSD:

1. ***Advancing Sustainable Business and Ancestral Land Recognition towards Peaceful Arbitration in Communal Territories (ASBALR PACT)*** *In terms of private sector duties to respect and promote human rights norms and values, an initiative related to the sustainability using human rights based approach were launched on December (2015) by IBCSD and ICCO with the title of Advancing Human Rights and Sustainable Business, under the Advancing Sustainable Business and Ancestral Land Recognition towards Peaceful Arbitration in Communal Territories (ASBALR PACT) project. ASBALR PACT is a three years project, implemented by HUMA and Scale Up, with IBCSD registered as the affiliated entity. The aim of the project is to empower affected peat land residents of Riau Province to protect their communal and cultural rights through peaceful mechanism. One of the specific objectives of ASBALR PACT project is to catalyze local advocacy campaign of civil society on raising awareness for sustainable business and alternative dispute resolution.*

2. Children's Rights and Business Principles (CRBP)

Another example is that some businesses in Indonesia have started to conduct some child focused CSR activities across marketplace, workplace and community/environment. However, very little of them know that all businesses with no exception to their core business would have impacts on children's rights. UNICEF as a UN body that promotes children's rights and their well-being, aims to positively change business behavior and practices as they affect children, which has resulted in the Children's Rights and Business Principles (CRBP). The CRBP has been a driving force for UNICEF, its partner and the Committee of the Convention on the Rights of the Child to create normative standards on children's rights and business building on the UN Guiding Principles for Business and Human Rights, called Children's Rights and Business Principles (CRBP). Last February, UNICEF together with IBCSD had discussions on the inclusion of children's rights in policy and guideline of business and also into the National Action Plan of Business and Human Rights.

3. Discussion on business and human rights

ICCO Cooperation and IBCSD have been trying to increase awareness of business on human rights. In 2015, both organization hosted discussion on the Importance of Social Impact Assessment (SIA) for Private Sector, National Action Plan 2015-2019, Best Practices on Human Rights Implementation by Private Sector in Indonesia and in ASEAN, as well as the proposed solution on institutional perspective.

Prior to that, in 2014 IBCSD and ICCO Cooperation gathered the stakeholders for the topic on Advancing Human Rights Value on Business Practice which brought the idea of responsible and inclusive business and measuring the impacts for the poor, and social mediation conflict and strategic community investment from international to district level.

This workshop is a follow-up of continues efforts respecting to the triple bottom line; provide a venue to advocate environmental utilization, i.e. forest, protecting human rights where children's rights are part of it as an authentic corporate social responsibility, and to build a sustainable business that brings economic benefit or profit in the long run, since successfully facing the corporate human rights challenge will be crucial to business success nationally and internationally.

Objective

The key objectives of the Human Rights on Sustainable Business Workshop are including:

- *Foster exchange learning and sharing on good business practices related to sustainability both environmental and social;*
- *Conclude high level recommendation related to sustainability business concerning human rights and corporate social responsibility*
- *Raise awareness on peaceful co-existence for sustainable economic opportunities*
- *Raise awareness for sustainable business through collaborative approach on conflict resolution*

The Workshop

Presentations
Discussions
Focus Group Discussions

Opening Speech
Tony Wenas
IBCSD Chairman

Improving the implementation of sustainable business by strengthening the partnership between public and private parties

The importance of enhancing sustainable business implementation by strengthening the partnership between the public and private parties becomes one of the backgrounds for the European Union, ICCO and IBCSD to cooperate in organizing Human Rights on Sustainable Business Workshop in order to promote the spirit of human rights protections as in sustainable businesses and strengthen the collaboration among various related parties.

Enforcement of human rights is the main condition for sustainable business

The workers' rights in the social, economic and cultural field; as well as the family right should be given special focus and respected because no matter how well companies run their business, if the Human Rights which is the most fundamental thing is not fulfilled, then the companies will not be able to implement sustainable business.

Cost inflicted by a conflict

If human rights are violated, intangible costs inflicted may reach 700,000 - 10,000,000 USD along with the reputation loss of Indonesia. Many companies have started to realize and have no intention to violate human rights, so that they have started to protect communal rights, endogenous communities, the environment, and develop guidelines in this field. Protecting Human Rights can be done by reducing conflict and take precautions. IBCSD invites all related parties to support further efforts in protecting human rights because there will be no peace without development along with human rights and the rule of law.

Welcoming Speech
Michael Bucki
European Union

<u>The values which Indonesian people have can control the protection of human rights in Indonesia</u>

Indonesia is considered to have fundamental values upheld in the protection of human rights which then issued in the form of public policy. These values are very helpful in monitoring the human rights protection mechanism in Indonesia and the establishment of sustainable society. Strategic relationship between the European Union and Indonesia is built based on the same concern and focus on Human Rights.

<u>The role of industry and the business world in ensuring the enforcement of human rights</u>

Doing well in business also helps to ensure human rights such as the use of resources on sustainable business that needs to be noted in the wood and palm oil industry. This ensurement can be achieved by applying a good oversight mechanism to protect the plantations and the forest management. Infrastructure capacity should also be considered in order to maintain a balance between the various aspects to fulfill possible buyers and inventors demands. Not only large industries, but a variety of small industries in Indonesia also contribute in achieving sustainable society.

<u>The focus of EU-Indonesia Partnership</u>

Justice towards human rights matter and the protection of the environment is one of the focuses in the cooperation of the European Union and Indonesia in the future, and this justice can be achieved through the cooperation between industries and government in achieving this goal.

Keynote Speech
Marzuki Usman
Founder of FIHRRST

Sustainable Business and Sustainable Development Goals

Sustainable Business Concepts has been proclaimed since long ago, but not until September 25th 2015 the UN General Assembly adopted the 2030 Agenda for Sustainable Development. There are 17 goals and 169 targets in the agenda including eradicating poverty, going against injustice and overcoming climate change over the next 15 years. Sustainable Development Goals (SDG'S) cover all the issues related to human rights; including economic, civil, cultural, political, social, the right to develop and the most basic right of a human being, namely the right to life itself.

UN Guiding Principles on Business and Human Rights (UNGP)

Mentioned earlier that there are three main pillars of the United Natios Guiding Principles on Business and Human Rights (UNGP) which are Protect, Respect, and Remedy. "Protect" is the state's duty, "respect" is the responsibility of companies and "remedy" is the access to recovery.

Benefits of respecting human rights in the business world

The need to respect human rights in the business sector is caused by several advantages of respecting human rights in business, namely:

- *Opening up the opportunity to become part of the supply chain network of multinational corporations which implies respect for human rights in the selection of suppliers.*
- *Increasing business opportunities in the countries that has developed a Business Action Plan and Human Rights.*
- *Certificate of Human Rights on the product will improve consumer trust.*
- *Increasing investor trust that emphasizes on the "Socially Responsible Investment".*

Human Rights Guarantee System

Human Rights guarantee system must be clarified, for instance the certificates of Human Rights must be owned by all the modern industrial sector doers. Socializing the human rights issues also need to be done to the perpetrators of the modern industrial sector so that they in particular and the world in general are able to understand about what is happening in Indonesia. The cost would be very expensive if there had been a violation from one of the parties. If all parties are able to understand and jointly implement the protection of Human Rights, the sustainable business will be achieved.

About Siak

Siak is one of the 12 districts in Riau Province with a population of 412,000 residents and an area of 8556 kms. The concept of Siak as a green district has been the commitment of the Regional Government 2016-2021 period with the economic development in various sectors by promoting sustainable development. The background of "Siak Kabupaten Hijau" or Green District Siak is originated from the current Siak conditions along with land and forest fires.

Challenges and Commitments of Siak

In 2014, there were 649 and in 2015 there were 389 environmental violation so that many losses such as water pollution in the rivers appeared. In addition, the irresponsible disposal of waste and litter also increase water pollution. The number of landfills in 14 districts is not enough, only 8 districts get their waste transported by 40% and only 9% are managed properly. Siak is also an area that has a fairly extensive peat land, so the use of it needs to be done in a sustainably. It takes a strong commitment to take care of the environment, so that the Siak district is committed to the environmental protection by taking some concrete steps such as rescueing Siak watershed by not allowing the establishment of factories along the river, constructing three bridges on the Siak River, developing water front city in the towns located on the river bank and joining green city program.

Siak district also has several conservation areas such as GSK Biosphere Reserve (Core Zone) with area of 62470 hectares, the Zamrud National Park with area of 31480 ha, Tasik Belat Wildlife Reserve and Sultan Syarif Hakim Forest Park in Minas. Local governments together with the public and private sectors perform environmental protection efforts and real acts such as;

- *The Movement of One Soul, One Tree that has been implemented and attended by 31532 people.*
- *RSPO certified private and community plantation (including Wilmar, Samderby (AIP), Asian Agri, KUD Dosan)*
- *The "No Deforestasi" and Peat Protection commitment of the forestry sector industry (including APP and APRIL)*
- *Coastal regions rescue (planting, maintaining and mangrove ecotourism) by the environmental community -> planting 10100 mangrove forests rod*

Green District

The concept of green district is a district that encourages the principles of conservation and sustainability in the use of Natural Resources and improving the local economy. The pattern of natural resources use approach done by the government is conservation, downstreaming, intensificating, community-based economics and locally generated revenue. Natural Resources Management is conducted for the benefit of the people with the principles of sustainability. This management purpose is to reduce the level of natural resources, watershed and peat damage especially in Siak. Zoning system is enforced in order to enhance the effectiveness thus conservation, crops, plantations and forestry, industrial and residential zones are made. Siak local governments intend to continue maintaining the existence of protected areas by mapping readiness and facilitating people's plantations that are in accordance with the Indonesian Sustainable Palm Oil.

Plenary

Why Human Rights and Environment Should Be Considered as Part of Sustainable Business: Demand and Opportunity

Drs. H. Alfredi M.Si.
Vice Regent of Siak

Fulfillment Market

Rudi Fajar revealed that the wood fiber needs increased due to high population growth resulting high demand for markets including forest needs and their derivatives. Riau population growth was 100 percent in 20 years, and more than 50 percent of the population has a job in the field of agriculture and forestry. RAPP has contributed 200 trillion in national output and 6% to the economic growth of Riau Province by providing employment for 100,000 persons.

Towards Sustainable Business

RAPP has a community development program in the field of integrated farming system, small and medium enterprises, education, community health care, social infrastructure and livelihood plantation. However, RAPP feels that these programs are not sufficient and needs further development. One of the milestones for RAPP in 2002, namely as the pioneer in wood legality and in 2003 RAPP became the first company to publish a Sustainability Report and the development of the Sustainability Forest Management Policy becoming Sustainability Forest Management 2.0.

Facing Challenges

RAPP itself also has some problems such as the broker, newcomers and political matters issues and RAPP endeavors to deal with it by following the rules and then implementing alternative dispute resolution together with stakeholders, non-litigation approach and foremost having collaboration with stakeholders. RAPP also own Grievance Mechanism as a medium to convey the complaints of the workers and the public with the aim to make it more transparent. According to RAPP, we should be able to integrate human rights and environmental matters into business practices towards sustainable development.

Plenary

Why Human Rights and Environment Should Be Considered as Part of Sustainable Business: Demand and Opportunity

Rudi Fajar – Riau Andalan Pulp & Paper

Plenary

Why Human Rights and Environment Should Be Considered as Part of Sustainable Business: Demand and Opportunity

Kiswara Santi
ICCO Cooperation

Two Pillars of ICCO Cooperation

Two most important and fundamental pillars to the ICCO copperation are Sustainable Livelihood and Justice where important element in it is the people. In developing the program, ICCO always pays attention to the element of "people" which means society as the public interest by governments and companies. With the existence of the elements, the effort to improve the local economy by balancing all aspects can be achieved and if a partnership has involved the whole party from the beginning, the conflict will be much reduced. The balance will be achieved when the public and companies are also obligated to be obedient towards the law.

ICCO focuses on Public Private Partnership program (PPP), which has involved the whole party from the beginning. This partnership program provides an opportunity for all parties to co-exist in case of shortage and gains in risk management and can be used for solving problems. In accordance with the global guidelines (UNGP), programs that ICCO do will contribute to the 6 indicators from the 17 indicators provided by the United Nations, namely, No Poverty, No Hunger, Decent Work and Economic Growth, Responsible Consumption and Production, Place, Justice & strong instrituitions, and the Partnership for the Goals.

Contributions to the UN Guiding Principles

Of the three main pillars of the existing UN Guiding Principles (Protect, Respect, and Remedy), ICCO contributes in accordance with the first pillar guidelines which is the government's responsibility to maintain and ICCO's contribution to the National Action Plan on Business and Human Rights. Then for the second pillar about the corporate responsibility to respect human rights, ICCO contributes by promoting UNGP through various discussion forums and partnerships with business associations and promoting alternative community partnership program that connects with the company. Then on the last pillar, ICCO seeks to promote conflict resolution alternative uses and increase the capacity of CSOs and its communities through monitoring, investigating and reporting human rights reports through appropriate existing mechanisms.

One of the programs that is held by ICCO namely agriculture program with the target of reducing 10% of inputs and increasing 10% of profit for 100,000 farmers. In the implementation, ICCO as an NGO and a part of civil society tries to build connection with a lot of SDG's standards. Kiswara also emphasizes other things that can be done in accordance with the three business and human rights UNGP pillars such as:

1. The state's obligation is to implement human rights protection

2. The social responsibility by companies is to respect human rights

3. The existence of an effective Remedy Mechanism

<u>Human Rights and the Environment</u>
Framework International Construction has made human rights issues clear. The development continues to occur where NGO activists also now begin to focus on connecting human rights and the environment. The basic rights of human life can not be done properly if there is no concern for the environment.

<u>SDGs and the UN Guiding Principles on Business and Human Rights</u>
Now we own 17 Sustainable Development Goals and the whole purpose of it has the Human Rights as the fundamental matter.

Momentum in which human rights can be connected to the business is also contained in the UN Guiding Principles on Business and Human Rights as the latest guide about business and human rights. There are 31 principles that govern the three main focus which is the role of the Country, enterprises and how to resolve conflicts in which all parties are expected not to act sporadically.

Some concrete examples that Indonesia is one of the leading countries in the implementation of the guiding principles are that On January 23rd, 2017, Ms. Susi Pudjiastuti along with FIHRSST handled Benjina incident in which the incident was the worst slavery after the Second World War. From there, they invented two regulations namely Fisheries Minister Regulation No. 35 of 2015 and No. 2 in 2017 which are two ministerial regulations on Human Rights. This regulation requires the ship manager to have human rights certificate because if they do not have it, they will not be given the permission to perform the operation. Then the Ministry of Industry provides training on the human rights based on the idea that company will not succeed if the community fails.

Plenary

Why Human Rights and Environment Should Be Considered as Part of Sustainable Business: Demand and Opportunity

Yudha Akbar
FIHRSST

Discussion Session

Question: What exactly are the main needs of the community and their complaints?

Response: *Drs. H. Alfredi, M. Si*

Most Siak people still work as farmers so that they have direct contact with the land. In fact, the land does not increase but human population does which means the land must be arranged nicely with the existing zoning and increasing the cultivation of plantations. Siak can only be self-supporting as much as 51%, by improving existing irrigation system until it reaches the stage that can improve the lives of the general public. But with limited land, the local government plans to use the land that is not used optimally and to add more job variation.

Question: Seeing the thin boundaries that exists for businessman, how do businessman could be embraced and get comfort?

Response: *Rudi Fajar*

Collaborative efforts in order to ensure good relations with the community need to be done. If the relationship is not created, many problems will inevitably arise. Therefore many programs support the community through rural development and also embrace the local government to help according to regulations. The business world itself is a dynamic world because of the many rules that appear so that businesses can not be done alone in order to support the development process, it needs help from the government and society.

Question: What is the percentage of the company in helping the development of Siak as a green city? Does the local government do it all or is there any help from the corporate party?

Response: *Drs. H. Alfredi, M. Si*

The entire corporate or private parties has participated fully, the only distinguishing is the levels of contribution made by each company to the environment. But now the multicultural plant waqf movement has been declared by the regent of Siak and local company has been appealed to perform the processing of waste.

Question: How much RAPP could be transparent in providing information related to the business operations? Then, how big are the public concerns towards the risk of business operations and what are RAPP strategies to overcome these problems?

Response: *Rudi Fajar*

RAPP has scheduled a meeting with stakeholders on a regular basis to discuss the existing position map and continue to make improvements. Then RAPP tries to communicate with the local community before starting the project so that RAPP can receive feedback from stakeholders for further improvements.

Discussion Session

Question: How are the rights of RAPP workers?

Response: *Rudi Fajar*

In addition to have grievance mechanism, RAPP also has special arrangements for employees so that the issues related to employement can be addressed and the solution to solve it can be sought. RAPP responds to complaints by providing a media to accommodate complaints then the process is monitored with good supervision and there is a deadline on answering those complaints.

Question: How do companies get more transparency to the blue print that will be used for community development?

Response: *Drs. H. Alfredi, M. Si*

Local government formed a CSR program and have had a clear regulation. Regent of Siak has also established a CSR forum with the Decree of Regent resulting a synergy between local government programs with the company's CSR program. Each proposal from the public to obtain the CSR programs in every company must first get a recommendation from CSR forum.

Question: What are the main needs and complaints of citizens that live in an area that is certainly potential for the business?

Response: *Drs. H. Alfredi M.Si*

The segmentation of society must be analyzed first, what most of them do for living. Siak citizens are mostly farmers and in order to overcome the complaints, here are what the government do:

- *Land Zoning*
- *The development of agriculture in order to attempt self-sufficiency through improvement of water governance.*
- *Provision of superior seedlings and additional land based on needs*
- *Encouraging the use of existing land for planting a variety of plants and animal husbandry.*
- *Processing of various commodities may increase small to medium sized enterprises and the creative economy so that citizens can be independent.*

Objectives:

- Identifying current condition regarding the implementation of human rights in each company from the representative

- Knowing the challenges in the implementation of Human Rights in business execution

Consumer Goods FGD

Facilitator: Vrilly Rondonuwu, YPB

Participants: Kimia Farma, KRKP, NIKE, Adidas, Greeneration

Discussion results:

⇒ *There are still companies that do not have special caution regarding human rights issues. Cases related to human rights are generally dealt after the incident happens so there are no preventive acts. Those companies' managements are still profit-oriented however they have realized that the cost would be high if they still have no special caution regarding human rights issues.*

⇒ *Adidas and Nike companies have had a good grievance system for employees. Company regulations refers to the government regulation. Nike Company promotes human rights through the department namely SMS (sustainable manufacturing sources) which focus on energy, environment, labor and HSE. Nike has also conducted internal audit to review human rights aspect and put unions as evaluation partners. Nike also held socialization on human rights standard to the vendors.*

⇒ *KRKP is an NGO which concerns in the achievement of food sovereignty through sustainable agriculture, sustainable consumption and fairtrade programs. Food distributors have not been addressing the issues regarding calorie, food ingredients, and others. That prompted awareness in the field is still low so that Indonesian children is vulnerable against many disease. This issue is closely associated with human rights.*

⇒ *Human Rights issues in consumer goods are still not considered. Awareness in reading food labels is still low because the information is not enough. However, there are a few companies that has concerns on it such as Unilever Food has been considering the product placement on the store. Customers still have no concerns on this field so the partnership between the society and government is needed. In Europe, educated consumers encourage the Government and the company to review the changes regarding this awareness.*

⇒ *The NGO which focuses on waste issues still has no specific concern towards human rights but the activities of the NGO educate communities and collaborate with government, university and company. They also educate on matter of waste sorting, turn organic waste into compost and vertical garden for urban agriculture.*

⇒ *One example discussed was the human rights conflict in Kalimantan so that conflict handling unit was made for the affected community in which the company provides conflict resolution training to local residents. It can reduce the cost incurred by businesses. When companies make society more intelligent, the intangible cost would be lower. Society is not the enemy*

Challenges faced:

1. The people and many businesses have not been educated properly about the rights and obligations

2. Cost for concerning in the Human Rights is high

3. Consistency of government regulations have not been good

Steps that can be taken: Forming an evaluation team and internal audit, Upholding regulation, Training to citizens and businesses, Making a foundation to assist the victims of the operational impact contains the local community

Objectives:

- Identifying current condition regarding the implementation of human rights in each company from the representative

- Knowing the challenges in the implementation of Human Rights in business execution

Agro Forestry Sector FGD

Facilitator: Satrio Anindhito - IGCN
Participants: Eagles, APRIL, Scale Up, Huma, Hukatan

Discussion results:

⇒ *The challenge is how to inclusive human rights into business practice, so that businesses do not stand alone but paying attention to human rights and cooperating with NGOs to provide input to business practices.*

⇒ *Human Rights in its own practice can use the regulator and the market to indirectly encourage corporations to participate in human rights, because if the corporation is pressed from above (Regulator) and from below (Market / buyer) then inevitably corporation should follow the desires of the market and regulators. But it is better if the corporation from the beginning has its own awareness and the desire to involve human rights into company policy so there will be no problem, in addition the corporation also has to perform risk analysis such as analyzing social cost, because if it is analyzed from the beginning, it can be used as investment in the future. For example, if the company from the beginning has contributed to the community, people will feel that they need the corporation and the corporation also requires communities to get mutual benefit. However, other problems also arise when the Government as the regulator does not stand firm so corporations often feel no need to follow the regulation and does not need to put much attention to the human rights element.*

⇒ *The role of NGOs are also important in in terms of educating the public about the importance of human rights and environment by cooperating with the government to do overall education and oversee the corporation. For instance, in Riau Scale up (NGO) oversees the company RAPP / April. In the future, we strive to make Indonesia a better place in terms of humanity and also in terms of the environment.*

Objectives:

- Identifying current condition regarding the implementation of human rights in each company from the representative

- Knowing the challenges in the implementation of Human Rights in business execution

FGD Various Sector

Facilitator: Bilal Dwi Nugraha

Participants: ICCO Cooperations, UMMA, PT Ren tbk, FIHRSST, PT Perindo, PT Adaro

Discussion results:

⇒ *One of the companies disclose their problems encountered from external companies when they attacked companies using human rights issues through existing NGOs and this led to poor communication with local communities. The challenge is how to make the company and the community have open discussions to discuss the purpose of the company that should pay more attention to the people and the environment, does not harm the community and be able to create a harmonious relationship. If the company is harmful to society, the community needs media such as NGOs as a mediator, but the problem is the stigma of NGOs nowadays often considered as only seeking profit from the problem.*

⇒ *Noted that in some companies whose workers are dominated by foreign workers, the challenge is that there is a gap which is equidistant between local and foreign workers as in the matter of income and facilities.*

⇒ *Another challenge is there is a gap between the government and companies, such as on the matter of CSR programs contribution, so we need an alliance which be able to equalize the perception first. According to ICCO, there is a gap between the agendas that have been determined by its implementation. Difficulties are usually found when starting a job or project where the work involves many people and requires a large capacity. But besides challenges, there are also some advantages.*

⇒ *In the application of human rights, PT. Adaro has a challenge in dealing with local officials in Central Kalimantan so that Adaro formed a communication forum for the community around the mine. Adaro strategy in observing human rights issues are:*

⇒ *Implementing inclusiveness (integrated into society) and involving many stakeholders.*

⇒ *Having two media communication with its stakeholders, namely Formal License which is a communication forum of local government and the Social License which consists of the stakeholders mapping every 3 years, where community, religious, traditional, and another important key person included.*

⇒ *In partnership with stakeholders by conducting direct interaction with the community such as making festivals and other forums.*

⇒ *Doing new project in Central Kalimantan such as looking for sources of water, building infrastructure such as roads accent, education that have to be coordinated and advocated with local authorities because of lack of teachers.*

In addressing this human rights issue, tools or guidelines that facilitate communication are needed so that advocacy will be encouraged in order to align and objective mediator is needed in order to facilitate communication and to identify their needs. According to ICCO, the critical activity is the process of lobbying, further discussion of the risks, the possibility of damage exists, how to make it an easy step to overcome them and the attempt to overcome the existing gap with the government by doing more strategic steps.

Key takeaways & recommendation

KEY TAKEAWAYS AND RECOMMENDATION

1. *This forum has facilitated exchange learning on good business practicces related to sustainability both environmental and social through discussion on plenary and focus group discussion that was divided into 3 groups. In plenary session, the sharing experience came from:*

   Wakil Bupati Siak *who explained about the potential conflict within the area and how the ASBALR PACT project with ICCO Cooperation is an effort to respond to the potential conflict*

   RAPP, a company on pulp and paper industry*, who explained that due to the opportunity to fulfil the market demand, the business also has conflict risk. The company is trying to implement alternative dispute resolution together with the stakeholders, using non litigation approach, and most importantnly work together with the stakeholder. RAPP also has Grievance Mechanism as a platform for workers and community to file a complaint, and it is accessible to the stakeholders due to the transparancy. He further explained that business should integrate human rights and environment to development practices towards sustainable business.*

   ICCO Cooperation *explained about tripartite collaboration; community, government, and business to improve local economy to reduce conflict intensity.*

   FIHRSST, *an institution human rights certification for business, explained that nowadays there are several tools that is acknowledge at global level to guide private sector in implementing human rights in business such as on UNGP on Business and Human Rights and Sustainable Development Goals, as well as certification on human rights for business.*

   The FGD session also provide opportunity for participants to identify their achievement and challenges in implementing human rights within their industry. The discussion in FGD session mostly based on the practical experience.

2. *Based on the discussion, thera are high level* ***recommendation*** *related to sustainability business concerning human rights and corporate social responsibility:*

   ⇒ *Business needs to collaborate with local government to support welfare improvement of local people as well as economic development because there are so many regulation that limiting the companies to support the development process.*

   ⇒ *In business development, business and government should identify the segementation and the needs of the local people, such as identifying their source of income, skill, etc. Busienss development strategy as well as spatial planning by government should refer to the assessment.*

   ⇒ ***In consumer goods group discussion****, it is revealed that human rights issue on consumer goods industry is not yet much considered. Some of distributors are still far from educating or even informing the market of their product such as the calories, ingredient, nutrition, etc. This is important for buyers to know whether it can cause vulnerability of health especially for children, which then it is becomes part of the human rights issue. It is necessary to establish evaluation team and internal audit, law enforcement, socialisation and training for business and also to provide assistance for the consumer when the case happens.*

KEY TAKEAWAYS AND RECOMMENDATION

⇒ ***In agro forestry group discussion:*** *Market and regulation should control implementation of human rights in business. Busienss also should make risk analysis considering the social cost and develop simbiosis mutualism strategy with local community. Inconsisteny and weak law enforcement is mostly the cause of the conflict, so in most cases, NGO will play important role in educating public to monitoring the human rights in business.*

⇒ ***In other sector group discussion*** *(mining, services, etc): Business needs to consider the role of community/local people within their operation to create a peacefull community and strong business. Differentiated wages rate and facilities could be a potential problem that the company should aware of. Creating the common perception of CSR program is necessary for the successful of the program. Inclusive business, a good communication strategy, and partnership is one way toward creating a sustainabile business.*

3. *Raise awareness on peaceful co-existence for sustainable economic opportunities*

   In the discussion, that the business should consider the existence of local community is repeated several times, showing that there is a common understanding of the importance of inclusive business as sustainable economic opportunity for local community. However, practically this is still a challenge. The participants only discussed less on best practices due to the lack of sucess story. Though, the discussion can raise awareness of this challenge.

4. *Raise awareness for sustainable business through collaborative approach on conflict resolution.*

   Collaborative approach was something that the participant mostly proposed during the discussion. Most of them already aware of the importance of collaborative approach:

   - *APRIL explained that the company needs to work together with local government and community to build a peaceful and strong business, the consumer goods discussion proposed involvement of each element of the community from government, NGO, to private sector to mitigate and to solve the conflict*
   - *Through identifying the challenge in mitigating or solving the conflict through collaborative approach, it is expected that the participants (business and NGOs) willing to develop a collaborative approach program in their work as it is also part of the recommendation from the discussion.*

media & publication

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NO	MEDIA	PUBLICATION TYPE	DATE	HEADLINES	JOURNALIST	SPOKEPERSON	TONE	SIZE
ONLINE								
1	Antarafoto.com	online	16-Mar-17	Workshop HAM dan Bisnis Berkelanjutan	Audy Alwi	Tony Wenas, Kiswara Santi Prihandini	Neutral	1 page
2	Antarariau.com	online	16-Mar-17	RAPP Berikan Contoh Sinergi Bisnis Dengan Perlindungan HAM	Rian Anggoro	Rudi Fadjar, Tony Wenas, Kiswara Santi	Neutral	2 pages
3	Beritasatu.com	online	16-Mar-17	IBCSD Dukung Penerapan HAM dalam Bisnis Berkelanjutan	Imam Suhartadi	Tony Wenas, Kiswara Santi Prihandini	Neutral	1 page
4	Detik.com	online	16-Mar-17	Berita Foto: IBCSD Gelar Lokakarya	Rengga Sancaya	Tony Wenas, Marzuki Usman	Neutral	3 pages
5	Forumkeadilan.co	online	16-Mar-17	Peranan Hak Asasi Manusia dalam Dunia Bisnis	Irman Robiawan	Tony Wenas, Kiswara Santi Prihandini	Neutral	1 page
6	Gosumbar.com	online	16-Mar-17	PT RAPP Hindari Pelanggaran HAM dalam Pengembangan Usaha	Bas	Rudi Fadjar, Alfedri, Kiswara Santi Prihandini	Neutral	1 page
7	Harianterbit.com	online	16-Mar-17	HAM dalam Bisnis Berkelanjutan Sebagai Bentuk Kemitraan Pemerintah dan Swasta	Safari	Tony Wenas, Kiswara Santi Prihandini	Neutral	1 page
8	Id.beritasatu.com	online	16-Mar-17	IBCSD Dukung Penerapan HAM dalam Bisnis Berkelanjutan	Imam Suhartadi	Tony Wenas, Kiswara Santi Prihandini	Neutral	1 page
9	Katakabar.com	online	16-Mar-17	Kabupaten Hijau di Workshop Lintas Negara	Aziz	Alfedri	Neutral	1 page
10	Koranriau.net	online	16-Mar-17	Wabup Siak jadi Pembicara di Forum IBCSD Jakarta	Syarifah	Alfedri, Tony Wenas	Neutral	2 pages
11	Pekanbaru.tribunnews.com	online	16-Mar-17	IBCSD Gelar Workshop Hak Asasi Manusia dalam Bisnis Berkelanjutan	Nto	Tony Wenas, Kiswara Santi Prihandini	Neutral	1 page
12	Wartaekonomi.co.id	online	16-Mar-17	Meningkatkan Usaha Bisnis Berkelanjutan lewat Sinergi Pemerintah-Swasta	Vicky Fadli	Tony Wenas, Kiswara Santi Prihandini	Neutral	1 page
13	Warta10.com	online	16-Mar-17	IBCSD Dukung Penerapan HAM dalam Bisnis Berkelanjutan	RED	Tony Wenas, Kiswara Santi Prihandini	Neutral	1 page
14	Majalahcsr.id	online	17-Mar-17	Pentingnya HAM dalam Dunia Usaha	RED	Tony Wenas, Kiswara Santi Prihandini	Neutral	1 page
15	Potretnews.com	online	17-Mar-17	Menjadi Narasumber Workshop Lintas Negara di Jakarta, Wabup Siak Alfedri Presentasikan Kebijakan Siak	Sahril Ramadana	Alfedri	Neutral	1 page
16	Riaubook.com	online	17-Mar-17	Alfedri Paparkan Kebijakan Siak Kabupaten Hijau pada Workshop Lintas Negara di Jakarta	RB/Agus	Alfedri	Neutral	1 page
17	Riaumandiri.co	online	17-Mar-17	RAPP Selalu Hindari Pelanggaran HAM	RAL	Rudi Fadjar, Alfedri, Tony Wenas, Kiswara	Neutral	1 page
18	Riaunet.com	online	17-Mar-17	Hindari Pelanggaran HAM Dalam Pengembangan Usaha, Alfedri Jadi Pembicara Di Forum IBCSD Jakarta	Iz/HMS	Alfedri, Tony Wenas	Neutral	1 page
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27	SWA.co.id	online	20-Mar-17	IBCD Konsisten Dorong Pelaku Bisnis Terapkan Prinsip Bis	Eva Martha Rahayu	Tony Wenas, Kiswara Santi Prihandini, Budi	Neutral	1 page
PRINTED								
28	Investor Daily	newsp	17-Mar-17	Berita Foto: Bisnis Berkelanjutan	Audy Alwi	Tony Wenas, Marzuki Usman	Neutral	4 cols x 125 mm(FC)
29	The Jakarta Post	newsp	17-Mar-17	Berita Foto: Sharing Session	Audy Alwi	Tony Wenas, Marzuki Usman, Michael Bucky	Neutral	2 cols x 87 mm(BW)
30	Investor Daily	newsp	18-Mar-17	IBCSD Dukung Penerapan HAM dalam Bisnis Berkelanjuta	Is	Tony Wenas, Kiswara Santi Prihandini	Neutral	3 cols x 150 mm(BW)
31	Rakyat Merdeka	newsp	18-Mar-17	Bentuk Kemitraan Pemerintah dan Swasta, Tingkatan Usaha Bisnis Berkelanjutan	YMI	Tony Wenas, Kiswara Santi Prihandini	Neutral	2 cols x 131 mm(BW)

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