



▶ Resilient, Inclusive and Sustainable Supply Chains Asia (RISSC) Thailand automotive sector

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▶ At a glance



Key areas of work

- ▶ Research & analysis
- ▶ Enhancing stakeholder knowledge & capacity
- ▶ Policy advice, tools & guidance



Partners

- ▶ Government: Ministry of Labour & other ministries/agencies
- ▶ Employer & Business Membership Organizations (EBMOs)
- ▶ Trade unions
- ▶ Japanese constituents & industry stakeholders



Donor

Government of Japan (MHLW)



Duration

2023 – 25



Target beneficiaries

Employers and workers in the sector, policymakers, and other key industry stakeholders



Sectoral focus

Automotive manufacturing



Budget

Approx. US\$1.3 million (for Thailand)

▶ What is the RISSC project?

Recent global disruptions, including COVID-19, economic downturns and growing trade tensions, have exposed how **important but also how fragile** global supply chains are.

To rebuild for the future with greater resilience, industries will need to invest in sustainability – at the heart of which are **people**.

The Japan-funded RISSC project aims to support these efforts by harnessing opportunities for **decent work and responsible business conduct** in key export sectors.

It will also help constituents better understand changing **supply chain requirements** and uphold and apply key **business & human rights commitments** in global supply chains.



RISSC in Thailand

RISSC in Thailand aims to build a more resilient and sustainable automotive manufacturing supply chain by addressing **human and labour rights risks**, while expanding **decent work and responsible business practices**.

It will work with the government, employers, trade unions and industry partners – to identify challenges and priorities, building tools, supporting to address critical risks, and improving working conditions in the sector.

Automotive sector in Thailand: Key facts

- ▶ Leading automotive producer-exporter in ASEAN; 10th largest in the world¹; capacity to produce over 2 million units per year.
- ▶ Accounts for approx. 10 per cent of Thailand's GDP.
- ▶ Generates **exports** worth US\$ 10.9 billion in 2021², with key markets mostly in Asia and the Pacific region.
- ▶ Industry led by approximately 30 lead OEM (assembly) firms, mostly Japanese and European (but with growing Chinese investment).
- ▶ Whole sector employs 850,000 people, manufacturing alone employs some 520,000 people.³
- ▶ More than 80 per cent⁴ of the workforce in manufacturing are registered in the social security system (50% of whom are female).
- ▶ Ambitious plans to be a leading producer of zero-emission and e-vehicles by 2030, with 30,000+ specially trained workers.⁵
- ▶ Opportunities to advance decent work and responsible business are available through – among others– improved compliance, tackling inequality & discrimination, and strengthening social dialogue at enterprise & industry level.⁶

Project approaches

- ▶ Supply chain research & analysis: helping industry partners understand decent work gaps and opportunities, and informing joint actions in the sector
- ▶ Industry tools & advice to close these gaps and drive responsible business practices
- ▶ Policy advocacy to support Thai constituents to build an enabling policy environment for decent work and responsible business
- ▶ Helping Thailand & other industry stakeholders to meet new and existing national business and human rights commitments (including due diligence)

Expected project outcomes

- ▶ Constituents and industry stakeholders have a better understanding of decent work gaps and opportunities, and are adopting actions and policies to address key challenges (with ILO tools and support).
- ▶ Responsible business practices (including due diligence) are more widely understood and applied in the Thai automotive manufacturing supply chain.

Scan here for more info
on RISSC in Thailand



1 2022 Statistics, ASEAN Automotive Federation (AAF), 2023.

2 Export Destinations, The Observatory of Economic Complexity (OEC), 2021.

3 Number of employees (private sector) in the automotive and auto-part industry (2001-23), National Statistical Office of Thailand (NSO), 2023.

4 Automotive manufacturing employees registered in the social security system, The Social Security Office (SSO), 2023.

5 Thailand's 13th National Economic and Social Development Plan (2023-27).

6 ILO-Japan RISSC project's research study on decent work and responsible business practices in Thailand's automotive manufacturing sector, 2023.

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