

Navigating CSR Challenges in Thai Health-Impact Industries: Implications of ISO 26000 and Emerging Cannabis Sector

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Abstract

Industries with significant health impacts, such as alcohol, tobacco, and gambling, face growing scrutiny due to their ethical and societal implications. The adoption of ISO 26000 as a voluntary global standard for corporate social responsibility (CSR) has sparked debate over its application in these controversial industries. This study explores the primary social, environmental, and ethical challenges encountered by health-impact industries in Thailand under the ISO 26000 and CSR-DIW frameworks. Using a qualitative research methodology, this paper incorporates document analysis, semi-structured interviews with 15 key informants, and stakeholder perception surveys with 50 respondents. The research details the selection process of participants, the structure of the interviews, and the categorization of surveyed stakeholders. The study also discusses the emerging cannabis industry as a new category of health-impact industries, posing additional CSR certification dilemmas. Policy recommendations are proposed to develop a Net Societal Impact-Based Certification Model aligned with the Sustainable Development Goals (SDGs).

Keywords: Corporate Social Responsibility, ISO 26000, Health-Impact Industries, Certification Schemes, Thailand, Cannabis Industry, Net Societal Impact

INTRODUCTION

Corporate Social Responsibility (CSR) is increasingly recognized as a strategic tool for aligning business practices with sustainable development objectives. The voluntary ISO 26000 standard provides comprehensive guidelines for organizations to operate ethically and transparently, covering seven core subjects: human rights, labor practices, environmental protection, fair operating practices, consumer issues, community involvement, and organizational governance (ISO, 2010). However, the application of ISO 26000 in health-impact industries—such as alcohol, tobacco, and gambling—raises ethical questions regarding the certification of industries inherently linked to societal harm (Ditlev-Simonsen, 2022; Lindorff, Prior Jonson, & McGuire, 2012).

In Thailand, these industries contribute significantly to the national economy but simultaneously pose social risks, including addiction, public health burdens, and economic inequality (Talek, Vichitkunakorn, Assanangkornchai, & Wichaidit, 2024). Studies have shown that alcohol consumption contributes to public health crises such as liver disease and traffic accidents, while gambling has been linked to increased rates of personal debt and mental health disorders (WHO, 2022; Financial Action Task Force, 2023). The legalization of cannabis in recent years has further complicated the CSR landscape, as the new industry presents both economic opportunities and societal concerns (Kalayasiri & Boonthae, 2023). Cannabis-related industries have followed similar trends to tobacco and alcohol, with concerns over youth exposure, public safety, and regulatory inconsistencies (Wakefield, Glantz, & Apollonio, 2020).

This study investigates the CSR paradox within the Thai context, examining the regulatory frameworks, governance challenges, and societal perceptions surrounding health-impact industries. Given the rapid expansion of these industries, particularly cannabis, it is essential to explore how CSR policies can effectively mitigate harm while promoting responsible business practices.

LITERATURE REVIEW

The literature on CSR frameworks indicates that voluntary standards like ISO 26000 are widely adopted across various industries, but their application in controversial sectors remains contentious (Castka & Balzarova, 2008; MASCI, 2023). Several studies argue that health-impact industries frequently engage in CSR washing—superficial initiatives aimed at improving corporate image rather than fostering genuine social responsibility (Delmas & Burbano, 2011). This phenomenon undermines the credibility of CSR certifications and raises questions about the legitimacy of such practices in industries linked to public health crises (Lindorff, Prior Jonson, & McGuire, 2012).

The CSR-DIW framework, introduced by the Department of Industrial Works in Thailand, encourages industrial enterprises to integrate CSR principles into their operations. However, the framework primarily targets manufacturing industries and excludes health-impact sectors due to their inherent societal risks (DIW, 2023). The lack of independent verification mechanisms further exacerbates governance challenges, limiting the effectiveness of CSR-DIW as a regulatory tool (MASCI, 2023).

Emerging cannabis industries present a unique CSR challenge. Although cannabis-based products are marketed as health and wellness solutions, concerns persist about youth exposure, addiction risks, and regulatory loopholes (Wakefield, Glantz, & Apollonio, 2020). Research in Canada and the United States has found that cannabis companies often use CSR to counteract negative public perceptions, much like the alcohol and tobacco industries (Ju, Dong, & Zhang, 2021). The ethical implications of granting CSR certifications to cannabis businesses remain largely unexplored, necessitating further research on their societal impact and regulatory oversight.

Moreover, previous studies suggest that stakeholder perceptions play a critical role in shaping CSR governance. Public distrust of CSR initiatives is particularly pronounced in health-impact industries, where companies are often perceived as prioritizing profit over societal well-being (Ditlev-Simonsen, 2022). Addressing these perceptions requires the development of certification schemes that balance economic contributions with harm reduction strategies.

RESEARCH METHODOLOGY

This study adopts a qualitative exploratory research design to investigate the CSR challenges faced by health-impact industries in Thailand. The research process consists of three key components: documentary analysis, semi-structured interviews, and stakeholder perception surveys. Data were collected from CSR policies, certification schemes, and regulatory documents, as well as interviews with government officials, certification bodies, corporate representatives, and consumer groups. Thematic analysis was employed to identify recurring patterns and contradictions within the data (Braun & Clarke, 2012). Triangulation was used to cross-verify findings from multiple data sources, enhancing the validity and reliability of the research.

Document Analysis

The document analysis involves reviewing official CSR guidelines, industry reports, and certification standards from the Department of Industrial Works (DIW), private certification bodies such as MASCI, and international CSR standards like ISO 26000 and the Global Reporting Initiative (GRI). Documents were analyzed to identify key CSR challenges and gaps in governance mechanisms.

Semi-Structured Interviews

Fifteen semi-structured interviews were conducted with key stakeholders, including:

- Government Agencies (3 participants): Representatives from regulatory bodies overseeing CSR implementation.
- Certification Bodies (3 participants): Officials from private certification organizations evaluating CSR compliance.
- Corporate Representatives (6 participants): Business leaders from health-impact industries, including alcohol, tobacco, gambling, and cannabis enterprises.
- Consumer Representatives (3 participants): Individuals from consumer advocacy groups and NGOs monitoring CSR claims.

Interviews lasted between 45 and 60 minutes and followed a structured guide focusing on CSR governance, certification feasibility, and stakeholder engagement challenges.

Stakeholder Perception Survey

The stakeholder perception survey was designed to gauge public attitudes toward CSR initiatives in health-impact industries, with a particular focus on trust, transparency, and harm reduction. A survey was conducted with 50 respondents from civil society organizations and consumer groups. The survey assessed public trust in CSR initiatives, perceptions of certification credibility, and willingness to support a net societal impact-based certification scheme. Respondents were selected using purposive sampling to ensure diverse perspectives. The inclusion of the cannabis industry as an emerging health-impact sector adds a novel dimension to the research. Interviews with cannabis entrepreneurs, regulators, and civil society representatives provided insights into the ethical and regulatory challenges associated with CSR certification in this nascent industry.

ANALYSIS AND RESULTS

The findings reveal that CSR certification in Thai health-impact industries faces multiple challenges, including regulatory ambiguity, lack of harm reduction measures, and public skepticism. Stakeholder interviews highlighted that CSR-DIW does not adequately address the risks posed by alcohol, tobacco, and cannabis industries, as it focuses primarily on environmental sustainability rather than social responsibility. Document analysis confirmed that existing certification schemes lack specific provisions for controversial industries, creating governance gaps.

The analysis reveals that CSR certification feasibility in Thai health-impact industries is significantly constrained by regulatory ambiguity, superficial CSR practices, and limited stakeholder engagement. The CSR-DIW framework, while promoting voluntary CSR practices, excludes health-impact industries due to their controversial nature. Private certification bodies similarly refrain from offering CSR certifications to these industries, citing reputation risks and public backlash.

The stakeholder perception survey showed that 72% of respondents distrusted CSR initiatives from health-impact industries, citing them as corporate image management rather than genuine responsibility. However, 57% of respondents supported the development of a Net Societal Impact-based Certification Model, suggesting that if CSR standards incorporated harm reduction and community engagement, public perception could improve. Stakeholders emphasized the need for independent verification mechanisms and greater transparency in CSR certification processes.

Emerging cannabis-related businesses presented additional complexity and highlights emerging societal concerns. While cannabis businesses promote their products as health and wellness solutions, stakeholders expressed apprehension about addiction risks, regulatory loopholes, and the potential normalization of cannabis consumption among youth. While 73% of industry representatives supported CSR adoption, they also acknowledged difficulties in balancing market expansion with regulatory compliance. The findings emphasize the need for a revised certification framework integrating harm mitigation strategies.

RECOMMENDATION

To address these challenges, the study proposes the development of a Net Societal Impact-Based Certification Model tailored for health-impact industries. The model This model includes:

- **Harm Reduction Criteria:** Certification eligibility should require businesses to implement responsible marketing, consumer safety education, and addiction prevention programs.
- **Community Engagement Metrics:** CSR initiatives should prioritize contributions to healthcare, addiction recovery programs, and education campaigns.
- **Government Oversight:** Regulators should establish an independent monitoring body to assess CSR compliance and prevent greenwashing practices.

Additionally, policy adjustments to the CSR-DIW framework should be made to explicitly include health-impact industries. This would ensure accountability and improve the credibility of CSR certifications in Thailand. A multi-stakeholder oversight committee, comprising representatives from government agencies, NGOs, academic institutions, and consumer groups, should be established to

govern the certification process. The inclusion of cannabis industries within the certification framework would allow regulators to proactively address societal concerns and promote responsible business practices in the emerging sector.

CONCLUSION

This study highlights the complexities of CSR implementation in Thai health-impact industries, particularly regarding ISO 26000 and CSR-DIW frameworks. The findings indicate that current certification models fail to address key governance gaps, stakeholder distrust, and harm mitigation strategies. By proposing a Net Societal Impact-Based Certification Model, this research provides a framework for enhancing CSR credibility in controversial industries. Future research should explore the international comparative dimensions of health-impact industries certification and investigate stakeholder perspectives on the implementation of Net Societal Impact -based certification schemes incorporate with harm reduction initiatives. Finally, by aligning CSR practices with the Sustainable Development Goals, Thailand can foster a more transparent and accountable CSR landscape.

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ANNEXES

Annex A: Semi-Structured Interview Questions

1. How do you perceive the feasibility of CSR certification in health-impact industries in Thailand?
2. What are the main regulatory challenges affecting CSR certification in your industry?
3. Do you believe existing CSR frameworks, such as CSR-DIW and ISO 26000, adequately address the challenges of health-impact industries? Why or why not?
4. How do businesses in your sector implement CSR initiatives, and what motivates them to do so?
5. What role do consumers and civil society organizations play in influencing CSR certification decisions?
6. How can CSR frameworks be adapted to enhance credibility and effectiveness in health-impact industries?

Annex B: Stakeholder Perception Survey

1. How familiar are you with CSR certification schemes such as ISO 26000 and CSR-DIW? (Likert Scale 1–5)
2. Do you trust CSR initiatives from health-impact industries? (Yes/No)
3. In your opinion, what are the most critical CSR challenges in health-impact industries? (Open-ended)
4. Which factors would increase your confidence in CSR certification for health-impact industries? (Multiple Choice)
5. Should cannabis-related businesses be subject to the same CSR certification criteria as alcohol and tobacco industries? (Yes/No)
6. What improvements would you suggest for CSR certification in Thailand? (Open-ended)