

***Human Rights Policy - best practice workshop***

***Which Human Rights are relevant to business***

***Hnin Wut Yee, Program and Outreach Manager, Myanmar Centre for Responsible Business***

မြန်မာ့စီးပွားရေးကဏ္ဍ တာဝန်ယူမှုရှိရေး အထောက်အကူပြုဌာန (MCRB)

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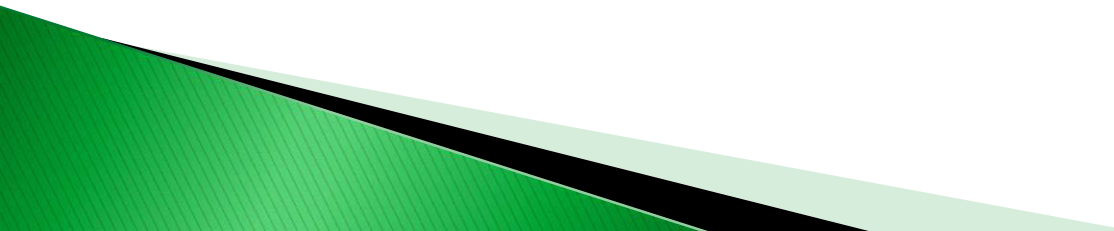
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# Which Human Rights are relevant to business

- ▶ What are Human Rights?
  - ▶ Human Rights and Business Link?
  - ▶ What is a Business Case?
- 

# What are Human Rights?

- ▶ Universal rights for all human beings= "rights holders"
  - ▶ Freedom and Human dignity
  - ▶ Without discrimination as to race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.
  - ▶ Protected in international Conventions ratified by States
  - ▶ State is responsible for protecting the rights of its people = main "duty bearer"
  - ▶ Individuals and others organs of society including business also have to respect rights of others
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# EXAMPLES OF HUMAN RIGHTS

Economic, social and cultural rights	စီးပွားရေး၊ လူမှုရေး နှင့် ယဉ်ကျေးမှု ဆိုင်ရာ အခွင့်အရေးများ
Right to housing, food, water	လုံလောက်သော အိမ်ရာနေထိုင်မှု။ အစားအစာရရှိမှု။ ရေ ရရှိမှု
Right to non-discrimination and equality	ခွဲခြားဆက်ဆံခံရမှုများမှ လွတ်မြောက်ခြင်း နှင့်ညီမျှမှု
Right to rest and leisure	အနားယူ အပန်းဖြေ ပိုင်ခွင့်
Right to a family life	မိသားစုဘဝ ရပိုင်ခွင့်
Right to education	ပညာသင်ကြား ပိုင်ခွင့်
Right to freely participate in the cultural life of the community	ယဉ်ကျေးမှု၊ ရိုးရာဓလေ့ နှင့်ဆိုင်သော အလေ့အထများတွင်ပါဝင်ခွင့်ရရှိမှု
Right to work – just and favourable conditions at work	သင့်တင့်မှုတူမှုရှိသော၊ ဘေးကင်းလုံခြုံသော လုပ်ငန်းခွင်အခြေအနေ၌ အလုပ်လုပ်ပိုင်ခွင့်
Core labour standards	အဓိက အလုပ်သမား အခွင့်အရေးများ
Freedom from child labour	ကလေးအလုပ်သမား ပပျောက်ရေး
Freedom from discrimination in employment/occupation	အလုပ်ခန့်ထားမှုနှင့် လုပ်ငန်းခွင်ဆိုင်ရာ ခွဲခြားဆက်ဆံခံရမှုများမှ လွတ်မြောက်ခြင်း
Freedom of association and collective bargaining	လွတ်လပ်စွာအသင်းအပင်းဖွဲ့စည်းခွင့်နှင့် မိမိအခွင့်အရေးကိုစုပေါင်းစေ့စပ်ပြောဆို၍ သဘောတူညီမှုကို ရယူပိုင်ခွင့်
Freedom from forced or compulsory labour	

# EXAMPLES OF HUMAN RIGHTS

Civil and political rights	နိုင်ငံသား အခွင့်အရေး
Right to life, liberty and security of person	အသက်ရှင်ရပ်တည်ခွင့်၊ လွတ်လပ်ခွင့်နှင့် လုံခြုံမှုရှိခွင့်
Right to non-discrimination and equality	ခွဲခြားဆက်ဆံခံရမှုများမှ လွတ်မြောက်ခြင်း နှင့်ညီမျှမှု
Freedom from torture or cruel, inhuman or degrading treatment or punishment	ညှင်းပန်းနှိပ်စက်ခံရမှု (သို့) နှိမ်ချဆက်ဆံခံရမှု (သို့) အပြစ်ဒဏ်ပေးခံရမှုများ မှ လွတ်မြောက်မှု
Right to an effective remedy	ထိရောက်သော ကုစားမှု ရပိုင်ခွင့်
Freedom from arbitrary arrest, detention or exile	မတရား ဖမ်းဆီး ချုပ်နှောင် ခံရမှု၊ နှင့် တိုင်းတပါး၌ ခိုလှုံခြင်းမှ လွတ်မြောက်မှု
Right to a fair trial	တရားမျှတသော ဥပဒေရဲ့ အကူအညီကိုရရှိပိုင်ခွင့်
Right to privacy	မိမိ ကိုယ်ပိုင်ဘဝ ရပိုင်ခွင့်
Right to own property	ပစ္စည်း၊ ဥစ္စာပိုင်ဆိုင်ခွင့်
Right to freedom of thought, conscience and religion	လွတ်လပ်စွာ တွေးခေါ်နိုင်ခွင့်၊ ဖော်ပြနိုင်ခွင့်၊ ကိုးကွယ်နိုင်ခွင့်
Right to be free from slavery	မတရားခိုင်းစေခံရမှုနှင့် ကျွန်ပြုခံရခြင်းတို့မှ လွတ်မြောက်ခြင်း

Specific standards	
Indigenous Peoples' Rights	ဌာနီတိုင်းရင်းသား အခွင့်အရေးများ
Children's rights	ကလေး အခွင့်အရေးများ
Women's Rights	အမျိုးသမီး အခွင့်အရေးများ
Peoples with disabilities	မသန်စွမ်း အခွင့်အရေးများ
Migrant workers	ရွှေ့ပြောင်း အလုပ်သမား အခွင့်အရေးများ

- ▶ **Principle 1 : Businesses should support and respect internationally proclaimed human rights.**
- ▶ **Principle 2 : Businesses should ensure that they are not complicit in human rights abuses**

- ▶ အခြေခံမူ ၁- စီးပွားရေးလုပ်ငန်းများသည် နိုင်ငံတကာက လက်ခံသဘောတူထားသည့် လူ့အခွင့်အရေးကာကွယ်စောင့်ရှောက်မှုများ ကို လေးစားလိုက်နာပြီး အထောက်အပံ့ပြုရမည်။
- ▶ အခြေခံမူ ၂- လူ့အခွင့်အရေးချိုးဖောက်မှုများတွင် မိမိတို့ပါဝင်ပတ်သက်မှုမရှိမစေရ။



- ▶ Can you think of ways in which companies can be involved in human rights?
  - Positively and negatively
  - In the workplace
  - Outside the workplace
  - Directly
  - Through their business relationships

- ▶ လူ့အခွင့်အရေးတွင် ကုမ္ပဏီများပါဝင်ပက်သက်နိုင်မည့် နည်းလမ်းများကို စဉ်းစားပါ။
  - အပေါင်းလက္ခဏာဆောင်စွာနှင့် အနုတ်လက္ခဏာဆောင်စွာ။
  - လုပ်ငန်းခွင်တွင်
  - လုပ်ငန်းခွင်ပြင်ပတွင်
  - တိုက်ရိုက်အားဖြင့်
  - မိမိတို့၏ စီးပွားရေးလုပ်ငန်းအဆက်အသွယ်များမှတစ်ဆင့်

## SOME EXAMPLES: POSITIVE CONTRIBUTION TO HUMAN RIGHTS

- ▶ Company provides employment and fair wages to workers  
= supports right to work, to adequate standard of living
- ▶ Company provides health care for its workers  
= contributes to the right to health
- ▶ A company informs the community about a new project and seeks the views of the community  
= respects the right to information and participation
- ▶ A company produces and sells organically grown food at an accessible price to consumers  
= supports right to food, right to health, right to a healthy environment
- ▶ A company provides internet cheap access  
= enables the right to information, right to participation

## SOME **NEGATIVE** EXAMPLES: DIRECT INVOLVEMENT

- ▶ Company does not hire young women in age of having children  
= **Discrimination against women, violation of the right to work**
- ▶ Company terminates contract of trade union representatives for organizing or participating in union activities  
= **violation of the right to freedom of association**
- ▶ Company destroys informal settlement close to its factory  
= **violation of the right to housing**
- ▶ Company's waste water pollutes farmland  
= **violation of the right to food**
- ▶ Company sells unsafe food products to consumers  
= **violation of the right to health**

## SOME NEGATIVE EXAMPLES OF INDIRECT INVOLVEMENT

- ▶ Mining company contracts private security guards who sexually harass women of the community  
= linked to violation of right to personal security, women's rights
- ▶ Internet company provides government with private messages political opponents send on email which leads to their arrest  
= complicit in violation of freedom of thoughts, expression, arbitrary arrest
- ▶ Garment company buys fabric from a supplier who uses child labour  
= linked to violations of children rights
- ▶ Manufacturing company hires another company to transport its goods and imposes very short time to deliver its products : drivers have excessive hours, too little rest, and cause accidents  
= contribution to violation of decent work and right to security/life

# What is a business case?

- ▶ an action is in business best interest
  - Business is mostly about return for investments
  - Business case looks at both opportunities and risks of an action or non-action
  - Short term costs and long term benefits
  - SMEs not only profit-driven: ethical values also important

# 1. Reduce costs and increase efficiency

Responsible business can be a "win-win situation"

Example: Health and Safety

Actions	Costs	Result	Benefits for business	Benefits for society
Equipment and training of workers on safety	Cost of personal protective equipment  Cost of training workers and management about safety procedures	Reduce safety incidents and accidents	Less financial losses due to disruption of production  Safe and healthy workforce  Increase workers trust towards management	Less injuries/deaths  Better situation for workers and their families

# 1. Reduce costs and increase efficiency

## Example: Reduction of energy consumption

Actions	Costs incurred	Result	Benefits for business	Benefits for society
Change lamp bulbs in factory to energy-saving lamps	Cost of new lamp bulbs	Electricity consumption reduced	Reduce energy costs	Electricity is a scarce resource
Reduce volume of packaging of products	Cost of rethinking packaging	Reduced volume of plastic/paper	Reduce costs for packaging  Encourage innovation	Less waste to manage



## 2. Increase business efficiency

Improve working conditions : *"Companies who attract the best people perform the best"*

Action	Costs	Results	Benefits for business	Benefits for society
Better wages	Higher costs	Workers get a fair wage	Retain and attract good workers Reduce costs of turnover and recruitment	Socio-economic conditions improve
Reduce working hours and overtime	Immediate cost?	Workers get more rest	Less incidents due to fatigue Workers are more productive	Better life/work balance
Skills development	Cost of training for workers	Workers more qualified	Higher productivity Innovation	Increased education
Social dialogue	None	Workers and management discuss workplace issues together	Prevent conflicts/disruptions Workforce suggests improvements Motivated and engaged workers deliver better	Workers feel respected

# Example of European SME: Euroquimica

Euroquimica, small village in Spain

- 100+ workers, Chemical sector

## 1. Responsible towards workers

- ▶ Workers own stock in company
- ▶ Labour training policy
- ▶ Workers' suggestions encouraged
- ▶ Flexible time schedules
- ▶ Equal opportunities for vulnerable people
- ▶ Punctual payment

## 2. Responsible towards customers/suppliers

- ▶ Quality products
- ▶ Long-term and trusted relationships
- ▶ Paying on time

# Example: European SME

## Impacts of CSR activities



### **Good image /reputation**

- among workers and families
- among customers
- in local community /public authorities

### **Motivation for employees**

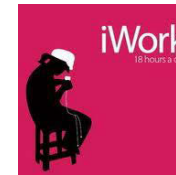


- Involvement in development of company
- Increased performance
- Profit distribution

Euroquimica has received CSR awards in Spain

## 2. Doing business with multinational companies

- ▶ Myanmar integrating into global economy: **many opportunities** for Myanmar companies
- ▶ Multinational companies who have experienced bad practices know that this hurts their business
- ▶ High attention on business in Myanmar
  - Myanmar and global Civil society
  - Governments: US reporting requirements
  - Myanmar government wants responsible foreign investments



## 2. Doing business with multinational companies

- ▶ Suppliers and partners requested to comply with environmental and social criteria
- ▶ Auditing and corrective measures
- ▶ Control extends beyond direct contractors: second tier suppliers and subcontractors



# Case study: MAS in Sri Lanka

- ▶ Sri Lanka small apparel manufacturer in mid-80s: 40 sewing machines
- ▶ Hurt by textile trade liberalisation
- ▶ Sri Lanka labour relatively expensive
- ▶ Looked for new opportunities
- ▶ In rural area: going to workers rather than attracting labour
- ▶ Anticipated the move by global brands towards sustainability

## 1. **Good labour standards**

2. **Workers benefits:** transport, meals, healthcare, managers and workers in same canteen

3. **Workers education:** women empowerment programme



Low turnover



Talented workers and future managers



Contracts and strategic partner with global retailers/brands

### 3. "Social licence to operate"

- ▶ Risks of disturbances and shutdowns
- ▶ Cost of conflicts: very high
- ▶ Consult community on a project
- ▶ Prevent/ mitigate negative impact on land and environment
- ▶ Discuss expectations of community



**Costs of Company-Community Conflict in the  
Extractive Sector**

# Example : the Letpadaung mining project

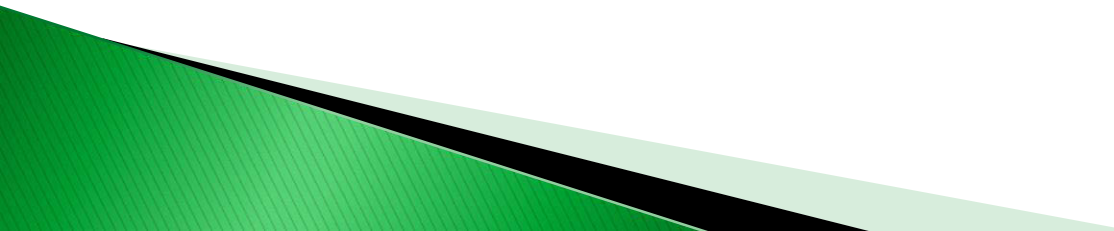
Open pit copper mine near Monywa, Operated by Myanmar Wanbao Mining Copper Limited (MWMCL)

- ▶ Concerns of local community over land and environment were not listened to
- ▶ Increasing protests against project
- ▶ Violence and arrests as a response
- ▶ Attention from national and international media and civil society
- ▶ Investigation committee established
- ▶ Government suspended project for almost a year
- ▶ Environmental and Social Impact Assessment
- ▶ Ongoing protests





## 4. Conform to or anticipate new legal/moral requirements

- ▶ Reform process: Many Myanmar laws being revised
  - ▶ Expectation of strengthened legal framework to align with international standards
    - Environmental protection
    - Child labour: 13 years in Myanmar/ internationally 15 years old
    - Labour standards
- 

# Example: Employers' association addressing child labour in Moldova

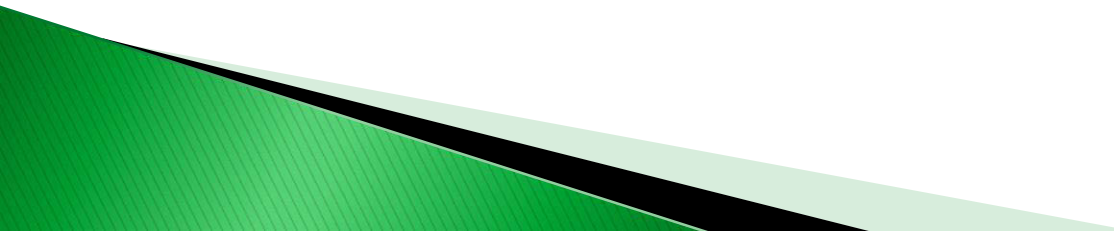
- ▶ National Federation of Employers in Agriculture and Food industry in Moldova
- ▶ Objective: change attitude of employers
- ▶ Child labour = violation of the law and international standards
- ▶ Child labour = low education will lead to lack of skilled workers in the future: an impediment to modernization of agriculture
- ▶ Drafted a code of conduct which was discussed with employers and social partners
- ▶ A promotional campaign: 700 entrepreneurs participating
- ▶ Monitoring team established



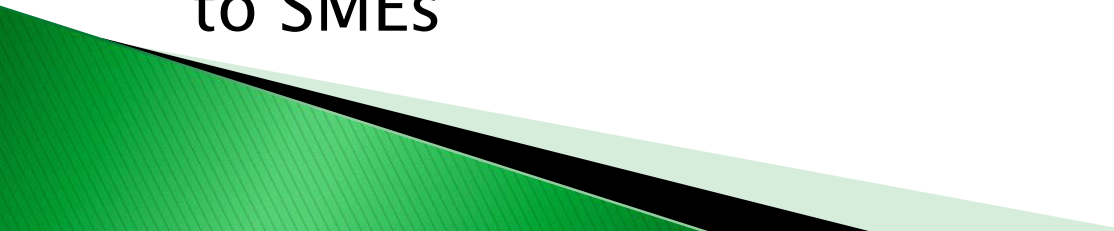
**Positively influenced employers**



# Example: addressing child labour in Azerbaijan

- ▶ Azersun Holding: manufacture and sell of agricultural products
  - ▶ Banning child labour is not enough
  - ▶ Poverty, unemployment, domestic problems, not attending school: contributing to child labour
  - ▶ 2 groups of working children
  - ▶ Support to children through **2 local NGOs**
  - ▶ Awareness amongst children on future opportunities
  - ▶ Need for dialogue with government, communities, employers
- 

## 5. Access to customers, consumers and capital

- ▶ Reputation : Consumers will become more and more sensitive to environmental and social quality of products and services
  - ▶ New business opportunities for responsible business
  - ▶ Investors look at risks and sustainability before investing money
  - ▶ International Development Support programmes to SMEs
- 

# Example: Chinese eggs

- ▶ Deqingyuan
- ▶ Small start-up near Beijing (2000)
- ▶ Low quality chicken industry in China
- ▶ Business idea: selling a quality egg in Beijing
  - good quality feed, adequate cage size, less antibiotics
  - Protection of workers: equipment, health care
  - Waste management, energy conservation, rainwater collection
  - Fertilizers and biogas plant
  - Agreement with farmers
- ▶ Branded eggs with dates, higher price
- ▶ Attracted funds from IFC
- ▶ Global retailers coming into Chinese market in search of product quality
- ▶ Food poisoning scandals/avian flu: growing demand from Chinese consumers for safe products



Highly profitable company

# Example: organic farming in Turkey

Dogan organic product industry, SME, subsidiary of Turkish industrial group

- In marginalised region, depopulation
- At core of business: economic and social development through organic farming
- Supporting farmers in organic farming
- Training programmes to develop agriculture skills

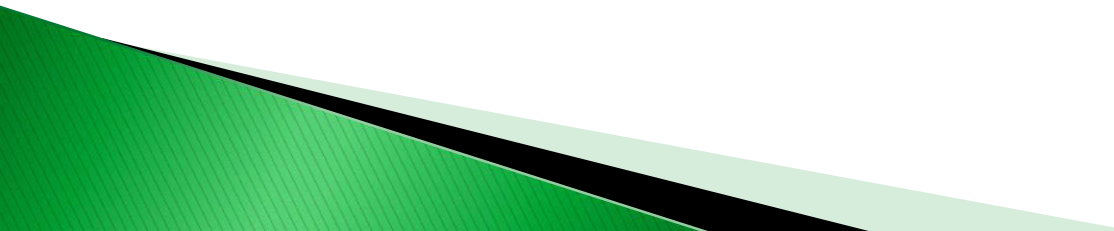
## **Impacts for society**

- Build the local economy
- Economic and social cohesion

## **Impacts for company**

- Improve reputation locally and internationally: media interest
- Provides high street supermarkets in Turkey
- Only raw material supplier of the organic milk sold in the Turkish market

# Concluding remark

- ▶ Business case is particular to each company
  - ▶ Advantages to SMEs of implementing CSR
    - Often value-driven
    - Closer to / part of the community
    - Management closer to employees
    - Adaptation and innovation
    - Often already engaged in CSR without knowing
- 

# Questions?

