



## Responsible Supply Chains in Asia – Myanmar

Global supply chains have rapidly expanded in recent decades. They are an integral feature of international production, trade and investment, and contribute to economic growth, job creation and poverty reduction. Myanmar's participation in global supply chains, including those within Asia, has significantly increased since the economy has opened up.

The Responsible Supply Chains in Asia programme aims to support decent work and environmental governance through promoting responsible business practices in the operations of enterprises, including multinational enterprises, and their supply chains.

The programme in Myanmar aims to support the implementation of responsible business and labour practices, increase understanding of the benefits of due diligence in supply chains and boost the reputation of Myanmar as a responsible sourcing destination, to encourage international investment and further open access to international markets.

## Responsible Business Practices in Myanmar

Currently, Myanmar has a young institutional framework to support the implementation and promotion of responsible businesses practices. The social obligations of business over and above existing labour law is not yet well defined. While the agricultural and fisheries industries are big employers, they are characterised by informal labour and labour practices that do not always align with international standards and guidelines on working conditions and the environment.

### About the Programme

The programme is a partnership between the European Union (EU), the International Labour Organization (ILO) and the Organisation for Economic Co-operation and Development (OECD), with 9 million EUR funding by the European Union, that works with partners in Asia to promote respect for human rights, including labour rights, and responsible business standards in global supply chains.

The three year programme (2018-2020) in Myanmar has two broad objectives:

- promote smart, sustainable and inclusive growth by ensuring that investors and businesses have a better understanding of internationally accepted responsible business practices.
- support an enabling policy environment conducive to promoting responsible business conduct and increase opportunities for dialogue.

## The Programme in action

The programme in Myanmar is making an impact in a number of areas, including through:

- **Organising dialogues to raise awareness** on international labour standard guidelines with trade unions, government institutions, businesses and factory workers in Yangon and Ayeyarwady regions
- **Providing support to government institutions** including the Department of Agriculture, Directorate for Investment and Company Administration, Myanmar Investment Commission, the Management of Special Economic Zones (SEZ), and Ministry of Labour to identify concrete areas for collaboration.
- **Implementing joint training** with the Training and Human Resource Development Department of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) and regional chambers of commerce in order to increase understanding and support for responsible businesses conduct among their members
- **Promoting policy coherence**, including by integrating responsible business conduct in the investment policy review as requested by the Myanmar government.
- **Supporting better business practices** in the agricultural supply chain in Southeast Asia through a dedicated pilot project to implement the OECD-FAO Guidance for Responsible Agricultural Supply Chains.

### Who benefits?

The programme aims to directly improve the understanding and knowledge of businesses and workers' representatives to boost the welfare of workers in these key industries. Consumers enjoying products made in a responsible and ethical manner also profit, as will citizens living in communities that value environmental protection and respect for human rights. Companies will benefit from increased productivity, new competitive advantages, access to new markets and sustainable growth.

### Target sectors

In Myanmar, the programme focuses on the **seafood and agriculture** sectors, both of which are large employers and important potential contributors to Myanmar's export economy.



Seafood



Agriculture

## A unique collaboration

The programme represents the first time that the ILO, OECD and the EU have joined forces to promote responsible supply chains on a regional scale. Each organisation contributes their expertise and tools to the programme.

### International Labour Organization (ILO)

The UN's first specialised agency, the ILO brings together governments, employers and workers of 187 member states, to set labour standards, develop policies and devise programmes promoting decent work and social justice for all women and men.

### Organisation for Economic Co-operation and Development (OECD)

The OECD is an intergovernmental organisation with a mission to promote better policies for better lives of people around the world. Its member countries span the globe and include many of the world's advanced and emerging economies. The goal of the OECD is to build a stronger, cleaner and fairer world.

### European Union (EU)

This initiative is a part of the EU's long-standing commitment to promote human rights, decent work and sustainable development, a pledge underpinned by EU Treaties and reinforced in the European Commission's trade policy strategy of 2015 "Trade for All", under the Commission's commitment to identify opportunities for responsible supply chain partnerships.



ILO



OECD



EU

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