



Good Governance Toolkit for Myanmar Businesses: A handbook for resisting corruption and working with integrity



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Disclaimer:

The examples used in this toolkit represent the practices of selected partners and interviewees, as well as international sources. Examples do not necessarily represent all the good practices of companies or government agencies in Myanmar.

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Abbreviations and Acronyms

ASEAN	Association of South East Asian Nations
BHC	British High Commission
CAC	Coalition Against Corruption
CIEN	China Integrity Education Network
CIPE	Centre for International Private Enterprise
DICA	Directorate for Investment and Company Administration
EITI	Extractive Industries Transparency Initiative
FCPA	Foreign Corrupt Practices Act
FMI	First Myanmar Investment Ltd.
GE	General Electric
MBF	Myanmar Business Forum
MCRB	Myanmar Centre for Responsible Business
NGO	Non-governmental organisation
NIS	National Integrity System
OMI	Open Myanmar Initiative
OSS	One Stop Service
PDF	Portable Document Format
PLAN	Public Legal Aid Network
SME	Small and Medium sized enterprises
SMS	Short message service
TI	Transparency International
TiME	Transparency in Myanmar Enterprise
TYACN	Thai Youth Anti-Corruption Network
UMFCCI	Union of Myanmar Federation of Chambers of Commerce and Industry
UNCAC	United Nations Convention Against Corruption
UNDP	United Nations Development Programme

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1: Who should read this toolkit

This anti-corruption toolkit is presented to help **owners and managers of businesses in Myanmar** who want to **resist corrupt practices and reduce exposure to the risks that corruption can pose**. The toolkit is designed to be usable by many different types of businesses, but especially for small and medium-sized enterprises (SMEs). Not every idea and recommendation will be relevant to every business. Managers and owners will need to assess their risks and objectives and decide which steps are right for them.

Some people might think that fighting corruption is the responsibility of government, and businesses only have to wait for changes that will improve the business climate. Wherever there is widespread corruption, **governments have a big responsibility** to improve their own rules and practices to reduce opportunities for corruption, enforce laws and regulations against corruption, and prosecute and punish people who are found guilty of corruption.

But **corruption isn't only a government's problem**. Corruption happens not only because authorities take advantage of opportunities to demand bribes and other benefits, but also because businesses offer them and people feel powerless or don't know what they can do to avoid corruption. Business associations also can be part of the problem or part of the solution by promoting good practices in business, practicing transparency in their own work, and advocating for reforms in government laws and practices.

The main purpose of this toolkit is to provide ideas and examples for businesses in Myanmar, but it also suggests improvements that governments can make and some important support that can be provided by citizens and NGOs.

The toolkit includes these topics:

- **Chapter 2:** Why should I care about corruption in my business?
- **Chapter 3:** What are we talking about? What is corruption and what is integrity?
- **Chapter 4:** How can my business resist corruption and operate with integrity?
 - Internal: Improving practices inside a business
 - External: Telling your story and setting a good example
 - Collective action: Businesses working together to fight corruption
- **Chapter 5:** How can government and civil society help fight corruption and improve the environment for business?

2: Why should you care about corruption?

Myanmar is in transition

Laws are being revised and there are more opportunities for international investment. At the same time, no country or society changes everything at once, so old ways of doing things remain. This can be a dangerous environment for businesses, when it's not clear what is accepted and what is not. It is also an opportunity to establish new practices for better short-term and long-term outcomes.

"Because our anti-corruption policy is clear, and all our employees are trained on our code of conduct, our operations are more efficient. For example, our employees who work with the ministries know very well that they can't pay tea money or other extras, so there is no time wasted asking for permission or instructions when this problem comes up. They immediately tell the official that they can't pay anything. Also, our policy is well known outside the company, so our employees get fewer requests for extra payments."
--Myanmar business person

Corruption can make business more difficult and costly

Especially for smaller businesses, the costs of corruption can be very significant. Even one shipment of raw materials stuck in customs can be a big deal to a small company trying to maintain its supply stream to customers, for example, while a larger company may have the option to wait longer. Furthermore, small businesses may not have the clout to call someone "higher up" to get the problem fixed without paying a bribe.

Corruption can be risky

One bribe may not be enough, and the end may never be in sight. That's expensive. In Myanmar, it is illegal for public officials to take bribes. As the country becomes compliant with its international commitments, such as the United Nations Convention Against Corruption,¹ offering bribes will also be illegal. So if you participate in an illegal action, who can you complain to if your bribe doesn't get you what you need or if the client doesn't pay you for the contract you won? From a risk management perspective, corruption is a high-risk action.

Corruption can make a company less attractive for international investment

Under the United States Foreign Corrupt Practices Act and the UK Anti-Bribery Act, among others, international businesses can be convicted in those countries for bribes made by their agents, suppliers or subsidiaries in Myanmar. So Myanmar businesses that want to work with international firms need to be sure they have strong anti-corruption policies and practices in place.² Furthermore, if a company is convicted of engaging in corrupt practices, many organizations, including the World Bank, the Asian Development Bank, and the European Union now exclude them from bidding on contracts, which could mean a lot of lost business opportunities in a country like Myanmar, where international aid and multi-lateral financing is growing.

"...any company doing business in Myanmar, particularly if they come from North America or Europe, faces exceptional scrutiny of their operations to a degree which they would not face for investments in Laos, Cambodia, or Vietnam."

Myanmar Centre for Responsible Business, Pwint Thit Sa/Transparency in Myanmar Enterprise Report 2016, p. 10.

¹ See Annex D for more resources on UNCAC.

² See Annex D for more information on these laws.

Does your company exhibit any red flags for international partners?

Multinationals are paying attention to potential red flags that may arise when they are considering establishing a relationship with a third party business that seems overly risky. A company may exhibit such warning signs – and potentially lose a valuable business relationship – if it (among others):

- Is not transparent about ownership
- Has public officials in its ownership or management
- Was aggressively recommended by a government official
- Does not publish accounts according to generally recognized accounting standards
- Does not keep its public filings up to date
- Is registered in an offshore jurisdiction with weak regulation (i.e. tax havens) [or does not have a physical address in Myanmar]
- Has previously engaged in illegal or suspicious activities
- Has little relevant experience, or is not known to people within the industry
- Seeks unusual payment arrangements, such as abnormally high commissions or success fees
- Runs a charity (even bona fide) affiliated with a foreign government official

Source: Center for International Private Enterprise (CIPE), Anti-Corruption Compliance: A guide for mid-sized companies in emerging markets (2014).

Strengthening your company's resistance to corruption has many benefits

- A good anti-corruption programme in your company can help protect you from being penalised or blacklisted by international companies for the actions of your employees.
- If your company has a well-known reputation for not offering bribes, it is likely that your employees will be asked for them less often.
- Contracts that are won through clean competition are more enforceable.
- A reputation for having high ethical standards is attractive in the context of growing global interest in socially and environmentally responsible investment and tourism.
- Meeting the anti-corruption requirements of one international firm or organisation can give a company access to other international contracts and investment.
- A good reputation can attract better employees and encourage higher morale and professionalism.

"For a small company, one important benefit of strong anti-corruption policies and practices is better planning. You can plan your operational costs more effectively when you don't pay bribes. Because when you pay bribes, you never know how many times you will have to pay. Also, you don't know if there will be bigger consequences later."
--Myanmar business person

A Success Story – The benefits of fighting corruption and promoting integrity

SMART Technical Services has developed a strong corporate integrity programme and has seen many positive results. It was not always easy, but after a year-long review of all their policies and records by the American company General Electric (GE), SMART won a major partnership with the company. GE is subject to the United States Foreign Corrupt Practices Act (FCPA), and so the company had to make sure that SMART met all of the requirements for good anti-corruption practices before SMART and GE could become business partners. That success has confirmed SMART to be a reliable company of trust and integrity in business practises. The company is known for working with many other international companies in the Oil & Gas Industry.

Source: Interview, October 2016.

3:What are we talking about? What is corruption?

3.1:Defining Corruption

Many different types of actions can be corrupt. Some are illegal in Myanmar. Others are not illegal, but they are bad practices that can damage business performance, public sector performance, and national development goals.

In Myanmar law, corruption is legally defined as bribery. In the law:

- Bribery means an authorized person misuses his designation to do something, to refrain from doing things legally, to give legal rights or to prohibit legal rights untruly to someone, to accept or give bribes or to put an effort to accept or give or obtain or offer or promise bribes for him or someone else or organization directly or indirectly;
- Bribe means accepting or giving cash, property, gift, service charge, entertainment and other unlawful benefits without giving adequate value (rightful cost) in order to do bribery.³

Corruption is “**the abuse of entrusted power for private gain.**”

Corrupt actions are any activity in which a person or organisation takes advantage of the power that has been entrusted to them to get a benefit (for himself, herself, the organisation or their relations) that is more than what they are due within the applicable laws or other rules.

Anyone can give an example of what bribery looks like in real life:

- A clerk at the passport office accepts some “tea money” to process your application faster.
- A township administrator takes a big gift and then looks the other way when a mine pollutes a local river.
- A bank manager stalls approval of a loan until the company that applied for the loan gives him an extra payment.
- A police officer stops a taxi driver for driving in the wrong lane. Rather than recording the violation and confiscating the driver’s license, the officer suggests that the driver can make a payment on the spot.

IMPORTANT: Corruption doesn’t always involve interactions between business and the public sector. Just like the example of the purchasing manager in the box below, inside dealing and corrupt practices can take place between businesses, and they are no less dangerous for the health of the company.

³ Myanmar Anti-Corruption Law 2013 (unofficial translation)

CORRUPTION IS MORE THAN JUST BRIBERY

Myanmar law defines corruption as bribery, but there are many other activities that are corrupt by other definitions. All of these practices are bad for business and the broader society. Here are some examples of other types of corruption that are illegal in many countries.

- A public official uses her position as a director to make sure that her brother's son gets a job in her department.
- A purchasing manager's family owns a printing company. Instead of gathering competitive bids for printing the new product catalogue, the purchasing manager gives the contract to his family's company.
- A ministry official provides one company with early access to the details of a tender in exchange for a contribution to the official's political party. Then the Ministry announces the public procurement, with a very short deadline for submission of proposals.
- Teachers don't teach the proper lessons during the regular school day, and then require students to attend private tuition sessions in order to learn what will be on the final exam.
- A company that is seeking a contract from the government organizes a business trip for a key official and pays all the expenses for the official and his family to stay in a luxury hotel.
- An official in the Ministry of Tourism creates a regulation requiring all hotels to have x-ray machines for security screenings, and that official owns one of the only companies in the country that sells these machines.

3.2: Special risk areas

The examples in the previous section might be pretty clear, but what about some other practices that are common, and even widely accepted, in Myanmar? Could your business become guilty of corruption even without intending to? Here are some areas that are particularly risky for businesses, especially those working in countries where strong anti-corruption systems are not well-established.⁴ Later chapters will offer some ways for businesses to protect themselves against these risks and perhaps even avoid some of these problems altogether.

Gifts and Entertainment

In Myanmar and many other countries, there are many occasions when gifts are given to pay respect and to recognise special occasions, like Thadingyut or the New Year. In business, exchanging gifts or providing meals or other entertainment is generally part of building good relationships. But expensive gifts or lavish entertainment, or very frequent gifts, can be seen as bribery. There is more guidance for how to manage giving and receiving gifts in the next chapter.

Telenor's No Gifts policy posted in its Yangon office



⁴ This discussion draws significantly from the Transparency International *Business Principles for Countering Bribery—Small and Medium Enterprise (SME) Edition* 2008. The G20-B20 *Anti-Corruption Toolkit for Small and Medium Sized Businesses* 2015 was also consulted.

Facilitation Payments (Tea Money)

Payments to “speed up” a service to which you’re already entitled are very common in many countries, but they are really just another form of bribery. In Myanmar, it is illegal for a public official to accept any kind of bribe, so facilitation payments are illegal, even though they are so common that most people think they are essential for getting things done. The next chapter suggests some ways that companies can try to reduce the frequency and impact of facilitation payments.

Conflicts of Interest

In the example above about the purchasing manager, he made a decision that was in his family’s interest, but not necessarily in the company’s interest. He used his position to give an advantage to his family, and this means he didn’t give priority to the company’s interests. This constitutes a conflict of interest even if his family’s company gave a good price and service. In every case where a person or organisation may have another interest that competes with the overall good of the company, there is a potential for conflict between these two interests. This potential conflict should always be declared to the relevant authority—company management in this case—so that mitigating measures can be put in place. In this case, another purchasing manager might be given responsibility for this contract, or an open bidding process could be set up so that it’s clear that the family company provided the best product at the best price. This is even more important for a company that is part of an international supply chain or representing an international company. Undeclared and unmitigated conflicts of interest are not illegal everywhere, but they are in many countries.

Charitable Contributions, Sponsorships and Political Contributions

Bribes don’t have to be given directly to an individual. Contributions to an official’s or another businessperson’s favorite charity, or sponsoring an event or activity (sports team, etc.) that is a project of an official or businessperson, or contributions to a political party, can constitute bribery if it’s done in order to gain a special advantage or favor from the person or institution associated with it. All such contributions should be made openly, with a clear business case that doesn’t have anything to do with seeking a private advantage or favor. It’s especially important to consider how the contribution might look to outside observers, especially if your business is seeking a service, approval, or contract from anyone associated with the receiving organisation.

3.3: Integrity – Another way of thinking about fighting corruption

This chapter has been all about corruption and types of corrupt practices that should be avoided. It’s helpful to know what not to do, but it’s also helpful to think about what you want your company to do and to be. What are the values that you want your company to be associated with? One way to think about this is **integrity**. A company with integrity has the skills, resources, and values to achieve its business goals without resorting to corruption.

Integrity is the alignment of:

Accountability

- We take responsibility for our actions
- We do what we say we do
- We provide stakeholders with the information they need to check our work

Competence

- We have what it takes to get the job done
- We do it well
- We manage our work professionally

Ethical behaviour

- We value others' opinions
- We can be trusted
- We work for the public good

Without corruption/with corruption controls

- We work without corruption
- We use tools to make corruption difficult
- We support those who try to reduce corruption

Alignment: We mean what we say; there is no gap or difference between our words and our actions. Our understanding of Accountability, Competence, and Ethics is consistent with each other, and supports each other in the task of strengthening integrity.

Source: Integrity Action, *Live and Work with Integrity: You Can Do It!* (Integrity Action, 2015)

You might also draw inspiration for creating a company with integrity from Myanmar's own national goals, as stated in the Anti-Corruption Law of 2013. Business leaders and employees might ask themselves..."What are my business practices doing to promote the transformation of my country and the goals of good governance, accountability, and national development? Am I proud of the values my business/employer promotes in the way it works?"

A National Vision for Combating Corruption

The objectives of the Myanmar Anti-Corruption Law 2013:

- to make the eradication of bribery a national duty;
- to create clean government and good governance in public administration;
- to promote prestige and accountability;
- to prevent impairment of the benefits and rights of citizens and society, and of the state's property, due to bribery;
- to take effective action toward those who commit bribery;
- to develop the economy by promoting local and foreign investment through more transparent rule of law and administration.

Source: Myanmar Anti-Corruption Law 2013 (unofficial translation)

4:What can my business do to fight corruption and operate with integrity?

Every business has an interest in reducing the risks that corruption causes. Some of the ways of doing this are quite simple. Others can be more complicated, but it may be worth the effort. You can think about integrity and fighting corruption in business in three stages:

Internal: A strong anti-corruption policy and compliance programme, based on clear principles, with training for employees and partners. Other supporting mechanisms such as reporting channels and monitoring processes can be added. These elements of a programme can be larger or smaller, depending on the size and scope of the business and the scale of risk it faces.

External: Communicating the company's commitment to integrity and fighting corruption to partners and other stakeholders.

Collective: Taking action with other companies to establish wider agreements and standards to address corruption risks in the business environment.

This chapter offers some ideas and examples of what businesses can do to make their internal policies and practices stronger and to create networks that can help everyone work better.

4.1:Internal: Set up a strong anti-corruption policy and programme in your company

Every business needs to be sure it has rules in place that clearly define acceptable practices, especially in some of the risky areas outlined in the previous chapter. Then it needs to take steps to ensure those rules are implemented. To understand the basics of how to do this, there is already a very good resource available, translated into Myanmar language—Transparency International's *Business*



The Myanmar translation of Transparency International's *Business Principles for Countering Bribery—Small and Medium Enterprise (SME) Edition* can be found online at <http://www.myanmar-responsiblebusiness.org/pdf/2014-11-04-TI-Guide-Business-Principles-for-Countering-Bribery.pdf> or you can get a copy from the Myanmar Center for Responsible Business in Yangon.

The English version is available at https://www.transparency.org/whatwedo/tools/business_principles_for_countering_bribery_sme_edition/1/.

Principles for Countering Bribery—Small and Medium Enterprise (SME) Edition. The Transparency International guide already includes a lot of information about the steps necessary to implement a strong anti-corruption programme in a business, so this toolkit won't repeat all that information. Instead, this chapter will summarise some of that information and also provide guidance from other resources not available in Myanmar, along with some international and local suggestions and examples for how these ideas might look in practice.

4.1.1: First Step: Assess Your Risks and Prioritise

Every company's anti-corruption programme doesn't have to look the same. An anti-corruption programme should be **proportional** to the range of risks that the company is exposed to and to the resources available to address those risks.

A very small company providing only local services may not need to establish an extensive training programme for local suppliers, for instance, but it still needs clear rules to employees resist demands for bribes and understand the proper limits on giving or receiving gifts. Firms operating in oil and gas, mining, forestry and construction have much higher exposure to corruption risks involving high-value kickbacks for land concessions, for example, while trading firms may face more risks related to small bribes to clear goods through customs or move them around the country. If your company doesn't sponsor events or make political donations, then developing policies for those issues clearly shouldn't take up the company's time.

Assessing Risks by Reading Social Media

One company manager in Yangon says he sees complaints from and about his employees on Facebook and sometimes uses these to inform the company's anti-corruption training or policies.

Source: Interview, September 2016

A simple way to assess corruption risks – talk to your employees

The simplest ways to assess corruption risks in your company is to learn from your staff.

- Start by meeting with staff and introducing your objective of strengthening your company's efforts to reduce corruption.
 - Explain the risks that participating in corruption can pose to the company.
- It's very important to assure your staff that they won't get into trouble by talking about corruption risks.
- Ask staff to think about these questions:
 - In what ways do we interact with public officials or other companies?
 - In those interactions, are we participating in any corrupt or risky behaviors, such as making facilitation payments, giving or receiving gifts, or seeking inside information?
 - In what areas of our business are these risky practices most common? Seeking contracts? Buying goods and services? Paying taxes? Getting services (electricity, telephone, internet)? Seeking permits and approvals?
- Discuss these risk areas and decide which ones are the most important. If your staff are uncomfortable discussing this, you could ask them to write down the areas where they encounter corrupt practices, and count up the "votes".
- Use this information to map out your risk areas and decide what areas to prioritise as you develop and implement your anti-corruption policy and procedures.

IMPORTANT: When assessing their risks and committing to address them, **businesses need to be honest about their own role as "part of the problem."** Changing practices within a business has to start with recognising that there will be costs as well as benefits. Old

practices may be hard to eradicate when they run against core business interests like winning a contract or saving on taxes.

4.1.2: Establish Clear Rules to Avoid Bribery and Promote Integrity

Every company needs to have an **anti-corruption policy** that clearly states the company's stand against participating in bribery or other types of corruption. This policy doesn't have to be long and complicated. In fact, it's better if it's brief and clear, like this one from First Myanmar Investment (FMI). Other examples can be found in Annex B.

Excerpt from Anti-Bribery Policy of First Myanmar Investment, Ltd. (FMI) Policy

The Group does not tolerate any form of bribery or corruption.

You must not offer, pay, make, seek or accept a personal payment, gift or favour in return for favourable treatment or to gain any business advantage. You must follow the anti-bribery and corruption laws to which you and the Group are subject, remembering that Myanmar anti-bribery and corruption laws apply wherever you are operating.

You are liable to disciplinary action, dismissal, legal proceedings and possibly imprisonment if you are involved in bribery and corruption.

You must ensure people who work for and with you understand bribery and corruption is unacceptable.

You must comply with the Group procedures for the prevention of bribery and corruption.

This policy will be disseminated and published to all employees, contractors, suppliers and business partners together with all updates and clarifications.

The complete policy is at <http://fmi.com.mm/anti-bribery-policy/>.

An anti-corruption policy is usually a statement of essential principles. A company also needs to have a clearer definition of what its policy means in concrete terms. This is usually captured in a **code of conduct or handbook** that outlines specifically what behaviors are expected. A code of conduct typically deals with more issues than just corruption, but it must define acceptable and unacceptable behaviors related to corruption, specify procedures for dealing with corruption situations, and clarify who is responsible for implementing a company's anti-corruption programme. (See Annex C for some guidance on codes of conduct and some samples from Myanmar.)

Two high-risk areas should be addressed with clear policies and codes of conduct. One is **facilitation payments**, which were described in the previous chapter. "Tea money" might not seem like a big problem, but they can get you into a cycle of bribe-paying that never ends. At the same time, if your business permit, electricity connection, customs clearance or safety clearance takes too long, your business is at risk.

A simple policy on facilitation payments

It's not always possible to avoid paying these bribes, but here are some ideas for steps that you might take:

- If payment is demanded, actively resist (the next section has some ideas for resisting)
- If payment was made, inform manager
- Keep the amount to a minimum
- Create a record for the payment

Source: International Finance Corporation, "SME Integrity Tool"

<http://www.smetoolkit.org/smetoolkit/en/content/en/54665/SME-Integrity-Tool-Level-1#sthash.7L0klZKb.dpuf>

IMPORTANT: Sometimes facilitation payments can't be avoided, like when there is a threat of violence or other direct harm. In this case, employees need to know that they will be supported by the company and not punished for doing something to protect their safety. A policy that requires the reporting of bribes paid in situations where there is really no alternative can help send that message. At the same time, these reports can help the company learn more about its major risk areas so that it can develop plans and strategies for reducing that risk in the future.

Anti-corruption policies and codes of conduct also need to be very clear about **giving and receiving gifts or entertainment**. It can be difficult to know where to draw the line between a gift and a bribe, especially when gift-giving is a very common and respected tradition, as it is in Myanmar. This is especially risky if your company has some business before the recipient's agency or if you're trying to do a business deal with the recipient. Small gifts, especially at traditional times, are usually considered reasonable. But expensive gifts, especially if there is any appearance that they are given to try to get an illegal advantage in a business matter, may look like bribes, and they can hurt your company's reputation. Giving or receiving gifts of cash should never be allowed.

Giving Gifts: Questions to Ask

You are in a local government office trying to get a necessary letter of approval signed. There is a box asking for donations for a local monastery on the front desk. Would it be corrupt to make a donation? Here are some questions to ask yourself:

- Is the gift likely to influence the recipient's objectivity in his or her duties?
- Will the gift set a precedent in your company as being appropriate rather than questionable?
- Will the gift appear to people outside the company as if it is a bribe?

Source: Questions adapted from G20-B20, Anti-Corruption Toolkit for SMEs, p. 47

IMPORTANT: Gifts can look like bribes, even if they are not intended that way. Think about whether people outside your company might see a gift as an inappropriate attempt to influence a decision or gain some other favor. Remember that some companies try very hard to avoid even the appearance of corruption, so you may damage your company's reputation with some international firms, for example, if you try to give an expensive gift.

Companies should also have clear policies on what to do **if a valuable gift is offered to an employee or manager**. Sometimes it would be inappropriate or offensive not to accept it, especially if it is offered at a public occasion, but there should be a plan for what to do with them. They should be recorded, and maybe given to a charity. It's almost never appropriate

to keep a valuable gift for personal use. It can be helpful to inform the giver about what has been done and why, in order to avoid the same situation in the future.⁵

IMPORTANT: Owners and managers should encourage employees always to ask questions and get guidance when they are confronted with gifts—either receiving or giving them. It's better to ask questions in advance than to have problems later.

Other situations that may require clear rules include the conflicts of interest, political contributions, and charitable donations and sponsorships discussed in the previous chapter. Others include business travel expenses for customers or clients, requests for favours, and specific terms of payment in contracts (such as commissions and consultancy fees, location and method of payment). More suggestions on how to manage these can be found in the Transparency International SME guide mentioned above, along with the other guides cited in this toolkit.

Do You Know Myanmar's Law and Guidelines on Gifts to Public Officials?

Myanmar's new government guidelines say that no public official may take a gift that is worth more than 25 dollars, or gifts that add up to more than 100 dollars in a year. This is a good standard for judging what might be considered "lavish" or "expensive."

Myanmar's Anti-Corruption Law has a very wide definition of "bribery" and the [new government Guidelines issued in 2016] also recognise that gifts can take different forms, such as meals, accommodation, travel, club memberships and even gold and silver.

As a basic principle, the Guidelines expressly forbid public officials from accepting any gift from a person or organisation which has been offered or given to the public official on account of their official position. This is further explained by referencing gift giving in the context of the gift giver trying to do business with an agency under the supervision of the official, or the gift giver potentially benefitting from an act which the official has the authority to do (or refrain from doing).

Similarly, public officials are instructed not to demand gifts and are required to inform their respective superior officers immediately about the offer of any gift, whether it is accepted or refused.

However, there are certain limited exceptions under the Guidelines which permit acceptance of gifts in the following situations:

- where the value of the individual gift is less than 25,000 kyats (around US\$20) (albeit that the total value of multiple gifts received from a person or organisation in a year shall not exceed 100,000 kyats);
- where gifts are given on account of a familial or personal relationship; or
- where gifts having a value not exceeding 100,000 kyats are given on special occasions such as Christmas or Thadingyut.

References:

Myanmar Anti-Corruption Law 2013 (http://www.accm.gov.mm/acc/image/data/acc/books/ACCL_en.pdf)

Source: Berwin Leighton Paisner LLP, "Myanmar issues guidelines to combat 'rampant and obvious' bribery," Expert Legal Insights Blog, 26 April 2016. <http://www.lexology.com/library/detail.aspx?g=9a78b6ae-0c14-473c-a215-c6b0bfda87df>. Accessed 1 October 2016.

⁵ Transparency International, *Business Principles for Countering Bribery – SME Edition*, p. 20.

4.1.3: Avoiding Corruption – What can you do?

Sometimes giving a bribe or participating in other forms of corruption just seems impossible to avoid, especially if there is a truly dangerous situation. But there might be more options than you think.

4.1.3.1: Prevent

A first priority is to do things that will help **prevent situations where you might be pressured to be involved in a corrupt action**, and to be prepared for this possibility.⁶

- *Know the rules, official costs and time requirements* if you need a permit, license or other service. Make sure you have the right paperwork completed and that you submit it in good time. When involved in complex processes like bidding for a large contract, knowing what is and is not allowed (such as giving beneficial information to only one bidder, or setting the requirements to advantage a single company) may give a company the tools to protest if it looks like proper procedures are not being followed. This information is not always easily available, but do your best to learn as much as possible in advance.
- *Be careful when working with agents or brokers, and make sure they know your company's policies.* It's true that some rules are changing fast in Myanmar, and others are very hard to find. Some agents and lawyers specialise in assisting companies to complete difficult processes, but you should be sure they are doing it based on knowledge of the rules and procedures and not through corruption.
- *Follow the rules.* Shortcuts might seem more beneficial because you get what you need quickly, but they can give officials an opportunity to demand a bribe, and a company won't have any basis for complaint if it is already in violation of the law.
- *Plan and be prepared.* Think about information that might be requested, and try to bring relevant business documents to appointments. Work in teams of at least two employees if there is a possibility a bribe will be demanded. Don't offer to help "speed things up" at the first mention of a delay. The delay might be justified; find out more and seek legal ways to expedite the process.
- *Keep good records.* Be sure to keep all the records of what has been submitted, who received it, and when. Ask for a date stamp and signature on a receipt showing when documents and payments are submitted. Create a log showing the number and frequency of audits or inspections, and ask the official to sign for each visit. After a meeting with officials, follow up with a letter documenting what was said or agreed. If asked for a bribe, write an internal memo describing what happened.

4.1.3.2: Resist

If the strategies in the previous section don't work to avoid being pressured for a bribe or other corrupt action, here are some ways to try to resist demands for corruption:⁷

⁶ This section is minimally adapted from Hills Program on Governance, *Anti-Corruption Manual for SMEs* (Asian Institute of Management Hills Program on Governance, 2011), pp. 44-55.

⁷ This section is minimally adapted from the G20-B20 *Anti-Corruption Toolkit for SMEs*, pp. 52-54.

- *Try saying no, but with different words.* When it's not possible to directly refuse to pay a bribe, you might be able to say something else, like the suggestions in the box to the right.
- *Make the process very complicated.* Say that you have to consult with your supervisor or the business owner (even if you are the final decision maker). Ask for the request in writing or suggest that you and the other person will both need to go discuss this with your boss. Say that even if the boss agrees, a written receipt would be required. These strategies might be most effective if the person asking seems to be acting alone, without broader support from the institution or supervisors, so a more public discussion might be unappealing to them.
- *Try to learn more about the situation.* Check with other people if they have had problems with the same agency or person. If the agency or organisation is known to be widely corrupt, then it may be more risky to try to escalate the situation to your boss or a superior in the agency. Find out if you can get the same service from another source.
- *Point out the legal restrictions the company operates under and the risks that a corrupt action would create.* You can do this by carrying your company's code of conduct with you.
- *Find ways to convert illegal actions into legal ones.* In some conditions, small facilitation payments can be legal, even if they are still corrosive to the business environment. Any such payments should be made openly and recorded in company accounts. Giving cash gifts secretly is almost always inappropriate. The important thing is any payment is done openly and documented with receipts.
- *Blow the whistle* by reporting the problem to law enforcement, the media, or other authorities. This may not always be a good option, especially if there is a chance that law enforcement authorities will not follow through appropriately, or if the reported person or institution is powerful enough to cause further problems for the company. But it also sends a powerful message that the company doesn't go for "business as usual."
- *Act collectively.* Sometimes it's easier (and maybe safer) to get things done together than to try to tackle a problem alone. You will find some suggestions for working together with other businesses later in this chapter.

What can you say?

Here are some things you might say if asked for a bribe:

- "I do not have access to extra funds."
- "My company has a very strict policy against giving bribes, and I would lose my job if I violate this policy."
- "I have to refer all extra payments to our senior manager."
- "Would you please show me the rule that says this payment is required?"
- "My business is constantly being audited by our international partners."
- "I am not looking for special services or arrangements."
- "May I speak with your manager?"
- "Can I know your name and your position?"
- "I will go to your supervisor."
- "I'm going to report this on Facebook."

Source: Myanmar interviewees and Hills Program on Governance, Anti-Corruption Manual for SMEs, p. 51.

VOICES FROM MYANMAR: What strategies have you used that helped resist corruption?

"One of our employees had to get a construction permit, but he was told he needed to make a 'donation' to the official before the permit would be approved. This is not allowed by our code of conduct, so the employee told the official he would have to get permission from his manager, and that the official would have to provide a receipt. When the official insisted, our employee told him that our company had already paid for a national license to operate in Myanmar, so no 'extra' fees would be paid. Finally the employee got the construction permit." (Compliance officer of international company in Myanmar)

"I sometimes ask to know the name of the person who is telling me I need to pay an extra payment. This gives them an idea I might use their name on Facebook or report them to a supervisor." (Myanmar business person)

"When I was a procurement manager, I never gave my personal address to potential suppliers. I met with suppliers only at my office during office hours." (Myanmar NGO employee)

"My company frequently receives requests from government offices to take out paid advertisements in their newsletters. We review each request with our legal department and ensure that no favors are being given in return. One question we always ask is whether the newsletter is in fact widely circulated, so that there is a legitimate advertising benefit from our ad. Most of the time we politely decline the request unless it's really a unique advertising opportunity and doesn't violate any of the company's rules or laws."

--officer of an international company in Myanmar

How can you help employees resist corruption?

Sometimes it's hard for an employee to resist a demand for a bribe, but it might be easier if he can show that he's resisting because his company requires him to. Coca-Cola provides its employees with a card they can use when they are being pressured for a bribe.



Ethics & Compliance
 The REAL Thing
 The RIGHT Way

ကိုကာကိုလာကုမ္ပဏီသည်
 မည်သည့်အကူအညီ၊ ဖျိုးအတွက်မဆို
 ငွေပေးခြင်းမပြုပါ။ ထိုသို့ပေးခြင်း အား
 မိမိအိတ်စိုက်ခြင်းစေကာမူမပေးရန်
 ကျွန်ုပ်တို့အားတားမြစ်ထားပါသည်။
 လေးစားသည့် အနေဖြင့် ကျွန်ုပ်တို့၏
 ငွေကြေး သို့မဟုတ် တန်ဖိုးရှိသည့်အ
 ရာတစ်ခုခုတောင်းခံခြင်း မပြုပါနှင့်။
 ထိုသို့ပေးခြင်းသည် ကုမ္ပဏီမှအခွင့်
 ဥပဒေကိုဖိုးစောက်ရာစရာကင်းသဖြင့်
 ကျွန်ုပ်တို့မှ နေ့ချီ
 ကုမ္ပဏီ၏အုပ်ချုပ်ရေးပိုင်းအား
 အကြောင်းကြားရန် လိုမလိမ့်မည်။

ကိုကာကိုလာကုမ္ပဏီနှင့် ၎င်း၏ထုတ်လုပ်သူ
 ကိုကာကိုလာ ပင်းယအရေစိုက်ယမကာမြန်မာ
 တို့သည် အလုပ်အကိုင်ဖန်တီးခြင်းနှင့်
 အမျိုးသမီးများအားလုပ်ပိုင်ခွင့်ပေးခြင်းတို့
 မှ တဆင့် မြန်မာ့စီးပွားရေးတိုးတက်ရန်
 ဦးတည်လုပ်ဆောင်နေပါသည်။
 ကျွန်ုပ်တို့သည် လုပ်ငန်းအား
 လာဘ်ပေးလာဘ်ယူကင်းစွာဖြင့်
 လည်းကောင်း၊
 လူ့အခွင့်အရေးကိုလေးစားခြင်း
 ဖြင့်လည်းကောင်း၊ ကိုကာကိုလာကုမ္ပဏီ၏
 လုပ်ငန်းဆောင်ရွက်မှုစည်းမျဉ်းဥပဒေနှင့်
 လုပ်ငန်းခွင်အခွင့်အရေးမူဝါဒတို့တွင်ဖော်ပြ
 ထား သည့် ကျွန်ုပ်တို့၏တန်ဖိုးများနှင့်အညီ
 လုပ်ဆောင်နေပါသည်။


 Coca-Cola Pinya
 Beverages Myanmar Ltd



Ethics & Compliance
 The REAL Thing. The RIGHT Way.

The Coca-Cola Company does not pay
 for favors of any kind. I am
 prohibited from making such
 payments, even from my own
 pocket. With all due respect, please
 do not ask me for money or anything
 of value. I will be required to notify
 my Company management since such
 a payment would be a violation of
 Company policy and law.

The Coca-Cola Company and its
 bottler Coca-Cola Pinya Beverages
 Myanmar are committed to economic
 development in Myanmar through
 job creation and the empowerment
 of women. We are also committed
 to doing business without corruption,
 with respect for Human Rights and
 according to our values expressed in
 The Coca-Cola Company's Code of
 Business Conduct and Workplace
 Rights Policy.


 Coca-Cola Pinya
 Beverages Myanmar Ltd

4.1.4: Communications and Training

It doesn't do any good to have an anti-corruption policy if no one knows about it. Policies should be **communicated** clearly to all staff, as well as suppliers and agents. This is especially important for any directors, owners, staff, suppliers or agents involved in high-risk activities such as seeking licenses and permits, clearing and transporting goods, seeking contracts for the company, or procuring goods and services. It's important that this communication comes from the **highest-level management**, to let everyone know that company leadership supports this effort—most importantly, that management will support employees when they run into problems while trying to avoid bribery and other forms of corruption. This **"tone from the top"** is an essential part of a successful anti-corruption programme, and it should be more than just talk. High-level managers and owners should demonstrate that they act in line with company policies and support their employees to do the same.

"One big problem is when employees are told they can't be involved in corruption, but at the same time the company is demanding employees to things get done fast. I need my company to support me when I try to resist corruption. My performance evaluation should include integrity."
– Myanmar employee

Don't just communicate anti-corruption policies and commitments through a single memo or meeting.

Employees should be exposed to anti-corruption policies more often than just receiving a copy of the policy when they start employment. Wall posters and other notices are important reminders, but not sufficient on their own.

There is no perfect programme, but **in-person or on-line training at least annually** **good practice**. Give employees the opportunity to talk about the policy, ask questions about specific problems they might have encountered, and get advice on how to deal with them. Bribery and other forms of corruption are sometimes difficult to discuss, and people can be

"Our company's leadership training really emphasises the importance of speaking up. People are sometimes afraid to discuss corruption or other problems, and we want our staff to understand it's important for our business to honestly address these challenges." – Compliance manager for a Myanmar company

afraid of saying the wrong thing. It's important to give them a safe and open environment to talk about it.

If a company doesn't have the resources to have these discussions with all employees, it's helpful to give them a helpline or advice resource, perhaps to the company's compliance department (or for a smaller company, to the person designated to handle anti-corruption policies and risk management).

IMPORTANT: Remember that the people who are most distant from the headquarters are often the ones who face the most complicated situations or feel the least connected to the company's support and monitoring structures, and maybe even its core values. Companies should make extra efforts to reach these employees with training and communications about resisting corruption.⁸ Special efforts to train suppliers and other sub-contractors can be very important.

⁸ G20-B20, *Anti-Corruption Toolkit for SMEs*, p. 42.

Making Anti-Corruption Training and Communications Effective

Here are some tips for making the best of anti-corruption training:

- Use simple language and avoid legal jargon
- Diversify content and format – don't just lecture to employees
- Use scenarios and role play
- Include staff from different departments and different seniority levels
- Ensure participation by including anti-corruption training in job requirements and by giving staff time off to attend

Here are some additional steps that can complement anti-corruption training and outreach and enhance its effectiveness:

- Open door policy: Make sure everyone knows that the person(s) responsible for ethics and compliance is always available to answer questions and provide advice.
- Outreach to supervisors: Supervisors are usually the first point of contact if an employee sees a violation or has a concern. They need to be especially well-trained in how to respond.
- Team meetings and company memos: These can be important ways to reinforce the company's values and code of conduct. Meetings and memos that encourage better performance against sales goals, for instance, should also clearly state that these goals should not be pursued through corrupt or other questionable actions.
- Internal newsletters with case studies: Especially in larger companies, employees may wonder what happens when a corrupt action is reported or discovered. Newsletters or other means of reporting back to give employees updates on particular cases can help everyone learn from experience, and build trust that the processes are open and fair. Just remember to protect employees' privacy by removing names or changing identifying details such as the particular department or business unit location.

Source: Adapted from Center for International Private Enterprise (CIPE), *Anti-Corruption Compliance: A guide for mid-sized companies in emerging markets* (2014), pp. 34-35.

4.1.5: Control, Monitoring and Following Through

In addition to anti-corruption policies, good practices for avoiding and resisting corruption, and training and communications, companies seeking a strong internal anti-corruption programme need to implement control, monitoring and follow-up policies and practices. These include financial management controls, a system for reporting suspicions of corruption, a system for monitoring corruption risks and progress over time, and processes for rewarding good behaviours and penalising bad ones. This section describes some of the basic elements of these systems. As with all aspects of anti-corruption programmes, larger and more complex companies will need more complex systems than smaller ones.

Managing Company Funds

Every company needs an accounting system and a procurement policy. The complexity of these systems will depend on the size of the company. For small companies, here are some very basic rules to start with.⁹

- All non-electronic payments should always be recorded and backed up with receipts.
- All cash withdrawals should be recorded and signed for.

⁹ Rules adapted from G20-B20, *Anti-Corruption Toolkit for SMEs*, p. 30.

- Cash payments and receipts should be limited to small transactions. Define the maximum amount and make sure that employees know what it is.
- Restrict the use of cash advances for employee's personal use.
- All payments above a certain amount should require more than one signature.
- The company's procurement policy should require quotes from more than one supplier for every major purchase (establish a minimum value).

4.1.5.1: A System for Reporting Suspected Corruption

Not every company needs a complicated system for reporting corruption, but there should be a way for employees to raise concerns and ask questions. A company's procedures should be outlined in its anti-corruption policy or its code of conduct. Here are some options:¹⁰

- *Reporting to a supervisor or manager:* Most reports should go to a supervisor or higher manager. But there should be an alternative channel for any employee who has a concern about the manager or supervisor.
- *Reporting hotline or other alternative:* For reports that can't go to a manager or supervisor, employees need a way to reach someone else. Large companies often have a phone number or email address where employees can report concerns. A smaller company could designate an advice officer or set up a box where employees can submit written reports. The location of a box should be easily accessible, but private. All reports should be kept confidential until a fair investigation is made. The identity of employees who make reports should always be kept confidential.
- *Dealing with reports:* You need to have a plan for how reports will be handled. Small cases might be investigated by the supervisor or manager of the department where the problem is reported to be. For cases that involve serious offences, large amounts of money, or high-level employees or managers, a company should establish a committee to ensure fair investigation and treatment of the problem.
- *Protecting people who report:* Even with confidentiality, suspicions can arise among the staff, or especially from the accused person, about who might have reported the problem. The company should have a clear policy that people who make reports in good faith (meaning, they do not make malicious reports or reports they know are not correct) will be protected from any sort of retaliation. It's the responsibility of owners and managers to make sure that this policy is followed.
- *Follow-up on reports.* If employees report violations but never see any action to resolve them, your reporting system—and perhaps your whole anti-corruption system—will break down very quickly. Rumours and more suspicions are other likely results. Companies should register every report, keep track of the conclusion, and follow up with the person who made the report (if they did not report anonymously). Newsletters or quarterly/bi-annual/annual ethics updates can be another way of communicating this information, as long as they do not reveal confidential information.

IMPORTANT: Remember that any reporting mechanism is only as good as the trust you instill in employees that their concerns will be taken seriously and they won't suffer reprisals for reporting in good faith.

¹⁰ This section is adapted from G20-B20, Anti-Corruption Toolkit for SMEs, p. 35.

4.1.5.2: Monitoring progress and risks

Building a strong anti-corruption programme isn't a one-time effort. A company needs to track its progress and its risks. Here are some important steps:¹¹

- *Keep accurate records.* Accounts should reflect all transactions of the company. Require that receipts are given and received for all transactions
- *Ensure regular external audits.* Make sure that the auditor meets professional standards and the values of the company. Auditors can also be asked to review the company's internal controls and make recommendations where they find weaknesses.
- *Monitor the progress and effectiveness of anti-corruption policies and procedures.* Review participation in anti-corruption training. Use surveys or group discussions to hear from employees about knowledge of anti-corruption policies, their challenges in implementing or following it, and any pressures they have experienced to participate in corruption. Identify risk areas and develop responses. Monitor trends in high-risk areas like travel and entertainment spending, use of cash vs. other means of payment, selection of suppliers and agents.

"When someone is fired or punished because of corruption, we inform department managers about the type of problem that came up, how it was investigated and what we found, though we never mention the individual name(s). This is a way for the company to learn from experiences we've had and improve our management in the future."
--Compliance officer of a Myanmar company

4.1.5.3: Penalties and Rewards: Following through on anti-corruption commitments

A company can have the best anti-corruption policies, but if they don't have consequences, then they don't mean anything. Every element of an anti-corruption policy has to be implemented, from keeping accurate accounts to abstaining from making unofficial payments and giving inappropriate gifts. You can encourage employees to implement the company's policies by providing incentives and disincentives.¹²

- *Penalize corrupt and other unethical behavior:* Companies should have a clear policy on what types of penalties will apply for corrupt or unethical actions. The most important thing is to **apply the policy fairly and consistently**. No one should be seen as getting special treatment or being unfairly punished. At the same time, penalties should be proportional to the seriousness of the offense.
 - *Repayment:* When an offence is small and it is determined to be the result of lack of knowledge or otherwise unintentional, an employee may be asked to pay back the costs that the company incurred (such as the amount of the unofficial payment).
 - *Reprimand:* This is a written memorandum to the employee for committing a simple offense or an offense committed for the first time. This may be combined with repayment in some cases.
 - *Suspension:* The employee does not come to work, and does not earn pay and does not accrue benefits. An employee being investigated can be put in suspension while the investigation is going on.

¹¹ This section adapted from Hills Program on Governance, Anti-Corruption Manual for SMEs, and CIPE, Anti-Corruption Compliance: A guide for mid-sized companies.

¹² This section adapted from Hills Program on Governance, Anti-Corruption Manual for SMEs, pp. 42-43.

- Dismissal: A dishonorable discharge from the company. A dismissed employee loses his accrued leave and other benefits, including severance (separation) pay.
- *Implement incentives for fighting corruption and promoting integrity:* Companies should reward behaviours that exemplify the best implementation of the code of conduct, anti-corruption policy and the company's overall commitment to integrity.
 - Reward ethical behaviour with private and public recognition: A person who reports corruption should be congratulated by the leaders of the company. Some companies give small bonuses for actions that save money or protect the company's reputation. Others give an annual (or monthly/bi-annual) award to employees who best represent the company's values.
 - Include fighting corruption and other ethical behaviour as part of the evaluation criteria for employee performance reviews. Ethical behavior should be a factor in determining who receives a merit bonus or promotion.

4.2: External – communicating with others about your commitments

The first part of this chapter described the various things you can do to create a strong anti-corruption programme to help your business improve its management practices and strengthen its overall business stability. With so much new investment and international aid coming to Myanmar, publicising how your business is working hard to strengthen its ability to work without corruption will be even more valuable. Here are some things you can do that will send a strong signal to potential investors and clients about your commitment.

- *Practice corporate transparency.* Meeting basic standards of transparency is a critical step to allow potential investors and clients to conduct the necessary due diligence. Especially important are financial status, the structure of subsidiaries or other holdings, and the names of the actual owners of the company.
- *Let the world know about your anti-corruption programme.* Make sure your web site includes your anti-corruption policy and code of conduct. But more important is evidence of implementation. Tell the story of how you train staff, assess risks and monitor progress.

The Pwint Thit Sa Report



Large medium-sized Myanmar businesses have a unique opportunity to tell the story of their responsible practices.

For the past three years, the Myanmar Centre for Responsible Business (MCRB) has published Pwint Thit Sa, or the Transparency in Myanmar Business (TIME) report. The report scores on a number of criteria related to anti-corruption, organisational transparency, and human rights (including land, and health, safety and environment) standards.

Starting in 2016, MCRB will conduct a “mini” Pwint Thit Sa for larger medium-sized businesses that want to be evaluated. Even if your company doesn't have all the necessary practices in place or doesn't yet have a web site, there is much to be learned from the questions that are used for the evaluation. Information about the mini Pwint This Sa and the questions that are covered can be found in English at <http://www.myanmar-responsiblebusiness.org/pwint-thit-sa/mini.html> or in Myanmar at <http://www.myanmar-responsiblebusiness.org/my/pwint-thit-sa/mini.html>

4.3: Collective action – companies working together to promote integrity and fight corruption

Even if a company does everything “right” with regard to its internal policies and practices, it still can be very difficult to operate with integrity, especially where corrupt practices are still very common and widely accepted as “normal.” Around the world, as businesses are working to control corruption in their own houses, they are also seeing the benefits of working together, and in joint efforts with government and civil society, to improve the broader environment.

Collective action *amplifies the voices* of companies that are trying to improve their practices. Instead of each company working alone to address corruption problems in the business environment, working together strengthens each voice and avoids repeating the same small efforts over and over again.

Smaller businesses that are part of collective alliances can benefit from the influence that larger companies in the alliance might wield.

Working collectively has two big advantages.

- It amplifies the voice of businesses that want to improve their practices and the environment they work in.
- It creates more equality by committing all the members to the same standards and practices.

Second, collective action helps *create more equal conditions* for companies trying to resist corruption and operate with integrity. When a significant number of companies agree to act together—for instance to avoid bribery in a big tender—each one can feel more confident it has a fair chance of winning the contract based on the merits of its bid rather than the extra money they paid in bribes.

Long-term collective action initiatives

Collective action efforts can either be long-term initiatives, or they can focus on a specific project, like a government tender.¹³ Typically, **long-term initiatives** aim to promote a set shared principles and standards of behaviour, along with providing a forum for information sharing and mutual learning. They may also include collaborative efforts with government to improve the policy and institutional environment. There are many examples of such initiatives around the world. Some examples from Asia include:¹⁴

- Philippines: *Integrity Initiative* -- “*Project SHINE*” was launched in 2010 as “a private sector-led campaign that aims to promote the re-establishment of common ethical and acceptable integrity standards among various sectors of society.” It developed a Unified Code of Conduct for Business, an Integrity Compliance Framework and an Integrity Self-Assessment Tool. The Makati Business Club and the European Chamber of Commerce of the Philippines launched the project with funding from Siemens. More than 2000 businesses have used the Self-Assessment Tool as of March 2016. More information at <http://www.integrityinitiative.com/features/shine>.

¹³ This section draws significantly from World Bank Institute, *Fighting Corruption Through Collective Action - A guide for business* (2008).

¹⁴ Descriptions of activities in this section are drawn from Hills Program on Governance, *Collective Action Against Corruption: Business and anti-corruption initiatives in ASEAN* (2014), with additional information from project web sites where available.

- Thailand: *Private Sector Collective Action Coalition Against Corruption* (CAC) also launched in 2010 and has developed a self-assessment guide and a certification process it describes as “considerably more advanced than regional peers.” It also works in collaboration with the Thai National Anti-Corruption Commission and civil society groups to promote good practices in the Thai business community. The CAC now has 731 members, and 177 companies have been certified. More information at <http://thai-cac.com>.

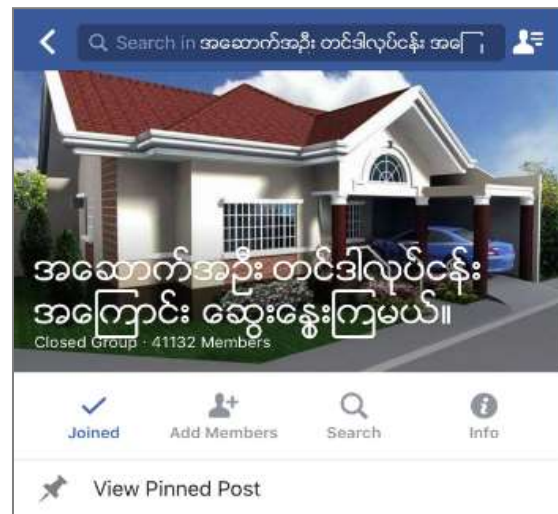
Benefits of long-term collective action:

- Working together creates a sense of community among businesspeople who want to promote integrity and reduce corruption.
- Shared standards, especially certification, create a sense of pride and achievement and may also be a valuable resource for international companies seeking local partners.
- Create a venue for identifying problems and engaging with policy makers to address them. In some cases, this is achieved more effectively through an agreed partnership between government and the private sector, rather than through a solely private-sector based initiative. (The [Myanmar Business Forum](http://myanmarbusinessforum.org) is an example of such a partnership. It has working groups that are mapping out regulations for land registration and taxation, among others, and conducting dialogue with government on promoting reforms <http://myanmarbusinessforum.org>.)

Weaknesses of long-term collective action:

- Do not always create concrete results like fairer outcomes of public procurements or more efficient delivery of service.
- Can be difficult to sustain, especially if initial activities are funded by donors. When the funds run out, the activity may die out, too. From the beginning, these initiatives should consider collecting membership fees or other locally-mobilised resources.

Collective action doesn't always need to be formally organised



Businesses in the construction industry use a Facebook page to discuss tenders and problems they encounter, including corruption problems.

Short-term, or project-based, collective action

In contrast to long-term initiatives that are mainly mobilised around promoting shared principles and good practices in general, **project-based collective action** initiatives typically aim to improve the outcome of a specific process, like a public tender or delivery of a major infrastructure project. These initiatives are also based on shared values of integrity and combating corruption, but they aim to achieve a specific goal over a shorter period of time.

What is an Integrity Pact?

An Integrity Pact is a formal contract in which a government agency and bidders agree to create fair and transparent bidding in public procurement related to specific projects. Its key requirements are:

- A formal written contract between the government agency and all bidders who commit not to pay bribes or collude in the bidding process.
- It is introduced in pre-tender phase.
- Its principles are transparency, fair business conduct, and no corruption or bribery.
- An independent monitor is appointed to oversee compliance with the Integrity Pact.
- Any bidder found to violate the Integrity Pact is subjected to penalties, including exclusion from future tenders for several years and a fine.

Integrity Pacts are beneficial for all concerned. They benefit the bidding companies, which are assured of a fair chance of selection as a supplier for a project, the government agency which will avoid overpaying for a product that may be of inferior quality, and the public which is the ultimate beneficiary of the project.

Source: Hills Program on Governance, *Anti-Corruption Manual for SMEs*, pp. 72-73

The best-known example of this approach is the **Integrity Pact**, which is “a tool for preventing corruption in public contracting.”¹⁵ The unique characteristic of an Integrity Pact is that it includes an external monitor, typically an NGO, which monitors the behavior of both the private companies and the government and investigates complaints of cheating. In some cases, there is also an arbitration mechanism to resolve any disputes that arise, with all parties agreeing to submit to that authority.¹⁶

If it's not possible to get all the parties to agree to the specific requirements of an Integrity Pact, an **Integrity Declaration** is an alternative. While it does not include the monitoring and arbitration elements of an Integrity Pact, participants still pledge to operate with integrity and avoid corruption. However the only thing that binds them to this commitment is their promise, and perhaps some peer pressure from colleagues. It can be easier to convince businesses to join in this kind of effort because they don't have to agree to be monitored or to submit to arbitration. It also might be easier to bring the government on board for the same reasons. But that is also what makes this arrangement less powerful for assuring clean practices in the project.

¹⁵ Transparency International, https://www.transparency.org/whatwedo/tools/integrity_pacts/4/. Accessed 4 October 2016.

¹⁶ World Bank Institute, *Fighting Corruption Through Collective Action - A guide for business*, pp. 45-47.

Integrity Pacts in Action

In 2000, the Pakistan chapter of Transparency International (TI) introduced Integrity Pacts in the Greater Karachi Water Supply project implemented under the responsibility of the Karachi Water and Sewerage Board. TI monitored the bidding process for the design and supervision of the project and recommended procedures that were maintained for the remaining contracts of the project, which was completed ahead of schedule at a total cost US\$10 million less than initially estimated.

Source: Transparency International https://www.transparency.org/whatwedo/tools/integrity_pacts/4/

If you want to see another Integrity Pact in action, you can see the full story of how the Transparency International chapter in Indonesia implemented an Integrity Pact in Solok District, West Sumatra in Transparency International, *Handbook on Curbing Corruption in Public Procurement 2006*, pp. 120-130.

Available at
https://www.transparency.org/whatwedo/publication/handbook_for_curbing_corruption_in_public_procurement.

A story from Myanmar: Working together for shared solutions

The Ngwe Saung Beach Hoteliers Association works together to find shared solutions for business problems. One such problem was frequent requests to contribute entertainment or venues for official events and rooms for visiting officials. The Association wanted to support official visits and activities, but members also needed to control costs. Members agreed to respond to all official requests as an Association, not as individual businesses. This allowed the members to establish an agreed level of contribution (for example, standard rooms for overnight visitors) and to distribute the contributions across all the members. All requests for official visits must now be submitted to the Association, which considers each one according to the policies of the Association and responds for the member.

Source: Interview, October 2016.

5: Government and civil society – what role can they play?

Businesses can do a lot on their own to change their rules and practices. They can also work together to promote better practices in the business community and to identify weaknesses in the laws, regulations and institutions that govern the economy. But anyone using this toolkit will recognise that it is very difficult to implement good practices in an environment that doesn't support it. Businesses need allies in their efforts to resist corruption and operate with integrity.

5.1: Government – an essential partner for business efforts

Government has an essential role to play. Complicated regulations, poor public services, weak law enforcement, and poor discipline of public officials all contribute to corruption, and they are all within the government's areas of responsibility. It's also true that governments usually have too much to do and too few resources. Reforming the public service and raising the pay of civil servants, for instance, would probably help reduce the problems that often lead people to offer bribes, but this process can take a long time. Making sure that officials (and others) at all levels who are found to be involved in corruption are brought to justice *and* appropriately disciplined, and that courts operate efficiently and fairly, are also essential steps. Progress on these and other big reforms will be very important to improve the environment for doing business in Myanmar.

While larger changes go forward, governments can take a number of more tangible actions to facilitate the efforts of business to resist corruption and operate with integrity. Some of these are already underway in Myanmar.

5.1.1: Establish Clear Priorities and Responsible Leadership for Reform

Businesses that want resist corruption and work with integrity will benefit greatly from knowing that they have a strong partner with a clear plan. Anti-corruption and pro-integrity reform is a huge undertaking, so it's not possible to do everything at once. In the reform process, it's essential to have a roadmap and to know who is responsible for driving to each destination. An anti-corruption commission¹⁷ or other authority is usually established to lead this process and monitor progress, often through the development and implementation of a national anti-corruption strategy.¹⁸ It's not essential that a commission plays this role, as it may have other duties such as investigating corruption cases, but someone needs to be in charge of planning and monitoring the way forward.

¹⁷ Experience has shown that anti-corruption commissions around the world have not always been effective because they are under-resourced, lack independence, have too many or unclear mandates, or lack support from government leadership. A useful overview of good practices is Transparency International, "Best Practices for Anti-Corruption Commissions" 2013. Available at http://www.transparency.org/files/content/corruption/gas/Best_practices_for_anti-corruption_commissions_2.pdf.

¹⁸ A useful guide to the strengths and weaknesses of national anti-corruption strategies in the Asia-Pacific region is UNDP, *Anti-Corruption Strategies: Understanding What Works, What Doesn't And Why? Lessons learned from the Asia-Pacific region* 2014. Available at http://www.asia-pacific.undp.org/content/rbap/en/home/library/democratic_governance/anti-corruption-strategies/

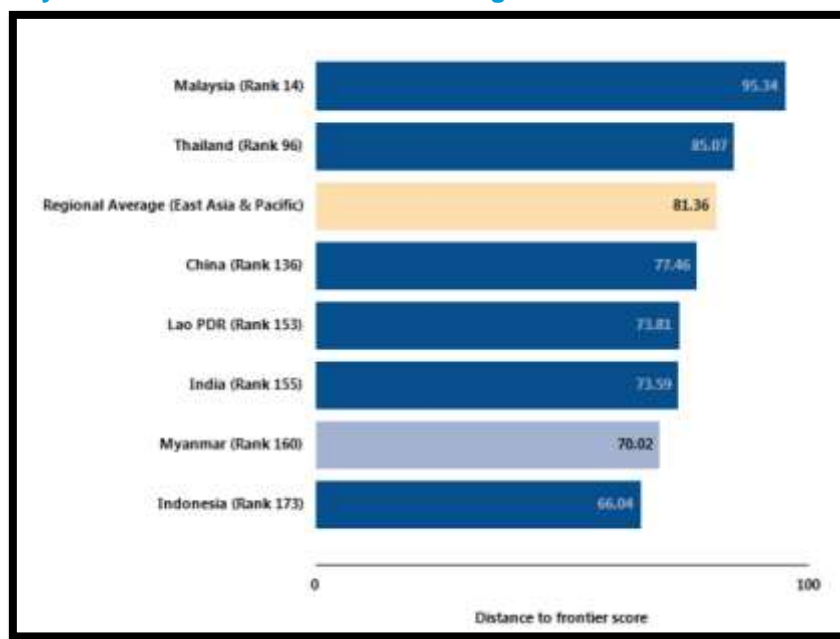
5.1.2: Simplify regulations

This toolkit recommends that businesses should follow the rules and be prepared to do things correctly. But this is hard to do if the rules are very complicated. One very important step for governments is to make processes for getting licenses and public services like electricity and telephone, registering a business, getting a building or land use permit—any function that businesses have to complete in order to do business lawfully—as simple as they can be, while still fulfilling the regulatory needs of government.

One effective tool for doing this is **process mapping**, which outlines all the steps required to complete a certain function and describes the problems that businesses can encounter with these steps. Mapping a process in this way helps to highlight how complicated some processes are and where there are gaps or contradictions among different laws that apply to a particular process. This analysis provides a basis for recommending changes.

The Myanmar Business Forum¹⁹ is already working on mapping several important processes, including rural and urban land use, tax, and customs. Mapping processes is the first step toward simplifying them. These changes can significantly affect how easy it is to do business in a country and how attractive it is for investors. Myanmar made progress in the 2016 global Doing Business ranking for the process of Starting a Business, for example, by eliminating the minimum capital requirement for local companies and streamlining incorporation procedures. While there is still some distance to travel, these are important steps.

Figure 1: How Myanmar ranks on the ease of starting a business



Source: World Bank, Doing Business 2016 Economy Profile Myanmar, p. 19.

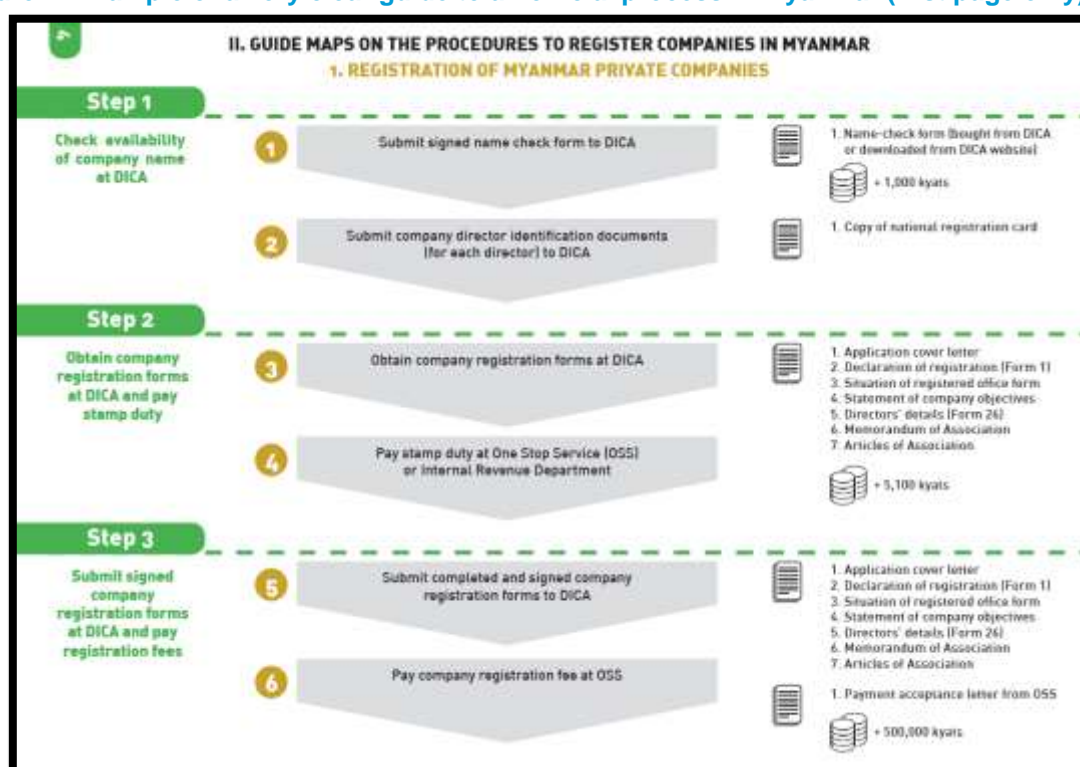
¹⁹ The MBF is a partnership between the Government of Myanmar and the UMFCCL, supported by the International Finance Corporation. The MBF provides a platform for regular and effective dialogue business community and the Myanmar Government. <http://myanmarbusinessforum.org/en/about-us-3/>; also available in Myanmar.

5.1.3: Make Regulations and Laws Clear and Accessible

Sometimes, the problem isn't only that processes are complicated, but also that they are unclear or unknown. Laws may be out of date, contradictory, or sometimes they just can't be found. In many countries that are newly opening to international investment, an essential step is to make sure that laws are accessible for companies seeking to invest. Setting up a web site with an annotated list of PDFs of existing laws and regulations is the most basic approach. When this is done, translating laws and regulations and making them available in searchable formats (e.g., Word documents instead of PDFs) will help companies find the information they need to operate legally.

In addition to making laws and regulations accessible, government agencies can help businesses operate legally by providing simple, clear summaries of required approvals and processes. A good example of this is the work done by the Myanmar Directorate of Investment and Company Administration, which has published a clear guide to registering a business and is making it easier for people visiting the agency to follow the required steps for many processes.

Figure 2: Example of a very clear guide to an official process in Myanmar (first page only)



Source: Myanmar Directorate of Investment and Company Administration, *How To Register Your Company in Myanmar* 2016. http://www.dica.gov.mm/sites/dica.gov.mm/files/uploads/pdf/how_to_register_eng.pdf

5.1.4: Publicise the Basics

Even before all the laws are simplified, updated and published, an agency can make some things very clear. It can post signs in every office specifying the **official fees** for the service that office delivers and the **time required** for each step (permit, license, approval, utility connection, etc.). This empowers customers with knowledge and gives them a realistic understanding of what they should expect. Web sites, newspaper advertisements and even outdoor signs can be used to inform prospective customers of the fees, timelines, and **required documents or prior approvals** before they arrive for their appointment.

5.1.5: Implement Anti-Corruption Programmes inside Public Agencies

Public agencies should implement initiatives in this toolkit. As in businesses, public managers need to set clear policies, educate staff and provide opportunities for them to ask questions and get advice, create systems for reporting corruption, enforce rules and monitor progress. High-level officials should set the example for public employees by demonstrating that they comply with all regulations, such as the Myanmar government's gift policy.



Instructions are posted in the DICA office, Yangon

5.1.6: Collect Customer Feedback

Whether gathered through a simple paper form, a smartphone app or a periodic user survey, customer feedback is very important for identifying problem areas and assessing progress. An agency could also cooperate with a business association or NGO to create a feedback desk outside the office. The key thing is to make feedback mechanisms easy to use—accessible and brief. Consider what information is most needed from the Agency's in order to keep improving performance.

Gathering Feedback in a Public Agency

As part of a larger anti-corruption programme, the Myanmar Directorate of Investment and Company Administration (DICA) has started collecting feedback from customers to monitor the progress of its anti-corruption programme. The feedback is used by DICA management to identify problem areas and find ways to address them. At this time the Agency does not publish the results of this information gathering.

Evaluation Form

You are requested to evaluate the Directorate of Investment and Company Administration (Tick (✓) in relevant column)

No.	Evaluation	Good	Fair	Bad	Remark
1	Treatment of staff				
2	Staff's service on your business				
3	Tidiness of the office				
4	Smooth completion of work				
5	Overall finding				
The name and division of staff whose performance is dissatisfied					
The name and division of staff whose performance is satisfied					
Other Suggestions					

5.1.7: Engage in Critical Self-Analysis

Corruption in a society is rooted in a huge array of factors, including weak governance capacity, poor legal frameworks and dysfunctional legal institutions, unscrupulous leadership, negative external influences, individual greed, and social expectations that “things won’t change.” Understanding the factors that create the conditions for corruption is the first step toward planning how to address it, and having a plan for addressing corruption makes governments a better partner for businesses trying to achieve the same goal in their own operations (see below).

Tools for doing this kind of analysis include UN Convention Against Corruption (UNCAC) Gap Analyses²⁰ and National Integrity Systems studies.²¹ The most important characteristic of a good analysis is to identify not only *what* is weak or missing in a country’s legal and institutional framework, but also *why* it is weak or missing. Anti-corruption reform initiatives often fail because they are based on the false assumption that changing laws and procedures, or setting up a new agency, is the main objective. In reality, these steps are just the beginning. Assuring the implementation of the reform is a much greater challenge that is shaped by many interlocking political, economic, social and cultural dynamics. Taking a hard look at those issues first will help illuminate the road ahead.

5.2: Civil society – the important role of information

Civil society can support the integrity and anti-corruption efforts of business in many important ways. The role of civil society groups in monitoring Integrity Pacts was already discussed. Civil society groups also serve as advocates and monitors for good business practices in environmental and social protection. They are also very important advocates for policy reforms that help fight corruption and promote integrity. Civil society groups in Myanmar, for example, provide an alternative “third voice” to the interests of businesses and government in the Extractive Industries Transparency Initiative (EITI).²²

In addition to these functions, local civil society groups have been especially valuable in two areas: **raising public awareness** of corruption and anti-corruption issues, and **creating systematic information** about corruption. In Myanmar, civil society groups can help in both of these areas. This section provides some ideas and examples (from Myanmar and other countries) of activities that civil society groups can undertake.

IMPORTANT: There are many, many ways that civil society can help promote anti-corruption reforms in a country. This toolkit focuses only on few of these.

²⁰ A basic approach is the UNCAC Self-Assessment Checklist, part of the official UNCAC review mechanisms (<http://www.unodc.org/unodc/en/treaties/CAC/self-assessment.html>). A more comprehensive approach that examines implementation and works toward a reform agenda is described in UNDP, Guidance Note: UNCAC Self-Assessments – Going beyond the minimum, 2010. http://content-ext.undp.org/aplaws_publications/3080500/UNCAC_Self_Assessment_Guidance_Note.pdf

²¹ NIS studies are often conducted by NGOs or research institutes. <http://www.transparency.org/whatwedo/nis/>

²² See <http://www.myanmar-eiti.org/>.

5.2.1: Raise Public Awareness

Raising awareness about corruption and ways to resist helps “push” anti-corruption and integrity messages out to the broader society, where business leaders and employees live and work. If more people understand the costs of corruption and ways they can resist it, then businesses will have more allies in their efforts to fight corruption and work with integrity.

Civil society groups are often at the forefront of developing new ideas for reaching out to citizens to help them understand how corruption affects them and what they can do about it. Because they can come from every part of society and represent many different interests, civil society groups can see needs and opportunities from all sorts of perspectives. Just a few examples from Asia (some of the winners of a social innovation competition) give inspiration for what is possible to bring knowledge and capacity to more parts of the society.

- *Philippines - Citizen Empowerment Hubs*
 - Citizen Empowerment Hubs will address a major challenge in the Philippines: disaster management. Natural disasters are now more frequent and severe. Most affected are local communities, especially their most vulnerable groups -- women and children. The Hubs will build the capacity of grassroots women to map and monitor service delivery, with a focus on local response to disasters. The initiative will especially try to increase partnerships between grassroots women and local authorities so that women become more visible in local decision-making, including budget planning, for disaster risk reduction.
- *Thailand - Anti-corruption Cafés in Universities*
 - This initiative will expand “Refuse To Be Corrupt”, a social enterprise of the Thai Youth Anti-Corruption Network (TYACN). It is a joint project with True Coffee, the largest locally-owned chain of coffee shops in Thailand. TYACN will scale up “Refuse To Be Corrupt” cafés in Khon Kaen University and Ubon Ratchathani University. Each café will give college students a space and a command centre where they can sit down and discuss issues, organize multi-media events, and map out plans to tackle corruption in their universities and the wider communities.
- *China - Youth Participation Innovation Laboratory*
 - This initiative will set up an Innovation Laboratory for Youth Participation in anti-corruption, to promote youth engagement in corruption prevention in China’s higher education sector. Among the initial activities will be a national student design competition for innovative plans to curb the spread of corruption in the higher education sector, with technical advice from UNDP. Winning plans will be piloted in selected member universities of the China Integrity Education Network (CIEN).²³

5.2.2: Create Information

Creating information gives businesses and their anti-corruption allies more evidence about specific problem areas, enabling more targeted responses and strengthening the case for further efforts.

Civil society groups have been at the forefront of creating systematic information that is either directly about corruption, or it is information that is useful for addressing corruption.

²³ From <http://www.asia-pacific.undp.org/content/rbap/en/home/presscenter/articles/2014/06/13/six-innovations-to-combat-corruption-win-awards-at-first-ever-undp-social-innovation-challenge/>. Accessed 4 October 2016.

Civil society groups around the work are now harnessing technology and other methods to create and/or disseminate information:

- *Government budget information:* In Myanmar, the Open Myanmar Initiative (OMI) (www.omimyanmar.org) is organising and publishing newly-available government budget information, a first step toward citizens monitoring how national resources are being used. Globally, the International Budget Partnership (www.internationalbudget.org) provides support and tools for doing this work and calculates the Open Budget Index, a measure of budget transparency around the world. (Myanmar scored a 2 out of a possible 100 in 2015.)
- *Parliamentary actions:* OMI is also creating quantitative information on the motions submitted by members of parliament (Pyithu Hluttaw, Amyotha Hluttaw and Pyidaungsu Hluttaw).
- *Identifying problem areas:* Civil society organisations are often the most innovative in using technology to gather information about corruption. This “crowd-sourced” information can be used to identify agencies or regions where corruption problems are worst, and then responsive governments and others can begin to address the problems.

Using Technology to Track Corruption

Around the world, civil society groups are harnessing technology to “crowd source” corruption data.

ipaidabribe.com. Through this website set up by the Janaagraha Centre for Citizenship in India, citizens can report on the nature, number, pattern, types, location, frequency and values of actual corrupt acts that they experienced. On the same website, citizens can also report on positive experiences they had with honest officers. The initiative started in India but has now been duplicated in a range of countries including Greece, Kenya, Zimbabwe, and Pakistan.

Transparencymyanmar.com has launched an initiative like this in Myanmar.

Draw a Red Line: Transparency International Macedonia worked with a cellular provider to launch an online reporting platform called Draw a Red Line (https://transparency-watch.org/main?l=en_US). It allows individuals that have experienced or witnessed corruption to report their cases by sending SMS, sending an email, using a web form, on twitter or by telephone. The reports are verified by TI Macedonia and forwarded to the appropriate public institution to request follow-up.

Bribe Market (<http://www.piatadespaga.ro/>) is a similar initiative developed in Romania that allows citizens to share their experiences of bribery when interacting with public services and the amount of money they had to pay. Within its first four months of existence Bribe Market received nearly 650 reports of corruption. Reports are mapped to help people identify which service providers are the “cheapest” and the least corrupt.

Source: Summaries taken from U4 and Transparency International, “Technological Innovations to Identify and Reduce Corruption” U4 Helpdesk Answer (2013). Available at <http://www.u4.no/publications/technological-innovations-to-identify-and-reduce-corruption/>

More traditional methods can also be used, such as surveys. In east Africa, for example, local chapters of Transparency International and other civil society groups conduct surveys to create the East Africa Bribery Index²⁴ that documents individual people’s experiences with corruption in various institutions.

²⁴ <http://www.tikenya.org/index.php/the-east-african-bribery-index#>

Similar surveys are conducted in many other countries. In Myanmar, this kind of scientific surveying hasn't been done, but more informal approaches have been used as a first step. One survey of participants in three corruption-related civil society meetings produced the following distribution of perceptions of where corruption was the most endemic:

MM "Heat Mapping" - % of Sample Overall Perception of Corruption		
1	Police	16.0%
2	Judiciary	15.9%
3	Land Department	14.6%
4	Tax Department	12.4%
5	Military	9.1%
6	Education	6.6%
7	Large Business	6.5%
8	Medical	4.8%
9	International Business	4.7%
10	Chamber of Commerce	3.3%
11	President's Office	2.1%
12	Media	1.3%
13	Parliament	1.1%
14	Faith Based Groups	0.9%
15	Small & Medium Business	0.8%

Source: David Allan, "Scoping the Need: Corruption 'heat mapping' as a precursor to an NIS: The case of Myanmar".

6: Conclusion – What would you do?

Corruption has many faces and many causes, and there is no country where it has been eradicated. It's always a slow process that involves changing laws, changing institutions, changing behaviours, and changing attitudes and beliefs. None of this is easy. Business is just one part of society that is affected by corruption, but it is in an important position to help lead these efforts, since business is essential for an economy and society to thrive.

If changing everything seems too complicated, remember instead that things are sure to stay the same if no one does anything differently. The following "scenarios" give you a chance to think about what you might be able to do, or do differently than before, when faced with possible corruption. What can you do to promote integrity and fight corruption?

6.1:Corruption scenarios – What can you do?

Scenario 1: Delays in processing imported goods²⁵

Daw Aye Aye is a wholesale importer and distributor of imported foods and gifts. She has many customers who are shop owners and who are waiting for their orders. But she is still waiting for her goods to be released by the Customs Department. When she met with an officer there, she was told there are problems with her import permits, but they might be able to resolve the problems together. She believes the official is asking for a bribe, but she also knows that offering a bribe may make her vulnerable to more demands for bribes.

Possible Responses:

- Make sure all your documents are in order and that you have followed all required procedures.
- When you meet with the Customs official, bring someone with you to act as a witness. Having a witness will make it more difficult for the official to solicit a bribe.
- At the meeting, ask the official to explain exactly what the problems are with the documentation.
- Do not give the impression that you are under a tight deadline. Be calm and gentle, yet persistent.
- Take everything the official says at face value and ignore hints for a bribe. The official may not ask for a bribe directly, since he or she knows it is illegal. If you do not pick up on hints and if all your documentation is in order, the official may just give up and release your shipment.
- Let the Customs official know that paying a bribe is not an option for you.
- If the Customs official is unreasonable, ask to speak to his or her supervisor or somebody higher.
- Discuss the problem with your customers and ask for extra time for delivery.



Scenario 2: A tax assessment problem

U Aung Min has operated a hotel for the past three years, and it has been doing very well in the new tourism industry in Myanmar. He has been paying taxes every year, but he doesn't know how the amount is determined, and it seems to change from year to year. This year, he was told he owed much more than in previous years. [Name] does not believe he should have to pay the higher amount, but he also does not want to pay a bribe to the tax assessor.

Possible Responses:

- Meet with the tax assessor and ask him or her to explain the basis for the tax assessment. Bring all documents showing revenue over the past years, and previous assessments.
- Review the Internal Revenue Department rules and regulations to learn as much as possible about tax assessments.

²⁵ Scenarios 1 and 2 adapted from Hills Program on Governance, Anti-Corruption Manual for SMEs.

- Consult with an outside accountant or lawyer to make sure your company's records have been kept correctly.
- Communicate to the tax assessor that you will never resort to bribery to resolve an issue and instead will use all available channels for challenging the assessment.
- If you are able to negotiate a lower tax assessment, ensure that it is properly documented.
- Do not give in to any bribery demands. Once you start, the official may keep coming back with more demands.

Scenario 3: Managing the risks of agents or sub-contractors²⁶

Skyline Transport has a lot of shipments coming across the border post at Myawaddy. They have been working with a local clearing agent for years. The agent provides effective clearance at a good price. But the agent's invoices are very general and don't provide any details about how the money he is paid is actually used. The accounting department of Skyline is concerned that there is no record of what company funds are used for, and this could be a cover for bribes.

Possible responses:

- Explain to the clearing agent that company policy is changing, and more details are needed in their invoices that explain exactly what fees are being paid for clearing goods.
- Require the agent to provide the official receipts for clearing fees that are included in invoices.
- Before a new contract is signed with the agent, do a due diligence review of the company to be sure its business practices don't endanger your company.
- If the clearing agent is involved in bribery, don't renew the contract, and make a plan for dealing with possible higher costs or longer delays at the border while new practices and standards are implemented.

²⁶ Adapted from Transparency International UK, "Doing Business without Bribery" on-line training <http://www.doingbusinesswithoutbribery.com/>

Annex A: Myanmar Anti-Corruption Law

Myanmar Anti-Corruption Law 2013

English: http://www.accm.gov.mm/acc/image/data/acc/books/ACCL_en.pdf

Myanmar: http://www.accm.gov.mm/acc/image/data/acc/books/ACCL_mm.pdf

Myanmar Anti-Corruption Rules 2015

English: http://www.accm.gov.mm/acc/image/data/acc/books/ACCR_en.pdf

Myanmar: http://www.accm.gov.mm/acc/image/data/acc/books/ACCR_mm.pdf

Annex B: Sample Anti-Corruption Policy

FMI Myanmar Anti-Bribery Policy

English: <http://fmi.com.mm/anti-bribery-policy/>

Myanmar: <http://fmi.com.mm/myanmar/anti-bribery-policy/>

SMART Technologies Anti-Bribery and Corruption Policy

English: <http://smartmyanmargroup.com/wp-content/uploads/2015/12/ANTI-BIRBERY-AND-CORRUPTION-POLICY.pdf>

Myanmar: <http://smartmyanmargroup.com/wp-content/uploads/2016/08/ABC-Policy-Myanmar-Version.pdf>

Annex C: Code of Conduct Guidance and Samples

Guidance for Developing a Code of Conduct -- Hong Kong Independent Commission against Corruption

Key Elements of the Code

- (i) Acceptance of Advantage
 - Prohibit directors and staff from accepting advantages from persons with whom they have official dealings and from their colleagues/subordinates, except with the company's permission, as this may affect their objectivity in conducting the company's business.
 - Specify the permissible value of token gifts they are allowed to accept in their official capacity.
 - Lay down the procedures and authority for approval of acceptance of advantages under specified circumstances.
- (ii) Offering Bribes
 - Prohibit directors and staff from offering bribes or illicit advantages to directors, staff or agents of another company or organization, in conducting the company's business.
- (iii) Acceptance of Entertainment
 - Advise directors and staff to avoid accepting overly lavish or frequent entertainment offered by business associates, as this may be a "sweetener" to build up a store of goodwill for future demands of unjustified favours.
- (iv) Declaration of Conflict of Interest
 - Require directors and staff to avoid and declare any actual or perceived conflict of interest.
 - Remind them not to misuse their position in company or abuse the power entrusted in them to make personal gains or to benefit their relatives or personal friends.
 - Require directors to make a declaration to the board and the staff to their supervisors when a conflict of interest arises.
 - Provide examples of conflict of interest in work situations (e.g. those relating to procurement and recruitment of staff).
 - Provide a standard form for declaration of conflict of interest.
 - Specify the actions for managing declared conflict of interest, such as requirements to abstain from related meetings or to reassign the tasks.
- (v) Protection of Company Property and Information
 - Remind directors and staff to use company assets and information solely for the purpose of the company's business and prohibit any unauthorized use.
 - Require directors and staff to protect the company's classified information in their possession and prohibit unauthorized disclosure of such information.
- (vi) Compliance with the Code
 - State the disciplinary sanctions against breaches of the Code, such as warning, dismissal, etc.
 - Designate a staff member of the appropriate level, if resources allow, to handle enquiries on the Code.
- (vii) Compliance with the Law
 - Remind directors and staff to comply with the local laws and those of overseas jurisdiction when conducting the company's business.

Source: Independent Commission Against Corruption (Hong Kong), “Governance and Internal Control: A Best-Practice Checklist (for use by small and medium enterprises)” English. Available at http://www.icac.org.hk/filemanager/en/Content_1031/sme.pdf

Sample 1: Coca Cola Code of Business Conduct

English: http://www.coca-colacompany.com/content/dam/journey/us/en/private/fileassets/pdf/2012/11/COBC_English.pdf

Myanmar: <http://www.coca-colacompany.com/content/dam/journey/us/en/private/fileassets/pdf/2013/02/code-of-business-conduct-burmese.pdf>

Sample 2: First Myanmar Investment, Ltd (FMI) Code of Conduct

English: <http://fmi.com.mm/code-of-conduct/>

Myanmar: <http://fmi.com.mm/code-of-conduct/>

Sample 3: Smart Technologies Code of Ethics

English: <http://smartmyanmargroup.com/wp-content/uploads/2015/12/code-of-ethics.pdf>

Myanmar: http://smartmyanmargroup.com/wp-content/uploads/2015/12/Code-of-Ethics-Mya_.pdf

Sample 4: Telenor Anti-Corruption Handbook

English: <https://www.telenor.com.mm/pages/anti-corruption/86>

Annex D: Other resources

Resources in Myanmar language

For business:

- Transparency International, *Business Principles for Countering Bribery—Small and Medium Enterprise (SME) Edition* 2008. Translated to Myanmar and available at <http://www.myanmar-responsiblebusiness.org/publications/principles-for-countering-bribery.html>
- Sample Code of Ethics and Employee Handbook on Anti-Corruption is available in electronic version and hard copy from Building Markets office in Yangon. See <http://buildingmarkets.org/our-impact/myanmar>

For civil society:

- Transparency International, *Teaching Integrity to Youth: Examples from 11 countries* 2004. Translated to Myanmar and available in hard copy from Spectrum SPDK, in Yangon (see <http://www.spectrumsdkn.org/my/>)

Initiatives in Myanmar

- Building Markets. <http://buildingmarkets.org/our-impact/myanmar>
- Myanmar Alliance for Transparency and Accountability (MATA). <http://www.mata-nrg.org/>
- Myanmar Business Forum. <http://myanmarbusinessforum.org/en/home/>
- Myanmar Centre for Responsible Business (MCRB). www.myanmar-responsiblebusiness.org
- Myanmar Extractive Industry Transparency Initiative. <http://myanmareiti.org/>
- Open Myanmar Initiative. <http://www.omimyanmar.org>
- Spectrum SPDK. <http://www.spectrumsdkn.org/>
- Transparency Myanmar. www.transparencymyanmar.com

Resources in English language

Anti-corruption toolkits and resources

- Business Anti-Corruption Portal. Free anti-corruption compliance & risk management resources, including e-learning training, country risk profiles and due diligence tools. <http://www.business-anti-corruption.org/>
- Center for International Private Enterprise (CIPE), *Anti-Corruption Compliance: A guide for mid-sized companies in emerging markets* (2014). English. Available at <http://cctrends.cipe.org/anti-corruption-compliance-guide/>
- Hills Program on Governance, *Anti-Corruption Manual for SMEs* (Manila: Asian Institute of Management Hills Program on Governance, 2011). English. Available at http://www.cipe.org/sites/default/files/publication-docs/antiCorruptionManualForSMEs_English.pdf
- Independent Commission Against Corruption (Hong Kong), “Governance and Internal Control: A Best-Practice Checklist (for use by small and medium enterprises)” English. Available at http://www.icac.org.hk/filemanager/en/Content_1031/sme.pdf
- International Finance Corporation, “SME Integrity Tool” English. Available at <http://www.smetoolkit.org/smetoolkit/en/content/en/54664/SME-Integrity-Tool>

- Transparency International, “Business Principles for Countering Bribery—Small and Medium Enterprise (SME) Edition” 2008.
https://www.transparency.org/whatwedo/tools/business_principles_for_countering_bribery_sme_edition/1/.
- Transparency International, *Handbook on Curbing Corruption in Public Procurement* 2006. English.
https://www.transparency.org/whatwedo/publication/handbook_for_curbing_corruption_in_public_procurement
- Transparency International, *Teaching Integrity to Youth*
- Transparency International UK, *Countering Small Bribes: Principles and good practices guidance for dealing with small bribes including facilitation payments*. 2014
<http://www.transparency.org.uk/publications/countering-small-bribes/>
- World Bank Institute, *Fighting Corruption Through Collective Action – A guide for business*. 2008. English. Available at
<http://www.grantthornton.ca/resources/Guides/Forensics/Collective%20action%20guide.pdf>
- World Economic Forum, “Partnering Against Corruption -- Principles for Countering Bribery” Partnering Against Corruption Initiative (PACI). 2009. English. Available at
http://www3.weforum.org/docs/WEF_PACI_Principles_2009.pdf

Training resources:

- International Chamber of Commerce, Transparency International, UN Global Compact, and World Economic Forum, *RESIST—Resisting Extortion and Solicitation in International Transactions: A company tool for employee training*. 2011. Scenario-based discussion tool (PDF). English, French, Spanish. Available at
<https://www.unglobalcompact.org/library/157>
- Transparency International UK, “Doing Business Without Bribery”. Interactive on-line training. English. Available at <http://www.doingbusinesswithoutbribery.com/>

International agreements and laws:

- OECD Convention Against Bribery
 - OECD home page for the Convention:
<http://www.oecd.org/corruption/oecdantibriberyconvention.htm>
- United Kingdom Anti-Bribery Act
 - Fraud Advisory Panel, *Introduction to UK Legislation*, 2016.
<https://www.fraudadvisorypanel.org/wp-content/uploads/2016/05/Bribery-and-corruption-3rd-edition-May2016.pdf>
 - Transparency International resource page:
<https://www.transparency.org.uk/our-work/business-integrity/bribery-act/>
- United Nations Convention Against Corruption (UNCAC)
 - Business Anti-Corruption Portal UNCAC site: <http://www.business-anti-corruption.com/anti-corruption-legislation/united-nations-convention-against-corruption>
 - *Civil Society Guide: UNCAC and the private sector*. 2013.
<https://www.unodc.org/documents/NGO/Civil-Society-Guide-English.pdf>
- United States Foreign Corrupt Practices Act (FCPA)
 - Business Anti-Corruption Portal FCPA site: <http://www.business-anti-corruption.com/compliance-quick-guides/united-states>
 - US Department of Justice and US Securities and Exchange Commission, *A Resource Guide to the FCPA*. 2012
<https://www.justice.gov/sites/default/files/criminal-fraud/legacy/2015/01/16/guide.pdf>