

Evaluation of the Myanmar Centre for Responsible Business

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Abbreviations

DICA	Directorate of Investment and Companies Administration
DIHR	Danish Institute for Human Rights
IHRB	Institute for Human Rights and Business
MCRB	Myanmar Centre for Responsible Business
MIC	Myanmar Investment Commission
MIL	Myanmar Investment Law
NGO	Non-Governmental Organisation
SWIA	Sector-Wide Impact Assessment
TiME	Transparency in Myanmar Enterprises
ToC	Theory of Change
UN	United Nations

Executive Summary

This evaluation covers the first five years of the Myanmar Centre for Responsible Business (MCRB) and aims to assist the Board, the management of MCRB, and the two parent organisations to reflect on past performance and define future steps. The evaluation was carried out in close consultation with MCRB in mid-2018 by two international consultants.

The Centre was founded on the principle that international standards on responsible and sustainable business, such as the UN Guiding Principles on Business and Human Rights, will be important building blocks for the type of growth and development in Myanmar which can deliver the Sustainable Development Goals (SDGs). MCRB was established in May 2013 in Yangon as an authoritative centre of expertise in the field of responsible business. Its aim was to establish a network of contacts in business, government and civil society, to help develop capacity, and to provide advice, knowledge and advocacy.

The launch happened at a time of fast-moving changes and considerable expectations in Myanmar. A phase of transition in the business environment began in 2011, marked most recently by the new Companies Law, passed in December 2017, with regulations passed in July 2018. At the same time many parts of the country continue to be affected by conflict, where illicit economies are thriving.

PERFORMANCE

Relevance

The Centre has targeted the overlap between responsible business conduct and notions of Corporate Social Responsibility and inclusiveness. The approach taken by MCRB is to shift thinking and approaches on responsible business conduct from the more philanthropic-minded positions of many companies, which is also where the greater risk of corruption exists, to the creation of a regulatory environment inspired by research and documentation, which will create more solid norms for responsible business conduct and to push companies to adopt responsible business practices. This approach is fully relevant both to the approach taken internationally on responsible business conduct, and to the situation in Myanmar.

Effectiveness

The quality of the implementation of MCRB's work is clear, leading to consistently positive outcomes. MCRB is now well known and occupies a unique position in the country. Not only are its products, services and contributions valued, but stakeholders in fact actively seek to be associated with it. At the same time this is reported on through a linear monitoring system which, while it is based on mainstream development practices, is not well adapted to the fast-moving complexity of the issues being addressed.

Efficiency

The activities tend to be chosen based on an insightful scan of the horizon and accurate targeting of thematic areas. The timing of MCRB activities is guided by the opportunities as they occur. MCRB is endowed with a very close-knit team of capable individuals, in addition to four international advisers from IHRB and DIHR, its two founding institutions. There is a strong focus on learning. On the other hand, there is a relative isolation of the individual staff within their allocated programme areas, and there are no targets for organisational and staff development. The roles of the 'parent' institutes are also becoming less clear because of the development of local capacity, as well as the phasing out of the larger pieces of research.

Impact

The Centre demonstrates a strong ability to identify key drivers of change in responsible business conduct in Myanmar. It has been able to achieve demonstrable effects by targeting certain critical conditions for the existence of these drivers. It is for example influencing the positioning of certain stakeholders in a group of Myanmar companies, compelling them to be more transparent. It is creating new configurations of actors around social media, with positive effects on conflictual practices in social messaging. It is providing high-level, mostly international, legal expertise to develop the new business regulations in the country, most notably the inclusion of the principles of responsible business conduct in the Myanmar Investment Law.

Sustainability

There are continued challenges for business in Myanmar. At the same time bilateral donors are allocating considerable sums to development, and many prioritise the role of the private sector. For both the private sector and the official development partners, MCRB is an indispensable leading actor. It will not be possible for the Centre to be “working itself out of a job”. The notion of phasing out or becoming self-financing clearly does not apply to fragile contexts such as Myanmar. It is precisely by capitalising on its current status in the country that future impact will be achieved.

CONCLUSION

At an international level, MCRB could be considered a model worth replicating in other countries, meaning that its approach and positioning are relevant to many situations of transition and economic opportunity. The Centre has however combined a range of unique factors that make its success difficult to replicate, not only in terms of personnel, where it has been very successful, but also in terms of the country context.

The agility of the Centre allows it to achieve the highly credible role for which it was intended. However, development is constrained by its open 360° outreach, which gives attention to very diverse opportunities. The capacity of the organisation could now evolve without turmoil. The first five years mark a point in time after which the Centre can give priority to certain lines of expertise and certain drivers of change.

The evaluation has identified a particular challenge: to move beyond the current horizon of stakeholders. There is an invisible threshold separating on the one hand the Centre and actors that give priority to responsible business conduct, and on the other the wider corporate and government communities that formulate their standards differently for cultural reasons. Although this challenge is well identified by MCRB, which made a deliberate effort to overcome this since 2015, it has struggled to break through. The evaluation concludes that to do so would require a more strategic effort.

RECOMMENDATIONS

Consolidate:

1. **The Centre should maintain its current levels of operational agility, independence and quality of work.** To do this it should continue to receive bilateral donor funding as currently managed with sufficient autonomy. The freedom it has been given to select its targets is matched by its ability to identify the priorities in an informed and pragmatic way.
2. **MCRB should revise the current planning and performance monitoring system to be less linear, by including an operational analysis of the contextual drivers of change.** This would pinpoint the effects it seeks to achieve in relation to these key drivers and assess its progress by supporting change in the critical conditions that define these drivers' existence. Such a revised M&E system could frame the linear models preferred by development partners in terms of outputs, outcomes and impact. It would lead to quarterly documented reviews and support the adaptability of the Centre.

Reach out:

3. **The Centre should focus on certain generic drivers of change which are particularly relevant to Asian business investment in Myanmar.** The evaluation has found that the Centre has reached out to Asian companies operating directly or through local partners in Myanmar as stated in its programme documents. However, the Centre could adopt a more strategic approach to its engagement in order to overcome the difficulties it has faced in engaging with these 'out of circle' stakeholders. While it could also afford to continue its work without significant course-correction, the Centre should spell out what directions to exclude.
4. **MCRB should focus increasingly on geographically and culturally efficient pathways of change.** To go beyond its current sphere of influence it should for example consider the creation of a small team which could open an office in Naypyidaw, closer to Departments which express a need for capacity strengthening. It could also support engagement by multinational companies through their collaborative arrangements with Joint Venture partners and suppliers, transmitting standards through 'in-work' training, for example on health and safety, or labour standards.

Strengthen:

5. **The Centre should focus on organisational and staff development.** Competence development activities should be included in the planning and monitoring framework. It should lead to an operational readiness which mirrors the structure of the external drivers it decides to focus on. At this stage of development renewed thought should be given to relieving the pressure on the Director and freeing up time for strategic planning and quality control, to support the organisation of and capacity development of personnel and manage delivery of projects. This can be done through a clearer structure for human resource management, such as the creation of a position of a Chief of Staff or human resource manager, without having necessarily to undertake external recruitment.
6. **MCRB should not engage with judicial mechanisms in its next programme period, but instead focus on non-judicial mechanisms.** The evaluation recommends in particular a continued focus on legislation and government capacity development. MCRB should recognise that a focus on judicial grievance mechanisms requires new skills and efforts. As another National Human Rights Institution, DIHR should work with MCRB to support the Commission and renew its attempts to engage with the National Human Rights Commission, despite its shortcomings.

Introduction

Presentation of MCRB and its Objectives

The Myanmar Centre for Responsible Business (MCRB) is based on the premise that international standards on responsible and sustainable business, such as the UN Guiding Principles on Business and Human Rights, will be important building blocks for the type of growth and development in Myanmar which can deliver the Sustainable Development Goals (SDGs).

The Centre was first envisaged by IHRB and in DIHR as a way to operationalise the then newly adopted UN Guiding Principles on Business and Human Rights, endorsed by the UN Human Rights Council in 2011. Myanmar presented the right opportunity at the right moment to establish a centre, as a fragile country undergoing a significant economic transformation. Actors in the establishment of the Centre also described how two international companies asked for guidance in entering a country in which they had identified as a significant commercial opportunity.

MCRB was conceived in 2012 to be an authoritative centre of expertise in the field of responsible business, working across a range of commercial sectors, and establishing a network of contacts in business, government, civil society and trade unions. This has remained the underlying concept to date, with the 2014 Programme Outline and Log Frame stating that the specific objective is to “facilitate locally-owned processes that will embed international responsible business standards into practice in Myanmar. This process requires building knowledge and capacity as well as promoting good practice and building consensus between diverse stakeholders.”

The idea of a Centre was aired at various events in Europe in 2012, and funding subsequently secured from a core group of donors present in Yangon in February 2013 (the UK Department for International Development at first, then Norway, and Denmark, Norway, Netherlands and Ireland shortly afterwards). In May-June 2013 the Director and Research Manager were recruited. The Centre is registered as the Myanmar branch of MCRB Ltd, a private limited company registered in the UK, whose single shareholding is held by the Institute of Human Rights and Business Ltd, one of MCRB’s founding members. The DIHR sits in the steering group with IHRB and the director of MCRB. Both “parent” organisations provide advisory and technical assistance to MCRB.¹

Country Background

The Centre was launched in Myanmar at a time of fast-moving changes and considerable expectations. A phase of transition began in 2011, which would lead to the election victory of the National League for Democracy (NLD) in 2015. However, the opportunities for business and investors have been overshadowed by considerable challenges.

Events in Myanmar unfurled in varied directions between the 2013 launch of the Centre and 2018. A transition mapping was conducted by the evaluation team in the initial phase of the evaluation country visit to understand these dynamics as seen by the staff of MCRB, through a structured focus group discussion¹. The transition mapping is a method to elicit a chronology of key events and trends from participants, and then to track the way in which each one of these increased the probability of the occurrence of subsequent trends and events.

This leads to the gradual emergence of key drivers of change. Drivers are not causes, but decisive aspects of a situation of transition or metamorphosis. This exercise elicited the following list of drivers of change, defined as the key events and trends that the method

¹ Further detail on this setting of the context is presented in the Appendix.

identified as the most decisive aspects of MCRB's operating context in Myanmar:

- From 2012, a series of legislative changes was initiated to attract business and improve the human rights legal framework; however, since the 2015 election, in contrast to expectations following an NLD victory, there have been legislative setbacks that have resulted in shrinking the civic space and limitations on human rights.
- Building on the elections conducted in 2010, the Government was keen to attract FDI and initially very keen to pursue responsible business. Since the new Government of 2015 this has presented capacity difficulties in implementing new regulations.
- At the same time the country is increasingly open to foreign investment, there has been a rise of isolationist tendencies, and a stoking of nationalism.
- The rapid growth of digital media and mobile phone usage has led to a growing use of social media, for personal but also political ends.
- There is increasing societal perceptions of the importance of less-known issues of inclusion, of dealing with vulnerable groups, and of corruption.
- The growth of programmes implemented by international NGOs has been accompanied by a certain cynicism towards civil society among industrial and Government elites.

These drivers were subsequently confirmed through in-depth interviews with interlocutors as forming the constellation against which business is to navigate.

Underlying structural conditions, which are more permanent than the events and trends that define the drivers, include low education and health, economic vulnerability and unclear land ownership. Many parts of the country continue to be affected by conflict, where informal, illegal and illicit economies are thriving, while accurate data on the key actors is scarce. Today, Myanmar ranks 100 out of 113 countries in the World Justice Project Rule of Law index and only Cambodia performs worse in the ranking of East Asia and Pacific states². It is often described as a fragile state.

Since 2013 Myanmar has simplified company registration and enabled foreign investors previously barred from participation in domestic companies to hold up to a 35% stake in Myanmar entities. The new Companies Law was passed in December 2017, followed by regulations passed in July 2018. This comes on the heels of the October 2016 Myanmar Investment Law, which was enacted in March 2017, and that merged two investment laws (one applicable to Myanmar nationals, the other to foreigners) into one, thereby creating a level playing field.

These legislative reforms mark a significant step in the country's ongoing efforts to liberalise the economy, which is still recovering from decades of isolation, mismanagement and international sanctions. Furthermore, they highlight concerted efforts to improve the business environment. They aim, ultimately, to attract foreign direct investment. The GDP growth rate for 2016/2017 was 6.4 percent and has remained the same in 2017/18, mainly driven by services, industry and agriculture.

Foreign direct investment has however been affected by the ongoing humanitarian crisis in the country's western Rakhine state. 700,000 Rohingya have fled to neighbouring Bangladesh, and 100,000 persons are internally displaced in Kachin and Shan states. The humanitarian crisis has given rise to additional concerns for foreign investors who are already grappling with pervasive corruption, high levels of red tape, unclear economic policies, and political uncertainty.

Activist shareholders and human rights groups have also stepped up scrutiny of multinational

² <https://worldjusticeproject.org/our-work/wjp-rule-law-index/wjp-rule-law-index-2017-2018>

corporations operating in Myanmar. They are calling on them to either withdraw from the country to avoid complicity in human rights abuses or use their influence with the government to resolve the crisis. Those particularly vulnerable to reputational damage include companies with operations in conflict areas such as Rakhine, Kachin and Shan states; those with interests in sectors closely associated with the military; and those consumer-facing brands.

Armed with an understanding of these risks, several foreign actors at the highest level have turned to informed advisers to identify measures to seek advice on appropriate responses, mitigate their exposure to reputational damage and regulatory violations. They have done so by performing enhanced due diligence, including adhering to international best practices for human rights and social and environmental impact prevention and mitigation; and where necessary country risk assessments; and ensuring anti-bribery and corruption programmes are in place.

There is however a high commitment from international donors to support the Myanmar Sustainable Development Plan, which includes 250 individual plans with State priorities. This includes areas such as national reconciliation, a better justice system, and reform of state-owned economic enterprises. Supporting the private sector's contribution to development is a central aspect of bilateral donor strategies and government policy.

Evaluation Scope and Purpose

This evaluation covers the first five years of the Centre and aims to assist the Board, the management of MCRB, and the two parent organisations to reflect on the performance of the results achieved. It provides in particular:

- An overview of the impact achieved over the five years of existence of the Centre.
- The formulation of recommendations, in particular to strengthen the MCRB response to the evolving context in Myanmar.

The evaluation was carried out in close consultation with MCRB in mid-2018 by two consultants specialised in human rights and business, and impact assessment and evaluation in fragile situations: Thomas Trier Hansen and Emery Brusset.

The assessment particularly covers the results achieved after the mid-term evaluation in 2015. The 2016- 2018 programme document serves as primary reference for assessing the performance of MCRB, as it encompasses the original programme document of 2014 and the subsequent adjustments that are reflected in the 2016 programme document Theory of Change and Logical Framework.

The team has conducted a document analysis (all documents needed have been accessed) and interviews of 53 respondents, plus some direct observation of events and meetings in Yangon and Naypyidaw. This took place mainly in the course of a two-week visit to Myanmar in June 2018.

The evaluation respondents were predominantly contacted through MCRB, taking advantage of the Centre's exceptional outreach, but care was also taken to establish contacts independently of the Centre, in the case of 25% of the respondents. This includes personnel in organisations operating outside the companies or donor agencies with which the Centre routinely interacts, plus some independent researchers and consultants.

The limitations of monitoring and evaluation of MCRB originate in the difficulty of evaluating initiatives concerning business and human rights in a fragile environment. Contrary to much international development cooperation work, the effects achieved by such initiatives may not be easy to predict, and are best when opportunistic, and unconstrained by strict planning frameworks³. The present evaluation has focused on the assessment of impact by focusing on

³ "Complexity Thinking for Peacebuilding Practice and Evaluation", Eds. Brusset, de Coning, Hughes, Palgrave MacMillan 2016 critiques linear thinking encapsulated in net-change and contribution analysis methodologies

the effect of the Centre on certain drivers within its context.

The impact evaluation design used is effects-based attribution to analyse the interaction of outputs on the key drivers of change. Three case studies were identified in consultation with MCRB and on the basis of the transition mapping conducted in Yangon.

These three cases are: the five Sector Wide Impact Assessments (SWIA) with a focus on the Information and Communications Technology SWIA, efforts to conduct advocacy with the Government, and the national ranking of Myanmar companies' transparency in the "Pwint Thit Sa" report.

A more complete description of the methodology is included in Appendix 3. The evaluation has applied a method, and assorted concepts, which are adapted to the complex circumstances in which MCRB operates. For ease of reading, definitions are presented below.

Term	Definition	Example
Driver	A trend or an event which stakeholders define as decisive aspects of change in the country situation or a particular industry.	The strategic value which the Myanmar Government gives to attracting foreign investors to the country.
Critical conditions	The things that the target populations do that can accelerate or slow down (or block) a driver. Some critical conditions can be influenced by MCRB with a good level of attribution - which is an outcome (see below).	Within individual Myanmar companies, some groups of stakeholders find it important to change their systems and public communication to improve their ranking in Pwint Thit Sa.
Impact	An effect on a key driver, achieved through a verifiable alteration of its critical conditions.	Creation of a civil society platform to exchange information on Information and Communication Technology leading to public statements by international social media companies.
Outcome	A change achieved in the behaviour of a target population, or the utilisation of an output by a target population.	Adoption of two clauses on responsible business conduct in the Myanmar Investment Law.
Output	A product, a quantity, a deliverable, resulting from a series of activities	Production of a SWIA

Evaluation Findings

The evaluation findings are structured according to the evaluation questions provided in the Terms of Reference (these are in *italics* below).

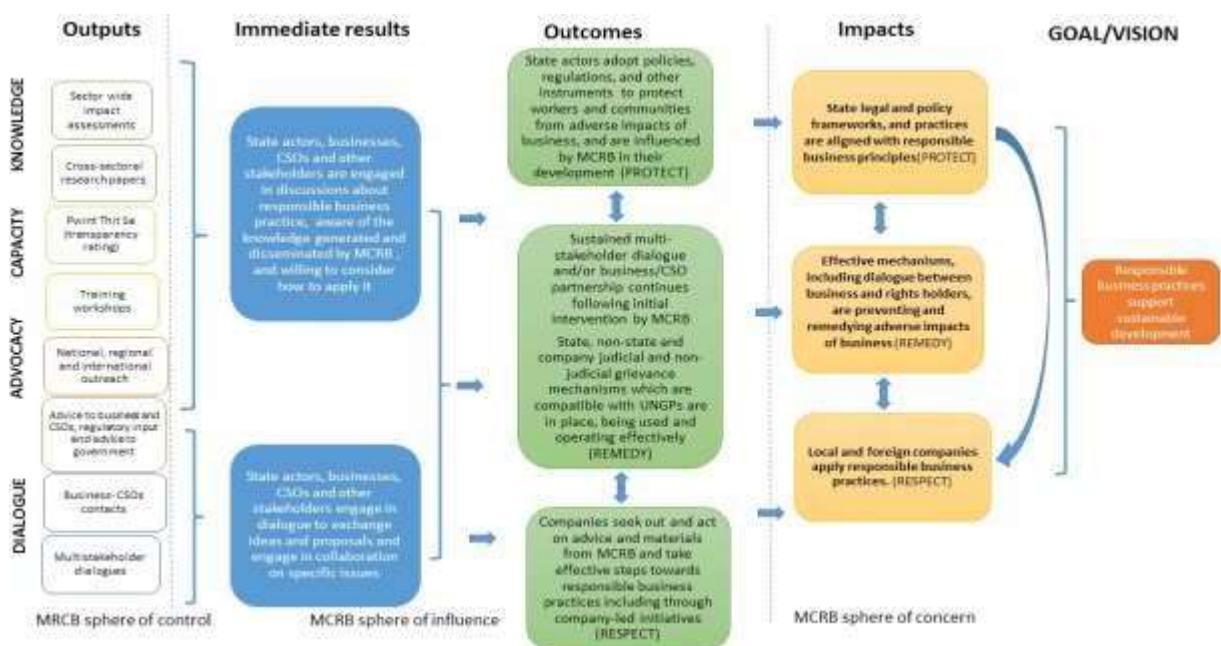
Relevance

“Relevance” is understood as the degree of alignment of the Centre’s strategy to the needs of the country and to policies for responsible business conduct.

Q: To what extent have the overall objectives and the nature of interventions of MCRB been relevant to improve the responsibility of business in Myanmar?

The MCRB mission is to provide a platform for the creation of knowledge, of capacity, and to promote dialogue, in the interest of responsible business in Myanmar. The approach is based on full alignment to local needs and international standards. It aims to contribute to a sustained, inclusive economic growth.

MCRB has formulated its Theory of Change (ToC) through the following diagram:



Myanmar has been affected for many decades by social fragmentation and lack of investment. Poor governance has been conducive to human rights risk for companies. Corporate voluntary initiatives, civil society and legal development are needed to fill this vacuum. This is exactly what MCRB has been designed for, and as such it represents a valuable contribution to the country.

Q: Are the assumptions made at the start of the programme still relevant today? Is the programme sufficiently flexible to deal with dynamic changes in the country?

Within this broad theory of change (ToC), MCRB has arranged its activity planning in such a way that it is continually able to adjust its activities, and to seize opportunities as they arise. While the work plans identify a list of outputs, these remain quite generic (hence providing flexibility) and fit within well identified outcome categories (hence continued relevance).

The rationale behind the ToC is the very framework of the UN Guiding Principles: the duties of the State to protect human rights; the responsibility of business to respect human rights; and access to remedies. Addressing each of these three pillars and translating them into changes

is relevant to the Myanmar's development, its implementation of international obligations and commitments as well as the implementation of Myanmar constitution (although the constitution is far from perfect, it still contains provisions on protection of and respect for human rights).

The Myanmar Government's commitment within the result-areas is difficult to decipher, and the Government has not adopted many policies addressing business and human rights specifically. Businesses find it hard to be compliant with laws due to their poor quality and inconsistency, and government-business interfaces allow for many situations which drive corruption.

There are some notable exceptions, such as the Myanmar Investment Law which includes two references⁴ to responsible business conduct – the result of a sustained MCRB effort. There is also the recent Government decision to draft a Sustainable Development Plan for Myanmar, and the confirmation of its commitment to the UN Sustainable Development Goals.

Q: Have choices with regard to thematic areas and specific interventions been relevant to the overall objectives of the programme?

Companies are becoming increasingly aware of the risks of being linked to human rights violations that could be tied to their Myanmar operations, or their suppliers and agents. Interlocutors underlined that efforts made within each of the three pillars is fully relevant as such to the Myanmar situation, and a majority of them were able to explain how interaction with MCRB helps reduce these risks and enhance the measures they take.

There is wide approval of the areas emphasised by MCRB. This degree of uptake is reflected in an annual survey conducted by MCRB to capture feedback from its stake- holders⁵. According to the July 2018 MCRB survey, only 6 % of those that are not familiar with MCRB's work believe that "[b]usiness and human rights risks are not relevant to my work or business". Almost 70 % in contact with MCRB have "put this knowledge into practice in my work"; and more than 80 % has shared, always or sometimes, the information inside or outside its organisation and almost half of the respondents said they have changed practices.

The clearest evidence of this relevance is the continuous flow of calls from key stakeholders to elicit advice from MCRB, and to be visible and actively participate in many national events. The presence of publications in various offices visited by the evaluators, and the fact that they are quoted and appreciated, further demonstrates that the products of MCRB fit well within the strategies of key actors⁶.

Effectiveness

"Effectiveness" is measured by comparing results achieved to results intended.

Q: To what extent do the stated progress, performance and outcome indicators reveal progress towards MCRB's objectives (knowledge, capacity, advocacy and dialogue)? Is the results chain/theory of change as set out in MCRB programme document valid? Is the M&E framework for the program SMART (Specific, Measurable, Achievable, Relevant and Time-bound)?

The evaluation has used two ways of considering the results chain: the degree to which the outputs delivered led to the desired outcomes and contributed to expected impacts, and a review of the assumptions made, and whether they can be verified.

The M&E framework for the program is in line with best practice, and donors declare themselves satisfied with the quality of three M&E framework elaborated over the years. The annual reports,

4 In particular, "Goal 3 is focused on the creation of quality jobs, together with the expansion of the private sector as the engine of environmentally conscious and socially responsible economic growth."

5 The July 2018 survey obtained 227 responses from a sample of 10,000 persons.

6 The organisations and persons visited represent a broad range, including multinational companies, Myanmar businesses, NGOs, academics and consultants. The categories are included in annex. Further examples of which actors use which products is provided in the section of the present report under impact.

for example, include a section on challenges and lessons learned describing the key challenges during the reporting period and how to overcome them as well as lessons learnt from the activities and how will these be incorporated in the future.

Nevertheless, specific conditions in the work of the Centre makes it difficult to document progress towards outcomes, as is more fully described in Appendix 3. This is because the intended outcomes are extremely broad and the assumptions between outputs and outcomes are not analysed by MCRB. For instance, the impact indicators are referring to a baseline from 2013 - not 2016, which is the time when the programme document was adopted. Consequently, it is difficult to assess if it is the activities in 2016-2018 that generated the identified outcomes, or the outcomes captured in the baseline that are retroactively attributed to the activities.

Furthermore, the former programme document from 2014 had formulated other baselines for its three outcome areas, compared to the 2016 programme document meaning that it captured different data sets. For instance, in the 2014 programme document one of the baselines for the outcome area “Dialogue” was “Little knowledge of Business and Human Rights mechanisms and standards by participants that engage MCRB dialogue events especially SWIA”. A corresponding target was “25% of MCRB SWIA recommendations are endorsed by the relevant stakeholders”. The 2016 programme document does not operate with such outcome area, baseline or target. Consequently, it is difficult for an evaluation in 2018 to assess MCRB’s results for the entire period 2014-2018, when the outcomes, targets and baselines have been changed substantially after the mid-term review.

Another shortcoming is the fact that the output milestones are generally only quantitative: for example one capacity-building activity per annum for state actors does not provide a specification of the quality of the milestone. If this milestone is compared to the 2016 annual report, one of two outputs has been “MCRB presented to around 30 government officials on indigenous people’s rights at the IFC’s stakeholder engagement training for government officials from several departments involved in the hydro sector”. It is unclear, why this capacity building was particularly important or instrumental for the envisaged outcome: “state actors adopt policies, regulations, and other instruments to protect workers and communities from adverse impacts of business”.

When the indicators do not reflect contextual criteria, such as changes in certain critical conditions in the environment, it becomes difficult to understand the rationale behind the activities and outputs, and evaluation and monitoring become less clear.

These weaknesses were partly remedied over time. Moving on from the 2014 ToC and Logical Framework Approach, MCRB shifted its focus by defining broader areas for interventions in 2016, following the Mid- Term Review and the shift to the UNGPs three pillars as objectives in the Theory of Change:

- contributing to establishing a shared understanding of the facts, needs and priorities concerning responsible business and business and human rights in Myanmar (**knowledge**);
- using this knowledge as a basis for providing specific advice to business and government (**advocacy**);
- increasing awareness and acceptance of responsible business conduct, and increase stakeholders’ capacity to fulfil their respective roles and responsibilities (**capacity**);
- bringing parties together to establish mutual expectations and accountability for the implementation of responsible business practices (**dialogue**)

Yet these outcomes were not given directly corresponding indicators. This made the progress towards the outcome and impact objectives difficult to assess. Having said that, the evaluation finds that the annual report in its section on challenges and lessons learned provides the reader with a good understanding of how MCRB uses the M&E framework to reflect and articulate its

strategic thinking. This understanding could be further developed in a written strategy for MCRB and not just in an annual report, as reflected in the overall findings and recommendations for this report.

Q: The extent to which the Centre has achieved its objectives and targets, as set out in its Programme Documents approved by the donor group, and to detect possible unexpected outcomes. Has satisfactory progress towards expected or unexpected outcomes, and toward stated objectives and targets been achieved to date?

The quality of implementation in different output streams is clear, leading to positive and occasionally unanticipated outcomes. The documentation, including annual and quarterly reports and milestones, indicates that the programme in general has achieved the intended progress towards stated outcomes. As regards the identified milestones, very few were missed.

The few examples of targets not being met are:

- Under the outcome related to the area of “respect” the milestone “20 companies engaged by Myanmar Business Coalition on Aid (MBCA) in 2016/17 have taken steps to implement responsible business practices (including commitments to specific international standards)” was not implemented, as reflected in the 2016 annual report. MBCA, a local NGO, reported that it had engaged with hundreds of companies and many of them have informed that they are committed to responsible business practices, but MCRB realised that it was difficult to measure how this has been carried out in practice or whether it had had any impact. The programme with MBCA was terminated in 2017.
- Under the outcome related to the area “protect” the milestone “Action by government and development partners on >30% of MCRB’s SWIA recommendations and/or recommendations made in policy/law consultations and other ad hoc inputs” has been difficult to achieve. MCRB (alone or together with others) provides regular input to legislation and policies directly or through recommendations.
- Under the outcome related to the area “remedy” the milestone “2 examples of effective MNHRC/ state-based action on remedy by institutions which MCRB has supported” has also been difficult to achieve.

Beyond these (quite normal) challenges, MCRB has managed to deliver consistent work, which demonstrably influenced the behaviour of its stakeholders. The reflection which this has triggered within MCRB reflects its flexible approach, which is highly appropriate in a changing and challenging context. This has been reflected independently of the donor reports in the unanimous feedback received from respondents in the course of the evaluation, highlighting the tact and professionalism of the organisation.

For example, the SWIAs provide an in-depth analysis of a sector based on research anchored in key risks. The SWIA process included extensive dialogue with stakeholders. Based on the SWIA, government, parliamentarians and companies as well as investors, international development partners and CSOs were given a common platform to understand the baseline situation; shortcomings in policies and their implementation; as well as legislative challenges. Several companies interviewed observed how they use the SWIAs as a platform for their own approach to responsible business. One oil and gas company executive observed that their team also used the SWIA on tourism, as well as the one for Oil and Gas, in better coming to grips with challenges in its own operations. This reflected an appreciation of the way in which all categories of risks were structured in a unified framework, with corresponding measures.

The MCRB internal 2017 SWIA review of the published SWIAs (oil and gas, tourism and ICT) confirms that the Government (also at Division/State level) has used the SWIA and at times even implemented its recommendations. The internal review refers for example to the fact that the Government used a recommendation from the oil & gas SWIA to amend the standard form

Production Sharing Contract. This was changed to require all future oil and gas concessions to comply with the IFC Environmental and Social Performance Standards in the absence of more specific Myanmar laws.

Efficiency

“Efficiency” is understood as the ability to achieve maximum results with given resources.

Q: Were objectives achieved on time? Was the programme or project implemented in the most efficient way compared to alternatives?

The timing of MCRB activities is highly efficient, as it is predominantly guided by the opportunities presented by the actors and dynamics in the environment. While the work plan presents a very structured vision of the way in which the various components fit together, the implementation is highly pragmatic. The Centre is confronted by significant constraints (such as the legislative process, which has turned out to be both much slower and at times too quick, but also presents significant developments) and is also very adept at responding to new opportunities as they emerge.

The activities tend to be chosen based on a very effective scan of the horizon and targeting of opportunities and actors. It would be a mistake to solely read the work of the Centre from a planned/ delivered angle. Its flexibility has ensured that it could achieve most efficiently the higher-level results.

This takes place mostly through what can be called platforms. These are groupings of like-minded actors coming together under convergent objectives, often informed by a responsible business conduct ethos. By encouraging and joining such platforms, MCRB enjoys leverage which operates as virtual spiral: it shares its methods, it interacts with the associated partners, and creates a halo effect from its association with the platform. This as a key outcome as it noticeably works both ways: from the Centre to the partners, and vice-versa.

Q: Did the Centre make appropriate use of international expertise while also building the capacity of Myanmar staff? To what extent is the collaboration with DIHR/IHRB bringing added value to MCRB's interventions?

In answering the above questions, the evaluation considers capacity from the perspective of being ready and sufficient to achieve the intended results. It also considers the relations with other sources of capacity.

MCRB is a small organisation with a broad mandate, which creates a lot of (sometimes unrealistic) expectations from stakeholders to MCRB's performance. Consequently, the resources must be used effectively and there is a need to regularly assess if the staff has the required competences compared to its strategy. If not, international expertise (or national if available) could be used to train, or to supplement staff. Another option is to have an even more strategic focus. Sometimes this requires that management must decide what areas or activities, MCRB should not engage with. For instance, MCRB does not prioritise the garment industry out of choice as other organisations are addressing the garment industry, although MCRB may support CSOs working in that field⁷.

MCRB is endowed with a very close-knit team of some thirteen individuals, in addition to four international advisers from IHRB and DIHR. There is a strong focus on learning, in line with Mid-Term Review findings as well as feedback from stakeholders (including increasing delegation of speaking at events to Myanmar staff)⁸, and a matrix structure which is adapted to

⁷ MCRB supported for instance the Action Labor Rights' study from 2016 of "Labour Conditions in Garment Factories in Myanmar which are wholly Korean owned or in a Joint Venture with Korean Companies"

⁸ Many interviews spoke of the importance of personnel competences and roles within MCRB. The Annual Survey's Question 17 covering suggestions for improvement for example elicits answers such as: "I have been really impressed by the staff I have met who work at MCRB, they have been bright and articulate, and it seems clear from their involvement they are learning and growing in their knowledge and will take that into their careers in other

the work set out in the planning documents.

There are however internal risks which have been flagged by both internal and external respondents to the evaluation. There is a relative isolation of the individual staff within their allocated programme areas. The work that is done is often little known beyond the direct managers, as information does not flow well laterally and tasks are aimed at different actors and problems. Similarly, there is also a significant workload given to the individual staff members, which is not made easier with the highly reactive style of management – in effect the Centre maintains a highly agile posture, which is driven mainly by the opportunities and resources in its environment. This does not facilitate the long-term allocation of roles and pursuit of long range lines of activity.

The planning documents do not include any outputs targeting the organisational development or capacity building of MCRB and its staff, despite the fact that MCRB inputs to the result chain are essential for the achievement of the intended results. The interviewed interlocutors have repeatedly emphasised that MCRB credibility and capacity are some of the most important contributing factors to its unique position in Myanmar. Nevertheless, this human resource assumption (having the adequate staff with the required skills) is not reflected in the work plan, even if it features in the 2018 risk register⁹.

The evaluation also observed a gap between the competencies within MCRB, and the distribution of outcome areas. For instance, if MCRB wishes to address judicial grievance mechanisms (as stated in its programme documents), while it has only limited access to legal expertise, except in an *ad hoc* external manner. Although focus on legal standards for responsible business is a plausible focus, it is observed that MCRB depends on external legal experts (often non-Myanmar based) on this topic, including here personnel from IHRB and DIHR. In the absence of staff with a Myanmar legal background, MCRB's in-house capacity to engage with such experts could be improved.

Access to international (especially legal) expertise from the IHRB and DIHR pool has however been a definite advantage of the relationship to the two founding institutions who are often colloquially referred to as 'the parents' of MCRB. The ability of four highly specialised advisers to come at relatively short notice and engage in longer assignments, invoiced by the two Europe-based institutions, has also been highly appreciated by all MCRB staff. This has allowed for the production of background analytical papers of the highest standard, complementing the advisory and advocacy work done by the MCRB team on the ground.

At the same time the roles of the 'parent' institutes is becoming less defined as time goes by, beyond this on-demand provision of expertise, and beyond the ongoing statutory relations which stem from the UK registration. This is because of the development of local capacity, as well as the phasing out of the larger pieces of research (in particular SWIAs) which absorbed a significant level of effort. While initially the UK and Danish 'parents' were quite present and provided significant international credibility, the Centre has been able to build on its own reputation and access to expertise and is becoming more autonomous. This means that it is for IHRB and DIHR more challenging to keep appraised of developments in the country and work in a reactive way.

The absence of a Memorandum of Understanding between the Centre and its 'parents' underlines the relatively informal nature of the interaction and call for a strategic redefinition (further covered in recommendations).

organisations as they advance."

9 The risk register dated March 2018 does recognise the workload issue: "Risk of overload of core team due to additional stakeholder requests including concerning Rakhine" with mitigation measures: "Use of local and expat consultancy and interns - Assistance from DIHR/IHRB particularly on expertise, and regional networking and travel - Prioritise and push back on lower priority suggestions from stakeholders, or noncore work and drop low success/priority activities".

The relationship to IHRB is less active on policy terms, as the two persons most directly involved from that source have only a part-time relationship with IHRB. However, for administrative and governance matters it is stronger.

Impact

“Impact” is understood as the effect of the Centre’s work on the context of Myanmar. The section is structured by first presenting the findings from the case studies, and then reviewing these findings from the perspective of the evaluation questions.

Impact is difficult to verify in broad terms by using the Centre’s existing linear planning model, which could lead to overly positive assessments of the contribution MCRB makes to the evolving situation. For instance, the 2016 Myanmar Investment Law (MIL) states that the first objective of the Law is to “develop responsible investment businesses”. It also clarifies the interaction between the MIL and the Environmental Impact Assessment (EIA) process. Many of the interviewees highlight that the work of MCRB actively ensured that this principle of responsible conduct was accepted by the government. The exact level of attribution is difficult to determine on the basis of the current reporting. It is however undeniable that, although other stakeholders also had been supporting the principle, the MCRB has been a leading protagonist in ensuring that responsible business has become a known concept in the Myanmar context.

Consequently, the evaluation has selected three case studies to more fully verify performance concerning impact: namely by assessing how the outputs interacted with certain key contextual drivers, by playing a decisive role in shaping the critical conditions that determine these drivers. The evidence is presented below, and the methodology explained in section 1.3 and further expanded in Appendix 3.

The three case studies were chosen to align in the following way to the main drivers:

- Strategic importance given by the Government to attract FDI: The case study was the national ranking of Myanmar companies’ transparency “**Pwint Thit Sa**”.
- The use of social media accompanying the rapid growth of digital media and mobile phone usage. The case study was the conduct of the **Information and Communications Technology SWIA**.
- The importance of the regulatory context and its evolution from 2013 to 2018, reflected in the importance of clarification and enforcement. The case study covered efforts to conduct **advocacy with the Government**.

For each of the case studies, the evaluation describes the results and the contributing or hindering critical conditions for achieving the results intended in relation to the drivers. These conditions are important to understand the context of the achievements.

Case Study 1: Pwint Thit Sa

The objective of the Pwint Thit Sa/Transparency in Myanmar Enterprises (TiME) report is to incentivise greater publication of corporate governance and other information by Myanmar companies by publicly recognising them for their disclosure and transparency. TiME is also intended to support Myanmar in achieving the Sustainable Development Goals and targets, in particular 16.5 and 16.6.

It was originally inspired by Transparency International’s TRAC report, and introduced in 2014. It was paused in 2017, and the format was changed for the 2018 report. The 2018 publication is produced in partnership with a Yangon based consultancy Yever, who contributed *pro bono*. The selected companies were listed on the Yangon Stock Exchange, public companies, or companies that paid significant commercial and income taxes.

The 2018 format is inspired by the ASEAN Corporate Governance Scorecard, rendering it more culturally relevant and increasing regional comparability. In the 2018 edition, information

disclosure on the corporate web-sites of 182 large Myanmar companies (100 companies in 2016) was assessed¹⁰ against 74 criteria related to corporate governance (68% of the criteria), corporate culture (9%), reporting (9%), sustainability management (7%) and communication (5%).

The 2018 report was published on the MCRB website in March 2018. According to the website statistics, by July 2018 the report has been downloaded 968 times in English and 61 times in Burmese. According to the 2018 report, the 2016 report was downloaded over 2,700 times from the website, and approx. 2,000 copies in English and Burmese were distributed to stakeholders in, and visitors to, Myanmar, including government ministers and officials, and parliamentarians.

The 2018 report also states that the 2016 report received extensive media coverage, with over 40 media references known to MCRB, including in foreign media. It describes how it has served as a reference point for many international organisations and companies conducting due diligence. The report is also used for the first Myanmar Companies Year Book published in November 2017 by FWP research - a Tokyo-based research and survey firm established in Myanmar. The TiME ranking is listed in the year book under each company. Myanmar CSOs and media have also been interested in the 2018 report. For instance, the launch of the new TiME report concept was reported in media such as the “Myanmar Times” and the Thailand based media “The Nation”. The popularity of the TiME report (and the concept) is likewise indicated in the 2017 Stakeholder Survey. Out of 367 respondents, only 17 had not heard about it and were not interested.

The report itself, a company transparency barometer for stakeholders, is considered by the evaluation as an output. According to the ToC, this output, together with other outputs, results in an outcome where companies take effective steps towards responsible business practices and consequently the report may contribute to companies applying responsible business practice.

One of milestones according to M&E framework for the achievement of the outcome is that eight of largest Myanmar companies adopt human rights policies and/or increase their Pwint Thit Sa (PTS) scores to five or more, compared to 2015. According to the 2016 annual report, this milestone was achieved. As the 2018 report does not apply the same system for scoring as the 2016 report and other large companies have been included, it is not possible to assess if the milestones were achieved in 2018.

However, the top eight companies from 2016 are still amongst the top 16, and two companies that were outside the 2016 top 15 are now in top 15. Consequently, the evaluation finds, based on the milestone, that the expected outcome has also been achieved. Nevertheless, achieving this milestone is probably not due just to TiME but also to changes in policies and legislation, investor or other business relations requirements (for example conditions for becoming a supplier), as well as other MCRB engagements. The evaluation set about finding the critical conditions that provoke this shift to ensure that there is a causality.

To capture that effect of TiME, the focus on the numbers of companies that are having higher score compared to the previous year is a weak indicator. Instead it would have been more useful to track how it is used by companies, investors, CSOs, media and government's as a credible and reliable scoreboard. Interviews conducted demonstrate that the shift in interest within many of the relevant companies was due to the efforts of small groups within them. These were able to receive and respond to draft scores sent to them by Yever and MCRB, and, as noted in the 2018 report, many companies increased their scores by 120%.

Such perception and utilisation is a critical condition which relays the interaction of the output

¹⁰ 5 companies that are listed on the Yangon Stock Exchange (YSX); 54 public companies recognised as such by Myanmar Directorate of Investment and Company Administration and 123 companies that are either influential or paid significant commercial and/or Income tax according to the Internal Revenue Department's list of Top 1,000 Myanmar companies paying Income Tax and Commercial Tax for FY 2015/2016 and 2016/2017.

with the driver of attracting investment. If highly appreciated, the more likely companies are to be moving (or pushed) in the direction of responsible business practice. If not appreciated, then this is an indication of low focus and that the level of disclosure maturity is low.

TiME is a good barometer of that maturity. The number of large or medium-sized enterprises who are not included in the main report, but who want to volunteer to be benchmarked, is an indicator of TiME's relevance for moving/pushing companies in the direction of responsible business conduct. The so-called mini Pwint- Thit-Sa, where companies volunteer to be benchmarked, is a new service provided by MCRB to companies enabling them to engage in a dialogue with MCRB. So far, one company has made use of this service that started in 2017.

A number of factors contribute to the internal relevance of TiME, and hence to a direct causal link in the shift in critical conditions within the companies. The fact it is based on a strong methodology and that it is repeated annually makes it reliable and credible. This factor was also confirmed during some of the interviews. Its credibility has also been confirmed by the fact that the media, the Companies Year Book and others, have used it and that one company has asked to be benchmarked. On the other hand, some stakeholders have said that the fact that it remains predominantly a website-based tool, and its international audience, mean that it is perceived as too foreign to be fully internally compelling within their own organisations.

Many companies are increasingly being expected by their stakeholders to assess their own, or their potential business partners' performance in terms of responsible business conduct. Part of the assessment includes access to information about their performance and rating of such performance. Such external pressures also call for tools like TiME. Furthermore, the fact that TiME is available in Burmese and on the MCRB website will accelerate the process.

Other factors hinder the relevance of TiME. The representativeness of the TiME (it is used by a limited number of Myanmar companies, a point to which the evaluation returns) and consequently its usefulness for many stakeholders is still a challenge, for example compared to the Myanmar Internal Revenue Department's list of Top 1,000 Myanmar companies. The perception and understanding of the importance of reporting and disclosure amongst Burmese companies or Burmese speaking stakeholders is low, as indicated by the fact that the Burmese version had only been downloaded 61 times. Finally, disruption of its regularity may also undermine its relevance. It is clear that the format and methodology has changed, but if the report is not published annually or the methodology changes too often then it will become less relevant as a means for measuring progress.

The Pwint-Thit-Sa reporting shows that some companies improved their transparent reporting in 2016-2017, and interlocutors have confirmed that this is largely due to an effort on their part of engagement with MCRB. MCRB has been able to increase the attractiveness of the rating within companies, affecting the key critical condition of internal discussions and change. Only MCRB and Yever offer this tool in Myanmar.

Consequently, the impact can be regarded as largely attributable to MCRB as companies are was not required by law or its business relations to become more transparent. The credibility of the Centre (and for the 2018 report, its partner Yever) were key to that effort. This is evident from the continued engagement since by a number of these companies including in their public communication.

Case Study 2: ICT Sector-wide Impact Assessment (SWIA)

MCRB has completed four SWIAs since the first in 2014, and a fifth one is underway. In September 2015, MRCB published its SWIA on the Information and Communications Technology (ICT) sector. The assessment covers all potential human rights impacts and highlighted five themes emerging from the SWIA that are relevant for responsible business conduct: (a) Gaps in the policy, legal and regulatory framework (e.g. in the areas of interception, data privacy, access to information, certification bodies, cybersecurity, data protection and cyber- crime); (b) access to ICT services; (c) online "Digital Dangers" (e.g. cyberbullying and

stalking, and “hate speech”);(d) “offline” human rights issues (such as land and labour issues) and (e) exacerbating or addressing visible divisions in society (for example religious discrimination, hate speech at social media or impacts on children). These five themes are also linked to the Sustainable Development Goals, for instance target 9.C; 16.1, 16.7 and 16.B.

MCRB has provided significant resources (input) into the development of the SWIA including training of researchers; professional expertise; funding; organizational setup, organization of field research, organization of dialogue meetings during the research; the launch of the SWIA; and the follow up the SWIA through for example the Digital Rights Group and the annual Myanmar Digital Rights Forum meeting organized by MCRB together with Phandeeyar, MIDO, Engage-Media, Free Expression Myanmar, supported by the Swedish Embassy.

The results achieved in the SWIA process are not just the growing readership and utilisation of the report, but a set of critical conditions that contribute considerably to results at impact level. These critical conditions which were directly influenced by MCRB are:

- *Researchers are trained in SWIA research methodology.* The new skills are subsequently applied in their daily work. Consequently, the engaged researchers that are now working for other organisations may apply their SWIA skills within the new organization, thus contributing to the methodology of that organisation.
- *Stakeholders are consulted from 6 different regions/states, on potential human rights impacts through focus groups.* The methodology is based on the human rights principles of participation, non-discrimination, empowerment, transparency and accountability. This promotes “buy-in” to the assessment among relevant stakeholders. It has provided capacity building to companies to promote meaningful participation.
- *Creation of a platform for advocacy* as the SWIA provides documentation that CSOs, Chambers of Commerce, and other platforms (such as the recently born Myanmar Institute of Directors) can use as evidence base. The creation of “the Digital Rights Forum initiative” is an example of such a critical condition in (countering) the driver concerning the inflammatory use of social media. Another example is the “Digital Rights Platform”, a group of CSOs that meet monthly often at MCRB to discuss urgent issues, coordinate efforts and carry out joint interventions directed towards the Myanmar government, companies and even influence companies such as Facebook outside Myanmar. Development partners (embassies and funding agencies) regularly participate in the meetings.
- *Creation of a platform for dialogue* as both the process and the report enable stakeholders (companies, including local companies, CSOs, communities and state) to discuss challenges and find solutions amongst themselves or with other stakeholders.
- *An analysis of risks and impacts and their causes* that government, companies, CSOs, investors, researchers and developing partners apply in their own work to support their *démarches*. Several of the interviewed interlocutors informed that the SWIA was applied as reference for their own assessment of risks and impacts and to improve management and that the SWIA was shared with others. This has also been confirmed in the MCRB internal evaluation and the stakeholder survey. The internal evaluation refers for instance to an industry association in the ICT sector that used the SWIA for their own White Paper with the government to develop recommendations, to check and to make sure they had covered all the issues and as an agenda and discussion points for industry association meetings. Another example mentioned in the internal evaluation was the Ministry of Telecommunications using the SWIA’s detailed analysis of the laws in the sector as a checklist to identify whether the ICT legislative reforms conformed with international human rights standards.

- List of recommendations to government and companies, that become a platform for MCRB and others, to advocate for changes in legislation, policies or company practices. For instance, the Myanmar government has in 2018 drafted a Universal Service Strategy, including establishing a Universal Service Fund. The SWIA contains a number of recommendations related to such a strategy and fund. According to MCRB many of the points in the SWIA are reflected in the Strategy following MCRB's input into the consultation process.

The SWIA has contributed to the five themes identified in the SWIA which are now embedded in a demonstrable manner in a variety of new initiatives and the agenda of government, companies, CSO and development partners that strengthen the potential for responsible business within the ICT sector compared to the situation prior to 2016.

The evaluation finds that there are several contributing factors to the success of the SWIA in framing the agenda. First, as many of the interlocutors have observed, the methodology creates knowledge and ensures quality, engagement and a list of validated observation points that are easy to address, including through capacity building, advocacy and dialogue.

Secondly, the ICT sector is a key and very dynamic sector in Myanmar with significant potential. In the context mapping it was linked to key drivers such as the opening of society, but also to the stoking of communal tension. At the same time, the five identified ICT sector themes are good reflections of these main risks and the drivers of change, in Myanmar, identified through the evaluation mapping.

Thirdly, the challenges in the ICT sector are not isolated to the Myanmar context, but take on a regional and even global significance, as there is growing international focus on issues such as privacy, interceptions, data protection, use of social media and the role of the operators, for example contributing to holding large digital media companies accountable in the United States¹¹. Consequently, the topic of the SWIA is corresponding to an international agenda that is becoming highly relevant in the Myanmar context as well.

Finally, MCRB has managed due to the SWIA process to position itself as a knowledge and coordination hub within the ICT sector that is respected by all the interviewed interlocutors.

On the other hand, there are also factors external to MCRB's sphere of influence that may have hindered results. These are the lack of capacity of the ministries and the staff to appreciate the findings, the cross-ministerial division of work and coordination when several ministries are relevant for the same sector, digital illiteracy, and the internal capacity of the ICT companies.

Some of the interlocutors also pointed at the fact that the two (partly) Myanmar owned telecommunications operators appear to be less engaged in promoting responsible business conduct. If these two large companies do not have an incentive in promoting responsible business conduct, then there is a risk that they may not use the SWIA in their work and the SWIA will not influence these large actors' behaviour.

The evaluation believes that the SWIA, as a unique common platform for guiding the efforts of all the stake- holders, has achieved a significant impact in strengthening responsible business within the ICT sector.

Case Study 3: Input to revisions of the Myanmar legal framework related to investment to promote responsible business

MCRB clearly realized from the very start, according to its ToC in the programme document for 2014-2016, that the adoption of a legal framework that reflects international standards for responsible business is a driver for change. If adopted, it becomes easier to engage with relevant stakeholders, as everyone has a common ground for understanding the responsibility

¹¹ We refer here to some revealing correspondence between a civil society group based in Myanmar and one of the well- known companies dominating social media. This exchange could not be disclosed as part of this evaluation.

of business.

The logical framework for the 2014-2016 programme focused on knowledge and capacity building of state actors, and less on actual inputs to policies and legislation and the adoption of MCRB recommendations in policies and legislation.

The 2016-2018 programme document appears to apply a wider variety of advocacy as well as capacity and knowledge building activities that enable MCRB to increase its leverage in the making of policies, legal and regulatory framework. One of the centrepieces of MCRB's toolbox is the use of advocacy and advisory functions in order to influence the legal and policy framework. It provides detailed legal drafting and commentary to relevant laws.

Advocacy and advisory roles are conducted through a number of activities such as workshops, use of joint platforms with CSOs or chambers of commerce, interaction with governmental departments and officials and Parliament as well as participation and submissions of drafts in consultations on new policies, laws and regulations.

A strong asset of MCRB, that has been repeated by many of the interviewed interlocutors and confirmed in the list of activities, is the ability of MCRB to be positioned in a space between the many stakeholders including CSO, companies and state, providing quality and balanced inputs. Consequently, MCRB is capable of both being in networks and collaborating with CSO as well as being a trusted partner to companies (although mainly large Western companies) without compromising its integrity. Furthermore, the agenda of promoting responsible business is acknowledged as legitimate by many from CSOs, the business community, the international development partners and media. MCRB also understands that it cannot perform in isolation and its leverage increases beyond its size when it coordinates and collaborates with others in the process of influencing policy or law-making.

The evaluation finds that in assessing MCRB's input to the policy or law-making processes, the impact assessment is best when not only focused on the concrete output in terms of making submissions but sees them in a larger context of a variety of activities that increases the leverage of MCRB and strengthens the credibility of the input.

In the context of 2016 Law and Investment Policy and the 2017 Investment Rules, MCRB advocated for the introduction of responsible business conduct and the appropriate sequencing and use of environmental impact assessments as part of the legal framework for investments. Other recommendations related to the role of the Myanmar Investment Commission (MIC) in promoting and ensuring responsible business and transparency. This agenda has been supported by CSO organizations.

Based on assessment of the numerous outputs made by MCRB together with CSOs and comparing them with the texts of the investment legal framework, it appears that the framework reflects a number of the concerns that have been raised by MCRB together with international NGOs and CSOs. For instance, responsible business has been acknowledged as an objective for investments (its first stated objective), annual sustainability reporting for projects with Myanmar Investment Commission permits must be produced and summaries of the reports must be published by the investor on its website or the Commission's website.

Inputs to the legal framework related to investment were drafted together with NGOs (and at times based on consultations with civil society through meetings). However, MCRB also pushed the agenda through other networks. For instance, MCRB is co-chairing the Responsible Investment Working Group under the Australian Chamber of Commerce. This network includes NGOs, companies and the Australian government. In its position paper from 2016, it called for the Myanmar government to promote responsible business in the investment legal framework. Another example is a recent event in June 2018, where MCRB and various companies met with the Myanmar Investment Commission to discuss responsible investment in Myanmar.

In addition to the use of networks, MCRB also seeks to empower state agencies responsible

for the regulatory framework. In March 2017, MCRB conducted training for the Directorate of Investment and Companies Administration (DICA) on its various roles as a regulator of investment. It covered 10 half-day training sessions for DICA senior and junior staff.

Consequently, the continuous focus on integrating responsible business into the investment legal framework has through the above-mentioned variety of activities (in particular the creation of platforms and network effects) achieved credible results in the process that leads to the drafting of policies and legislation. These are critical conditions for the drivers of the regulatory environment for international investment.

The joint efforts with other NGOs in preparing submissions and specific drafting suggestions has contributed to an improved legal capacity for analysis. The officials of DICA have formally recognized that MCRB is competent within this area, where MCRB is perceived as having a good team and with good resources.

The fact that the legislative process appears to be unstructured may require that MCRB or others monitor and share information about new bills or legislative initiatives that are in the pipeline and engage with the development partners supporting government and parliament to ensure better consultation processes, communication and transparency.

The evaluation also concludes that the inefficiency and shortage of capacity in the Myanmar Human Rights Commission may also contribute to shortcomings in consultation processes related to policies and legislation, as a National Human Rights Institution should advise, monitor and hold the state accountable for its consultation processes.

A number of the recommendations and observations that have been reflected in the policies and legislation can hence be attributed to MCRB - including acknowledgment of the responsible business as a fundamental principle for investment. This milestone could potentially continue to be in future a significant focus for many of MCRB activities in the next programme period and it is closely linked to the SDG agenda (e.g. goal 8, 9, 16 and 17).

Findings on Impact, Based on Case Studies

Q: What has happened as a result of the programme or project? Has the programme succeeded in creating collaborative links with other civil society actors? To what extent has the programme created results in the various regions of Myanmar?

The evaluation finds based on the above case studies that through its focus on advocacy, dialogue, knowledge and capacity building MCRB manages to create significant changes in critical conditions which in turn create tipping points in the Myanmar country situation. MCRB's outputs have verifiably led to impact. Although other factors also have contributed to the same changes, the Centre is a pre-eminent actor.

The evaluation also finds that without the existence of MCRB and its activities it is less likely that policies, laws and the regulatory framework would have had the same focus on responsible business; that CSOs would have had the same platform, knowledge and awareness about responsible business issues and understanding of how business operates; and that companies, in particular larger Myanmar companies and Western companies and their business relations would have had a comparable understanding of the nature of responsible business in the Myanmar context.

The conditions and drivers targeted by the Centre could not necessarily have been anticipated in detailed planning documents. The evaluation concludes that the logical framework and theory of change approach may be used in framing the approach, but that the insightful awareness of the context that is prevalent in MCRB could be better reflected through real-time adjustments in the planning documents. The context awareness that exists in the MCRB team implicitly recognises the drivers of change, but progress in influencing these drivers is not fully monitored. There is much scope to better define the attribution of effects to the Centre's work.

For instance, the policy, law and regulatory frameworks on investment are evolving and create, despite their shortcomings, a very good opportunity for holding the State and companies accountable, and offer a platform for dialogue for CSOs, local communities, government, companies, investors, developing partners. The framework is also an opportunity to connect responsible business and investment with the SDGs, in collaboration with civil society actors, bilateral agencies and International Financial Institutions.

Q: In what way has MCRB impacted local and international businesses? i.e. To what extent has MCRB succeeded prompting businesses to adopt more responsible business conduct?

The evaluation also finds, based on the cases studies, that MCRB's predominant position as a point of reference *vis à vis* many other like-minded organisations in relation to international business is an unexpected impact of the Centre when seen in the broad country context. Thanks to the implementation of a variety of activities, MCRB is now well known as a hub for knowledge, capacity, advocacy and dialogue in relation to issues on responsible business.

As one of the interviewed interlocutors said: "if MCRB did not exist, someone would have had to invent it". Other interlocutors have pointed out that MCRB has found a "niche" in the Myanmar context, where it is trusted by most of the relevant stakeholders. Others emphasized its role of bridging between the various stakeholders, but still maintaining its integrity.

As one of the respondents in the Annual Survey aptly stated: "MCRB's approach to advocacy in Myanmar seems well researched to minimise overlap with other organisations and places a premium on practicality and understanding local capability and sensitivities, which is unique." The influence of MCRB, as reflected in the similar statements in interviews conducted for this evaluation, stems from its accessibility, and the quality of its work.

Q: In what way has the MCRB impacted on relevant civil society organisations and on relevant segments of Myanmar rights holders? i.e. To what extent has MCRB succeeded in including and empowering vulnerable groups and rights-holders in relation to business activities?

The case studies demonstrate that MCRB collaborates well with relevant civil society organisations, and that it has succeeded based on this approach to engage and empower vulnerable groups and right-holders when possible.

MCRB collaborates with a very wide variety of civil society actors. In the case of input to policies, laws and regulation the collaboration appears to be with Yangon-based NGOs that are competent within a specific field. In other cases, the collaboration might be based on a platform approach that is open for all relevant civil society actors (e.g. the Digital Rights Platform and the Digital Rights Forum). However, MCRB is also engaging and establishing networks with CSO actors and communities outside Yangon. One of the interviewed interlocutors emphasized MCRB's capability of reaching out to very remote areas through its network. MCRB does, as showed in the case studies, also interact with the media.

The collaboration with civil society and with companies requires careful avoidance of a loss of integrity. The fact that MCRB's vision and mission is based on the three pillars in the UN Guiding Principles helps keep MCRB focused on rights holders. As long as MCRB embeds its vision and mission in its performance, the evaluation believes that MCRB will protect its integrity. However, MCRB must continue to explain its role to all stakeholders as some of the interviewed interlocutors stated their perception that MCRB is there to support companies.

The engagement with CSO organizations, in particular under the SWIA and the follow up on the SWIA, has contributed to capacity development for these organisations in relation to the understanding of the linkages between human rights impacts and responsible business. As many CSOs only have a distant engagement with companies, MCRB is seen as an organisation that is able to explain the responsibilities of companies and how they can contribute to the human rights agenda that the CSOs are pursuing. This means that CSOs and local communities are better able to hold government and companies accountable for human rights

impacts related to business activities and investment.

Outside of the SWIA field research, which involved extensive engagement with rights-holders affected by business operations in various areas of the country, MCRB is less engaged directly with affected rights holders directly affected by business operations (aside from consultations as part of the SWIA processes) but most often through CSOs. Consequently, the indicators for the planning documents do not explicitly mention the right-holders as primary beneficiaries. However, MCRB's areas of intervention, methodologies, outputs and outcomes are designed to build capacity for right holders, engage with and empower them as well as to contribute to respect for their rights.

The SWIA methodology and process is a good model of this as the recommendations are clearly focusing on rights-holders and vulnerable groups. For instance, the SWIA recommendations includes a recommendation to government to:

“Develop a Universal Service Strategy, as a first step in the implementation of Chapter XV of the 2013 Telecommunications Law. Consult widely, including with ethnic minorities and disadvantaged groups such as people with disabilities, to identify priority areas for the rollout of telecommunications service (both mobile and fixed line broadband service), for inclusion in the Universal Service Strategy and Fund.”

Another recommendation to companies includes:

“Commit to providing ICTs that are accessible to the disabled and improve livelihoods for people living with disabilities in the country, given the very low level of employment for people living with disabilities or even access to services.”

The ICT SWIA recommendations and inclusion of the rights of persons with disabilities is also a point of reference in the MCRB strategy for promoting disability-confident and inclusive business in Myanmar. The Briefing Paper on Discrimination draws on MCRB's SWIA and on discussions with activists campaigning for the equal rights for women, ethnic and religious minorities, and people with disabilities. The ICT SWIA is also used as background information for the Briefing Paper on Land linking the impact of telecommunication infrastructure to impact on rural communities and the Briefing Paper on Indigenous Peoples also draws on the findings from the ICT SWIA.

The TiME concept does not target vulnerable groups or the right holders as it is a company focused instrument. However, it provides information to CSOs and the Media about the performance of companies, their policies (e.g. human rights, diversity, discrimination and grievance mechanisms and management of risks and impacts.).

The advocacy for improved policy, legislative or regulatory frameworks provides opportunities for engaging with CSO and right holders, as well as the advocacy on policies and laws specifically about vulnerable groups.

and disabled persons. MCRB engages with key CSOs through different platforms to provide inputs and organize consultations. However, the consultation processes suffer from lack of structured and systematic law-making processes in the responsible ministries and state agencies making it difficult to mobilize CSOs and right holders, in particular outside Yangon.

Q: In what way has MCRB impacted on government and public administration? i.e. To what extent has MCRB succeeded in persuading the Myanmar government actors (national and selected state/regions) to incorporate approaches to responsible business conduct where relevant?

As illustrated in the cases on SWIA and the investment framework, MCRB has managed to have an impact on the government and public administration. The advocacy work and SWIA constitute platforms for follow up by MCRB and other actors in their dialogue with the

government at national and regional/state level¹².

The MCRB-led internal evaluation of the SWIA refers for instance to development of a responsible tourism strategy in Tanintharyi Region by the Regional Government and the International Trade Centre that operates the Netherlands Trust Fund - Export Sector Competitiveness Programme on tourism in Myanmar. This Trust Fund has in 2018 chosen Tanintharyi as second Myanmar state to benefit from the International Trade Centre tourism project. Government and Members of Parliament have also participated in conferences and MCRB has sometimes conducted training of staff from local government agencies such as DICA.

In other cases, MCRB may not have impacted the government directly but MRCB's arguments, approach or recommendations have been adopted by companies or other partners in their dialogue with the government or State and Regional bodies as some of the interviewed interlocutors have indicated.

A continuing challenge remains the fragmentation of the civil service, and the lack of awareness which remains on the principles of responsible business conduct. This is, in the view of this evaluation, partly caused by the physical distance that separates the Centre, in Yangon, from the Ministries in Naypyidaw. There is scope for the creation of working groups and direct technical advice. One respondent for example asks: "why not plugging MCRB's knowledge into respective government body to make a stronger impact with force but not just urging companies to do business responsibly through workshops?".

In the course of the interviews respondents repeatedly emphasised both the fragmented nature of the civil service, but also the inevitable need to begin engaging more closely with the officials. The main challenges for MCRB are however the lack of civil service capacity, clear structures and procedures within the public administration.

It has also been mentioned by some of the interviewed interlocutors that the limited understanding by parliament, ministries and public administration of consultation processes, is matched by resistance towards CSOs (which are perceived as being anti-government and anti-investment). This may hinder the dialogue with them.

However, the evaluation finds that MCRB is in a better position than most CSOs due to its reputation of being a knowledge based and credible organisation, business-friendly, that is based on international principles that have been accepted in the national legislation. This is a strong argument for increasing its engagement with the state.

Sustainability

"Sustainability" is understood as the whether the benefits of MCRB's work are likely to continue after donor funding has been or will be withdrawn.

Q: To what extent has MCRB contributed to building up local capacity and ownership on business and human rights? To what extent has transfer of competence to local staff members been successful?

The building up of local capacity through staff development is taking place in the framework of MCRB activities, with very gradual increases in levels of delegation to staff. For example, one objective of the SWIAs is to build the capacity of Myanmar researchers to understand human rights issues and their connection to business, so as to build a cadre of Myanmar researchers with this skill set for future assignments including with EIA consultancies and others doing impact assessments¹³. For MCRB the SWIA creates a particular analytical process in MCRB

¹² See for instance also the SWIA on tourism that has been a platform for number of multi-stakeholder meetings etc. such as a workshop on responsible tourism in Naypyidaw, October 2015, the first Conference on Community Based Tourism in Naypyidaw in December 2015 and the second in 2017; two multi-stakeholder workshops in Ngapali in May 2016 and May 2017 with Hanns Seidel Foundation and Myanmar Responsible Tourism Institute. Furthermore, MCRB and Fauna & Flora International had organised three multi-stakeholder workshops in Tanintharyi.

¹³ Annex A to the 2018 Mining SWIA

and builds its in-house knowledge of the context.

This is confirmed in the MCRB internal 2017 SWIA review of the SWIA programme. Some 14 persons have been engaged as researchers under the programme. Some of them work in family businesses, but many of them are still working within research related areas. According to the internal review “The former SWIA Manager was recruited by an international environmental and social consulting firm based in Yangon; the Tourism SWIA team leader is involved in responsible business; three former SWIA researchers work full time with MCRB, and another SWIA researcher now works for Earth Rights International”.

To what extent is MCRB anchored in the local context?

One of the more striking findings of the evaluation is the fact that the web of contacts made by MCRB is extremely dense and complete within the specific sphere of European and North American companies and bilateral development donors. Similarly, it extends to civil society, and those Government departments which deal with international investment, in particular DICA, and some of the leaders of large Myanmar businesses.

Within these spheres MCRB is nothing less than a household name, its positions well known, and appreciated, as mentioned previously.

There is however what can best be described as a ‘glass-bowl effect’ for the communities situated outside this group, mostly English speaking and favourable to human rights standards. Although these communities are well identified by MCRB, they remain removed from its events and outreach. One respondent in the 2018 survey for example states: “not all that MCRB events are open for interested individuals within organization - that is, I have the impression that engagement with MCRB is only when organisations designate delegates/participants. As such, I have felt that the knowledge that gets created and shared in and through the MCRB is retained at higher levels of organizational leadership, not necessarily imparted within partner organisations, and that the MCRB therefore looks more like one of these 'network' organisations that create a platform for all the various leaders of CSOs and businesses to get together”.

Stepping over an invisible line, the evaluation was able to receive expressions of guarded respect but also on occasion of relative indifference to the approach of responsible business conduct. It should be clear that this was not hostility to those principles, but a mixture of misunderstanding and of pragmatic cautiousness. In some cases, this was referred to “Asian values”, and in others to an isolationist streak in the country.

One respondent, working for an Asian research institute, described the promotion of human rights in business as not being a ‘clever strategy’ (an aspect fully taken on board at MCRB). The cultural translation of responsible business norms into Asian management concepts tends to focus on discrimination and harassment. It is separate from the broader concerns of health and safety, or the sharing of natural resources such as water and land. Similarly, it is seen as not important within the circles within which these ‘more aloof’ companies operate.

MCRB made a deliberate and consistent effort to engage with companies from Japan, Korea, China, and Thailand in 2015-2016. This led for example to the recruitment of a Chinese-speaking Deputy-Director (the person did not stay), and to participation in country-specific events. These efforts have continued and should be recognised. For example, in June 2018 a conference was held under the auspices of the JETRO (Japanese government trade organisation). It is also clear that the emphasis on the creation of a positive regulatory environment, and the promotion of models of transparency through the Pwint Thit Sa reports are important contributions to outreach towards these more reluctant companies.

The sustainability of the achievements in these outer spheres of business remains limited. Revealingly, the evaluation was not able to find an interlocutor which combined both a good awareness of MCRB and belonging to companies based in those countries. On the other hand, for example, a Chinese businessman involved in the garments manufacturing industry

articulated the need for capacity development in responsible business conduct but was not able to identify MCRB.

One of the strong points of the Centre, as identified by one of the country managers of an international oil & gas company, is the ability to reframe the debates. The approach taken by the Centre to address this communication gap with business in Asia has been effective. This hinges on the concept of Corporate Social Responsibility understood as corporate philanthropy from Indonesia to India and widely practiced as such in Myanmar. Outlining the risks that a poorly conceived notion of Corporate Social Responsibility may generate for the creation of abuse and dependency, the discourse developed by the Centre points to the need for the creation of a level playing field, and the concept of shared value, where the business case converges with the interests of society.

This has been represented by MCRB as in the graphic below:



In this figure, a clear area of overlap has been identified around notions of sustainability and inclusiveness, which are prized in Myanmar. The pitch made by MCRB is to move from the right-hand oval, where the greater risk of corruption exists, to the regulatory and business-based oval on the left.

At the same time the evaluation finds that a third dimension has not been covered and remains an unfulfilled assumption – that of culture. The cultural dimensions of business conduct may in fact emphasise labour welfare, or the cultivation of good contacts, without completely assimilating the codes of conduct – even though these may have been placed on company websites. Culture remains a significant constraint on the effectiveness of the work of the Centre beyond the limits of the cultural and institutional community in which it was born.

The actors alluded to in the above-mentioned evaluation question about 'the local context' also include the state structures. Here too, a certain distance remains. The fact that the Centre (as practically the whole diplomatic and business community) remains based in Yangon could reinforce the cultural limits within which it operates. In spite of open invitations from the State Counsellor to all international organisations, and a general agreement in the diplomatic community that the transfer of Embassies is only a question of time, the Centre has not made plans to open a presence in Naypyidaw. The focus on regulation and judicial aspects of responsible business conduct should make the State a central stakeholder, but engagement with the Ministries has been very difficult for the Centre over the five years of its existence.

Ease of access to the capital from Yangon, and the distance from the state, have perpetuated a distance which is reducing the sustainability of the Centre's work, in the assessment of this evaluation.

The difficulty of engaging with stakeholders who consider responsible business conduct as a foreign import should not be under-estimated. However rather than tackling it frontally, some interlocutors have mentioned the need to lean more on the actual interests and strategies of these actors situated outside the 'glass bowl'. A 2018 Survey respondent for example speaks of the need to "extend invitations to relevant technological institutions/ universities" which are under pressure to develop international linkages. While there is a considerable gap in the way in which business and industry-related education is given in the country, academia remains to a great extent outside the MCRB activity streams.

Responding to questions about engagement, some extractive industry operators have mentioned the practical influence of the work that they do in health, safety, and environment, through Joint Ventures and through sub- contracting. This includes the communication norms of health and safety, business integrity, but also labour standards (for example regarding forced labour) and public consultations. The 'on-the-job' training which is carried out through these arrangements targets in a very real and direct manner mid-level management, and the policy frameworks of the partners and suppliers. These partnerships are highly sought after by the 'out of circle' Myanmar companies, Small and Medium Enterprises, and investors from the east.

Many interlocutors referred to the quality of the translation work done by MCRB. However, the impact section reflects the lower uptake of Myanmar language material, while at the same time many interlocutors complain about the insufficient quantity of written Myanmar material. This reflects a dual problem of generating interest, and developing the competence and confidence of staff in handling the translation of the principles of responsible business conduct. Change would be achieved not only at the level of language, but also at the level of the cultural associations made around these norms by the specific interests of businesses situated outside the current circle of influence. The notion of worker welfare and productivity for example, which is very strong in some Asian management traditions, could be extended to the supplier networks. Similarly, the inclusive corporate culture of Asian firms could translate into inclusiveness with impacted communities.

Q: What are the prospects for sustaining diverse sources of funding beyond the current funding period? Are there other avenues for carrying on MCRB's work? What role do development partners play in the implementation of MCRB's work?

The initial thinking of the founders was to create an institution that would become self-sufficient and would gain autonomy. It has become clear however¹⁴ that funding will remain dependent on bilateral donor programmes. The main reason is the need to protect the Centre's independence and focus, which would be compromised should it choose to become a multi-stakeholder body or implement projects or consultancies. The Centre has carefully analysed alternative sources of financing, and not found a satisfactory solution. Business membership would, in this analysis with which the evaluation concurs, create a perception of vested interest and partiality – affecting a neutral image which has served the Centre very well.

This evaluation would challenge the notion that the Centre should be phased out or generate an income. It is clear that the new context created in Myanmar has made the existence of the Centre just as important in 2018 as it was in 2013. This refers to the emergence of the Rohingya crisis and the concerns that have grown that it will affect the reputation of businesses operating in the country. There have been many efforts to formulate an appropriate response, including *démarches* to the Government as explained in the section on impact, and the enhancement of inclusive human resource policies. The Centre has outlined a posture which could be de-

¹⁴ This is most specifically expressed in the paper "MCRB Funding Sustainability: Future Scenarios and Implications for Fund- raising", September 2016

scribed as constructive engagement.

This is mirrored in the donor community, which is still allocating significant official development assistance to the country. A number of donors have allocated resources to private sector development (although the donor sector working group on this area has not yet become functional). Some, such as the UK Department for International Development, or the International Finance Corporation, call on the advice of MCRB as part of any due diligence process, and plan to continue to support it actively. The private sector is seen in this context both as a partner in development, and a way of maintaining a positive development momentum.

For the private sector and the official development partners MCRB is an indispensable leading actor. It differentiates itself from NGOs, from consultancies and legal firms, and from the incipient social enterprise sector. Because of this niche it is clear that it will not face any funding difficulties in the medium to long term.

While there is a school of thought in development which stipulates that all publicly funded organisations should become self-funding, in fragile countries this often only refers to finding other donors. This is also formulated as “working oneself out of a job”, meaning that an organisation must be so successful that its role becomes irrelevant. The notion clearly does not apply to fragile contexts such as Myanmar, where the initial drivers of change have been replaced by new ones, and it is precisely in capitalising on past investment that the impact of the Centre will continue to be relevant and sustainable. For this public funding will be necessary.

Conclusion & Recommendations

Conclusion

The Centre has achieved a remarkable feat, which is that not only are its products and contributions valued, but stakeholders will in fact actively seek to be associated with it. There are frequent calls for its knowledge and its network of contacts. Even some of the companies interviewed by the evaluation, which express some reservations about the broader impact it may have, at the same time express a concern that their actions will be criticized by the Centre, demonstrating its influence.

However, this influence does not extend to all the relevant stakeholders, and there is a distinct sense that MCRB operates in what is a very circumscribed sphere. From its niche within this well-placed community (in business and country terms) its knowledge and recommendations are widely known, shared and acted upon. Beyond this circle there is a reluctance about, and lack of understanding of responsible business conduct by important external stakeholders which has not yet been breached.

There is a frontier separating Myanmar companies which operate with western partners and investors, from those that operate without, combined with a range of Asian companies. At the same time the Centre continues to work in a highly flexible and reactive mode, responding to a host of solicitations. These keep it from acting in depth on future upcoming drivers of investment, such as accompanying the shifting notions of shared value in Asian businesses. It is increasingly clear that many multinationals are open to the notion that some practices will be both favourable to their core business case, and to the promotion of sustainability. This could include for example to customer perceptions, and regulatory risks for supply chains.

To focus on such drivers may mean that the Centre has to seek greater depth than it currently does in pursuing more deliberately certain lines of action. However, this shift in strategy will have to be a deliberate choice for MCRB, as it is an organisation that could clearly afford not to change. It has developed a rather enviable position as a benign monopoly at the cross-roads of many institutions, with clear stakeholder engagement. Companies, development partners and development banks gain from being associated with it.

Another choice confronting the Centre relates to its structure and human resources. There is currently a 'hub and spoke' tasking and a very intense workload. This does not facilitate the development of a new line of work to target certain specific drivers, such as a truly trans-cultural dimension of the work. Staff are not given as salient a role as they would deserve considering the country capacity development ambitions of the Centre. As mentioned in the section on efficiency, the evaluation finds that the operational readiness of the organisation could be given more salience.

Limited capacity and internal compartmentalisation are also creating a significant constraint on the level of change which the Centre can engage in. The relative fragmentation of activity at the level of programme managers, the multiple demands and the intensity of work will continue to limit the development of staff's competences as well as organisational development. Above all it does not prepare the Centre fully for a strategic shift in its new work programme.

The very positive flexibility of the Centre allows it to play a fully credible role, but this is constrained by an open 360° outreach, where very diverse opportunities are given much importance. While the Centre could afford to continue its work with minimal change and continue to make a valuable impact, the milestone of first five years mark an important point in time. From now the Centre could select certain lines of expertise which it can develop to reach a new level of performance. At the same time its relationship with the 'parent' institutes is changing due to the development of its capacity, and could be reframed to present an added resource in relation to a new strategy.

For IHRB and DIHR the Centre is an original outcome. At an international level, MCRB could be considered a model worth replicating in other countries, meaning that its approach and positioning are not only relevant to Myanmar. It serves a number of unique functions that are not currently being performed elsewhere, which one of the founders labels as operating in the pre-competitive space, where states and companies can collaborate and raise standards safely.

The evaluation however concludes that this replication could be fraught with difficulties as a wide number of conditions need to be met, beyond the obvious importance of the choice of persons. There was in Myanmar specifically a combination of donor interest in promoting responsible business, and a strong demand for advice from the business community. The high-profile nature of the metamorphosis occurring in the country also gave fuel to the visibility and sustainability of the Centre. The availability and selection of the right personnel (particularly the Director), the priority given to the Centre by its 'parents', were essential conditions of its success. These conditions are not to be found in many other places around the world - they are to some degree unique.

Recommendations

Consolidate:

1. **The Centre should maintain its current levels of operational agility, independence and quality of work.** To do this it should continue to receive bilateral donor funding as currently managed with sufficient autonomy. The freedom it has been given to select its targets is matched by its ability to identify the priorities in an informed and pragmatic way.
2. **MCRB should revise the current planning and performance monitoring system to be less linear, by including an operational analysis of the contextual drivers of change.** This would pinpoint the effects it seeks to achieve in relation to these key drivers and assess its progress by supporting change in the critical conditions that define these drivers' existence. Such a revised M&E system could frame the linear models preferred by development partners in terms of outputs, outcomes and impact. It would lead to quarterly documented reviews and support the adaptability of the Centre.

Reach out:

3. **The Centre should focus on certain generic drivers of change which are particularly relevant to Asian business investment in Myanmar.** The evaluation has found that the Centre has reached out to Asian companies operating directly or through local partners in Myanmar as stated in its programme documents. However, the Centre could adopt a more strategic approach to its engagement in order to overcome the difficulties it has faced in engaging with these 'out of circle' stakeholders. While it could also afford to continue its work without significant course-correction, the Centre should spell out what directions to exclude.
4. **MCRB should focus increasingly on geographically and culturally efficient pathways of change.** To go beyond its current sphere of influence it should for example consider the creation of a small team which could open an office in Naypyidaw, closer to Departments which express a need for capacity strengthening. It could also support engagement by multinational companies through their collaborative arrangements with Joint Venture partners and suppliers, transmitting standards through 'in-work' training, for example on health and safety, or labour standards.

Strengthen:

5. **The Centre should focus on organisational and staff development.** Competence development activities should be included in the planning and monitoring framework. It

should lead to an operational readiness which mirrors the structure of the external drivers it decides to focus on. At this stage of development renewed thought should be given to relieving the pressure on the Director and freeing up time for strategic planning and quality control, to support the organisation of and capacity development of personnel and manage delivery of projects. This can be done through a clearer structure for human resource management, such as the creation of a position of a Chief of Staff or human resource manager, without having necessarily to undertake external recruitment.

6. **MCRB should not engage with judicial mechanisms in its next programme period, but instead focus on non-judicial mechanisms.** The evaluation recommends in particular a continued focus on legislation and government capacity development. MCRB should recognise that a focus on judicial grievance mechanisms requires new skills and efforts. As another National Human Rights Institution, DIHR should renew its attempts to engage with the National Human Rights Commission, despite its shortcomings.

Appendices

Appendix 1: Terms of Reference

The Institute for Human Rights and Business (IHRB) and the Danish Institute for Human Rights (DIHR), are co- founders of the Myanmar Centre for Responsible Business (MCRB). MCRB was established in Yangon in July 2013 on the premise that while business and investment are needed for human rights and human development to be realised in Myanmar, only responsible business will achieve this aim in the long term. The Centre's vision is one in which private sector investments and operations in Myanmar have not only minimum negative impact but also maximise positive impact on human rights. With the overall goal of supporting inclusive economic growth accompanied by responsible business practices, the immediate objective of MCRB is that *"an effective and legitimate platform for the creation of knowledge, advocacy, capacity and dialogue concerning responsible business in Myanmar, based on local needs and international standards that results in more responsible business practices, and thereby contributes to sustained, inclusive and sustainable economic growth"*. MCRB's current programme runs until end of 2018, and it is intended that a new programme will be implemented from 2019 onwards building on the achievements and lessons learned since the establishments of MCRB.

A [mid-term review \(MTR\)](#) of MCRB was completed in October 2015. The MTR focused on points 3-5 but not points 1 and 2. This evaluation should focus on points 1 and 2 and update the findings on points 3-5.

[MCRB](#) was established in Yangon in July 2013 by the [Institute for Human Rights and Business \(IHRB\)](#) and the [Danish Institute for Human Rights \(DIHR\)](#) on the premise that while business and investment are needed for human rights and human development to be realised in Myanmar, only responsible business will achieve this aim in the long term. The Centre's vision is one in which private sector investments and operations in Myanmar have not only minimum negative impact but also maximise positive impact on human rights.

With the overall goal of supporting inclusive economic growth accompanied by responsible business practices, the immediate objective of MCRB is that *"an effective and legitimate platform on responsible business is present in Myanmar for the creation of **knowledge, advocacy, capacity and dialogue** amongst businesses, CSOs and government based on local needs and international standards."*

MCRB has successfully attracted multi-donor government support from UK-DFID, Denmark-DANIDA, the Netherlands, Ireland, Norway and Switzerland. Donors have made contributions as part of a common commitment to core funding rather than on an individually earmarked basis. MCRB was established in July 2013. A first 2-year programme ran from 2014 to the end of 2015. MCRB's current programme runs from 2016 to 2018. In accordance with MCRB's core donors, the current programme includes the conduct of an evaluation.

Rationale, Objectives, Approach and Scope

An independent evaluation will be carried out in 2018 to assess the MCRB's work since 2013.

The overall purpose of the exercise will be to:

1. Assess the impact MCRB has had to date, taking into account MCRB's results and achievements to date
2. Assess the efficiency of the Centre's work
3. Assess whether strategic objectives and thematic areas continue to be relevant in the current context;

4. Identify lessons learned and recommendations to strengthen MCRB's future strategy, operation and pursuit of intended impact
5. Provide recommendations on strengthening MCRB's local ownership and long term sustainability.

As well as learning more about what has worked to date, and why, and how such efforts can be enhanced in the future, IHRB, DIHR and MCRB are particularly keen to use the evaluation to assess how best MCRB can harness the progress made to date (focused on establishing the centre as a recognised source of expertise for the promotion of responsible business) to a future phase (in which its work is transferred and sustained locally). The results of the review will also help donors to consider how best to align their future support for MCRB with pursuit of longer-term sustainable impact on business and human rights in Myanmar.

Evaluation Questions

The overall evaluation questions to be answered by the report are the following:

- To assess the **impact** of MCRB's work to date, looking at direct or indirect and expected or un-expected changes produced by MCRB and assessing the validity of the theory of change, which guides the MCRB.
 - What has happened as a result of the programme or project?
 - Has the programme succeeded in creating collaborative links with other civil society actors?
 - To what extent has the programme created results in the various regions of Myanmar?
 - In what way has the MCRB impacted on relevant civil society organisations and on relevant segments of Myanmar rights holders? i.e. To what extent has MCRB succeeded in including and empowering vulnerable groups and rights-holders in relation to business activities?
 - In what way has MCRB impacted on government and public administration? i.e. To what extent has MCRB succeeded in persuading the Myanmar government actors (national and selected state/regions) to incorporate approaches to responsible business conduct where relevant?
 - In what way has MCRB impacted local and international businesses? i.e. To what extent has MCRB succeeded prompting businesses to adopt more responsible business conduct?

To assess MCRB's **effectiveness**, i.e. the extent to which the Centre is has achieved its objectives and targets, as set out in its Programme Documents approved by the donor group, and to detect possible unexpected outcomes

- Has satisfactory progress towards expected or unexpected outcomes, and toward stated objectives and targets been achieved to date?
- Is the results chain/theory of change as set out in MCRB programme document valid?
- Is the M&E framework for the program SMART (Specific, Measurable, Achievable, Relevant and Time-bound)?
- To what extent do the stated progress, performance and outcome indicators reveal progress towards MCRB's objectives (knowledge, capacity, advocacy and dialogue)?
- What role do development partners play in the implementation of MCRB's work?

To assess the **efficiency** of MCRB's work to date

- Did the Centre make appropriate use of international expertise while also building the capacity of Myanmar staff? To what extent is the collaboration with DIHR/IHRB bringing added value to MCRB's interventions?
- Were objectives achieved on time?
- Was the programme or project implemented in the most efficient way compared to alternatives?

To assess the **relevance** of MCRB's intervention(s) in a changing environment:

- To what extent have the overall objectives and the nature of interventions of MCRB been relevant to improve the responsibility of business in Myanmar?
- Have choices with regard to thematic areas and specific interventions, in particular Sector Wide Impact Assessments (SWIAs), been relevant to the overall objectives of the programme?
- Are the assumptions made at the start of the programme still relevant today? Is the programme sufficiently flexible to deal with dynamic changes in the country?

To assess **sustainability** (whether the benefits of MCRB's work are likely to continue after donor funding has been/will be withdrawn). The exercise will analyse whether/how achievements will last/can be made to last in continued programming. This will provide MCRB and its donors with an opportunity to reflect on how the challenges and opportunities of the first phase of programming over 2013-18 can be addressed in ways that boost the transfer of capacity and knowledge to local partners and facilitate their ownership and leadership of the responsible business agenda.

- To what extent has MCRB contributed to building up local capacity and ownership on business and human rights?
- To what extent is MCRB anchored in the local context?
- To what extent has transfer of competence to local staff members been successful?
- What are the prospects for sustaining diverse sources of funding beyond the current funding period?
- Are there other avenues for carrying on MCRB's work?

In making recommendations for future MCRB programming and its approach to programming, the evaluator will strive to ensure that the exercise is as beneficial as possible in practical terms by highlighting approaches that have worked well so far and can be built on in the future (or that may be required).

In assessing progress towards objectives, the evaluator will focus on the outcome areas in which MCRB can reasonably be expected to have effects, i.e. on boosting levels of knowledge, capacity, advocacy and dialogue within and across stakeholders so that a cumulative contribution is made to creating propitious conditions for responsible business.

The approach described above, while generating insights on existing/potential impact of interest to donors, is intended to ensure that the exercise acts as a form of strategic review enabling MCRB to build on/adjust its operation to optimal effect in the next programme cycle 2019-2021.

Scope

The review will assess a representative range of activities and interventions reflecting the whole of MCRB's operations and future plans rather than specific activities. However, considering the importance of Sector Wide Impact Assessments in MCRB's work, specific attention should be dedicated to SWIAs, to Pwint Thit Sa and the functions of knowledge, capacity, advocacy and

dialogue.

The evaluation will cover the whole period since its establishment in 2013, but focus on the 2016-2018 period and take account of the 2015 mid-term evaluation that assessed the MCRB since its establishment.

Existing Information Sources

- Mid-term review, 2015
- Programme documentation since MCRB's inception, in particular the 2016-2018 Programme Document including Theory of Change (ToC), and Logical Framework
- Quarterly and annual financial and narrative reports since July 2013
- MCRB risk register
- MCRB's website and MCRB publications
- MCRB Stakeholder surveys (undertaken in 2015, 2016, and will be undertaken in mid-2018 in parallel with the evaluation)
- Feedback forms from workshops
- Internal evaluations of the SWIAs

Methodology

In keeping with the focus on lesson-learning and the generation of insights and proposals that will be of practical benefit for future planning, the evaluation will be participatory in nature. While every effort will be made to gather and use relevant quantitative information to assess progress towards achieving impact, the complex and often less tangible governance and human rights changes being pursued by MCRB mean that qualitative findings and insights are likely to be more helpful. It is expected that the review will apply a theory based evaluation approach to establish a better understanding of causal mechanisms that drive or hinder change by the program. Hence, the review should be based upon a sound methodology that is consistent, coherent and logic and provide some room for flexibility in relation to the context, and which encompasses both a process and result review.

A detailed methodology for the review will be proposed by the evaluator and finalised in consultation and agreement with MCRB-IHRB-DIHR. The methods likely to be used by the evaluator include:

- Document review: MCRB programme documents and reporting; MCRB publications
- Interviews of selected MCRB staff and consultants
- Interviews of relevant DIHR and IHRB staff contributing to the project
- Interviews with key stakeholders – target groups – from companies, civil society, government, inter-governmental organisations - both in Myanmar and in donor countries
- Using existing MCRB quantitative data

Logistics and Procedures

- MCRB will provide existing documentation to the evaluator as well as facilitate contacts with stakeholders, including diary management during Myanmar visit(s).
- A work plan including field trips and review meetings will be set up with the evaluator.
- MCRB/DIHR/IHRB will respond to the draft evaluation report by mid-September 2018

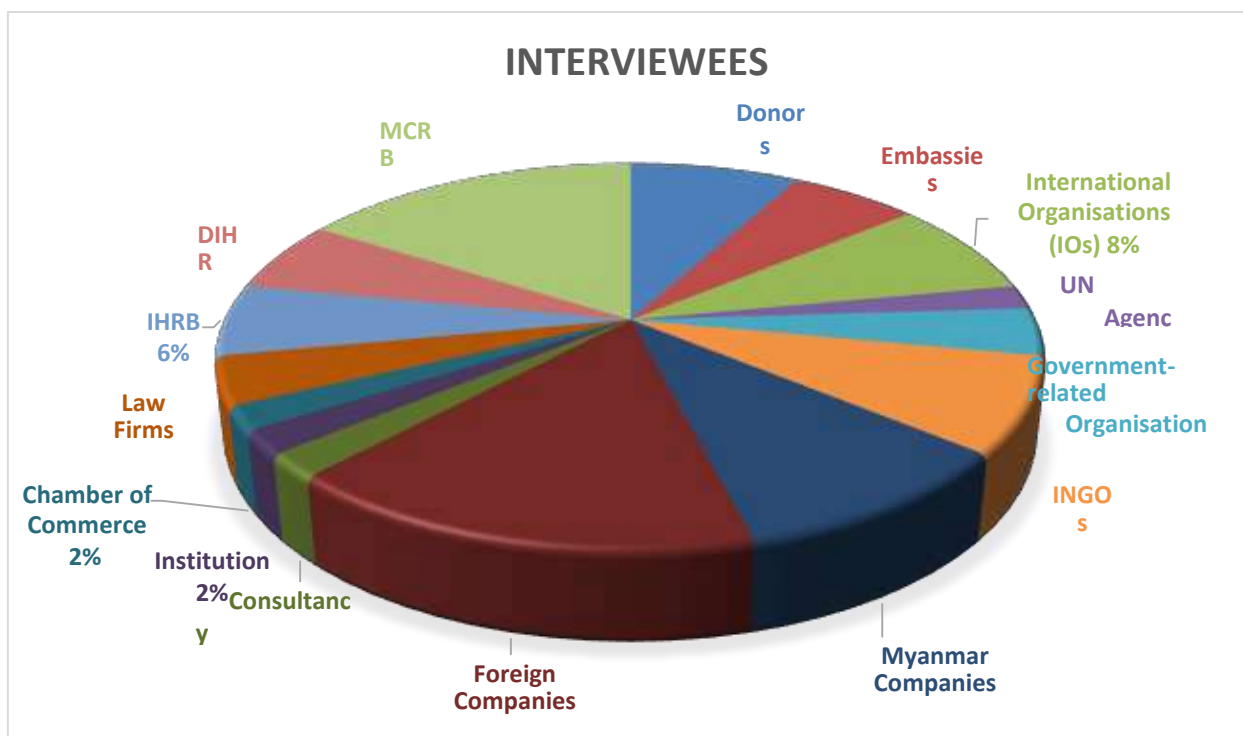
Outputs

- Draft Evaluation Report to be delivered in final form before 1 September 2018
- Final Evaluation Report of maximum 30 pages taking into account MCRB/DIHR/IHRB's

comments; and a 2- pages executive summary to be delivered by 30 September 2018,

- An Evaluation Review Steering Group will be set up including representatives from MCRB, DIHR and IHRB to select the contractor and oversee the study.
- It is expected that the review will require up to 50 days' work from the start date until the end of September including one trip to Yangon.

Appendix 2: Persons Interviewed



Interviewees	Total number of participants
Donors (5)	Embassy of Denmark (1) Embassy of the Kingdom of the Netherlands (2) UK Department for International Development (DFID) (2)
Non-Donor Embassies (3)	European Union (1) French Embassy (1) New Zealand Embassy (1)
International Organisations (IOs)	3 organisations and 2 representatives of one organisation
UN Agency	1
Government-related Organisations	2
INGOs	4
Myanmar Companies	5
Foreign Companies	7 companies and 2 representatives of one company
Consultancy	1
Educational Institution	1
Chamber of Commerce	1
Law Firms	2
IHRB	3
DIHR	3
MCRB	8
TOTAL	Interviewees: 53 or Companies/Organisations: 49

Appendix 3: Note on Monitoring and Evaluation Methodology

The present appendix analyses the methods used within MCRB for the monitoring and reporting of results.

Critique of existing methods to assess the effectiveness of MCRB

The M&E framework consists of the programme document, including the ToC and the Logical Framework matrix, quarterly reports, annual reports for donors and parent organisations and annual stakeholder surveys. Planning is articulated in the work plan for MCRB.

The M&E framework serves mainly the parent institutes' and donors' requirements, but generally also helps MCRB in learning, documentation, control, and improved decision-making. The annual reports are not published on MCRB website which confirms that the M&E framework is not intended for external users. MCRB also reports to UN Global Compact. This report is published in English as news at MCRB website¹⁵. The reports are also accessible at UN Global Compact website.

The evaluation finds that there is a good coherence between the ToC, the Logical Framework and the reporting. The framework takes its point of departure in the eight outputs listed under the ToC (two for each intervention area) and the quarterly reports are reflecting the eight outputs and the intervention area.

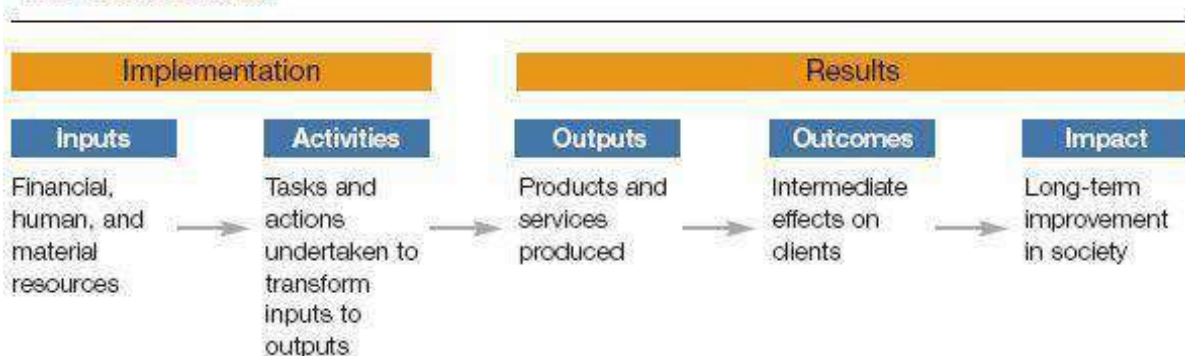
However, the logical framework does not apply the same eight outputs as the ToC but 14 outputs linked to three outcome areas (five outputs for outcome area *respect* and *remedy* and four outputs for outcome area *protect*). This could potentially be confusing, but the ToC outputs are closely linked to the logical framework out- puts.

If the activities under the eight outputs are conducted resulting in the outputs, then the milestones under the Logical Framework outputs are achieved as well. Consequently, the quarterly report works as both a report on the ToC and the LFA. This could be better structured, but it is not giving a misleading picture of what is actually achieved at output level.

The original programme document adopted in September 2014 was adjusted in 2016, integrating most of the recommendations from the October 2015 mid-term review. Consequently, the 2016-2018 programme document provides a valid point of reference to assess the effectiveness of MCRB as it both covers the original programme document as well as the adjustments, which are also reflected in the 2016 programme document Theory of Change and Logical Framework.

The ToC can be assimilated with a result chain where the results level is equivalent to the outputs, outcomes and impacts envisaged in the ToC:

The results chain



¹⁵ MCRB's UN Global Compact reports are available [here](#) for 2014-2016 and [here](#) for 2016-2018

The outcomes are generally formulated as changes in behaviour or an approach made to key stakeholders (the government, parliament and companies and to lesser extent civil society). To be effective MCRB should contribute to that change. For instance, policies and regulations should integrate protection against negative impacts from business activities.

Although the narrative ToC does not formulate the assumptions that are required to move from one level to another, it presents a coherent set of results. The ToC could be explained as:

Level	Expected change defined in the ToC	Assumption identified by the evaluation
Input	If...MCRB undertakes knowledge, capacity, dialogue and advocacy activities addressing the relevant stakeholders	MCRB understands the needs and challenges and acts upon this by mustering the resources and team it needs.
Output	Then...relevant research, briefing papers, publications, platforms, trainings, dialogue forums etc. are developed	Ability of MCRB to deliver on time with the right level of access based on the quality of the work and its credibility.
Outcome	Resulting in... Companies seek out and act on advice and materials from MCRB and take effective steps towards responsible business practices including through company-led initiatives State actors adopt policies, regulations, and other instruments to protect workers and communities from adverse impacts of business, and are influenced by MCRB in their development; Sustained multi-stakeholder dialogue and/or business/CSO partnership continues following initial intervention by MCRB State, non-state and company judicial and non-judicial grievance mechanisms which are compatible with UNGPs are in place, being used and operating effectively	Stakeholders trust MCRB and choose to cooperate with it and access its resources. Businesses are willing to pursue responsible business conduct (RBC) Myanmar, Asian and other businesses trust MCRB and choose to cooperate with it and access its resources. Government continues to expect RBC. Civil society is able to put pressure on companies, to behave responsibly Home governments and international CSOs continue to demand RBC from western companies. The State has the resources (including from development partners) as well as the will to be an effective regulator New government pursues economic development policy which is aligned with RBC. The political climate is such that MCRB is able to operate effectively and engage with government. International community continues to support a reform agenda in Myanmar Administrative bodies have the capacity to absorb MCRB input. Rule of Law initiatives pursued by Development Partners are successful. Opportunities improve judicial remedy for abuse of human rights by business. Stakeholders have the time/resources and willingness to engage in dialogue. Civil society has freedom to operate and capacity to engage on sensitive aspects. The Myanmar National Human Rights Commission takes a more active and effective interest in business & human rights.
Impact	Contributing to...(a) local and foreign companies apply responsible business practices (respect); (b) state legal and policy frameworks, and practices are aligned with responsible business principles and (c) effective mechanisms, including dialogue between business and rights holders, are preventing and remedying adverse impacts of business	The state and all companies operating in Myanmar are willing to align their commitment and practices with international standards for responsible business

In the current framework, it is difficult to assess the degree to which the assumptions listed and the corresponding changes do occur, especially within a programme period of five years in a country such as Myanmar. This is a complex environment, where good governance, rule of law and democratic maturity are lacking, and where the business community runs from very small enterprises to state-managed companies, to global value chains.

In view of this, the planning framework used by MCRB, and the corresponding indicators, are lowering the threshold for success significantly. The evaluation finds that the current system encourages rather loose claims of attribution – although it should be pointed out, and this is quite important, that this affects a significant part of the programmes funded under official development assistance. There is clearly scope within the Centre to move to a higher level. The current lack of definition within the outcome and impact level, and the significant gaps in the tracking of assumptions, mean that any results achieved will be satisfactory from the point of view of this planning framework.

For instance, in 2013, the baseline for the impact: “Local and foreign companies apply responsible business practices” was zero as no companies applied such practices. The corresponding indicator is “Number of large local and foreign companies applying responsible business practices”. The indicator is not defining any targets, and the qualification “responsible business practices” seems to indicate that any practice (large or small) is a progress. Consequently, if just one company has applied some sort of responsible business practice (for example implement an anti-corruption programme or is transparent), then MRCB would be capable of claiming to be effective. The Evaluation acknowledges that the programme document operates with milestones for the outcome level and that these milestones provide an understanding of how the impact could be measured. However, they are still formulated as outcome milestones related to the outcome indicators and hardly qualifying the objective “responsible business practice”.

However, the evaluation also observes that the outcome “State, non-state and company judicial and non-judicial grievance mechanisms which are compatible with UNGPs are in place, being used and operating effectively” should be rephrased.

First, it is unclear what is meant by “state, non-state and company judicial grievance mechanism”. Second, the outputs, indicators and milestones are not really addressing judicial grievance mechanisms (courts or tribunals), but non-judicial grievance mechanisms (state-based or company based non-judicial mechanisms such as National Human Rights Institutions). The evaluators recommend the MCRB to reconsider whether to include reference to judicial grievance mechanism in order to have a more focussed approach (see Recommendations).

If the intention is to push for legislative reforms or contribute to drafting of policies or legislation, then this should be reflected under the outcome area “State actors adopt policies, regulations, and other instruments to protect workers and communities from adverse impacts of business and are influenced by MCRB in their development”.

The challenge of a linear model of planning and monitoring the results is recognised by the management of MCRB and its parent institutes, and called for alternatives to be proposed by the evaluation. This echoes much of the literature in evaluation, which concentrates on this school of thought (broadly called theory-based evaluation or contribution analysis – see Box 1) and on that of experimental methods.

One possible solution when evaluating the validity of the present ToC and the results chain, would be to focus on whether MCRB outputs result in outcomes that are measurable compared to the corresponding indicators and milestones. If that were the case, it would be more likely that MCRB would be able to track its contribution to an impact (and the impacts may even in some case even be largely attributable to MCRB). However, the evaluators would submit that such quantification of indicators would not cover the results areas of MCRB.

Box 1 Contribution Analysis

Contribution Analysis is an approach for assessing causal questions and inferring causality in real-life program evaluations. It offers a step-by-step approach designed to help managers, researchers, and policymakers arrive at conclusions about the contribution their program has made (or is currently making) to particular outcomes. The essential value of contribution analysis is that it offers an approach designed to reduce uncertainty about the contribution the intervention is making to the observed results through an increased understanding of why the observed results have occurred (or not!) and the roles played by the intervention and other internal and external factors.

Contribution analysis is particularly useful in situations where the programme is not experimental, i.e. not in trial projects but in situations where the programme has been funded on the basis of a relatively clearly articulated [theory of change](#) and where there is little or no scope for varying how the program is implemented. Contribution analysis helps to confirm or revise a theory of change; it is not intended to be used to surface or uncover and display a hitherto implicit or inexplicit theory of change. The report from a contribution analysis is not definitive proof, but rather provides evidence and a line of reasoning from which we can draw a plausible conclusion that, within some level of confidence, the program has made an important contribution to the documented results.”

Taken from https://www.betterevaluation.org/en/plan/approach/contribution_analysis

The indicators in the programme document for outcomes and outputs are linked to a variety of milestones. The indicators and milestones for outcome level are, unlike the indicators and milestones for the output level, generally both qualitative (e.g. be aligned with UNGP as a criterion or the character of the companies – large, medium, small) and quantitative (percentage or numbers).

Method adopted by this evaluation for the assessment of impact

The limitations of monitoring and evaluation originate for MCRB in the difficulty of evaluating initiatives concerning business and human rights in a fragile environment. Contrary to much international development cooperation work, the effects achieved by such initiatives may not be easy to predict, and are best when opportunistic, and unconstrained by strict planning frameworks.

The actions are hence highly contingent on the circumstances and the actors, and the themes of complexity theory are much more relevant than linear output-to-impact results chains. These themes include aspects of unpredictability, such as multiple feedback loops, and emergence. In contrast results-based planning and evaluations are often based on the original result plans, which is very challenging in a complex environment.

The approach adopted by the evaluation is to build on mapping workshops to clarify the context, and elicit key drivers, and create a systematic evidence base through three case studies. This introduces the context as the main frame of reference in identifying the attribution of effects to the activities of MCRB. The selected case studies were selected on the basis of the context mapping. A number of three were identified to constitute, in some ways, the most illustrative sample of the work of MCRB, allowing for generalisation.

The evaluation formulates a recommendation for a change in the monitoring system, which is based on the approach taken for this study. Two design methods were applied in the evaluation:

- identifying impact and highlighting attribution in the case studies.
- use of case studies for the analysis of all the variables covered by the evaluation questions.

The case studies were given a complete application of all the evaluation questions, and additional information was sought from non-case study material in the phase of the analysis,

when the emerging findings from the case studies were clear. The generalisation from the case studies to the whole of MCRB was done through a final debriefing workshop in Yangon, and one in Copenhagen, prior to the drafting of the report.

To apply a context mapping tool, it was important to define the key events and trends which the activities should influence. The evaluation assessed whether the outcomes achieved in terms of knowledge, capacity and advocacy, were well targeted at the critical conditions which determine the existence of these drivers and actors. In other words, the methodology used was to analyse how the outputs were able to influence some of the conditions that in turn influence the drivers the most. For example, the Pwint Thit Sa report triggered specific dynamics within the companies that scored highest. It is the reasons for such a reaction to the document which allow the evaluation to make a claim to causality of change.

The mapping method is a focus group approach, eliciting a limited number of nodes, captured on a visual map created by the group. It works through open narrative discussions with a wide range of stakeholders to elicit their perceptions of what has occurred in the past, and could occur in the future, combining a variety of perspectives into a visual scenario. These persons tell the story of the evolution of a particular crisis to two facilitators, who then transcribe it on the notes as events or trends which are placed on the sheets of paper on a wall.

The actual mapping operates by describing events and trends in post-it notes on large sheets of paper in front of the participants. As people name events and trends, these are placed on the sheet in relation to others. As the process evolves, lines are drawn between different trends and events, depicting lines of contribution: 'such an event increases the probability of such another'. Little by little, nodes appear around particular changes, which are then identified as Drivers. This was presented in the following manner:



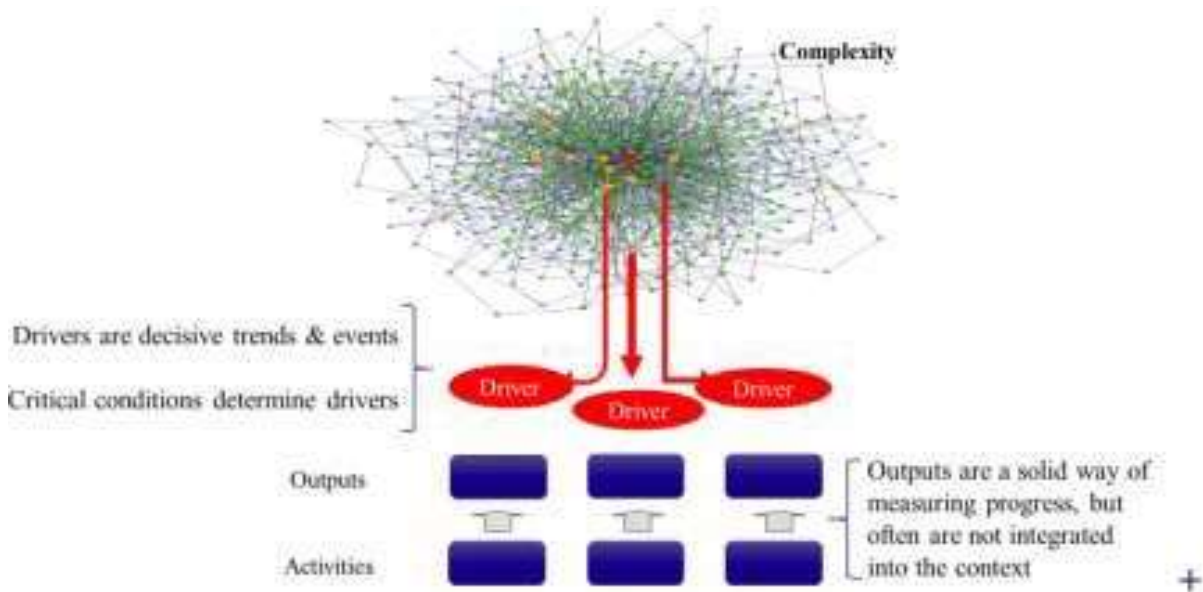
The fact that certain trends (for example the reduction of remittances from abroad) or events (for example an outbreak of local violence) are catalysts, or in our terminology 'drivers', is widely recognised by the participants. They are identified in this method by the number of arrows going into them, or out of them. Whether the factor is a cause or an effect is indifferent, as the main analytical point is that the event or trend is central to the evolution of the situation. To use a metaphor, it is that point in the current of a river where the concentration of water is such that a dam, or a narrowing of the channel, will create a change or an acceleration in the water-course.

The mapping complements the documentation provided by MCRB, as well as the semi-structured interviews. The two types, mapping and narrative analysis, when combined,

represent a valid representation of the context into which the performance of MCRB can be recognised.

The main advantage of the Events and Trends mapping method is that to avoid falling into the trap of projecting the evaluation team's thinking onto the situation, it instead captures a multi-narrative understanding. The stakeholders who participate in the focus group discussions may be, for example, diplomatic and aid officials in the capital, government administration personnel and journalists in the Provinces, as well as village populations in truly isolated areas, plus all forms of civil society. In this case only one workshop could be conducted, with the personnel of MCRB.

When one considers the juxtaposition of a complex environment, and the ability of singling out certain drivers and critical conditions, a simple analytical framework emerges which can be represented in the following manner:



Central to this performance assessment is defining the manner in which outputs (the blue boxes in the diagram) influence the critical conditions around key drivers and actors (the red ovals in the diagram). This step was not carried out by the present evaluation as it is an additional analytical step which was not required, and not allocated resources. This influence defines the impact of MCRB, which can be defined with a high degree of confidence from the use of case studies. It could be done in greater depth by using a method outlined in Appendix

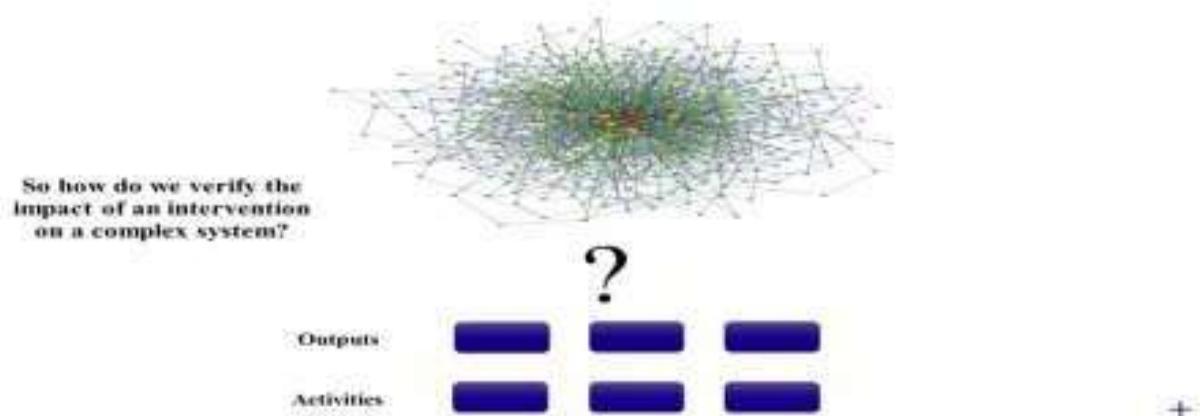
In the present evaluation three case studies were selected on the basis of the principal drivers:

- The use of social media accompanying the rapid growth of digital media and mobile phone usage. The case study was the conduct of five Sector Wide Impact Assessments (SWIA) with focus on the Information and Communications Technology SWIA.
- The importance of the regulatory context and its evolution from 2013 to 2018, reflected in the importance of clarification and enforcement. The case study covered efforts to conduct advocacy with the Government
- Strategic importance given by the Government to attract FDI: The case study was the national ranking of Myanmar companies' transparency "Pwint Thit Sa".

Appendix 4: Recommendations for a different performance assessment system

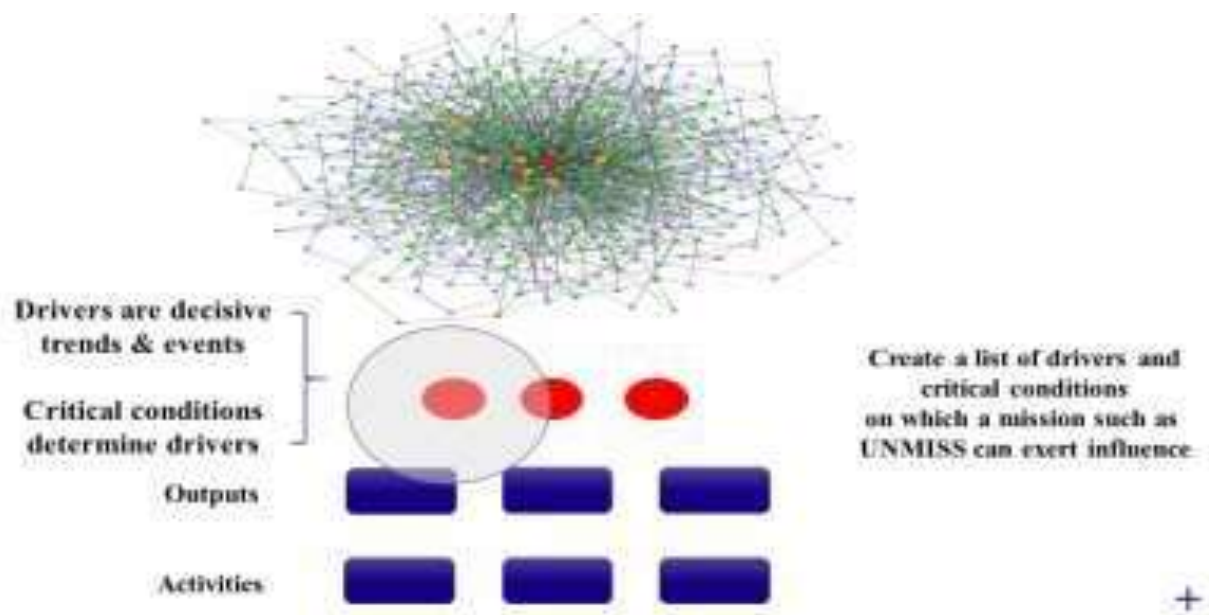
There is an alternative way for MCRB to conduct its planning, monitoring and evaluation processes, which does not rely on a linear logic of output to outcome and impact.

MCRB operates in a complex environment. Complexity does not allow the establishment of boundaries, but is characterized by the emergence of unforeseen developments, the importance of feedback loops, and the sheer opacity of processes of change. A particular approach is called for. The challenge can be represented as in the figure below:



The proposed approach places the frame of reference of the planning, and subsequent performance assessment, in the drivers of change. The assumption made by this approach is that it is very difficult to know whether a particular action can cause change in a complex environment. The optimal approach is to firstly identify the most decisive aspects of the complex system, the drivers, and then analyse how an action is influencing these. In this way it is possible to assess what impact it has.

The framing of the context should not merely identify the drivers of change, but also the critical conditions that surround these drivers. It may be possible, for example, **that a driver of change within a multinational company is the need to attract capital for the expansion of a project**. This may lead to the adoption of policies in social governance focusing at the higher levels of management, but these fail to take hold at the operational level. To fully achieve change it is also necessary to engage with the legal departments (for example in contract



clauses) and ensure that performance includes the adoption of new systems. **The critical conditions are both the high-level policy change and the management-level changes in specifications.**

This then allows linkages to be made between the complex system, and the individual outputs, without having recourse to hard-to-measure outcomes. This can be represented as in the figure above.

The analysis of the effect of the outputs on the critical conditions should be the object of a short narrative in a series of reports tracking different lines of action. It may be accompanied by the tracking of indicators selected either at the level of critical conditions (which is recommended, and can be assimilated to a particular understanding of outcomes) or of drivers (which is less reliable because other conditions may influence the drivers, over which MCRB has little control – this could be described as indicators of impact).

This process should result in assigning a specific score to that individual impact assessment, for example on a scale of four to denote the level of influence achieved by a particular initiative on the critical conditions around a driver. This is based on an analysis of that influence in terms of three criteria:

- **Relevance:** this denotes the degree to which an activity and its outputs is relevant to a particular condition, well targeted, and able to change the situation. This is manifested by the degree to which it is attractive or material to a particular target group.
- **Extent** (or coverage): this denotes the degree to which specific results address a significant percentage of the actors or factors affecting key drivers. This should be based on a mapping of the stakeholders, and whether any important category of them were neglected. This can be a segment of the general population, but is more often made up of organisations and individuals.
- **Duration** (combining timeliness, and sustainability): this denotes the time aspects of the influence, containing an analysis of the timing (are the election results ready on time?); the duration (was the system applied throughout the election cycle? Was it sustainable?); and in some cases, the repetition (for example was the vote-counting system checked every hour?), which ensures that its effect can be replicated over time.

An impact score can be attributed as a heuristic device as part of the impact assessment method. The impact scoring is based on the three criteria (relevance, extent and duration of the influence on the driver), which are scored on a scale of 4. The scale is used in the following manner:

1 = negligible influence;

2= marginal influence or influence on minor aspects of a driver;

3= average influence which justifies the resources used, and

4= strong influence.

This can be represented in the following table:

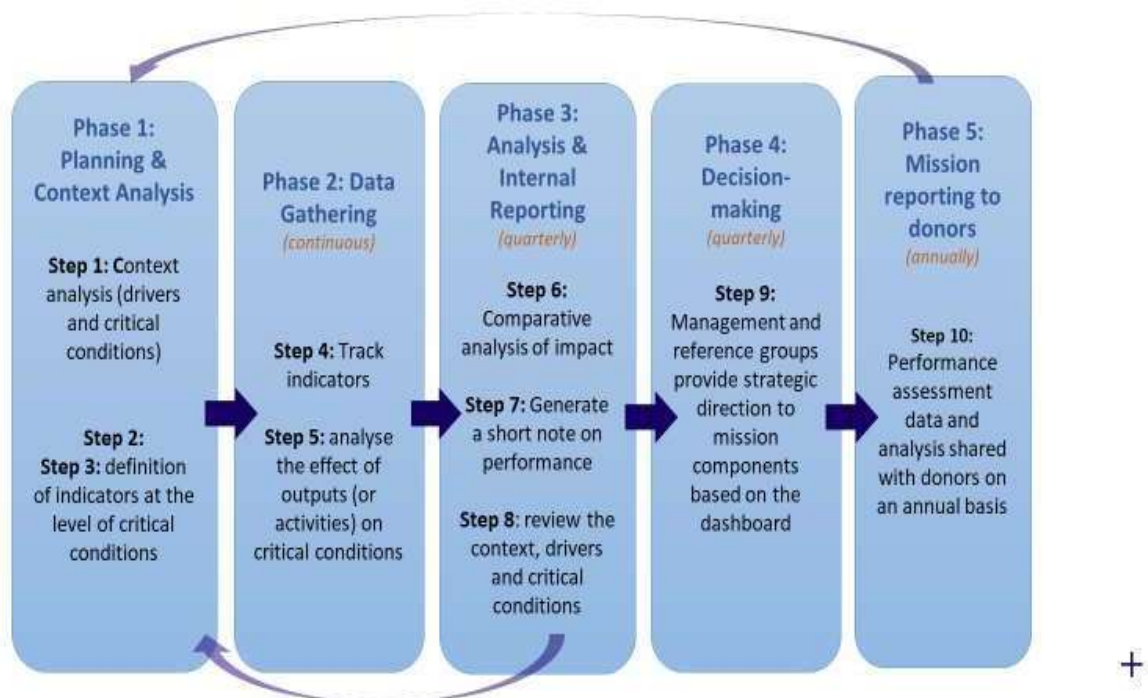
	Outcome Evaluation	Evidence Required
Relevance	Are the right outputs targeted at the affected community?	Describe the proximity and adequacy of outputs to decisive conditions for drivers.
Extent	What proportion of the affected community benefited?	Define the coverage according to size of population, and using detailed geographical information.
Duration	Was it timely, did it last long enough, and was it sustainable?	Timing, repetition, longevity, continuation of outcome after intervention.
Impact	How probable is it that an initiative has affected a driver?	Score Card approach where relevance, extent and duration are given a value of 1 to 4.

The assessment referent is the concept of transition driver, drawn from the institutions and communities with whom MCRB is in contact. The score for each impact is attributed by adding the scores attained for each of the criteria, which are themselves the result of a qualitative and closely argued assessment. The aggregation of results could then be done across different sectors, regions, or periods of time.

As part of the assessment process, a numerical value is given in order to facilitate the overall presentation of the assessment data, but it needs to be understood as a relative value, and it remains subject to interpretation and re-interpretation as more information becomes available.

The performance assessment should be dynamic, and lead to a revision of approach. As new drivers come into focus, as well as the corresponding critical conditions, there is a need to revise the way the activities and out- puts are implemented. It may require new lines of action. Consequently there should be a quarterly review at which there will be both a tracking of activities carried out, and a review of the context, leading to possible adjustments.

This can be represented as a ten-step process, as per the figure below:



This alternative approach, which can be called Effects Based Attribution, can have three advantages:

- It is highly compatible with the elaboration of a dashboard, either in Excel, or using existing digital tools.
- It is compatible with MCRB's adaptive approach, since the quarterly reviews take into account contextual developments.
- It can be transposed into terms that donors are used to, namely output, outcome and impact, but without the strictures of linear M&E.