What is Responsible Business?
တားဦးေသာ စီးပြားေရးဆိုတာဘာလဲ။

What are International Standards?
ႏုိင္ငံတကာ စံႏုန္းေတြကဘာေတြလဲ။

Myanmar Center for Responsible Business
ျမန္မာ့စီးပြားေရးက႑ တာှန္ယူမႈရွိေသာ အေထာက္အကူျပဳဌာန (MCRB)

www.myanmar-responsiblebusiness.org

အမွတ္ ဦးေဆးရံုအနီး
ဖျာ/ ဖက္(ဗိ) စီးပြားေရး
What is a ‘responsible business’?

“ဗုဒ္ဓသတ္တိ ဗိုလ်ချ်ပြိုင်းသောသူ”?

- MCRB defines ‘responsible business’ as ‘business activities that work for the long-term interests of Myanmar and all its people’.

- MCRB သို့မဟုတ် “ဗုဒ္ဓသတ္တိဆိုသောသူ ဗိုလ်ချ်ပြိုင်းသောသူ”

- However there is no single international definition of a ‘responsible business’ or responsible company.

- ဗုဒ္ဓသတ္တိ “ဗုဒ္ဓသတ္တိဆိုသောသူ ဗိုလ်ချ်ပြိုင်းသောသူ” (အုပ်) ကြာရက်မှာ ဗိုလ်ချ်ပြိုင်းသောသူ ဗုဒ္ဓသတ္တိ
What does a ‘responsible business’ do?

- Respects human rights ရေးရာမှုသူများကို အားရောက်စေသည်
- Respects its employees ထိန်းသိမ်းသူများကို အားရောက်စေသည်
- Respects the environment တိုက်ရိုက်ချရာများကို အားရောက်စေသည်
- Obeys the law မြင်ရာမှုကို ဆိုပြန်စေသည်
- Doesn’t pay bribes or tea money လိုဏ်ကြောင်း အိမ်ရော်များကို အားရောက်စေသည်
- Pays its taxes အခြေစိုက်ဆောင်သည်
- Treats other businesses responsibly အခြေခံ့များကို ထိန်းသိမ်းသည်
- Treats its customers responsibly ဝါကျောင်းသူများကို ထိန်းသိမ်းသည်
- Transparent ပြင်းလှစ်သော်လည်း
- Responds to and engages with stakeholders အကြောင်းပြောဆိုရင် ပြင်ဆင်ဆောင်ရွက်သည်
What is Corporate Social Responsibility?

“Corporate social responsibility encompasses not only what companies do with their profits, but also how they make them. It goes beyond philanthropy and compliance and addresses how companies manage their economic, social, and environmental impacts, as well as their relationships in all key spheres of influence: the workplace, the marketplace, the supply chain, the community, and the public policy realm.”
What are the international standards?

ဗိုလ်ဗားသောအခြေခံစာရင်းများကို ဘာလဲ။
UN Guiding Principles on Business and Human Rights

State duty to protect

- Policies
- Regulation
- Adjudication

Corporate responsibility to respect

- Act with due diligence to avoid infringement
- Address impacts

Access to remedy

- Effective access for victims
- Judicial and non-judicial
Pillar I: State Duty: Regulatory and Policy Functions

- Enforcement  ဗိုလ်ချုပ်ထိုးခြင်းအဖွဲ့
- Law and policy coherence ဥပဒိန်ကြောင်း ဆိုင်ရာအဖွဲ့
- Guidance လမ်းညွှန်
- Business reporting စီးပြားဌာနအဖွဲ့
Pillar II: Corporate responsibility to respect human rights

- **Scope**: all rights
- Do not infringe, and address impacts
- Avoid causing/contributing + prevent/mitigate negative impacts by business relationships
- Applies to all companies
- Policies and processes
- The starting point is a policy commitment
Businesses should be proactive: know and show

Human rights due diligence:
identify, prevent, mitigate and
account for how impacts are
addressed

- **Assess impacts**
- **Integrate** and act on findings
- **Track** responses
- **Communicate** impacts
Pillar III: Access to remedy

As part of duty to protect, States must take steps to ensure access to effective remedy for business-related abuse within their territory/jurisdiction.

- judicial ဗိုလ်ချုပ်ကိုယ်စားလှမ်းခြင်း
- administrative စီမံခန့်ခွဲခြင်း
- legislative ဗိုလ်ချုပ်ကိုယ်စားလှမ်းခြင်း
- or other appropriate means ချိုးရွေးချယ်ခြင်း
Key features of UN Guiding Principles

- All States
- All companies, of all sizes, in every sector, in any country
- All internationally recognized human rights
- No new legal obligations – but elaborate on implications of existing obligations and practices
- Respecting human rights involves meaningful engagement
Company grievance mechanism effectiveness criteria
ကူညီပေးရေးနှင့် စီးပွားရေးစို့၍ပြုလုပ်ခြင်း:

- Legitimate? သတင်းတွင်မှာပြတ်သတ်မပါ။
- Accessible? မီးမီးသွားမှပါ။
- Predictable? ချင်းချင်းပြန်လည်ချင်း?
- Fair? ဟူပါစေ?
- Transparent? ကြယ်ဝှမ်းမပါ။
- Rights-compatible? အခြင်းအရာများဖြင့်လျော်သောဟု?
- Dialogue and engagement? ဆောင်းချိန်နှင့် ဆောင်းချိန်ကြည့်ရှုခြင်း?
Some other international standards

- UN Global Compact
- OECD Guidelines for Multinational Enterprises
- Other Initiatives
The UN Global Compact....
There are 109 participants from Myanmar as of 31st Oct, 2014

<table>
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<tr>
<th>Name</th>
<th>Type</th>
<th>Sector</th>
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The UN Global Compact....

......asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of:

Human Rights
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

Labour
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labour;
Principle 5: the effective abolition of child labour; and

Environment
Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti Corruption
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery
The UN Global Compact….
OECD Guidelines for Multinational Enterprises (MNEs)

- Organisation for Economic Cooperation and Development (Paris)
- Most comprehensive set of guidelines for Responsible Business Conduct (RBC)
- All areas of corporate responsibility (labour, human rights, environment, corruption, taxation, etc.)
- Government backed recommendations for business
- **Binding for governments**, voluntary for MNE’s
- 45 Adherents, including non-OECD members
- **Unique implementation mechanism** (mediation by National Contact Points)

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OECD

**BETTER POLICIES FOR BETTER LIVES**
OECD Guidelines – what’s included?

1. Concepts and Principles
2. General policies
3. Disclosure
4. Human Rights
5. Employment and industrial relations
6. Environment
7. Combating bribery
8. Consumer interests
9. Science and technology
10. Competition
11. Taxation

No other corporate responsibility instrument covers these issues

If needed: National Contact Point Mediation
ISO 26000

- Provides guidelines for socially responsible behavior and possible actions
- Released 2010 by the International Organization for Standardization (ISO)
- Unlike other ISO standards, it does not contain requirements and therefore is not certifiable.
- Companies can use it as a guide to integrate social responsibility into their practice
ISO 26000 Core Subjects are:

- Organizational governance
- Human rights
- Labour practices
- The environment
- Fair operating practices
- Consumer issues
- Community involvement and development
A small selection of sector-specific initiatives and guidelines......
Alliance of companies, trade unions and voluntary organisations: multistakeholder

• Companies are in food, and general merchandise sectors (e.g. garments, furnishings, gifts)

• ‘Ethical trade’: retailers, brands and their suppliers take responsibility for improving the working conditions of the people who make the products they sell.

• ETI member Companies adopt a Base Code of labour practice that they expect all their suppliers to work towards

http://www.ethicaltrade.org
Ethical Trading Initiative members

- Global companies with thousands of suppliers, international trade union bodies, specialised labour rights organisations and development charities.

- Combined turnover of over £166bn, company members include supermarkets, fashion retailers, department stores and stone sourcing companies, as well as major suppliers to retailers of food and drink, flowers, clothing, shoes, homeware, promotional and other products.
The Ethical Trading Initiative Base Code

1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labour shall not be used
5. Living wages are paid
6. Working hours are not excessive
7. No discrimination is practised
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed
Two multistakeholder initiatives in the extractives industries

Multistakeholder = Government–business–NGOs
1. You are not alone... there have been other companies in similar circumstances that have addressed same issues
   ◦ Come up with acceptable standards together
   ◦ Use these standards & guidance as a reference point to help you understand these issues

2. These international standards provide a neutral framework
   Based on international law → so all referring back to the same sources
   Do not correspond to a political or national agenda – beyond improving responsible business
Key Take Away Points

3. Increasing demand for companies to demonstrate that they know about and apply international standards
   ◦ Business partners, consumers, regulators, stock exchanges

4. Meeting these standards will improve credibility
   “Complying with national law” in Myanmar may not be enough
     Weak national framework of laws & enforcement --
What Do Policies Have to Do with This?

✓ Demonstrates leadership (competition)

✓ Employees need direction to put their hand up and take action (guidance)

✓ Policy development provides a reason for engaging people inside and outside the company (buy-in)

✓ Ready to respond if incident/emergency (preparedness)

✓ Ready to respond if business partner asks (opportunity)