Application Guideline for

Contract Research on "Corporate Accountability: How do Japanese Companies Respond to Allegations Globally ?" Commissioned by IDE-JETRO

3, October 2024 Susumu Kataoka President, Japan External Trade Organization

APPLICATION GUIDELINE

All of applicants should apply in accordance with this guideline, with recognition about contents of this specification.

<u>1. Proposal Form Submission</u>

Submit the Proposal Form in which all necessary items are filled, following the instruction stipulated above clauses by the deadline shown below by e-mail or courier service.

R_promo2@ide.go.jp

3-2-2 Wakaba, Mihama-ku, Chiba-shi Chiba, Japan 261-8545 Institute of Developing Economies, JETRO TEL: +81-43-299-9667 FAX: +81-43-299-9731

Application DEADLINE: 18:00, October 22, 2024 (JST=GMT+9)

2. Evaluation Schedule

Accepting Proposal: Evaluation Process: Notification: Contract: October 3, 2024 ~October 22, 2024 October 23, 2024 ~November 1, 2024 by 20 of November, 2024 by the end of November, 2024

SPECIFICATION

Enclosed Proposal Form shall be submitted following all requirements and conditions specified in the clauses below.

1. Title of the Research

Corporate Accountability: How do Japanese Companies Respond to Allegations Globally?

2. Evaluation Criteria

- 1) Feasibility of technical approach and methodology for the research
- 2) Adequacy of work plan
- 3) Organizational experience with and capability of research
- 4) Familiarity with the conditions of the research area
- 5) Qualifications of staff

3. Background and Objectives of the Research

Business and Human Rights (BHR) have become global priorities, with companies increasingly striving to establish responsible business conduct regarding human rights, workers' rights, and the rights of surrounding communities. These efforts extend both within and around value chains. Based on the UN Guiding Principles on Business and Human Rights, in 2020, the Japanese Government has formulated the "Action Plan on Business and Human Rights (2020-2025)", where the Government expects Japanese enterprises, regardless of their size and sector of industry, to respect internationally recognized human rights and the principles concerning the fundamental rights set out in the ILO Declaration; introduce the process of human rights due diligence based on the UNGPs and other related international standards; and engage in dialogue with stakeholders, including those that are part of supply chains. Furthermore, the Government expects Japanese business to respect human rights is growing together with relevant legislation in progress one after another globally. However, meaningful and effective engagement with stakeholders who raise human rights concerns remain challenges for many Japanese companies operating globally.

This study analyzes how Japanese companies respond to concerns raised by stakeholders regarding the adverse impact on human rights and the environment in their business activities and supply chains globally using the database of approximately 400 Japan companies on the Business and Human Rights Resource Center website*.

Where are the business locations, countries and regions where the problems and issues raised against Japanese companies? What kind of adverse impacts on human rights and the environment are occurring from what kind of business activities? And, how are Japanese companies responding to these issues and engaging with stakeholders to bring solutions? Or are they not responding? By

analyzing the trends and characteristics of issues raised against Japanese companies and the responses by Japanese companies, together with several case studies, comparing to European, US and other Asian companies, this study will find the Japanese companies' challenges and opportunities of stakeholder engagement. This study will desirably provide a useful clue for the government's policy measures to be taken to ensure that companies meet their responsibility to respect human rights.

* Business and Human Rights Resource Center website (https://www.business-humanrights.org/)

4. Scope of Work on the Research

A CONTRACTOR will conduct the following research:

(1) Clarifying corporate accountability to respond in human rights due diligence and stakeholder engagement

(2) Overviewing Japanese companies in study scope

(3) Analyzing trends and characteristics of issues raised against Japanese companies in the light of global tendency

(4) Analyzing trends and characteristics of Japanese companies' responses to allegations, including case studies, with comparison of those of European and US companies and other major Asian companies

(5) Elaborating key material issues

(6) Japanese companies' challenges and opportunities of stakeholder engagement and policy implication

5. Expected Outcome

Minimum 30 pages (A4) report in English according to the items described above 4. (1)-(6).

6. Research Schedule

Term of Research work:

Research work shall be conducted from the end of November 2024 to February 13, 2025. Making a contract: by 20 of November, 2024.

Submission of the final report (as specified in Clause 7): February 13, 2025.

7. Reports

A CONTRACTOR shall submit to IDE the following items by February 13, 2025.

- Report

- Statement of accounts and time sheets

Items mentioned above shall be submitted to IDE-JETRO by email or mail/courier service.

<u>8. Budget Estimation Guideline</u>

- (1) Total Budget: Maximum budget is JPY 1,524,000 which consists of Direct Expenses and Administrative Overhead.
- (2) Direct Expenses: See Clause 9 for details.
- (3) Administrative Overhead: Administrative expenses on the Research activities, such as the cost on facility management and maintenance. 10 % of direct expenses is maximum.
- (4) Amount: Payment is conditional on the completion of submission specified in Clause 7. In the case the requirement in Clause 7 is not satisfied, the amount of payment specified in Clause 8 shall be reduced. The amount to be reduced shall be negotiated between the two parties.

9. General Condition of Expenditure and Account Management on the Research

Expenditure items on the Research should be confined to the following items.

- (1) Direct Expenses
 - a. Honoraria for researchers

Keep daily work logs on report sheet provided by IDE-JETRO to confirm the status of the Research work.

b. Wages and salaries for research assistants

Upon hiring research assistants, keep daily reports specifying the name of the employee and content of service, to confirm the status of work.

c. Point to Notice on Calculation of Honoraria for Researchers or Wages and Salaries for Research Assistants

A CONTRACTOR shall be required to instruct joint researchers or research assistants to take an appropriate and adequate recess (e.g. noon recess) in accordance with the labor law or the employment practice of its country.

A CONTRACTOR shall be required to exclude the rest period from the working hours of the day when a CONTRACTOR calculate the honoraria for joint researchers or wages for research assistants.

(2) Administration Overhead

Expenditure such as telecommunication and translation on the Research shall be borne within the amount of Administration Overhead.

10. Statement of Accounts for Settlement and Working Record

Statement of Accounts for Settlement and Working Record (hereinafter "Time Sheet") of which form is provided by IDE-JETRO shall be submitted immediately after submission of final report within the contract period.