

Respecting Myanmar Culture in the Workplace

THE MYANMAR INVESTMENT COMMISSION (MIC)

The Myanmar Investment Commission (MIC) is a government-appointed body which is responsible for verifying and approving investment proposals and regularly issues notifications on sector-specific developments. The new Myanmar Investment Law changes the role of the MIC with fewer investment proposals requiring formal MIC approval and a new Endorsement process – whereby proposals are fast-tracked by being ‘endorsed’ by the MIC – now available to investors. The MIC is comprised of representatives and experts from government ministries, departments and governmental and non-governmental bodies. It has been formed under the Myanmar Investment Law.

OBJECTIVES

- To protect investors according to the new investment law promulgated by Union Hluttaw (Parliament)
- To safeguard environmental conservation
- To deeply emphasize on social impact
- To practice accounting and auditing in accordance with international standard in financial matters including transparency and accountability
- To create job opportunities
- To promote respect for existing labour law
- To support corporate social responsibility
- To transfer technology

MINISTRY OF INVESTMENT AND FOREIGN ECONOMIC RELATIONS (MIFER)

Ministry of Investment and Foreign Economic Relations is formed to fulfill the requirement of the State and the people according to international, regional and the country's geo-economic situation, increasing local and foreign businesses and investments, improving the investment image of the country, quickly creating opportunities for entrepreneurs, all round regional economic cooperation in ASEAN, Greater Mekong Subregion and BIMSTEC etc. and cooperating in socio-economic development programs with United Nations and international organisations.

VISION

To become/serve as an essential/expedient/indispensible body in cooperation and coordination among Government agencies, organizations and partners for socio-economic development of Myanmar

MISSION

- To coordinate between and among the Government and Development Partner countries and organizations in securing international development assistance, and economic and technical cooperation
- To serve as the focal agency in the mobilization of international development assistance
- To serve as the focal agency of the country in regional and sub-regional economic cooperation and integration
- To support for Human Resource Development of the country

POLICIES

- To increase mobilization and ensure effective utilization of development assistance (Loan, Grant and Technical Assistance etc.) from international community for socio-economic development of the country
- To coordinate systematically and effectively in economic and technical cooperation between and among the Government, Development Partner countries and organizations
- To support for Human Resource Development of the country

DIRECTORATE OF INVESTMENT AND COMPANY ADMINISTRATION (DICA)

As part of its effort to establish a market oriented economic system in Myanmar, the Directorate of Investment and Company Administration (DICA) was formed under the Ministry of National Planning and Economic Development on October 13, 1993.

As the primary interface between businesses and the government, DICA is mandated to promote private sector development and to boost domestic and foreign investment by creating a conducive investment climate. DICA takes several functions:

1. as a regulator on investment and companies
2. as a company registrar
3. as an investment promotion agency
4. and as the Secretariat of MIC.

Furthermore, DICA is also responsible for drafting, negotiating and approving bilateral Investment Promotion and Protection Agreements and serves as a focal department for all ASEAN investment related affairs (e.g. ASEAN Comprehensive Investment Agreement, bilateral ASEAN Investment Agreements).

OBJECTIVES

- To increase investments (local investment & foreign investment)
- To encourage private entrepreneurship
- To take part in regional and international economic cooperation
- To develop institutional framework

MOTTO OF DICA

Co-operator of business community, Developer of national economy

DICA Office contact details are in Annex 1

MYANMAR CENTRE FOR RESPONSIBLE BUSINESS (MCRB)

The Myanmar Centre for Responsible Business (MCRB) was set up in 2013 by the Institute for Human Rights and Business (IHRB) and the Danish Institute for Human Rights (DIHR) with funding from the United Kingdom, Dutch, Norwegian, Swiss and Irish governments.

MCRB aims to provide a trusted and impartial platform for the creation of knowledge, building of capacity, undertaking of advocacy and promotion of dialogue amongst businesses, civil society, governments, experts and other stakeholders with the objective of encouraging responsible business conduct throughout Myanmar.

Myanmar Centre for Responsible Business
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Kayin Chan quarter,
Ahlone Township,
Yangon,
Myanmar

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Web: www.myanmar-responsiblebusiness.org and www.mcrb.org.mm

ACKNOWLEDGEMENTS

This guide was prepared by DICA and MCRB with inputs from Liya Mo (short-term consultant to MCRB), Vicky Bowman, Inga Makusheva and Phyu Phyu Zin of MCRB. The guide was inspired by the ‘Dos and Don’ts for Tourists in Myanmar’.

MCRB would like to thank DICA for their cooperation, advice and patience in collaborating on this guide. We would also like to acknowledge the contributions of all those who gave their time to be interviewed as part of this guide and provided their invaluable feedback advice in the drafting of the guide. We would like to extend our thanks to all of them.

We are also honoured to feature the work of Myanmar’s leading cartoonist, Aw Pi Kyeh, whose illustrations enhance the messages in a way which reflects the Myanmar sense of humour and fun.

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PREFACE FROM HIS EXCELLENCY U THAUNG TUN, UNION MINISTER, MINISTRY OF INVESTMENT AND FOREIGN ECONOMIC RELATIONS (MIFER)



In November 2018 I was honoured to be asked to head up a new Ministry to ensure wider international awareness of Myanmar's significant reforms to improve the climate for business and to emphasise our openness to foreign investment.

The new ministry, Ministry of Investment and Foreign Economic Relations is helping to coordinate investment-related matters among the Government, Development Partner countries, and organizations in securing international development assistance, and economic and technical cooperation.

As Myanmar continues on the path to development, bringing together the public and private sector in partnership is central to vision the success of the Myanmar Sustainable Development Plan. This Plan outlines strategies and action plans of the government's approach to promoting socio-economic development. Investors in Myanmar have a crucial role to play, by creating jobs, reinvesting profits, paying taxes, and developing human capital; MIFER is committed to supporting them to do so. But we will not be able to achieve sustainable economic growth and people-centred development unless companies also engage in responsible business conduct.

The Myanmar government therefore expects businesses investing in Myanmar, in addition to fully meeting their obligations under applicable laws, to respect human rights, in accordance with the UN Guiding Principles on Business and Human Rights. The UNGPs were adopted unanimously by the UN in 2011, and subsequently incorporated into many other codes, including the OECD's Guidance for Multinational Enterprises on Responsible Business Conduct. For companies, their 'responsibility to respect' means respecting the rights of employees, and workers in the supply chains, as well as the rights of communities who may be impacted by an investment, consumers, and Myanmar society as a whole.

The best way to respect someone's rights is to listen to them and to engage them. Although this guidebook is primarily targeted at foreign managers, the messages in it are important for all. Workplaces which are respectful and inclusive are invariably more productive, and with lower turnover of the workforce. Respect for diverse cultures and traditions will undoubtedly contribute to the wider goals of our government, including sustainable peace.

I therefore believe that we can all benefit from the main message of this guide: listening to, and learning from, local people will help prevent conflict and contribute to commercial success.

His Excellency U Thaung Tun

Union Minister, Ministry of Investment and Foreign Economic Relations
Myanmar

FOREWORD FROM U AUNG NAING OO, PERMANENT SECRETARY, MINISTRY OF INVESTMENT AND FOREIGN ECONOMIC RELATIONS (MIFER)



Myanmar welcomes responsible foreign investment, as well as foreign expertise. Responsible investment is respectful investment. This booklet has been put together to help foreigners working in Myanmar to respect Myanmar culture and to avoid problems in the workplace and with local communities based on cultural misunderstandings.

An unintended insult to an employee or local community member can sometimes escalate to a much bigger problem for the organisation. If foreigners coming to work in Myanmar learn about our culture and traditions, this will help their company build its 'social licence to operate'. While DICA's target audience is investors, the guide may also be useful for others, such as foreign employees of international organisations and NGOs.

Myanmar is a country of diverse ethnic cultures, languages and religions. This guide cannot list them all. The new Myanmar Investment Law (2016) (Article 65a) specifically requires investors to *"respect and comply with the customs, traditions and traditional culture of the ethnic groups in the Union"*. Understanding and respecting local culture is particularly important at remote sites in Myanmar, such as mines, hydropower projects and road construction.

In remote areas, where ethnic minorities are often present, local communities may be very traditional. There may be different cultural taboos related to local beliefs, sacred sites, and traditions compared to mainstream Myanmar culture. Companies should ensure that their operations, and all their employees and subcontractors, respect local communities' rights and local culture, including customary land tenure.

Indeed, establishing a cultural training programme and a Code of Conduct might be a 'mitigation measure' for a company to include in an Environmental Management Plan concerning Community Relations, as well as a good way to build local relationships and trust.

This guide is mainly about building mutual respect and understanding, and not about legal requirements. But investors should, of course, ensure that they are familiar with Myanmar workplace laws, including those concerning labour, health and safety and environmental

protection. A list of sources of information on these is available at the back of the guide.

I am grateful to Myanmar Centre for Responsible Business (MCRB) for the support that they have given to Myanmar Investment Commission and the Directorate for Investment and Companies Administration in putting together this guide. I believe it will contribute to successful and responsible investment in Myanmar which will create shared value for the investor, and our country and all its peoples.

U Aung Naing Oo

Permanent Secretary

Ministry of Investment and Foreign Economic Relations

BOX 1 - WORKING RESPECTFULLY WITH COMMUNITIES IN REMOTE AREAS IN MYANMAR

Companies intending to operate in remote areas should study the culture, traditions and preferences of local communities. They should discuss with them – using a local ethnic language translator - any concerns they may have about the company's presence and employee behaviour, and ensure that local women's views are heard, separately from men if necessary. Communities may be concerned not just about the presence of foreigners, but about Myanmar citizens from other parts of the country. Companies should discuss and provide local community members with an effective way to raise grievances and complaints.

For remote sites such as construction or exploration camps, companies should provide a briefing on respecting local culture for employees and establish a Code of Conduct. This should be drawn up in consultation with local communities. Site managers should ensure that all staff, foreign and Myanmar, including staff of subcontractors, receive induction before or on arrival at site, and sign the Code to confirm their compliance. Asking members of the local community to provide a cultural induction programme can be a good way for companies to build trust.

Cultural induction programmes can include:

- information on local geography, socioeconomic issues, government, history, culture, customs, religion, local taboos, and festivals;
- interactive approaches to make employees aware of local issues and sensitivities (eg: role play, self-reflection and group discussions and activities);
- reflection on the participant's own cultural norms and how these impact on their appreciation of local cultural norms;
- the locations of culturally important places that should be avoided by employees;
- explanation of local social expectations and a description of behaviours that are culturally inappropriate and therefore should be avoided;
- explanation of cultural practices deemed significant by the local community;
- introduction to some of the tangible cultural heritage features of the area;
- teaching of basic phrases in the local language(s);

BOX 1 - WORKING RESPECTFULLY WITH COMMUNITIES IN REMOTE AREAS IN MYANMAR

- an opportunity for employees to meet and talk to some local community members; and
- a performance or feast prepared by the local community.

A Code of Conduct could cover issues such as unauthorised trespass upon land including holy or sacred sites, including those honouring ancestry, unless provided with local permission; use of alcohol on and near the site; a ban on paying or hiring people from local communities to provide sexual services of any kind, or involvement in any form of sexual exploitation; unauthorized hunting and fishing, or the collection or possession of plants or animals; and purchasing or possessing archaeological or sacred artefacts.

Based on 'Why Cultural Heritage Matters', Rio Tinto (2011), p.65, Box 9, available in Myanmar language from Sustainable Development Knowledge Network (Spectrum)

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I

GREETINGS & LANGUAGE

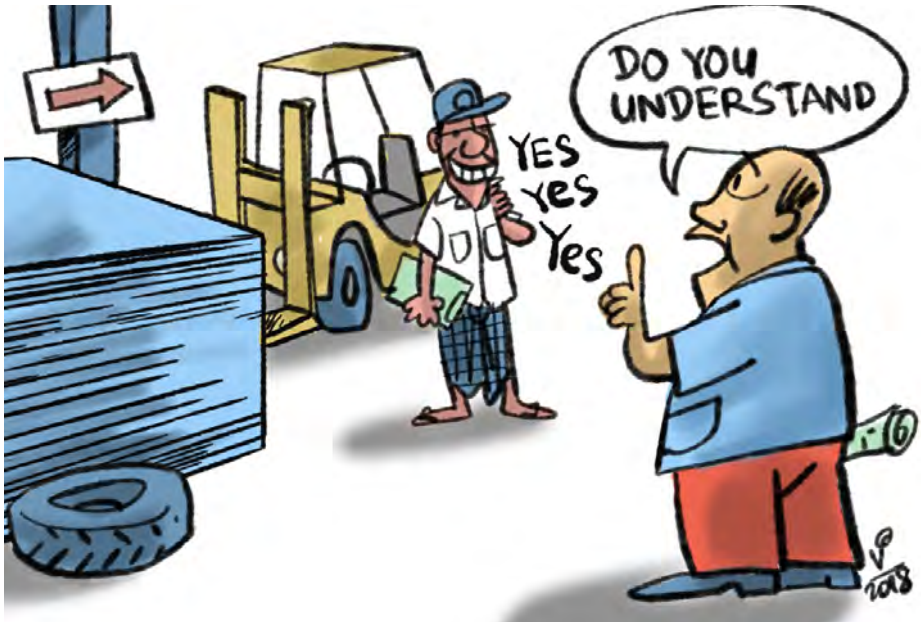


Address men as "U" (older) or "Ko" (younger), and women as "Daw" (older) or "Ma" (younger) depending on their relative age and position e.g. U Aung Shwe. When in doubt, use U and Daw, particularly in meetings with government officials. 'Saya' and "sayama" ('teacher' m/f) is also a useful term of respect for an educated person whose name you find hard to remember. (Different terms are used in ethnic areas).



Learn a few Myanmar words e.g:

- 'Mingalabar' (Hello);
- 'Kye-zu tin-ba-deh' (Thank you);
- 'Ne-kaun-la' (How are you?);
- 'Ne-kaun-ba-deh' (I am fine);
- 'Thwa-meh, naw' ('Bye'/'I'm going').



If your message is important, check that what you say has been understood. Myanmar people may not feel comfortable to admit that they do not understand. You can try rephrasing your question with 'Please tell me what you need to know?' or 'how are you going to do this?'



Do NOT greet people by holding two hands, palms together in front of your chest. This gesture is reserved for greeting or listening to monks.



Greet business contacts with a handshake rather than kisses on the cheek or hugs. Some women may prefer not to shake hands. Wait to see if she extends the hand first. Otherwise, smiles and nods are sufficient.



BODY LANGUAGE & PHYSICAL CONTACT



The head of a person is considered sacred. Do not touch someone's head, cheeks or hair, and do not pass objects over their head.



Bow your head slightly when walking in front of someone senior who is seated, or a monk to show respect.



If you bump into someone, or reach over or behind them, say 'ga-daw' ('Excuse me') or 'ga-daw naw' (more casual).



Don't point or touch objects with your feet, because feet, as the lowermost part of our body, are considered unclean.



Objects should be handed to another person carefully with the right hand (and with your left hand touching the right wrist), or with both hands, and not thrown towards them.



Never put your foot into a water container such as a bucket. Pour the water over the foot to wash it.



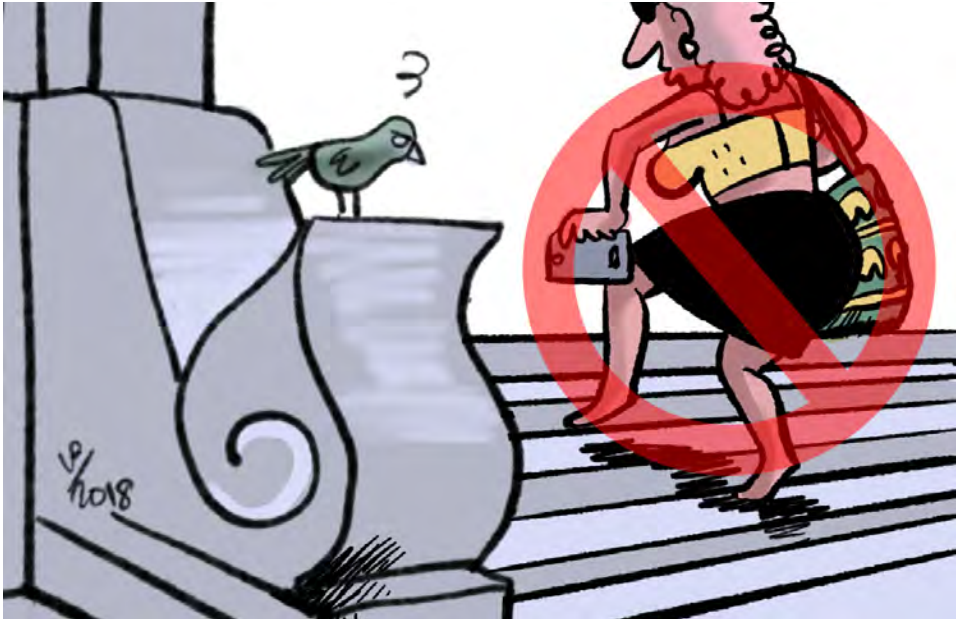
Myanmar people may fold (cross) their arms when they are listening: this shows respect.



Avoid stepping over items, especially books or other printed materials such as newspapers, magazines etc., because this shows disrespect for knowledge.



DRESS CODE



Myanmar is still a conservative society concerning dress codes, particularly skirt length for women. In religious buildings, knees and shoulders should be covered.



Check whether you should take your shoes off before entering an office. It is customary to do so when entering a religious building or a home; some people even do when climbing on a stage.



(Women) employees should be informed in advance if it is not permitted for them to wear thanakha paste on their cheeks due to the risk of contaminating products.



Consult your Myanmar staff on appropriate uniforms and work attire and offer options (e.g. Western or Myanmar, knee length or ankle-length, high heels or flats).



While dress codes in Myanmar workplaces are often casual, when visiting Ministries, you should wear 'office attire', although jackets are not required.



Myanmar people appreciate foreigners who try to wear Myanmar clothing – ‘longyi’ (a sarong – ‘paso’ for men and ‘htamein’ for women).

IV

EATING & DRINKING



If offered food or drink, it is polite to accept something and say 'Kye-zu-ba' ('Thanks') or 'Kye-zu-tin-ba-deh' (Thank you').



It is common in Myanmar to bring food to share in the workplace, both at lunch, and to bring back local delicacies after a journey.



Meals with work colleagues are expected to be for socialising and not work.



Many Myanmar people do not drink alcohol, particularly women. Avoid organising work events which involve a lot of drinking.



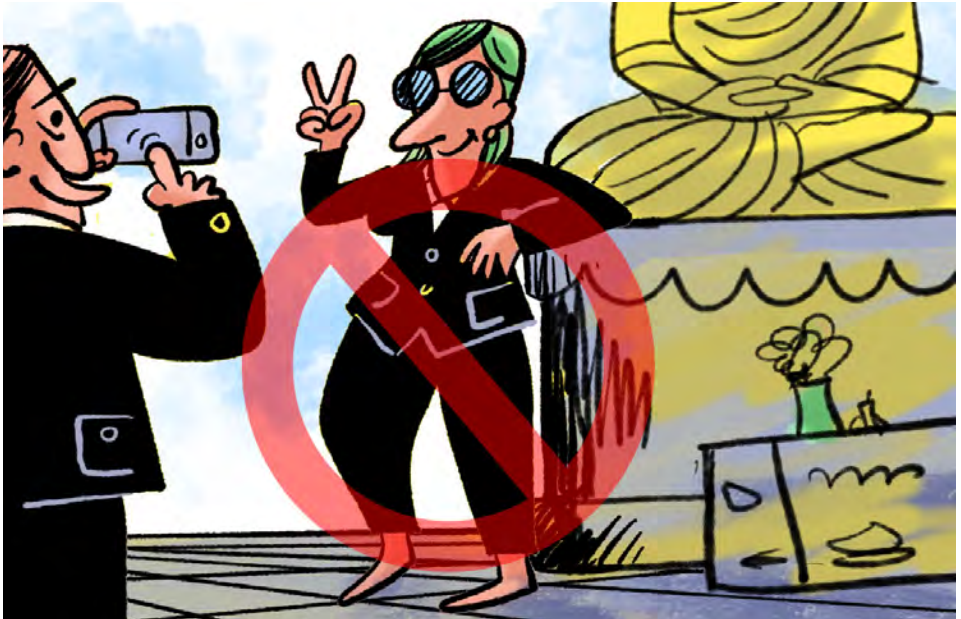
Myanmar people like to eat lunch on time. Avoid meetings that run on later than 12:30.

V

CUSTOMS & CEREMONIES



Do not make fun of, or insult, Myanmar culture and customs.



Do not take photos in front of/with Buddhist statues/images in a way that is disrespectful.



Myanmar people may want to choose auspicious days (according to calendar) for business events e.g. opening ceremonies.



When inviting local monks to bless a new office, they should be offered lunch by around 11am, i.e. before noon. Guests may eat after the monks have finished.



Be aware that there may be diverse religious and ethnic groups in the workplace. Allow them to respect their holy days. These include official Gazetted Holidays, for major Buddhist holidays, Christmas, Bakari EiD and Deepawali days when staff should be granted leave.



During the month between the full moons of Thadingyut and Tazungdaing (October/November), staff may like to make a collective donation to a monastery (kahtein), or pay respects to their elders, including managers. While family elders may respond with pocket money, this is not required of managers.



In rural areas, and parts in Myanmar, staff may want to take full moon days as holidays. During Buddhist Lent (July-October), weekend holidays may be replaced by "Buddhist Sabbath day" when offices are closed. Discuss with your staff what their holiday preferences are and how these can be arranged to meet operational needs.



As far as possible, allow staff to take casual leave to attend religious or other ceremonies, if operational requirements permit. ‘Tha-ye na-ye’ (community participation at births, weddings, funerals and donation ceremonies) is an important part of Myanmar culture.

VI

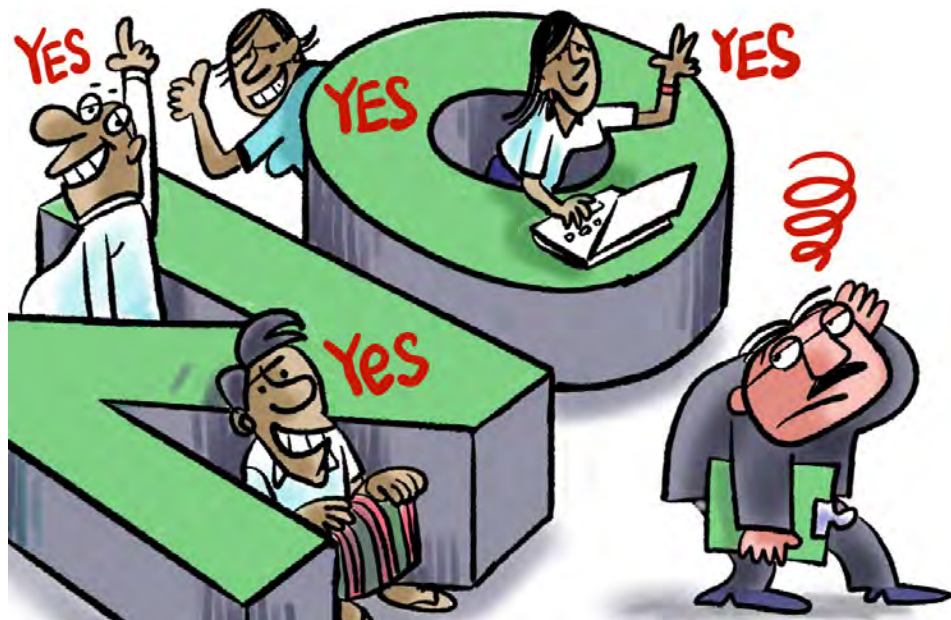
SOCIAL INTERACTIONS & WORKPLACE CULTURE



'Ar-nah-deh' is a Myanmar cultural trait which means that they will not speak frankly if they believe that this might hurt another's feelings. Even if Myanmar people are angry with you, they may still smile.



Do not lose your temper or raise your voice or scold your Myanmar staff, particularly in front of others. In Myanmar this is regarded as a weakness and will result in a loss of 'face' for you and your staff.



Do not take every "yes" at face value. Myanmar people may answer "yes" rather than "no" to avoid loss of face for the parties concerned.



It is not considered rude to ask how much you earn. As a result, the salary market is very transparent in Myanmar.



Myanmar has many ethnicities and religions. Take time to learn about the diversity in your workplace, and ensure that religious and cultural preferences are respected and that there is no discrimination, including by supervisors.



There is no legal requirement for annual bonuses. But some employers pay a 13th month salary, give presents at Christmas or Thingyan, or use festive seasons for staff outings or other forms of recognition or motivational reward.



There is little culture of safety in Myanmar work places. Employees need to be trained, and rewarded, for working safely.

ANNEX 1: DICA OFFICE CONTACT DETAILS

Head office Yangon

No.1, Thitsar Road,
Yankin Township, Yangon
Phone: 01 658103

Naypyitaw Branch

Office No.32, Nay Pyi Taw.
Phone: 067 406124, 067 406166

Mandalay Branch, Mandalay Region

Corner of 26 Street & 84 Street,
North of Zaycho Building, Third Floor,
Chanayetharzan Township, Mandalay.
Phone: 02 4086661
Fax: 02 4086660

Patheingyi Branch, Ayeyarwaddy Region

OSS office, Myat Toe Ward, Patheingyi
Phone: 042 29256, 042-29258

Dawei Branch, Tanintharyi Region

Combined Office, San Chi Quarter,
Dawei Township
Phone: 059 22230
Fax: 059 22233

Hpa-An Branch, Kayah State

Kayah State Ministers' Office, Thu Da Nu
Street, Hpa-An Township
Phone: 058 22749
Fax: 058 22750

Loileik Branch, Kayah State

Compound Office of District, U Ni Street,
Daw U Khu Quarter, Loileik.
Phone: 083 2224184, Fax: 083 2224185

Sittoung Branch, Rakhine State

Government Office Compound, May Yu
Street, Ball Lone Kwin Quarter, Sittoung
Township, Rakhine State
Phone: 043 2024528
Fax: 043 2024529

Yangon Branch Office and One Stop Services (OSS) Branch, Yangon Region

Plot No.49, Myay Taing No. 85/
KanBae, Sein Lae May Lane, Kabar Aye
Road, Yankin Township, Yangon
Phone: +95-01-658263
Fax: 01 658264

Taunggyi Branch, Shan State

Yone Gyi Street, Thit Taw Ward,
Compound of the Shan State Government
Office, Taunggyi.
Phone: 081 2124293
Fax: 081 2124974

Mawlamyaing Branch, Mon State

Compound of Mon State Government
Office, Yone Gyi Street, Panpatan Ward,
Mawlamyaing, Mon State.
Phone: 057 2023395
Fax: 057 2023385

Monywa Branch, Sagaing Region

Compound Office of District
Administration Committee, Yone Gyi
Road, Yone Gyi Quarter, Monywa
Phone: 071 26274

Bago Branch, Bago Region

Bago Regional Ministers' Office, Taungoo

ANNEX 1 (CONTD.): DICA OFFICE CONTACT DETAILS

Street, Yone Gyee Quarter, Bago
Township
Phone: 052-2201747
Fax: 052-2201748

Magway Branch, Magway Region

Combined Office, Pyi Taw Thar (1)
Street, Pyi Taw Thar Quarter, Magway
Township
Phone: 063 28748
Fax: 063 28748

Myitkyina Branch, Kachin State

Government Office Compound, Yone
Gyi Street, Ayar Quarter, Myitkyina
Township, Kachin State
Phone: 074 2524201
Fax: 074 2520103

Hakha Branch, Chin State

Compound Office, Zay Thit Quarter,
Hakha Township, Chin State
Phone/Fax: 070 21323

ANNEX 2: WHERE TO FIND MORE INFORMATION ABOUT LAWS RELATED TO RESPONSIBLE INVESTMENT



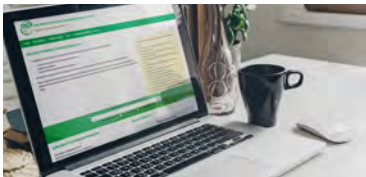
Website of the Ministry of Investment and Foreign Economic Relations (MIFER)

mifer.gov.mm



Website of the Directorate of Investment and Company Administration (DICA)

www.dica.gov.mm



Website of Myanmar Companies Online (MyCo)

www.myco.dica.gov.mm



ILO Guide to Myanmar Labour Law

www.ilo.org/yanmar/publications/WCMS_577563/lang-en/index.htm



Website of the Myanmar Centre for Responsible Business (MCRB)

www.mcrb.org.mm

