

"SDGs and Human Rights: About the Perspective of Wanting to Improve SMEs and Regional Society's Sustainability" (Part II)

Yukiko Furuya, Masako Hasegawa, Hiroko Yanai

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CSO Network has worked on various projects with the goal of contributing to the promotion of responsible corporate business and formation of a sustainable society. Regarding SDGs (Sustainable Development Goals), we have promoted initiatives and popularized our goals in the form of valuing the concept of "Leaving no one behind," as well as the principles of "Fairness," "Sustainability," "Diversity" and "Inclusion." In a continuation from Part I, we introduce the perspective that CSO Network considers to be vital to realize a fair and sustainable society that values each individual under the two themes of SDGs and human rights.

III. About Initiatives for Human Rights Required of SMEs

1. Measures for Diversification of Working Methods

Resolving the acute human resource insufficiencies in SMEs (Small and Medium-sized Enterprises) is an urgent issue. However, with the increase of two-income households and delayed retirement, the number of people wanting to work, namely women and the elderly, is not decreasing (Note 1). Opening the door to hiring those who were conventionally difficult to employ such as women, post-retirement elderly and foreign laborers, depending on industry and job, could aid in resolving the issue of insufficient labor in SMEs. At the same time, it is important to ensure diversification in work methods and retain employment of these people. The work environment should be easy to work in and should have appropriate labor conditions to cope with the unique situations and attributes of women, elderly and foreigners. It will be necessary to provide flexible work styles that allow for both housework and childcare, shift patterns adapted to the elderly who may not be confident in their physical abilities, communication support for foreigners, and other such measures.

On the other hand, it is also necessary to be careful not to see these workers as simply a "labor force" to cover for "insufficient human resources." It is vital to respecting human rights that each individual's unique background is accepted and that they are treated as a person, without setting boundaries. When a variety of people work together, you notice aspects that might have been overlooked before and further enrich and diversify the society.

2. Measures for Proactive Introduction of SDGs and Risks to Human Rights

A flexible response to insufficient human resources can be an opportunity for SMEs to start taking initiatives for SDGs (Sustainable Development Goals) and human rights, but we cannot rely only on that to get SMEs to live up to the expectations for a sustainable society. One way may be for the company to review the processes of its products and services, and find goals that it should be implementing.

When taking initiatives, the first step an SME must take is to find various human rights issues base on the SDGs and respond to them. When doing this, it is helpful to collect information and utilize problem presentations from NPOs/NGOs that are concerned with SDGs and human rights risks and are experts in the field, as well as to discuss and cooperate with affected stakeholders. The next step is to identify human rights risks, consolidate related laws and guidelines and apply them to avoid and eliminate those risks. This is because taking related laws and regulations as well as guidelines into consideration will lead to reducing human rights risks. For example, the main law pertaining to employment is the Employment Measures Law revised in 2007, for employment of foreigners there is the Employment Policy for Foreign Workers based on the Act on Comprehensive Promotion of Labor Measures, regarding women there is

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the Equal Employment Opportunity Law established in 1986 and the Basic Law for a Gender-Equal Society established in 1999 as well as the Act on the Promotion of Female Participation established in 2016. There are also environmental laws and regulations. Besides laws, the "SDG Compass-A Guide for Business Action to Advance the SDGs" provides guidance on proceeding with SDGs (Note 2) and the "Guiding Principles on Business and Human Rights" (Note 3) provides references of international agreements.

IV. Required Support and Cooperation With Stakeholders for SMEs

While initiatives for SDGs and human rights are still developing in SMEs, in order to expand and deepen them we need support from various actors for the SMEs that tend to lack human resources, information and time. Actions to support companies within the jurisdiction of local governments that are taking SDGs initiatives have been expanding throughout Japan. In 2020, the Cabinet Office published a summary of guidelines to support private companies taking initiatives to contribute to SDGs and using them in regional revitalization (Guidelines for Systems to Register and Approve SDGs for Regional Revitalization). (Note 4) There are high hopes that going forward, actions to support SMEs will expand further in local governments throughout Japan.

1. Support through Public Procurement by the National and Local Governments

Both the national and local governments are providing support to SMEs from various aspects with consideration for diverse work methods. Even in competition for orders of public procurement by the national government, companies that are proactive in promoting participation of women are given precedence, which is obligatory on a national level and encouraged on the local level (Note 5). There are some local governments that give priority in procurement of goods to companies that employ the elderly and people on probation (Note 6). Lately, there have been public construction bids, such as the "Women Participation Model Construction Project" in Tokyo, in which the assignment of female technicians was required with the goal of attracting a new labor force in the construction industry, which is particularly suffering from acute human resource insufficiency (Note 7). Public procurement accounts for around 15% of the market economically, so while the assessment rate of conditions related to diversifying the work methods, like those described above, is low, the effects on local societies of the government showing trends of employment methods and workplace environment, is certainly not insignificant. Even in the National Action Plan (2020-2025) pertaining to Japan's "business and human rights," published in October 2020, public procurement is listed as the first pillar for initiatives pertaining to the nation's obligation to protect human rights. (Note 8)

2. Cooperation between SMEs and Diverse Actors

Through the cooperation between SMEs and locals, including local governments, residents, civil society organizations, the SME Basic Ordinances are expanding throughout Japan with the aim of sustainable regional development (Note 9). These Ordinances indicate that SMEs are important actors in supporting regional economies, society and culture, and aim to promote and support SMEs, and cooperate with them to build sustainable regional societies in ecosystems made up of various stakeholders of the region. This also follows SDGs goal No. 17 "Partnerships for the Goals," and its sub-goal to "Encourage and promote effective partnerships between the public sector, public and private sector, and civic society based on the experience and resource strategies of various partnerships." As a specific example, take a look at the "Regional Round Table" where opinions are exchanged between a variety of players including local governments,

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companies, NPOs/NGOs, labor unions, media and others, in an attempt to resolve regional issues. Center Commons, an NPO in Ibaraki prefecture (Note 10), held one of these round table meetings in 2020 with the theme, "Creating a region where foreign workers and their families can feel safe." Another example of a round table discussion is the "Okinawa Future Fund" (Note 11).

In the EU and UK, with "Think Small First" (prioritize SMEs) as the basic concept of economic policy, SMEs corporate policy and regional development policy are integrated (Note 12), which means that sustainable regional development is a global movement with cooperation between various actors.

3. Sharing Initiatives in the Region

It is likely that SMEs are working with trial and error when it comes to human rights and sustainability in the issues they face on a daily basis. In order to normalize initiatives related to human rights and sustainability taken by SMEs both regionally and nationally, it is necessary to share success stories both on local and national levels. Currently in various regions, in addition to holding round table forums between the government and citizens to expand SDGs initiatives through their cooperation, initiatives that go beyond regions such as the Japan Civil Society Platform on SDGs, are also expanding.

While the situation is highly unpredictable with the COVID-19 pandemic, this is an opportunity to create a sustainable world. CSO Network hopes to provide support from various aspects so that SMEs can use their unique strengths to their advantage and work together with various stakeholders to face local issues as well as issues within their own companies and realize a sustainable society where each individual is valued.

CSO Network Japan

Yukiko Furuya, Masako Hasegawa, Hiroko Yanai

(Note)

¹ Mitsubishi UFJ Research and Consulting 「2030年までの労働力人口・労働投入量の予測」 (2018) (Japanese Only)

https://www.murc.jp/report/economy/analysis/research/report_180312/

² wbcSD "SDG Compass"

<https://sdgcompass.org/>

³ Business and Human Rights

https://www.mofa.go.jp/fp/hr_ha/page23e_000551.html

⁴ 地方公共団体のための「地方創生SDGs登録・認証制度等ガイドライン」 (Japanese Only)

https://www.kantei.go.jp/jp/singi/tiiki/kankyo/kaigi/sdgs_kinyu2.html

⁵ Gender Equality Bureau Cabinet Office 「女性の活躍加速のためのワーク・ライフ・バランス等を推進する企業を公共調達等において評価する取組について」 (2016)

(Japanese Only)

http://www.gender.go.jp/policy/positive_act/pdf/wlb_torikumi01.pdf

⁶ CSO Network Japan "Japanese Municipal Government Survey Results on Public Procurement, Public Contract Regulations, and Local Sustainability" (2018)

<https://www.csonj.org/index-en/3-booklet-series/japanese-municipal-government-survey-results-on-public-procurement-public-contract-regulations-and-local->

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[sustainability](#)

⁷ Bureau of Construction, Tokyo Metropolitan Government 「女性活躍モデル工事試行実施要領」 (2019) (Japanese Only)

<https://www.kensetsu.metro.tokyo.lg.jp/content/000043985.pdf>

⁸ The National Action Plan on Business and Human Rights (2020-2025)

https://www.mofa.go.jp/fp/hr_ha/page23e_000551.html

⁹ According to Tomohiro Okada, "公共サービスの産業化と地方自治 (Japanese Only) " 自治体研究社(2019), 408 municipalities and 45 prefectures have been established as of May 2019.

¹⁰ <http://www.npocommons.org/topics/entaku2020.html>

¹¹ https://miraifund.org/l_roundtalbes/

¹² 藤野洋 『欧州における地域活性化のための中小企業政策』 (2016) (Japanese Only)

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• CSO Network Japan

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