

# BRIEFING

# Myanmar

## Business & human rights in Myanmar: A round-up of recent developments

August 2013

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### 1. Introduction

This briefing summarises major business and human rights developments in Myanmar (Burma) from November 2010, when the country held its first elections after 20 years and pro-democracy leader Aung San Suu Kyi was released from house arrest, to the present. It covers the positive and negative impacts of companies operating in the country, and is based on reports from a range of sources that the Resource Centre has featured on its website and in its Weekly Updates. It also refers to responses we received from companies when we asked them to reply to concerns raised by civil society, and refers to the failure of certain companies to respond.

This briefing provides an overview of major issues, cases, developments and trends; it is not intended to be comprehensive. For more detail and more cases, see our website section: "[Myanmar](#)".

Part 3 presents key cases in the sectors that have had major impacts on human rights, namely oil & gas, construction, hydropower, mining and manufacturing. It summarises allegations of human rights impacts of specific projects, presents company responses to these allegations where available, and

outlines community, NGO, and government actions. It also draws attention to freedom of association and child labour concerns. The briefing shows how Myanmar people affected by business activities have made use of newfound freedoms to raise their concerns before companies and the Myanmar Government. It also shows that in some cases people have suffered retaliation for their efforts to protect human rights.

Part 4 tracks key relevant domestic and international policy and legislative developments, and refers to civil society inputs and reactions.

Part 5 presents a selection of commentaries and reports that provide guidance for companies in Myanmar and for those considering entry to Myanmar. These materials were developed in response to the easing and lifting of international trade sanctions.

## 2. About the Resource Centre

Business & Human Rights Resource Centre, an independent non-profit organization, provides the leading information hub on business & human rights: [www.business-humanrights.org](http://www.business-humanrights.org). The website tracks reports about the human rights impacts (positive & negative) of over 5100 companies in over 190 countries, and provides guidance tools and resources for all those working in this field. Our researchers are based in Brazil, Colombia, Hong Kong, India, Jordan, Kenya, Lebanon, Senegal, South Africa, Thailand, UK, Ukraine and USA. Mary Robinson, former UN High Commissioner for Human Rights and President of Ireland, is Chair of the Centre's International Advisory Network. Our Academic Partners comprise 23 leading academic institutions. The Centre does not accept funding from companies or company foundations, in order to maintain its independence and to prevent any possible perception of a conflict of interest.

Our mission: To encourage companies to respect and promote human rights, and avoid harm to people. We do this by advancing:

- **Transparency** – pursuing, collecting and disseminating to a global audience information about company conduct, positive and negative;
- **Public accountability** – helping civil society get companies to address concerns; seeking responses and drawing attention to each company's response or failure to respond; and
- **Informed decision-making** – providing the leading business & human rights resource and guidance hub, to assist civil society, companies and others.

We seek responses from companies when concerns are raised by civil society. Advocates thank us for bringing global attention to their concerns and for eliciting responses from companies. Companies thank us for providing them the opportunity to present their responses in full. This process often leads to real improvements on the ground.

Special portals on the Resource Centre's website include:

- [“Getting Started – an introduction to business & human rights”](#)
- [“Tools & Guidance”](#)
- [“UN Working Group on business & human rights”](#)
- [“UN Guiding Principles on Business and Human Rights”](#)
- [“UN Special Representative on business & human rights”](#)
- [“Corporate Legal Accountability”](#)
- [“Business, Conflict & Peace”](#)
- [“Business & Children”](#)
- [“Business & Freedom of Association”](#)
- [“Human rights impacts of oil pollution: US Gulf Coast, Ecuador, Nigeria”](#)

For further details, see the [“About us”](#) section of our website. [Sign up for free Weekly Updates on business & human rights here.](#)

### 3. Key business and human rights cases

#### Shwe gas pipeline and Myanmar-China oil pipeline

The Shwe natural gas project and Myanmar-China oil transport project are two of Myanmar's largest energy projects. Two pipelines running through Myanmar will transport gas from the Shwe fields in Myanmar, and oil from the Middle East and Africa, to China. The Chinese National Petroleum Corporation (CNPC) operates the pipelines, and works with other companies on various aspects of operations.

In September 2011 Shwe Gas Movement (SGM) issued a [report](#) that said human rights abuses were taking place in the construction of the Shwe gas pipeline, including displacement, forced labour, discrimination, sexual violence and other forms of violence, and killings. The report also stated that the pipeline is fuelling conflict and will drain Myanmar of the natural gas resources it needs to develop. We invited the companies named in the report to respond to the allegations. Of 13 companies named including CNPC, only CITIC Group, Daewoo International, Hyundai Heavy Industries and KOGAS responded; contact information for two Myanmar companies was not publicly available. After reviewing the company responses, Shwe Gas Movement sent a rejoinder to us, disputing the claims of the responding companies. We sent that rejoinder to the companies inviting them to respond further; the companies declined to respond. The company responses and rejoinder are published on a special page of our website entitled "[Shwe Gas Movement Report - September 2011](#)".

In December 2011, Daewoo International issued "[A Comprehensive Report](#)" on the Shwe Project, saying that the report's purpose was "to provide full transparency...[to] allay the fears of those that have not had access to all the facts."

In March 2012, SGM led a [Global Day of Action Against the Shwe Gas and China-Burma Pipelines Project](#). Participants from Chiang Mai, London, Ottawa, Seoul, Stockholm, Washington DC and other cities wrote letters to Myanmar President Thein Sein calling for suspension of the pipeline projects until abuses, harassment and intimidation of local community members are stopped, an equitable benefit-sharing system is developed, environmental and social impact assessments are required, and revenue transparency is ensured.

In November 2012, [media cited reports](#) by NGOs Ta'ang Students and Youth Organization (TSYO) and Palaung Women's Organization (PWO) that reinforced earlier allegations of human rights abuses. TSYO stated that construction of the Shwe Gas pipeline had brought increased military presence, resulting in forced labour and other human rights abuses; and accused the Burmese army of colluding with the pipeline investors to confiscate local residents' land as they prepare a path for the oil and gas pipelines. PWO alleged that some 2000 ethnic Palaung villagers had been displaced from their homes due to the projects.

In December 2012, [authorities rejected the application](#) of local residents to hold a peaceful protest outside the CNPC office on Maday Island in Myanmar. The residents were demanding compensation for confiscated farmlands and fruit orchards, and for alleged loss of livelihood as a result of the projects.

The May 2013 deadline for completion of the pipelines led to renewed attention to their human rights impacts. In April 2013, EarthRights International (ERI) and Northern Shan Farmers' Committee (NSFC) came out with separate reports providing details of the impacts that the projects have had so far. [ERI focused](#) on the impacts in Rakhine State and Magway and Mandalay Divisions, stating that villagers have reported cases of local government and military profiteering and corruption, land confiscations with no compensation or without adequate compensation, damage to farmers and community land resulting from project-related activities, and damage to fishing areas. The report also points out how construction projects have restricted local mobility either in terms of blocked traditional routes or inadequate repair of major roads. It features interviews with local communities that underlined the project's lack of transparency when explaining compensation schemes and anticipated impacts to citizens, and instances of the company's corporate philanthropy programmes failing to meet local needs and standards. [The NSFC report](#) highlights impacts within Shan communities, and raises similar

concerns relating to lack of information on the projects, and unfair and unequal compensation. The report also cites fears among villagers of dangerous leaks and explosions due to poor construction.

As a response to these impacts, [over 800 residents gathered in a mass protest](#) against CNPC on Madaya Island in April 2013. Ten leaders of the protest action were indicted for protesting “without the permission from the concerned authority.”

Business & Human Rights Resource Centre sought responses from companies named in the ERI and NSFC reports, as well as those named in the news article on the protest-related arrests. These responses are available [here](#).

Also in May 2013, the construction of a refinery plant in Kunming, Yunnan Province, China, which was reportedly planned in support of the Myanmar-China oil pipeline project, faced [two major protests](#) over health concerns.

In June 2013, it was reported that [portions of the Myanmar-China oil pipeline were still unfinished](#). CNPC did not respond to the reporter’s questions about the delay, but an unnamed source within the company attributed it to public protests over the project’s potential impacts on farmland, environment and public health.

In July 2013, the [Shwe pipeline began piping natural gas](#) across the Myanmar-China border, with the companies holding commissioning ceremonies in Kyaukpadaung and Mandalay.

### **Dawei Special Economic Zone**

In November 2010, [a deal was signed](#) between Italian-Thai Development Company (ITD) and the Myanmar Government to build the Dawei Special Economic Zone (SEZ), said to be the largest industrial area in Myanmar.

In December 2011, [news reports alleged abuses](#) – including forced displacement, environmental degradation and labour concerns – in connection with the Dawei deep-sea port development project in the SEZ on the Burmese-Thai border. ITD’s response to these allegations is available [here](#).

The next month, it was reported that the government had [cancelled the coal-fired power plant project](#) that would supply electricity to the industrial zone. [A Reuters news report](#) subsequently described uncertainties surrounding the SEZ project brought about by potential environmental and social risks. It said that ITD had yet to secure the US\$8.5 billion required to finance the construction of the first phase.

In January 2012, [the Karen National Union \(KNU\) was reportedly considering allowing ITD to build](#) a road linking the SEZ to Thailand after a meeting between the KNU and company representatives. It was recommended by the KNU that the company use consultants who are free and independent from threats issued by the Myanmar Army, and give more time for villagers to participate in public hearings. [In a March 2012 statement](#), the KNU expressed frustration over the lack of transparency and cooperation showed by ITD environmental surveyors. The KNU accused ITD’s surveyors of refusing their officials the opportunity to accompany them or observe them on their trip to meet with local villagers affected by construction of the Dawei-Kanchanaburi Highway in southern Myanmar.

In May 2013, Another Development for Burma released a video entitled “[Villagers Reject Academics’ Public Consultation Meeting](#)”, which documents villagers’ opposition to a meeting held on 8 May 2013 between villagers and the Environmental Research Institute of Chulalongkorn University (Thailand), which was hired by ITD to conduct consultations for the road link to the planned deep sea port. It cites violations of the principles of free, prior and informed consent in the conduct of consultations. We invited ITD to respond to the allegations in this video; the response is available [here](#).

At the World Economic Forum on East Asia held in Myanmar in June 2013, a [Myanmar official announced](#) that ITD will step aside as developer of the Dawei SEZ and that the future of the project will be discussed in a high-level meeting between the Thai and Myanmar governments, as well as Japanese Government officials and investors. The official also said that some components of the SEZ would be shifted to avoid relocating villages.

## **Myitsone Dam**

The Myitsone Dam is a 50-storey-tall project planned to be built on the Irrawaddy River by China Power Investment Corporation (CPI). It was expected to produce 6000 MW of power for export to China, and was the first in a series of seven Chinese dams planned on the Irrawaddy and its tributaries. Since early 2010, affected [villagers have highlighted human rights and environmental concerns](#), including the displacement of 15,000 people and the likelihood of a disastrous break in an earthquake-prone area.

In July 2011, Burma Rivers Network (BRN) discovered and publicly released for the first time a copy of the environmental impact assessment (EIA) commissioned by CPI two years earlier, recommending that the project not proceed. In a [statement](#), BRN called for a more systematic study that includes social and downstream environmental impacts, consultations with affected communities, and public discussions on the foreseen impacts of the project. The Myanmar non-profit [Biodiversity and Nature Conservation Association said](#) that construction of the Myitsone Dam should be avoided, citing severe negative impacts on livelihoods and habitations of grassroots people of the region; disappearance of some wild rice varieties; and disappearance of the cultural heartland of Kachin people. Aung San Suu Kyi issued a [personal appeal](#) on August 2011 for concerned parties to reassess the scheme and to cooperate to find solutions that would prevent undesirable consequences.

In a move that caught the world's attention, [Myanmar President Thein Sein informed both houses of Parliament](#) by letter in September 2011 that the project would be halted during his government's term, citing general public concern about the environmental destruction that the project would cause. CPI President Lu Qizhou expressed "bewilderment" over this move, saying that the Myitsone project is "mutually beneficial" to China and Myanmar. BRN issued its [point-by-point response](#) to Lu Qizhou's comments.

In February 2012, [it was reported](#) that villagers who were among nearly 1000 families in Kachin state forced to relocate to make way for the project had begun returning home. In March 2012, however, [Kachin Development Networking Group \(KDNG\) reported](#) that returning villagers were ordered by authorities to leave the area or "face the consequences".

In May 2013, [CPI reportedly expressed a desire to restart](#) the suspended project to members of a National League for Democracy (NLD) delegation that travelled to China. [NLD Chairperson Aung San Suu Kyi responded](#) by saying that China should deal directly with the government if they wish to resume the project.

In July 2013, [Member of Parliament Daw Doi Bu questioned](#) the Vice Minister of Energy on plans to address the livelihood problems faced by hundreds of relocated locals who are unable to cultivate crops on their new land, which they described to be rocky and unfit for cultivation. Daw Doi Bu said she did not get a satisfactory response, but will keep raising the point in Parliament.

## **Monywa copper mine**

In June 2010, [it was reported](#) that China North Industries Corporation (Norinco), one of China's largest arms makers, signed the "Monywa Copper Mine Project Co-operation Contract" with the Union of Myanmar Economic Holdings Limited. Located in the city of Monywa in Sagaing region, the Monywa copper mine is Myanmar's largest mine. It is operated by Myanmar Wanbao Mining Copper Company Limited, a unit of Norinco.

Local opposition spread after the signing of the contract, and in September 2012 [thousands protested](#) at Monywa's Letpadaung mountain range over what they claimed to be an unlawful seizure of thousands of acres of land to give way to expansion of the mine. Protesters also cited the contamination of Chindwin River water, destruction of religious heritage, and environmental loss around the area. The protesters, who were later joined by groups from Yangon (Rangoon) and Mandalay, were confronted by security forces, and some activists were arrested and detained.

On 29 November 2012, [dozens of protesters, among them monks, were burned and injured](#) in a police crackdown on the protest in Monywa. Protest camps were set on fire and water cannon were used against the protesters.



In February 2013, [a report](#) by a group of Burmese lawyers and international group Justice Trust concluded that, based on eyewitness accounts and forensic analysis, police fired military-issue white phosphorous grenades to disperse protesters. This was confirmed a month later by [the Letpadaung Inquiry Commission](#) chaired by Aung San Suu Kyi, which recommended that police receive riot-control training and that the copper mine “should not be unilaterally stopped”. [The report also recommended](#) increased compensation for residents, including the return of 1900 acres for farming as the original compensation was found to be insufficient. [Myanmar Wanbao Mining Copper Company welcomed](#) the Inquiry Commission’s verdict.

While hundreds of farmers have received compensation for land taken for the Monywa copper mine, [many others have refused](#) to take the money. Some villagers have said that they would persist in their protests. Aung San Suu Kyi has [pleaded for an end to protests](#) in light of the company promise to implement the Inquiry Commission’s advice to uphold environmental safeguards, create benefits for the community, and compensate villagers for seizing their lands.

In June 2013, [a court in Monywa sentenced](#) the joint-secretary of the Save Letpadaung Mountain Committee (SLMC) to one year in prison and hard labour for organising protests without permission. Two fellow activists were fined. The chairman of SLMC said the verdict was unfair since all the protests, which included the participation of dozens of Buddhist monks, were peaceful.

In July 2013, [displaced residents complained](#) that the implementation committee was failing to perform its duties. That committee had been formed after the Inquiry Commission’s recommendation to continue the Monywa copper mine project, and had been tasked by the government with reducing the project’s negative impacts. A leader of the displaced residents said that about 4000 villagers rejected the compensation offered because they did not want to leave their land. She also reported that plainclothes police officers patrol areas where farmers refuse to give up their property.

### **Freedom of association and other labour rights concerns**

As part of on-going reforms in Myanmar in recent years, the government introduced [a new law in March 2012](#) giving workers the right to form unions and hold strikes. The legislation also introduced penalties for employers who sack striking workers. However, the legislation, while an improvement on the past, still contains numerous provisions that are inconsistent with ILO Conventions 87 and 98 according to the International Trade Union Confederation (ITUC). The ITUC points out in its report “[Countries at risk: 2013 Report on Violations of Trade Union Rights](#)” that the application of the law remains wanting, as trade unionists dismissed for union activity are often not reinstated despite an arbitration award in their favour. After the law was passed, hundreds of [employees from factories in Yangon went on strike](#) demanding improved labour conditions, including 300 wig factory workers who went on strike to demand a raise of their basic salaries; the South Korean employer granted all staff requests. In June 2012, Soe Thane, then Minister for Industry and Chair of the Myanmar Investment Commission, [called on civil society and political parties](#) to help form trade unions for the protection of workers’ rights.

The ITUC’s “Countries at Risk” report notes that in September 2012, Burmese trade union leaders were permitted to return to the country following decades in exile and to continue their trade union activity, now operating as the Federation of Trade Unions – Myanmar (FTUM). But the report also notes significant shortcomings in law and practice relating to freedom of association in Myanmar, including retaliation against some union organisers.

Civil society and the trade union movement remain cautious. The ITUC has repeatedly warned that labour rights abuses continue in Myanmar. In particular, ITUC has warned that, in order to avoid being associated with abuses in the country, multinationals should be required to take “*proactive steps to improve the environment for freedom of association, including making commitments...with trade unions to adopt and promote an open attitude towards their activities.*” (See “[Business & Human Rights in Burma: A Trade Union Proposal](#)”, ITUC, 26 Apr 2013). [Civil society observers have stated](#) that even with the legal changes it will take a long time for freedom of association to be accepted as a right in Myanmar. At a forum held in April 2013, [local and international activists claimed](#) that in practice, workers’ rights to form or join unions have not been fully recognised by officials and business people. They called on the government to ensure the laws are working in practice, and to educate mid-level officials and employers about the laws. A Labour Ministry official was reported as saying that several

related laws and rules are being drafted or are set to go before Parliament that will further bolster workers' rights.

The ITUC has launched a project entitled "[Building a strong trade union movement in Myanmar](#)".

In March 2013, the Institute for Human Rights and Business organised a meeting in Geneva on "[Responsible Investment in Myanmar's Garment Sector](#)". The meeting was attended by a number of multi-stakeholder initiatives (MSIs) including Fair Labor Association, and organizations such as Clean Clothes Campaign. It aimed to explore areas of common interest and potential collaboration among MSIs in relation to Myanmar, and highlighted the role that the UN Guiding Principles on Business and Human Rights could play in Myanmar's garment industry.

### **Child labour**

A November 2012 [Bloomberg TV video](#) shows an 11-year-old child in Myanmar engaged in hard labour, unloading gravel from a boat. The video refers to UNICEF's concerns about widespread child labour in Myanmar, and its call for enforcement of existing policies on compulsory education.

A [June 2013 report in The Irrawaddy](#) notes that Burmese children are working like adults in factories and in small-scale local industries such as teashops and restaurants. One observer said the practice of child labour had become so deeply rooted in Myanmar society that it had become a "tradition".

### **Examples of positive steps and initiatives by companies**

The following items feature steps that some companies have taken to help advance human rights in Myanmar; the dates in parentheses are when these steps were reported:

- In a visit to Yangon, [Google CEO Eric Schmidt](#) urged young entrepreneurs and students to embrace free speech and to "try to keep the government out of regulating the internet." (Mar 2013)
- [Yangon Bakehouse](#) offered a livelihood and life skills training programme to help Myanmar women find jobs and earn a living wage. (Mar 2013)
- [Cisco Systems](#) donated networking equipment to support teaching programmes in Yangon and Mandalay. (Apr 2013)
- [State-owned Chinese companies](#) were reportedly told by their government to publicly embrace corporate social responsibility practices. A special envoy to Myanmar spoke on the social obligations of Chinese state-run corporations, and the head of the political section at the Chinese Embassy in Yangon said that companies must retain the support of local communities and must be open and engaged. (May 2013)
- [Vodafone](#) dropped its bid to run a network in Myanmar amidst warnings from rights groups that the country's laws do not yet offer protection to telecom companies, their investors and potential customers. Vodafone said the opportunity did not pass the company's "strict internal investment criteria". (May 2013)
- [Air Bagan](#) offered free flights to Burmese migrant workers in Malaysia who want to return home following a series of attacks on migrant workers that resulted in deaths and injuries. (Jun 2013)
- [Media associations in Myanmar sent letters](#) to parliamentary officials criticising a draft media bill on the grounds that it could have brought press freedom restrictions from the military regime back into place. This helped postpone passage of the law and led to more consultations. The bill was eventually passed by Parliament in July. [The Myanmar Press Council said](#) its proposed amendments were not adopted, and demanded to meet President Thein Sein to discuss the matter. (Feb & Jul 2013)

### **Other initiatives**

The [Myanmar Centre for Responsible Business](#), based in Yangon, is a joint initiative of the Institute for Human Rights and Business and the Danish Institute for Human Rights. [Vicky Bowman](#) was recently appointed Director of this Centre.

## 4. Policy and legislative developments

### Domestic

The Myanmar Government's push for economic reforms to improve the investment environment are embodied in the passage of a series of laws and regulations, and the signing of agreements in 2012 and early 2013. The following is a timeline of relevant laws enacted and some reactions:

#### 2012

**March:** Enacted the [Farmland Law](#), which puts in place a system of securing rural land tenure through a land use certificate and registration system, creating a private land use property right which allows the transfer or lease of land; and the [Vacant, Fallow and Virgin Lands Management Law](#), which creates a mechanism to lease vacant, fallow and virgin lands for agriculture development, mining, and other purposes allowed by law. The Farmland Law also affirms that farmer organizations can legally organise.

**Reaction:** Activist groups raised [concern](#) over lack of legal protection of land rights of ethnic communities, as the laws do not recognise local customary law regarding land, and land tenure of farmers, especially those that practice shifting agriculture.

- Passed the [Labour Organization Law](#), which allows the formation of labour associations and establishes procedures for holding a workers' strike.
- Enacted the Labour Dispute Settlement Law, which aims to promote the just settling of disputes between employer and employee.
- Myanmar Government and International Labour Organization (ILO) signed a [memorandum of understanding on the eradication of forced labour](#), with both parties committing to cooperate to eradicate forced labour from the country by 2015.

**July:** [Public Announcement](#) of plans to introduce and later adopt the Extractive Industries Transparency Initiative (EITI).

**November:** Enacted the Foreign Investment Law, which allows foreign investors to own 100% of their ventures in non-restricted sectors, to take advantage of five-year tax breaks, and to lease land for 50 years with the prospect of 20-year renewals.

**December:** A high-level committee, the [EITI Leading Authority](#), was created to recommend reforms to the natural resource sector, and to report back by the end of 2013 on ways to improve the management and sustainability of Myanmar's natural resources.

**Related update:** In May 2013, a few months after taking these steps towards transparency, Myanmar received the worst record on natural resource governance in the world and failed on every criterion listed in [Revenue Watch Institute's \(RWI's\) 2013 resource governance index](#).

#### 2013

**March:** [Regulations of Foreign Investment](#) passed, allowing foreigners up to 20 percent ownership of ventures in restricted sectors including natural resources and the environment; agriculture, livestock, and fisheries; manufacturing and services operations that Burmese people "are capable of handling"; and industries that could "affect public health".

### International

The following is a timeline of key foreign policy developments relating to Myanmar, and civil society reactions to them:

#### *European Union*



**April 2012:** [Suspended most sanctions](#); kept arms embargo.

Reaction: Former UN Special Representative on business & human rights John Ruggie and former UN High Commissioner for Human Rights Mary Robinson sent an [open letter to EU Foreign Ministers](#) urging them “to make clear that respect for international human rights standards is integral to the future trade with and investment in Myanmar”.

**April 2013:** [Permanently lifted trade, economic and individual sanctions](#) on Myanmar in response to its political reforms.

Reactions: The move was [described by Human Rights Watch](#) as “premature and regrettable” after it released a report on the same day that accused the Myanmar Government of waging a campaign of “ethnic cleansing” against the Rohingya community. The [International Federation for Human Rights \(FIDH\) and its member organization Altsean-Burma](#) accused the EU of undermining its own credibility, with the decision threatening to decelerate the pace of reforms and prolong a state of impunity in Myanmar. [The Burma Rohingya Association Thailand](#) said that the EU is ignoring the Rohingya “genocide” by permanently lifting economic and trade sanctions.

## USA

### 2011

**November:** Then Secretary of State [Hillary Clinton visited Myanmar](#). The three-day visit was the highest-level US trip to Myanmar in more than five decades, and came after the release of hundreds of political prisoners and the easing of media censorship. It was seen as providing an opening to Western companies to return to Myanmar.

### 2012

**July:** [Eased sanctions](#) to allow its companies to invest in and provide financial services to Myanmar, while requiring investors to report to the State Department on issues such as human rights, workers’ rights and environmental stewardship.

Reactions: [Human Rights Watch criticised this move](#) as not adequately preventing new investments from fuelling abuses and undermining reform, saying that the US Government should have insisted that good governance and human rights reform precede investments. [In a statement](#), Freedom House, Physicians for Human Rights, U.S. Campaign for Burma, and United to End Genocide expressed “grave concern” over the government’s decision. They said that while the US Government has acknowledged that there are many unacceptable business partners in Myanmar, it has failed in its responsibility to clarify who these actors are, or to prohibit US companies from conducting business with these problematic entities.

Prior to this, a group of investors had [written to US President Barack Obama](#), saying that Myanmar will remain a volatile area for business investment if the administration broadly relaxed sanctions. A group of NGOs also [sent a letter](#) to the US administration urging it to extend sanctions until proper safeguards are put in place, and saying that the goal of promoting positive political reforms in Myanmar will be jeopardised if new investments or other business activities reward individuals implicated in mass atrocities and other human rights abuses.

**August:** The US State Department invited public comments on the draft Reporting Requirements on Responsible Investment in Burma. Several organizations submitted comments, including [Conflict Risk Network](#), [EarthRights International](#), [Human Rights Watch](#) and [Institute for Human Rights and Business](#).

**November:** [Allowed the importation](#) into the US of any article that is a product of Myanmar, with the exception of jadeite or rubies mined or extracted from Myanmar, or of articles of jewellery

containing jadeite or rubies mined or extracted from Myanmar. The lifting of the import ban was announced a few days before US President Obama's visit to Myanmar.

## 2013

**February:** [Allowed US companies](#) to do business through four Myanmar banks.

**Reaction:** [US Campaign for Burma criticised the move](#) as premature and for sending the wrong message because of serious and continuing human rights violations in ethnic conflicts.

**May:** [Extended targeted sanctions](#) against Myanmar for another year but lifted visa ban on officials, cited human rights concerns and the continued detention of political prisoners as factors in extending the annual sanctions order.

- Released the [Burma Responsible Investment Reporting Requirements](#), making it mandatory that US persons report on specified policies and procedures with respect to their investments in Myanmar, including human rights, labour rights, land rights, community consultations and stakeholder engagement, environmental stewardship, anti-corruption, arrangements with security service providers, risk and impact assessment and mitigation, payments to the government, any investments with the Myanmar Oil and Gas Enterprise (MOGE), and contact with the military or non-state armed groups.
- US and Myanmar issued [Joint Statement on Good Governance and Transparency in the Energy Sector](#) during Myanmar President Thein Sein's visit to the US reaffirming both governments' shared objectives of managing their natural resources transparently for the benefit of all citizens – with Myanmar expressing its intention to participate in the G8's Partnership on extractive industries transparency in conjunction with the US, and the latter committing to extend support to Myanmar as it continues its economic reform efforts.

**June:** The US Trade Representative held [a hearing](#) on whether to make Myanmar eligible for the US Generalized System of Preferences (GSP) programme that would waive import duties on products from Myanmar.

**Reaction:** [Human rights groups urged](#) the administration not to extend trade benefits to Myanmar as it does not yet have the safeguards in place to protect citizens' rights. They said that if the US does decide to reinstate Myanmar in the GSP programme, it should require importers to certify that there have been no human rights violations in connection with products they import.

**July:** Pursuant to the Responsible Investment Reporting Requirements, the [first five reports were submitted](#) by Capital Guardian Emerging Markets DC Master Fund, Capital Guardian Emerging Markets Restricted Equity Fund for Tax-Exempt Trusts, Crowley Marine Services, Emerging Markets Growth Fund and Hercules Offshore.

## ***World Bank and Asian Development Bank***

**August 2012 to January 2013:** The World Bank launched the Myanmar National Community Driven Project in November 2012, and the Myanmar Reengagement and Reform Support Program in January 2013. Both were undertaken as necessary steps to restore normal relations between Myanmar and the World Bank. The Asian Development Bank approved a number of projects on public sector management, energy, transport, internet communication & technology, education, and industry & trade in a process of stepping up its presence in the country that started in August 2012.

## ***United Nations***

## 2012

**May:** At a ceremony in Yangon, UN Secretary General Ban Ki Moon launched the UN Global Compact of Myanmar. At the ceremony, 14 companies and the Myanmar Chamber of Commerce formally joined the UN Global Compact.

**December:** At the UN Forum on Business and Human Rights held in Geneva:

- In the session on [“Challenges for the role of civil society in advancing implementation of the Guiding Principles”](#), Debbie Stothard (FIDH Deputy Secretary-General and Coordinator for Altsean-Burma; presentation begins at 16:05 of linked video) spoke about the human rights abuses linked to business activities in Myanmar, focusing on land confiscation especially in ethnic areas and the dangers faced by human rights defenders who question harmful business activities. She also spoke on how invoking the UN Guiding Principles on Business and Human Rights could help communities address these abuses.
- In the session entitled [“Taking Stock 1 ½ Years After the Guiding Principles: The Business Responsibility to Respect Human Rights”](#), Min Zar Ni Lin (presentation begins at 26:15 of linked video) of the Myanmar Development Resources Institute highlighted both the general human rights situation in Myanmar and the need to improve corporate performance with regard to human rights.
- Institute for Human Rights and Business hosted a side event entitled [“Responsible investment in Myanmar – ongoing initiatives for aligning investment with human rights”](#). The session focused on the human rights challenges of operating in Myanmar, and the efforts underway to support responsible investment in the country.

## 2013

**June:** At the annual International Labour Conference in Geneva, ILO delegates [lifted all remaining restrictions](#). The restrictions, which were imposed by the UN agency in 2000, included a recommendation that its 185 member states limit relations with Myanmar to avoid perpetuating forced labour in the country, a major problem under the former military government.

## G8

**April 2013:** Following their meeting in London, G8 Foreign Ministers issued a [joint statement](#) welcoming the resulting new opportunities for investment and development in Myanmar, as well as the prospects for greater transparency, accountability and prosperity. They said that new investments and development programmes should operate consistently with international environmental, business, and human rights principles and guidelines with the goal of benefiting the people, and welcomed the Myanmar Government’s commitment to responsible investment in line with the UN Global Compact and UN Guiding Principles on Business and Human Rights.

## 5. Guidance

The following is a list of commentaries and reports that provide guidance for businesses that have entered or are considering entering Myanmar:

[Myanmar: Investing in the Future of Democracy and Human Rights](#), Salil Tripathi, Institute for Human Rights and Business, 3 Apr 2012

[Entering Responsibly in Risky Markets: A Look at Myanmar](#), Chris Nolan and Jeremy Prepscius, Business for Social Responsibility, 12 Jun 2012

[Aung San Suu Kyi signals change in Burma, but investors should proceed with caution](#), John Ruggie, Christian Science Monitor, 19 Jun 2012

[\[audio\] Burma, business and human rights](#), John Morrison, Institute for Human Rights and Business, 17 Jul 2012

[How companies can rewrite Burma's story and avoid a repeat of history](#), Jeremy Prepscius, Business for Social Responsibility, 23 Jul 2012

[It's Not the Time for Business as Usual in Myanmar](#), Chris Nolan, Business for Social Responsibility, 26 Jul 2012

[What Does Corporate Responsibility In Burma Look Like?](#), Joanne Bauer, CSRWire, 2 Aug 2012

[Responsible Investment in Myanmar: The Human Rights Dimension](#), Institute for Human Rights and Business, Sep 2012

[Seminar reps draft recommendations for extractive sectors](#), Myanmar Times, 15 Oct 2012

[Burma/Myanmar, business and human rights: setting standards for responsible business. Conference report](#), Wilton Park and Institute for Human Rights and Business

[Burma an 'Extreme Risk' for Business and Rights Abuse](#), William Boot, Irrawaddy, 19 Dec 2012

[Property and the Lady](#), Economist, 30 Mar 2013

[Dialogue, Opportunities and Risks in Business-to-Community and Business-to-Business Relationships in Myanmar/Burma](#), British Council and Institute for Human Rights and Business, Apr 2013

[Conducting Meaningful Stakeholder Consultation in Myanmar](#), Shift, 1 Apr 2013

[Responsible business in Myanmar – is it possible?](#), Miriam Zieger, CSR Asia, 17 Apr 2013

[How can Businesses in Myanmar Serve Society?](#), Alexandra Guaqueta, in Shift "Viewpoints", Jun 2013

[Myanmar at the Crossroads](#), Aron Cramer, BSR, 11 Jun 2013

[Myanmar: Invest at your own risk](#), Lisa Misol, Human Rights Watch, 10 Jul 2013