

Opening Speech
by H.E. Mr. Kasit Piromya, Minister of Foreign Affairs of Thailand
on the occasion of the Global Launch of the CSR Asia Center
at the Asian Institute of Technology
25 March 2010 at 10.00 hrs.
At the Foreign Correspondents Club of Thailand



H.E. Mr. Kasit Piromya, Minister of Foreign Affairs of Thailand, , Chairman of the Board of Trustees of AIT and Former Minister of Foreign Affairs, and Prof. Said Irandoust, President AIT on the occasion of the Global launch of the CSR Asia Center at AIT.

Your Excellency Dr. Tej Bunnag, Chairman of the Board of Trustees of AIT and Former Minister of Foreign Affairs,
Dr. Richard Welford, Founder and Chairman of the CSR Asia,
Professor Said Irandoust (ชาติก อีรณดุต) President of the AIT,
Distinguished Guests,
Ladies and Gentlemen,

It is indeed a great pleasure for me to be invited to this Global Launch of the CSR Asia Center today. I would like to congratulate the AIT and the CSR Asia on their partnership. What this has done is to provide an invaluable and unique platform for all stakeholders to come together and exchange views. This will surely help facilitate the development of CSR and sustainable development in Thailand and the Mekong sub-region.

Why is CSR so important? In particular, why is CSR so important and relevant to foreign affairs that two Foreign Ministers, one current, one former, are addressing you all today? The First answer is that CSR is not a local or regional phenomenon, but is increasingly the new code of conduct on business ethics in today's globalized world. In this time of much greater awareness of our place in the world – our need for sustainable coexistence with our environment – CSR is the commitment by the business community to society that greater focus will now be placed on ethical business processes and actions.

The simple reality is this: we need to work harder in raising awareness on the necessity of business ethics and morality. We need to instill the mindset that socially responsible conduct should not be window-dressing charity, but must be the deliberate inclusion of public interest into corporate decision-making, and the honouring of a triple bottom line: People, Planet, Profit.

Second, Thailand is now becoming an investment exporter with outbound investment to the rest of the region and beyond. The conducts of our business entities abroad now inevitably reflects back on Thailand, and could affect the relations between Thailand and the countries we invest in. We have seen previous examples in which Thai foreign investments were carried out, especially at the so-called launching of the concept of turning battlefield into market places, without due regard to local communities and sensitivity. Such have tarnished Thailand's image, trust and goodwill. That is why CSR is important for our SMEs, corporations and state enterprises. And that is why CSR is also important to foreign affairs and the Ministry of Foreign Affairs, and why I am speaking here today. Thailand's business behaviour abroad can not be separated from the conduct of foreign relations. Business and bureaucrats or diplomats alike when abroad have the responsibility towards the image and standing of the Thai society as a whole. Both must work together with CSR in minds. We intend to help ensure that when, say, EGAT goes to invest in and build a new hydroelectric dam in Myanmar, it will make the proper studies of impacts on the environmental and local communities, work out alleviating measures and build up the understanding and support of the local communities. No more going in and grabbing only what we want.

**Distinguished Guests,
Ladies and Gentlemen,**

The establishment of the Center in Thailand is thus very timely. We at the Ministry of Foreign Affairs intend to work closely with the Center to raise awareness on CSR in Thailand. For this is what we have been doing for some time. Last August, the Ministry of Foreign Affairs, together with APEC Business Advisory Council and the National Council of Women of Thailand, organized a seminar on Corporate Governance or CG and Corporate Social Responsibility for SMEs. CG and CSR are two sides of the same coin. While the former defines good governance and transparency particularly for shareholders, the latter goes one step further – from the value of the shares to the shared values between the company and the society.

The Center has many challenging tasks at hand. Particular focus should be on raising awareness of society at large on the need of socially responsible conducts. This would be the best incentives for corporations, for their shareholders and stakeholders shall be the driving force to encourage executives towards greater social responsibilities.

I would like to note that while the term CSR is imported from the West, the practice of social responsibility in favour of caring society is already ingrained in our core values and teachings. By ours, I mean Eastern philosophy, particularly Buddhism. Many entrepreneurs in the East, including here in Thailand, have practiced socially responsible conducts long before the word CSR was coined in the 1970s. I

thus hope that the CSR Asia Center would take advantage of our rich heritage and be the best of both worlds, drawing on the strengths of the ethics and social responsibility traditions of the West and the East to develop CSR initiatives befitting the Asian business environment.

Much remain to be done in raising awareness on the essential need of responsible business conduct, as well as in treating the atmosphere conducive to the practice of CSR. The Ministry of Foreign Affairs is more keen to be your partner. We will push for CSR in all the international fora under our responsibility, including ASEAN, ASEM and APEC. Our diplomatic missions can serve as channel of communication and cooperation with various international fora active in CSR issues, as well as monitor the movement of CSR internationally, so as to facilitate the dialogue and exchange on CSR initiatives and best practices.

Let us join hands together in this crucial endeavour, to do your respective parts and to support the CSR Asia Center, for a better and more caring society in Thailand, in Asia and beyond.

I wish the Center every success.

Thank you.