RESPONSIBLE BUSINESS OR CSR?

MCRB encourages companies to focus on ‘Responsible Business Conduct’ (RBC). This includes:

- Obeying the law
- Respecting human rights
- Having a commitment to avoiding corruption and not paying bribes or tea money
- Paying taxes
- Respecting its employees
- Respecting the environment
- Treating other businesses responsibly
- Treating its customers responsibly
- Being transparent
- Responding to and engaging with stakeholders

The OECD Guidelines for Multinational Enterprises on RBC, the UN Guiding Principles on Human Rights, and the UN Global Compact are important reference points.

Because the term Corporate Social Responsibility (CSR) is understood in different ways, MCRB generally tries to avoid using it. In Asia, including Myanmar, CSR is often understood as philanthropy unconnected to the core business. The EU, however, defines CSR more widely as ‘the responsibility of enterprises for their impacts on society’ – something which incorporates responsible business conduct. While the priority for a company should be to ‘do no harm’, responsible businesses can ‘go beyond’ this. They can make their businesses more ‘sustainable’ for example by reducing water, energy or material usage. They can ‘create shared value’ (CSV) by developing business strategies, products and investments that simultaneously contribute to the ‘bottom line’ (i.e. profit) and social needs.

Companies should also ensure that their philanthropic activity and humanitarian relief, whether contributed directly or through Foundations, does no harm, respects human rights and does not contribute to corruption.

BACKGROUND

The Myanmar Centre for Responsible Business (MCRB) is a Myanmar-based initiative, established in 2013, and currently funded by the UK, Norway, Switzerland, Netherlands and Ireland, based on a collaboration between the UK-based Institute of Human Rights and Business, and the Danish Institute for Human Rights.

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**PWINT THIT SA**

_Pwint Thit Sa_, also known as _Transparency in Myanmar Enterprises (TiME)_ assesses information disclosure on Myanmar company websites. It is intended to encourage corporate governance and transparency to support Myanmar’s achievement of Sustainable Development Goal (SDG) 16.

For the fourth _Pwint Thit Sa_ report in 2018, MCRB changed the assessment to base it on the ASEAN Corporate Governance Scorecard (ACGS) which is widely used in the region. The scorecard incorporates 59 of the most relevant criteria from the ASEAN CG Scorecard together with a further 15 _Pwint Thit Sa_ criteria, relating to global sustainability reporting standards, making 74 criteria in total. Five dimensions – corporate culture, corporate governance, sustainability management, communication and reporting - were assessed for 182 companies, including all those listed on Yangon Stock Exchange, large ‘public’ companies, and large or influential privately owned companies. A similar approach will be pursued for the 2019 report, again in partnership with Yever, a Myanmar business consultancy.

Companies not falling into these categories can volunteer to be benchmarked through the ‘mini- _Pwint Thit Sa_’ process. Details of this can be found on the MCRB website, together with _Pwint Thit Sa_ reports from 2014, 2015, 2016 and 2018.

**MAIN ACTIVITIES**

MCRB aims to provide a trusted and impartial platform for the creation of knowledge, building of capacity, undertaking of advocacy and promotion of dialogue amongst businesses, civil society, governments, experts and other stakeholders with the objective of encouraging responsible business conduct throughout Myanmar.

MCRB has undertaken field-based research on a variety of sectors and published reports (see Sector-Wide Impact Assessments). It has researched the policy and legal framework and practice concerning significant issues for human rights due diligence in Myanmar. These include land, children’s rights, Indigenous Peoples, discrimination – particularly on grounds of disability - and biodiversity. Briefing Papers, targeted at businesses investing in Myanmar, have been published to assist them in human rights due diligence in line with the UN Guiding Principles on Business and Human Rights (UNGPs), and Myanmar requirements for assessing and managing environmental and social impacts.

All information is shared freely and publicly, including on our website; MCRB does not undertake consultancy services, whether for companies or others. Based on research findings and associated recommendations, MCRB undertakes advocacy towards government, parliament, business and other stakeholders. Alone, and in partnership with others, MCRB regularly hosts peer-to-peer and multistakeholder discussions with government, business and civil society groups.

**SECTOR-WIDE IMPACT ASSESSMENTS**

Sector-Wide Impact Assessments (SWIA) build on well-established processes and procedures of environmental impact assessments (EIA) and social impact assessments (SIA) as well as human rights impact assessments (HRIA) that are grounded in the EIA/SIA methodologies but look at potential impacts through the prism of human rights.

Existing impact assessment approaches are used to understand the potential impacts of specific projects at particular sites in order to prevent or mitigate negative impacts as a project is designed and developed. The SWIA process builds on these methodologies, but instead of being project specific, takes a broader, forward-looking approach to potential investments from local or foreign businesses. Each SWIA looks at the impacts an entire business sector can have on society, with a particular focus on human rights. They are public documents, unlike many project-based impact assessments, and intended to inform individual impact assessments undertaken by companies.

MCRB has conducted SWIAs on the Oil and Gas Sector (2014), Tourism (2015), ICT (2015), Mining (2018) and is working on a SWIA on the Oil Palm sector in Tanintharyi. These sectors were chosen according to their relevance to Myanmar’s economic development, their potential impacts, and the cross-cutting issues they raise of interest to other sectors. All reports are available on our website.