

NOTICE No.04/2015
(07 August 2015)

The Republic of the Union of Myanmar
The Management Committee
Thilawa Special Economic Zone

Notice to Ensure the Responsible Investment in the Thilawa SEZ

This guidance from the Thilawa SEZ Management Committee is provided for all companies, Myanmar and foreign, who are investing and doing business in the Thilawa Special Economic Zone, including subcontractors of investor companies.

The Myanmar Government believes that trade and investment are vital to achieving sustainable economic growth and people centered-development. Companies investing in Myanmar have a crucial role to play by creating jobs, reinvesting profits, and paying taxes. The Government also encourages responsible investment and responsible business conduct, that is, business activities that work for the long-term interests of Myanmar and all its people.

The Thilawa Special Economic Zone Management Committee therefore expects that businesses investing and doing business in the SEZ, in addition to fully meeting their obligations under applicable Myanmar laws, will:

- 1. Respect human rights:** Companies should ensure that their operations, conduct, and activities respect the human rights of workers, the communities where they operate, their consumers, and Myanmar society as a whole.
- 2. Engage with stakeholders:** Companies should consult with all those affected by their activities, operations, and impacts, be they workers, consumers, or communities, as well as other stakeholders, so that companies have access to accurate and useful information about their actions and can create a two-way dialogue.
- 3. Support the rights of workers:** Companies should familiarize themselves with, and fully respect, all Myanmar labour laws, including those which provide for independent trade unions, collective bargaining and workplace coordination committees. Companies can play an important role in ensuring equal opportunity for employment by addressing discrimination in hiring and in working conditions.

4. **Build human capital:** The SEZ Management Committee encourages companies to offer training programs to workers, and those entering the workforce, to improve their skills and to prepare them for supervisory, administrative, managerial or technical roles.
5. **Ensure effective grievance mechanisms:** Those affected adversely by a company's activities need access to effective remedies. This includes establishing grievance mechanism(s) that are accessible (including in the local language) to individuals, workers, consumers, and communities and the company's participation in and cooperation with the grievance mechanism. Companies can refer to Guiding Principles 29 and 31 of the UN Guiding Principles for Business and Human Rights for further information. Grievance mechanisms should be legitimate, accessible, predictable, equitable, transparent, rights-compatible, and a source of continuous learning. They should be designed in collaboration with potential users of the grievance mechanism.
6. **Be transparent:** The SEZ Management Committee supports companies' initiatives to ensure that their conduct is as open and transparent as possible (subject to the need for commercial confidentiality). It also encourages companies to communicate with stakeholders about actions that affect them or about which they have raised concerns. It is important for companies to report publicly on the steps they have taken to ensure that their conduct respects and supports human rights in Myanmar.
7. **Create shared value:** The SEZ Management Committee believes that creating shared value can address social needs in a way that is commercially viable for businesses. Creating shared value for communities, workers and consumers is not corporate philanthropy, but a way in which to achieve economic success and win-win situations for businesses and society, including the poor.
8. **Support the communities in which they operate:** Companies are encouraged to undertake or participate in activities beneficial to the communities in which they operate and Myanmar society as a whole, both through creating shared value and through philanthropic initiatives. In doing so companies should consult the intended beneficiaries about their needs, be transparent about what they are able to provide, be clear about how long the service will be provided or the project developed, and deliver what they have promised. If the company is not able to fulfill its promise, it should inform the community early and explain the reasons why. Companies can also include credible local organisations, including civil society groups, in designing, operating, and monitoring the progress of such projects and establish effective mechanisms to receive and act on feedback.

This general guidance on responsible business conduct is intended to be supplemented by more specific guidance from the SEZ Management Committee on issues such as Health, Safety and Environment, Security, Labour Law, Human Resources and Recruitment, Social and Community Relations, and Reporting/Transparency. This guidance will highlight relevant Myanmar laws which all businesses in the SEZ must comply with, as well as relevant international standards to which they are encouraged to adhere, such as those of the International Finance Corporation (IFC) and the International Labour Organisation (ILO).



Chairman
The Management Committee
Thilawa Special Economic Zone