

Responsible business conduct in Myanmar agriculture sector

Global decent work challenges in the sector

Global supply chains (GSCs) connect producers of food to consumers across the world. In many developing countries, agri-food GSCs shape the outcomes for the agriculture and food sectors, with GSC participation a driver of sector development and growth (OECD 2020). It is estimated that about 2.6 billion people around the world rely on agriculture for their livelihoods (Lim and Kim 2021). The share of the agriculture sector to global labour has steadily declined largely as a consequence of the advancement of agricultural technologies and the growth of other sectors. The percentage share of agriculture to global employment decreased from 43.70% in 1991 to 26.76% in 2019 (World Bank 2021). However, while the numbers of people working in agriculture are estimated to decline

over time, it is the main source of employment for rural populations in developing countries. Women account for more than 40% of the workforce. The creation of decent employment within agriculture is an essential driver for rural development and reduction of poverty.

Employment in the sector consists mainly of: (i) self-employment, which is often in informal, smallholding farming; and (ii) wage labour, frequently on temporary contracts. In many countries, agriculture is still dominated by family farms, where household members, including children, provide labour, oftentimes unpaid, at different times of the year. Migrant workers constitute a large proportion of the workforce in plantations and processing companies. Permanent employees are mainly found in plantations and the processing industries.

Many of the smallholder farmers perform casual wage work on other farms or plantations to supplement their meagre incomes. The incomes of farmers are also subject to uncertainties imposed by the weather, risks of pests and diseases, fluctuating prices, and other factors. Low farm productivity and, consequently, low income among farmers is closely linked to lack of access to finance and extension services.

Agriculture is characterized by seasonal labour peaks, where a large number of workers may be hired for relatively short periods, such as the planting and harvesting seasons. This seasonality of work also extends to the processing sector, although food manufacturers generally employ permanent workers and hire additional temporary workers during the peak season. The seasonality of production adds to the challenge of extending social protection coverage to workers who, in many countries, are almost always excluded from national labour protection laws that extend legal protections that include minimum wages, maximum hours of work, paid sick leave and social security (ILO 2020).

Farm workers receive low wages and incomes for tasks that are performed in poor and hazardous conditions arising from exposure to various safety, health, environmental, and biological hazards, including those related to chemicals, noise, musculoskeletal injuries, and heat. They often lack access to the necessary health, information and training services to adequately respond to these hazards. According to ILO estimates, at least 170,000 agricultural workers are killed each year (ILO nd). Workers in agriculture run twice the risk of dying on the job compared with workers in other sectors.

Higher skilled, permanent positions in the sector are, oftentimes, reserved for men, primarily due to gender stereotyping and bias. Even when women have comparable positions with men, their wages lag behind. Workers, especially those in non-standard form of employment have limited access to training, with more women than men facing these constraints.

Recent studies conducted by ILO in countries in Asia, Africa, and Latin America indicate that level of unionization within agricultural workers is low. The following are the types of legal exclusion that deny the fundamental rights to freedom of association for agricultural workers (IUF 2021): (i) exclusion of

agricultural workers from national labour standards protecting freedom of association and collective bargaining; (ii) exclusion based upon the number of employees or size of farms; (iii) exclusion of self-employed/own-account, temporary, seasonal, and casual workers, which comprise the majority of the agricultural workers; and (iv) R]restrictions on freedom of association for migrant workers.

As part of its corporate social responsibility (CSR), Tesco PLC, a British multinational retailer, and the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco, and Allied Workers Association (IUF) signed a global framework agreement to work together to support workers' rights globally, with a specific focus on how women in global food supply chains can benefit from effective grievance mechanisms, freedom of association and trade union representation (Bolton 2022). The partnership aims to: (i) work collaboratively to support workers to access effective representation; (ii) jointly create a process for incident reporting that allows for effective resolution of identified issues; and (iii) identify opportunities to reduce women workers' vulnerability and increase women's voices and representation in the workplace.

In recent years, the scope of voluntary social standards has been broadening, in response to growing external pressures placed on retailers by consumer groups and civil society. The inclusion of labour standards in voluntary social standards and responsible business conduct policies could be seen as a defensive measure designed to reduce the chances of damage to companies' reputations from exposés of poor labour conditions. Codes of conduct are pushed through the tiers of the supply chain, which can provide points of leverage and a platform for the promotion of socially responsible labour practices.

The global agri-food sector experienced significant trade disruptions due to the COVID-19 crisis and associated lockdown measures imposed by governments to contain the spread of the virus. Key impacts of the COVID-19 crisis on the agri-food sector include the following (OECD 2021): (i) decline in production of certain agricultural products (e.g., poultry) due to difficulties in accessing inputs, seasonal labour, and output markets; (ii) decline in consumer demand driven by unemployment and income shocks associated with the containment measures, reduced demand for high value products,

consumer shift in demand from food services; and (iii) supply chain disruptions, due in part, to the contamination of employees in processing firms, the adoption of distancing and sanitary requirements, and transport and logistic issues. An ILO study indicated that the movement restrictions and quarantine measures resulted in the reduction of job quantity and quality in the sector, especially at the base of the supply chain (ILO 2020). Many of the farmers and enterprises faced difficulties in accessing markets due to movement restrictions and slowdown of consumer demand. Those with perishable products were the most affected. On the other hand, supply chain disruptions resulted in a lack of supply of raw materials for processing, which was detrimental not only to companies but to daily wage workers. Fragmented supply chains increase vulnerabilities to shocks as well as hinder market competitiveness improvement.

The various studies on the COVID-19 crisis response in agri-food supply chains underscored the integral role of trade unions in securing benefits for workers such as health and safety measures, paid sick leave, and job preservation. The studies also highlighted the importance of bilateral and tripartite social dialogues (trade unions, employers, and government) in achieving a consensus on policy and fiscal measures to mitigate the impact of the COVID-19 crisis on enterprises, workers, and consumers.

Multinational enterprises can seize the opportunity in rebuilding their supply chains back better by adopting socially responsible business practices. International CSR standards and principles, which address responsibility throughout the whole supply chain, provide a useful framework for building better resilience. Information from supply chain due diligence can be used to understand short- and medium-term vulnerabilities of workers and suppliers, and support continuity planning to manage disruptions, improve productivity, and enhance market responsiveness while protecting workers and the environment. CSR will help address many of the deep inequalities and decent work challenges that the COVID-19 crisis has brought even more clearly into focus.

Myanmar: generating decent work in the agriculture sector through responsible business practices

On 1 February 2021, the military seized full control of the country and declared a year-long state of emergency under sections 417 and 418(a) of the 2008 Constitution (Reuters 2021). There is no certainty on what the ultimate outcome of the present political crisis could be. However, most of the analysts and news reports acknowledge that the country is currently in a state of chaos, where the State Administration Council (SAC) and the National Unity Government (NUG) each attempt to establish their legitimacy and steer the situation towards their own optimal outcomes. The NUG has the support of most of the populace, while the caretaker government has their battalions of soldiers and control of the state resources. Agriculture is an especially important sector for resilience, food security, and employment in the current political and economic crisis.

About 12.8 million hectares out of 67.6 million hectares of land in the country are cultivated. Rice is the country's primary agricultural product, which accounts for nearly 43% of the total agricultural production value. In 2018, the agriculture sector contributed 23.3% of the gross domestic product (GDP) in 2018, amounting to US\$ 66.7 billion (CSO 2019).

Crops accounted for 9% of total export earnings valued at US\$ 14,851 million in 2018 (CSO 2019). Myanmar's agricultural exports include rice, maize, black gram, green gram, pigeon pea, chickpea, sesame, onion, tamarind, raw rubber, vegetables, and fruits. In 2018, Myanmar was among the top exporters of rice and pulse. Foreign trade through the border gates comprises a greater share of export sales than maritime/overseas. Border trade has become more important than ever after the military coup, with China, Thailand, and India as the main importing countries. Export sales to the European Union, consisting mainly of broken rice and pulses, declined significantly during the past year due to combined effects of the military coup and the COVID-19 movement restrictions.

About 80% of the rural populace are dependent on agriculture for their livelihoods. The agriculture, forestry, and fishery sector employed 6.58 million men and 4.11 million women workers in 2017 (DoL 2017). The upstream activities generated most of the jobs in the sector. Workers in the sector consist of own account workers and wage workers.

Employment is generally comprised of low paid or poor quality jobs that are highly seasonal. Historical trends indicate that the agricultural sector's contribution to national employment almost always exceeded the sector's value-added contribution to gross domestic product (GDP), which is an indication of low productivity levels.

Decent work at a glance: Myanmar agriculture sector	
Employment promotion	- About 10.7 million workers, with 38% women. Employment is generally comprised of low paid or poor quality jobs that are highly seasonal. - In the rice, pulse, and spice subsectors, an average of 80% of labour person days were performed by paid workers, while 20% were rendered by unpaid workers consisting of family members. The average across the three crops showed that farm owners or own account workers performed 40% of the total labour person days. Men workers accounted for 31% of the labour person days while 24% were performed by women workers. Child labourers accounted for 6% of the labour person days.
Social security	Social security membership is limited to the formal sector in 116 of Myanmar's 330 townships. Most of the workers are not covered by mandated social insurance. Although farmers and casual workers can voluntarily enrol in the social security program of the government, as stipulated in the Social Security Law, this is most unlikely given the limited awareness of its benefits and low trust in the government.
Forced labour	Many of the smallholders are trapped in poverty and debt due to poor crop returns, usurious loan terms of informal lenders, and advances from intermediaries, which bind them to a single purchaser who is able to set the price of sale. Farm workers usually resort to borrowing to cope with daily needs during lean months. In many cases, a pledge of a person's services is used as security for the repayment of a debt, which constitutes a debt bondage.
Child labour	In 2018, about 58.3% of the 313,151 Burmese child laborers (aged 5 to 14) worked in farms (ILAB 2019). Rice and pulses were among the subsectors identified by the Bureau of International Labor Affairs with incidences of child labour. Some of the key factors that contribute to child labour are low household incomes, few livelihood alternatives, poor access to education and limited labour law enforcement.
Equality of opportunity	Across the three subsectors, the daily wage of women workers is lower than men and child workers. With increasing farm mechanization, women workers that were interviewed expressed that work opportunities were becoming more skewed towards men. Generally, women are assigned to manual tasks while mechanized activities are handled by men.
Security of employment	A large share of employment in the sector is in the form of casual or temporary employment. Hired farm workers have to deal with fluctuations in work over the year, with women workers subjected to more pronounced seasonality.

Decent work at a glance: Myanmar agriculture sector	
Training	Workers who are members of associations had better access to training. Government training is generally skewed towards the rice subsector.
Conditions of work and life	- Daily wages of workers are generally in conformance with the minimum wage rate. The number of required working hours per week across all sets of respondents is 40 hours. Women farmers and workers generally have longer working hours than men, especially during the planting and harvest seasons, since they have the double burden of carrying out both activities on the farm and in the household. The income of farmers is not sufficient to ensure decent levels of livelihood, due to low returns from crops and/or price fluctuations. - Musculoskeletal disorders, heat related illnesses, and pesticide-handling related diseases are the most common work-related health problems among workers and farmers.
Industrial relations	During the last five years, there has been a rapid growth of farmers' and agricultural workers' unions. The organizations are generally led by men, and women are not equally represented in organizational structures. However, labour organization density remains low. Collective bargaining as a concept is still poorly understood and seldom practiced. Smallholders are dependent on, and are in unequal power relations with traders and downstream actors. This may be attributed to the weak functioning of farmer groups.

Source: An Assessment of Decent Work Challenges and Labour Related Responsible Business Conduct (RBC) Policies, Strategies And Initiatives In The Agriculture And Seafood Sectors In Myanmar (2021)

Since the military coup, disruptions to the agri-food system have not only been more persistent than those posed by COVID-19, but also much more severe (MAPSA 2021). Although local businesses and informal enterprises continue to operate in the midst of conflict and insecurity, many of the enterprises are now struggling to survive due to reduced economic activity; contraction of markets; disruptions in input supply chains and logistic services; difficulties in accessing financial services; frequent power outages; and intermittent internet services. Most of the foreign enterprises, other than resource extracting companies, have decided to leave the country. Rural farmers are also hard hit by armed conflict, violence and insecurity, leading to displacement and undermining livelihoods. Myanmar's economy is in freefall, the national currency is crashing, health and education systems have collapsed, and poverty rates are estimated to have doubled since 2019 (ICG 2021). The COVID-19 pandemic and the military coup have reversed years of progress in the labour market and in the promotion of decent work.

Many of the domestic agribusinesses in Myanmar think of corporate social responsibility (CSR) or responsible business conduct (RBC) mainly in terms of donations and charitable works. The lack of a harmonized definition from the public and private sectors of what CSR/RBC entails in practice pose challenges for enterprises to define concrete management actions on implementing strategic CSR/RBC (OECD 2020). Related to this is the lack of strategic vision from companies, which can be attributed to the lack of top management commitment. Enterprises generally lack the capacity to take the steps in making RBC a part of its business strategy and operations. There are, however, a few progressive agribusinesses who have used their CSR initiatives to target both an improvement in the competitiveness of their supply chain, and the social license to operate in global markets.

Good socially responsible labour practices

East-West Seeds (Spices/Vegetables)

ILO MNE Declaration
Principles: Training/
Employment promotion/
Conditions of work/OSH/
Child labour

East-West Seeds, a Dutch company, is engaged in the production and distribution of high-quality tropical vegetable seeds. The company established the first commercial seed processing facility in Myanmar. In 2019, it was named as the top seed company in the Global and South and Southeast Asia categories on the Access to Seeds index, which rates the top world seed companies based on their efforts to enhance the productivity of smallholder farmers.

The company has purposively packed its seeds in small pouches to make it affordable to resource poor farmers and, thus, create a widespread impact on local development. These seeds are sold by small enterprises which, in many cases, comprise the largest share of their revenues.

East West recognizes that the income of farmers and that of the company are intrinsically linked. Since 2012, East West has been supporting knowledge transfer activities in Myanmar and other Asian countries through a peer learning approach, which involves the set-up of demonstration farms and training on sustainable agronomic practices and proper handling and use of pesticides. The company has also formed a partnership with the Yezin Agricultural University and State Agricultural Institutes to support practical demonstrations, scholarships, and seminars as a means of forging closer relationships between the industry and educational institutions.

A large percentage of the East West seeds are produced under contract arrangements. It has more than 12,000 smallholder farmers trained in seed production across Southeast Asia, including Myanmar. Many of these farmers live in isolated communities, as seed production has to be done away from the fresh market. In addition to providing secured and higher income to seed growers, the seed production contract arrangements also generated employment for skilled labour, consisting primarily of women workers (Morris & Soe, undated).

All suppliers and seed growers of East-West must comply with the following: (i) quality standards; (ii) safeguard rights and welfare of workers by providing wages and benefits that comply with government laws and regulations; (iii) no forced labour; (iv) no child labour; (v) seeds should be sold only to the company; (vi) inputs advanced by the company should only be used for seed production; (g) avoid misuse of foundation seed and produced F1 seed; (vii) work instructions during crop cycle; and (viii) work safety and health requirements.



Good socially responsible labour practices

Snacks Mandalay

ILO MNE Declaration
Principles: Training/
Employment promotion/
Conditions of work/OSH/
Child labour

With many years of experience in the trading of sesame, peanuts, beans and other agriculture products to Yangon and China, Dr. Pyae Phyo Aye and his father Mr. Khin Mg Aye decided to diversify into the processing of crops. Snacks Mandalay was established in August 2015. The main products processed by the company are ginger and chili.

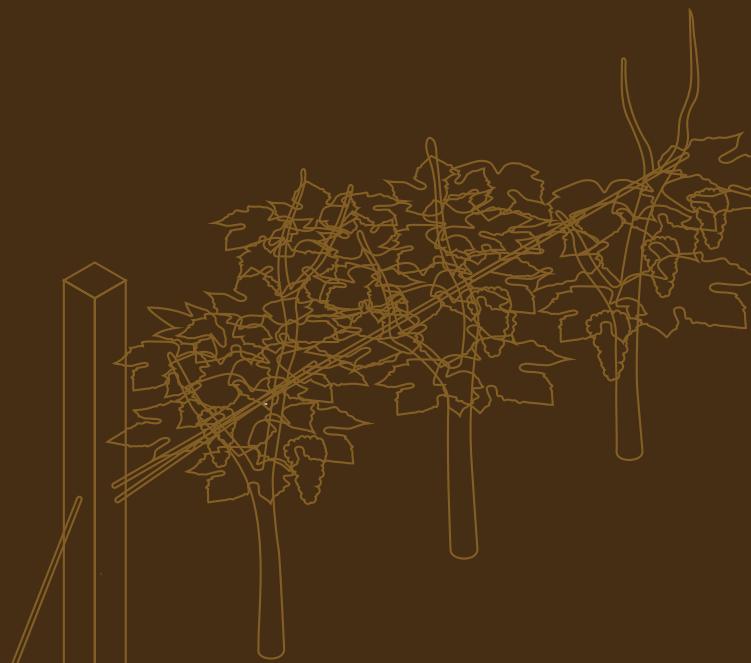
The company sources spices primarily from farmer groups who may be formally or informally organized under a contract farming agreement, which has the following features:

- a) The buying price is based on prevailing spot market price in Yangon, which is 16% to 20% higher than the price paid by traders. Based on the experience of farmers, their income increased from 20% to 30%.
- b) A guarantee to buy 60% of their harvest, which allows the farmers to sell the products to serve other markets, as well as honoring previous commitments.
- c) Crops should be pesticide free and incrementally shift towards organic farming.
- d) Farmers must undergo training on good agronomic practices.
- e) Farmers must follow safe work procedures. The company worked with the ILO Vision Zero Fund in helping farmer groups to set up their OSH internal control system.
- f) Produce should be packed in baskets or crates not more than 25 kilograms. The company has provided farmer groups with containers. This is both to ensure product quality and reduce risk of ergonomic related injuries and illnesses.

The company dries the ginger and chili in its solar-powered facilities. Food safety and OSH protocols are observed in its own processing facilities. Although export sales are more profitable than domestic sales, the company reserves a part of its production for the local market as part of its advocacy to protect Myanmar consumers from illnesses due to aflatoxin, which is caused by unhygienic and poorly dried spices.

Snacks Mandalay is also incrementally making adjustments to narrow the gap of wages between women and men workers.

The company has the following certifications: GMP, HACCP, ISO 22000, USDA Organic, EU Organic, JAS, and the Myanmar FDA and Halal.



The way forward

The ILO MNE Declaration

Corporate social responsibility (CSR) as defined by the International Labour Organization (ILO) is “a way in which enterprises give consideration to the impact of their operations on society and affirm their principles and values both in their own internal methods and processes and their interaction with other actors.” The main guiding instrument regarding the labour dimension of CSR or responsible business conduct (RBC) is the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (MNE Declaration), which was adopted in 1997 and most recently updated in 2017. The MNE Declaration sets out principles in the fields of general policies, employment, training, conditions of work and life and industrial relations which governments, employers ‘and workers ‘organizations and multinational and national enterprises are recommended to observe on a voluntary basis.



How a company relates with its workers, suppliers, host communities, and the marketplace can greatly contribute to the sustainability of its business success. For companies to stay productive, competitive, and relevant in the face of rapid globalization, they have to become environmentally viable and socially responsible. Labour related CSR entails companies taking responsibility for their impacts on decent work throughout their operations and with their business partners and identifying ways to enhance their positive contribution to decent work in dialogue with their workers, suppliers, host communities, and buyers. Responsible businesses create social value by addressing needs and challenges of their stakeholders while simultaneously creating their own economic value.

The Responsible Supply Chains in Asia (RSCA) programme hosted a series of thematic dialogues and roundtables to raise awareness and support efforts actors and stakeholders in the Myanmar agri-food sector in to embed RBC in their business model and supply chains. The dialogues were organized in partnership with the European Chamber of Commerce (EUROCHAM), the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI), the Confederation of Trade Unions of Myanmar (CTUM), the Myanmar Centre for Responsible Business (MCRB), Directorate of Investment and Company Administration, and the National Human Rights Commission (MNHRC). Participants in these dialogues included

agribusinesses, workers, foreign enterprises operating in Myanmar, and representatives of government agencies.

Below are the policy recommendations put forward by participants during the various dialogues to foster implementation of RBC in the agri-food sector with a view of enhancing the capacity to enterprises to anticipate, withstand, adapt to, and recover from shocks and stresses in the market systems brought about by the political turmoil and COVID-19 crisis in ways that reduce vulnerability, support worker retention, and promote decent work. These recommendations are guided by the principles of the ILO MNE Declaration, and other international instruments on responsible business,

Policy recommendation	Stakeholder
a) MCRB, EUROCHAM, and civil society organizations (CSOs) should continue the promotion of RBC/CSR from the perspective of labour among Burmese companies, especially small and medium enterprises, in collaboration with organizations supporting the development of enterprises in the country. Actions may include: - Supporting the identification of RBC priorities that can help enterprises address pressing labour concerns and, at the same time, assist them in retaining or diversifying export markets. - Conducting awareness raising campaign and social dialogues to create a shared understanding of RBC priorities. - Exploring the possibility of developing an action plan with industry organizations and agribusinesses.	- MCRB - EUROCHAM - CSOs
b) ILO, in partnership with other international development partners and CSOs, should support the broad dissemination and implementation of the practical CSR/RBC tools and instruments once the situation is stabilized. This may involve: - Providing technical and financial support to establish a Burmese platform on policies, strategies, tools, trainings and relevant material related to International Labour Standards, Fundamental Principles and Rights at Work, and the labour dimension of CSR/RBC. - Building the capacity of providers, including employers' and workers' organizations, to provide RBC-related financial and non-financial services. Thematic focus of CRS related services may include supply chain mapping and traceability, social risk assessment/due diligence, RBC business model development, and performance monitoring. - Supporting the development of model templates for contract farming agreements that explicitly incorporate provisions on decent work conditions established by labour and other relevant laws, and relevant elements of the ILO MNE Declaration. - Supporting the integration of labour standards in training conducted by development programmes. - Disseminating emerging good practices through roundtable discussions/ continuing dialogues with business associations.	- MNEs - Government - CSOs - Thai enterprises/ agribusinesses

Policy recommendation	Stakeholder
c) MCRB and employers' organizations should initiate a simple labour related CSR performance measurement, monitoring and disclosure/reporting mechanism among key lead firms in the agriculture sector, with the aim of establishing a clear picture of labour practices within the sector. This can be shared online and through regular dialogues to create a critical accountability mechanism and promote greater supply chain transparency. The CSR performance monitoring can also contribute to the development of a business case and drive behaviour change, as well as highlight opportunities for innovation.	■ MCRB ■ Employers' organizations
d) ILO, in partnership with CSOs, should build the capacity of trade unions and workers' organizations to effectively engage workers in the agriculture sector. Strengthening of horizontal linkages will enable workers and farmers to effectively participate in RBC initiatives and build more equitable vertical relationships with employers and buyers.	■ ILO ■ CSOs
e) MCRB and CSOs should continue engaging with universities and academic institutions and set a structured curriculum on RBC for university students in areas such as business, economics, law, fishery, and agriculture engineering.	■ MCRB ■ CSOs
f) ILO, in partnership with other international development partners, should provide technical support and policy advisory services for the government to engage in inter-sectorial dialogue (coordination and dialogue among ministries) on labour rights and RBC/CSR, as soon as the political situation improves and stabilizes.	■ ILO ■ Other international development partners

For more information:

MNE Declaration web portal – www.ilo.org/mnedeclaration

Responsible Supply Chains in Asia

<https://www.ilo.org/asia/projects/rsca/lang--en/index.htm>

Responsible Supply Chains in Asia – Myanmar

https://www.ilo.org/yangon/projects/WCMS_678342/lang--en/index.htm

Labour Standards in Global Supply Chains: An ILO training module for SMEs and other enterprises

https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/instructionalmaterial/wcms_725761.pdf

Labour Standards in Global Supply Chains (Burmese language)

https://www.ilo.org/yangon/publications/WCMS_835471/lang--en/index.htm

ILO Helpdesk for Business on international labour standards (www.ilo.org/business)

How to align corporate policies and practices with International ILS and build good industrial relations

Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy

https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/--multi/documents/publication/wcms_094386.pdf

https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_684935.pdf

Responsible Business: Key Messages from International Instruments

https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_724747.pdf

Labour Issues in CSR: Examples from the ILO Helpdesk for Business Q & A

https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/instructionalmaterial/wcms_740229.pdf

ILO company-union dialogue facilitation

https://www.ilo.org/empent/areas/mne-declaration/WCMS_572115/lang--en/index.htm

Measurement for the employment and labour-related impacts of the Multinational Enterprises (MNEs)

https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---multi/documents/publication/wcms_620788.pdf

The ILO MNE Declaration: What's in it for Workers?

https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---actrav/documents/publication/wcms_627351.pdf

Engaging multinational enterprises on more and better jobs

http://www.oit.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---multi/documents/publication/wcms_175477.pdf

Responsible business -- labour standards in global supply chains

<https://www.itcilo.org/courses/responsible-business-meeting-labour-standards-global-supply-chains> - rolled out together with the ILO SCORE programme, targeting SMEs in global supply chains (enhance manager-workers workplace cooperation)

Responsible Supply Chains in Asia (RSCA) Programme in Myanmar

<https://mneguidelines.oecd.org/eu-ilo-oecd-responsible-supply-chains-in-asia-myanmar-english.pdf>

The “Responsible Supply Chains in Asia” (RSCA) programme (RAS/16/13/EUR) is a programme developed by the European Union together with the International Labour Organization (ILO) and the Organisation for Economic Co-operation and Development (OECD). The programme promotes corporate social responsibility (CSR) / responsible business conduct (RBC) with regard to the environment, decent work and the respect of human rights.

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 the EU Treaties and reinforced in the European Commission’s trade policy strategy of 2015 “Trade for All”. It falls in particular under the Commission’s commitment to identify opportunities for responsible supply chain partnerships and the EU’s strategic approach to responsible business conduct, which is based on internationally agreed principles and guidelines. It will also contribute to the EU strategic approach to CSR/RBC as put forward in the Commission 2011 Communication “A renewed EU strategy 2011-14 for Corporate Social Responsibility.”

The four-year programme (2018-2021), carried out in collaboration with Japan, China, Myanmar, Philippines, Thailand and Vietnam, has two broad objectives to:

- a) Promote smart, sustainable and inclusive growth by ensuring that investors and businesses have a better understanding of corporate social responsibility;
- b) Create policy environments conducive to promoting responsible business conduct and increased opportunities for dialogue.

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.

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