



**WE SUPPORT**

Communication on Progress  
February 2016

Myanmar Polestar Travels & Tours



*P.S.T*

***MYANMAR POLESTAR***



**TRAVELS & TOURS**



# Structure

Statement of continued support by the Chief Executive Officer.....3

About Myanmar Polestar Travels & Tours.....4

The Ten Principles.....5

Human Rights Principles

Labour Principles

Environmental Principles

Anti-Corruption Principles



## MYANMAR POLESTAR TRAVELS & TOURS



#508, 5<sup>th</sup> Floor, La Pyayt Wun Plaza, No. 37, A Lan Pya Pagoda Road,  
Dagon Township 11191, Yangon, Myanmar.

Tel: ++(95)-1- 382530, 393190, 255638 Fax: ++(95)-1- 382530

E-mail: [aunglinhtin@myanmarpolestar.com](mailto:aunglinhtin@myanmarpolestar.com)

Web site : [www.myanmarpolestar.com](http://www.myanmarpolestar.com) , [info@myanmarpolestar.com](mailto:info@myanmarpolestar.com)



### Message from our Managing Director

I am pleased to confirm that Myanmar Polestar Travels and Tours will provide its continued support to the United National Global Compact. Our company is committed to integrate UN Global Compact's ten principles in the areas of human rights, labour, environment and anti-corruption into our business operations.

Our company has gone through a restructuring process, with myself, Aung Lin Htin, now being installed as our new Managing Director to replace our new Chairman, Kyaw Min Htin. In this annual Communication on Progress, we will outline our new sustained actions, under my leadership, towards promoting the fundamentals of the Global Compact framework. We believe that responsible tourism, is paramount to a successful business in the tourism industry.

Sincerely,

Aung Lin Htin

Managing Director

## About Myanmar Polestar Travels & Tours

Myanmar Polestar was originally set up as a family business in 2001. Over the years, our staff has grown to thirty knowledgeable and passionate individuals, operating out of our Yangon office. From the outset, we specialised in serving the Japanese market, offering a wide spectrum of products and services. Building on our extensive experience from the Japanese market, and by adapting our products to the taste of tourists from Europe and North America, we are now devoting our full attention to our clients from these markets.

As a medium-sized inbound tour operator, we arrange services in Myanmar and package them into products that are subsequently marketed abroad by our partners, or sold directly to our clients. Our products range from individual services such as flights, hotels, sightseeing tours, transfers, and cruises, to fully-fledged packages including a guide, meals accommodation, and transportation.

In 2011, after five decades of military rule, the government of the Republic of the Union of Myanmar embarked on a process towards democratic governance, initiating political, economic and social reforms. This took a major step forward this year, when Aung San Suu Kyi's party, the National League for Democracy, won a landslide victory in the general election. As a result of these developments and the easing of travel restrictions, the country has seen an unprecedented growth in international tourist arrivals. Surpassing the 2 million market in 2013, the number of arrivals in 2015 were estimated at 4 million, and this is expected to grow and reach 7.5 million by 2020.

The recent opening-up has brought about excellent business opportunities – but at the same time, we are aware that our country is facing considerable challenges in dealing with the unforeseen influx of visitors. We, at Myanmar Polestar, equally feel that it is our duty to contribute to a responsible and sustainable development of the tourism industry in Myanmar, aiming to create a better place for those who work in the industry, for those who are affected by the industry and the travellers themselves. Supporting the **United Nation's Global Compact** is one of the tools that enable us to reach this goal, by clearly formulating our policy, showing us how to translate it into action, and how to eventually measure the outcome.

## The Ten Principles

### Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

### Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

### Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

### Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

## Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.

### i. Assessment, policy and goals

The tourism industry is responsible for numerous violations of human rights taking place all over the globe. The situation in Myanmar has been particularly alarming: government-run tourism companies in Myanmar have long been accused of being complicit in human rights abuses in the past, such as forced labor. Only this year, Myanmar was heavily criticized, and featured regularly in the news in 2015 with the desperate plight of ethnic Rohingya Muslims leaving Myanmar on rickety boats to Malaysia. A boycott of the tourism industry was in effect for at least 10 years but was lifted once the government started its democratic reforms in 2011. While this is not to say that the issue is resolved as there are still severe violations of human rights taking place (most notably land-grabbing and involuntary resettlement by companies wishing to build hotels), at the same time a positive trend is recognisable in terms of awareness and policies both in the private and public sector. At the national level, this manifests itself through the development of the Responsible Tourism Policy in 2012, followed by the Tourism Masterplan in 2013, a document guiding the sustainable development of the tourism sector until 2020.

Despite the challenges and potential harmful effects of tourism on human rights, we also recognise the potential of the tourism industry to promote and enhance human rights. As a private sector company, we also consider it our duty to contribute our share. First of all, we hereby declare our support to all articles affirmed in the Universal Declaration of Human Rights. Furthermore, Myanmar Polestar fully endorses the UN Guiding Principles on Business and Human Rights (UNGPs) as well as the IFC Performance Standards and Environmental, Health and Safety (EHS) Guidelines.

As children constitute the most vulnerable members of our society, their rights are in need of particular protection from harmful effects caused in relation to tourism and traveling. Myanmar Polestar therefore

became the first tourism company in Myanmar to join The Code (of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism) in 2013 and since then has been recognized as Top Member for two consecutive years. The Code is a global, industry-driven initiative that aims to fight against and eliminate all forms of sexual exploitation of children in relation to the tourism industry.

In 2015, we also sort to improve our staff's knowledge on the negative affects of orphanage tourism. As is witnessed in Cambodia, while tourists think they are benefitting the children in these orphanages, more often then not, they are adding to the problem. In 2011 a study that was carried out in Myanmar, found that 73% of children in orphanages still had 1, or 2 parents still alive. Tourists who give money to these orphanages, rather then family help schemes, are adding to this widespread problem. With orphanage tourism on the rise in Myanmar, we have been teaching our staff the side effects of this, and why we should not promote, or send any of our tourists to these destinations.

## ii. Implementation

In order to prevent any involvement in or with harmful practices, we monitor and then select our suppliers accordingly. As we bundle single services into packages that are ultimately sold to the end-consumer, we can make a difference by choosing suppliers – to our best knowledge - that are not involved in any practices that do not respect human rights. We also aim to inform and educate our clients about this and give reasons why or why not we are offering a particular supplier or service.

In addition, being signatory to The Code, we provide in-house training to our own staff and our tour guides on the issue of sexual exploitation, and ways and mechanism to recognize and report any harmful activities. Furthermore, we are obliged to embed The Codes principles in our supplier contracts, most notably concerning the hotels we are working with. Within the framework of the contractual agreements, all suppliers agree to monitor and report any activity taking place on their premises and in their area of responsibility. It is therefore our responsibility to make sure that the respective contractual clauses are indeed included in the contracts and that they are returned to us.

Finally, we recognize an increasing number of industry-driven initiatives and NGOs and civil society groups that devote their attention to issues of human rights and to the greatest extent possible we aim to lend them our support and share our experiences.

### iii. Measurement

Myanmar is still in a transitory state undergoing major changes in its social, political and economic landscape. Addressing and claiming legitimate rights is still often challenging and not always given. We hope that by participating, monitoring and discussing to initiatives focusing on human rights this will eventually contribute to establishing industry-wide standards in the long run.

In addition, by including the clause in our supplier contract, we contribute to raising awareness, increase our suppliers' knowledge of the issue and we encourage them to monitor and report suspicious behavior by their staff or guests. Nonetheless, it is our duty to make sure that the clause is included in each and every contract that we hand out to suppliers. Only if it is included, we can audit and select all our partners and suppliers against the backdrop of their compliance with The Code's principles. Therefore, by the end of this reporting period, we aim for a 100% contractual embedding of The Code's principles.



## LABOUR PRINCIPLES

PRINCIPLE 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

PRINCIPLE 4: the elimination of all forms of forced and compulsory labor;

PRINCIPLE 5: the effective abolition of child labor; and

PRINCIPLE 6: the elimination of discrimination in respect of employment and occupation.

### i. Assessment, policy and goals

The tourism industry is continuously growing in importance on a global scale. This is not only reflected by increasing numbers of tourists travelling but also due to the economic significance of the global industry. The travel and tourism industry is growing faster than industries such as manufacturing and retail, leading to the fact that every 11th job in the world lies within this sector. It can thus be stated that the sector is highly significant with regard to employment generation – at the same time the tourism industry is to be held accountable in many instances for poor working conditions and even the violation of human rights through e.g. forced labor. However, in many areas of the world employment in the tourism industry is the best or only way to make a livelihood, particularly in developing countries the economic impact is of major significance.

In Myanmar, according to the World Travel and Tourism Council, Myanmar's travel and tourism industry sustained 735,000 jobs (2.8% of total employment) in 2012 - inclusive of direct, indirect, and induced employment. While the amount of jobs created by the industry is highly positive, the conditions under which many people currently work certainly leave room for improvement.

### ii. Implementation

At Myanmar Polestar Travels & Tours we support and adhere to the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. In line with the principles, we assure that

- No employee is subject to any form of discrimination based on gender, race or physical abilities, or religion,
- Employees are only hired with a minimum age of 18 years,
- Any form of physical or verbal harassment is strictly forbidden,
- All employees are free to be part of any association or nongovernmental foundation,
- Every employee has the right to negotiate his/her salary,
- There is no form of forced and compulsory labor,
- Every employees receives a working contract of two years,
- All our office staff members are employed year-round, merely the tour guides are employed as needed.

In addition, our engagement with The Code against the Sexual Exploitation of Children in Tourism we also contribute to eliminating forced labor and child labor as the sexual exploitation of children often takes place in the context of forced labour in prostitution.

#### iv. Measurement of outcomes

We aim to measure the outcome of our rules and mechanisms in place by counting and evaluating any cases of labor-related issues that may arise. In addition, we will evaluate the work-force against the backdrop of well-balanced demographics, especially paying attention to this when hiring new personnel. Finally, we aim to monitor staff turn-over and work place satisfaction and take the necessary actions if we observe any areas that need improvement.

## ENVIRONMENTAL PRINCIPLES

PRINCIPLE 7: Businesses should support a precautionary approach to environmental challenges;

PRINCIPLE 8: undertake initiatives to promote greater environmental responsibility; and

PRINCIPLE 9: encourage the development and diffusion of environmentally friendly technologies.

### i. Assessment, policy and goals

The tourism industry's impact on the environment is multi-layered. Tourism heavily depends on natural resources and assets as they often serve as the very reason why people want to travel to a particular destination in the first place. At the same time, however, tourism often runs the risk of harming or even destroying these very resources. On a global scale, tourism may contribute to global warming, exacerbate the depletion of natural resources and contribute to the loss of biodiversity. At the regional and local level, tourism may be one factor posing a threat to a region's natural and cultural resources, such as water supply and heritage sites and create additional pollution through traffic emissions, littering, increased sewage production and noise. In Myanmar, some areas are already affected by environmental degradation and the pressure on natural and cultural assets is constantly increasing due to the large and unforeseen influx of visitors. If actions are not taken soon then some irreparable damage may be inflicted on some of the destinations already affected.

It is therefore of utmost importance that all stakeholders are aware of these challenges and aim to act in the least harmful way possible. This relates to both the supply and demand side, i.e. tourism companies as well as travelers. As a tour operator our strategy is two-fold: on the one hand we aim to reduce the environmental footprint of our daily operations at our office. On the other hand we aim to monitor and reduce potential harmful impacts on the environment of our travel packages.

### ii. Implementation

Regarding our office premises, we aim to reduce the amount of resources used for our daily operations. This of course relates to the amount of paper utilized, printing in general and printing in color as well as

the reduction of plastic. We always turn off the lights and air-conditioning in rooms that are not used. In addition, we are aiming to reach certification as soon as possible in relation to environmental standards in the tourism industry once available, such as Travelife for instance.

Besides creating awareness among our employees, we also aim to educate our clients about the value of our natural resources and how to reduce potentially harmful impacts when traveling. For instance, we encourage our clients to use alternative means of transportation instead of flying domestically, as the bus and train network is improving. In addition, we educate our clients by encouraging them to engage in sustainable practices such as tree-planting in the country's arid plains. Finally, in terms of supply chain management, we aim to only cooperate with suppliers that act responsibly in the given framework conditions currently prevalent in Myanmar.

### iii. Measurement of outcomes

We will continue to monitor the amount of resources used by our office with the aim to reduce our footprint in the long run. We will also continue to closely monitor the environmental impacts inflicted on the different destinations. As more tools for environmental impact assessment become available, we will choose the suppliers with the best record in environmental management. In the long term, we want to be at the forefront of applying responsible environmental practices of Myanmar's tour operators, through adherence to environmental legislation and the active encouragement of conservation and responsible usage of natural resources.

## ANTI-CORRUPTION PRINCIPLES

PRINCIPLE 10: Businesses should work against corruption in all its forms, including extortion and bribery.

### i. Assessment, policy and goals

Corruption and the lack of transparency are long-entrenched problems in Myanmar in both the public and private sphere of business. Initial steps towards reducing and holding perpetrators accountable have been taken by the Union Government. Realistically, however, it will take some time for mechanisms to be in place that actually make a difference.

### ii. Implementation

Myanmar Polestar Travels & Tours does not support and fights against any forms of corruption including bribery, political influence, external pressure or extortion. Any company activity is to abide by the law of the Union of the Republic of Myanmar and we aim to act according to ethical principles in every situation.

### iii. Measurement of outcomes

We are planning to develop a company's anti-corruption manual that clearly states our actions against any forms of corruption including bribery, political influence, external pressure or extortion. Employees will be trained and audited for knowing and applying it. In addition, the workforce shall be informed that whoever suspects or reports suspected dishonest activity has the right to remain anonymous should he/she so require. Finally, it will be made clear that any employee who is found participating in corruption practices will be subjected to legal action.