



Building Markets

Connecting **Entrepreneurs**. Creating **Jobs**. Sustaining **Peace**.

BUILDING MARKETS ANNUAL ACTIVITY REPORT

SUBMITTED TO
UNITED NATIONS GLOBAL COMPACT
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Friday, May 19, 2017

Re: United Nations Global Compact Activity Report

Building Markets is pleased to confirm its continued support for the United Nations Global Compact and its Ten Principles to improve corporate social responsibility and sustainability.

Since 2015, Building Markets has integrated these principles into its programs that work to scale local small and medium-sized enterprises (SMEs). In Myanmar, this has included designing targeted capacity building for businesses that focus on these ten topics. Our Global Compact Information and Registration Sessions have so far assisted 51 businesses in learning about and signing the Compact. Building Markets will continue to support and expand these efforts across its operations.

Please see the attached report for a detailed summary of the organization's activity supporting the UNGC since becoming a member in 2015.

Sincerely,

Jennifer Holt
Chief Executive Officer



I. INTRODUCTION AND OVERVIEW

Building Markets officially joined the *United Nations Global Compact (UNGC)* on June 5th, 2015 and is now a global partner of the initiative. For the first two years, Building Markets' commitments in Myanmar focused on the following objectives:

- ***Objective 1: Raise awareness of the general public and business community on the fundamental objectives of corporate social responsibilities and the UNGC.***
- ***Objective 2: Support local SMEs to take internal and external actions to integrate corporate social responsibility in their own operations and strategies.***

In order to raise awareness of the UNGC and to encourage Small and Medium Enterprises (SMEs) to incorporate lessons learned in their businesses, Building Markets developed a strategy grounded in all services provided by the organization, from the first profiling interview to capacity building sessions.

In order to design these activities and create quality materials and resources, Building Markets worked with the following organizations involved in promoting corporate social responsibility (CSR) in Myanmar:

- *Myanmar Center of Responsible Business (MCRB)*: The MCRB provided input on, reviewed, and enriched materials developed by Building Markets' CSR team, contributing their broad knowledge and expertise on CSR topics in Myanmar;
- *International Labor Organization (ILO)*: The ILO has consulted Building Markets on several occasions, in particular on Building Markets' advocacy work related to employment contracts, minimum wages, and child labor;
- *Justice for All*: Building Markets signed a one-year Memorandum of Understanding (MoU) with this local law firm to develop legal materials on anti-corruption and labor laws, and to become a formal partner that provides additional training sessions and its general expertise;
- *Myanmar Business Coalition on AIDs (MBCA)*: Building Markets partners with MBCA in Yangon and Mandalay to conduct CSR information sessions and UNGC registration sessions.

2. ACTIVITIES

Objective I

Raise the awareness of the general public and business community on the fundamental objectives of corporate social responsibilities.

I: Building Markets' Code of Conduct

In June 2015, Building Markets developed a Code of Conduct (in English and Myanmar) that includes the principles of the UNGC. It serves as a model and reference for each supplier that interacts with the project and motivates them to hold their business accountable to global standards.

II: CSR Information Sessions

CSR information sessions have been held during SME Forums, training sessions, and champion programs (advanced training). In addition to these, independent CSR information sessions have also been held for groups of 5-20 people. A total of 865 SMEs have participated in a CSR information session.

III: Labor Facebook Campaign

In collaboration with Justice for All, and following the introduction of the minimum wage in Myanmar, Building Markets produced ten articles on key labor rights topics and published them on the Building Markets-Myanmar Facebook page to increase awareness among SMEs and the general public. The campaign ran from September to the beginning of October 2015. These Facebook posts reached over 15,000 people.

Objective 2

Support local SMEs to take internal and external actions to integrate corporate social responsibility in their own operations and strategy.

This objective was organized as the "Take ACTIONS!" campaign, which was designed in four phases. The first phase was the introduction of the "My Responsible Business" concept through a leaflet providing a general overview of social responsibility applied to Myanmar business, including concrete examples of measures that could be taken, and aspects of the UNGC. The three following phases were each focused on a specific area: anti-corruption, labor laws and human rights, and the environment.



I: Anti-corruption

Joining the UNGC

During the reporting period, Building Markets held five dedicated information sessions on the UNGC to inform SMEs about the opportunities, process, and advantages of joining the initiative. A total of 157 participants from 93 SMEs have attended the sessions and so far, 51 SMEs have signed up (three businesses have pending applications).

Anti-corruption Workshop

Commissioned by Coca-Cola as part of its effort to enforce a zero-tolerance policy on corruption, in June 2015, Building Markets' training team delivered the three-day workshop, "Anti-Corruption and Bribery". Sixty participants

from 34 local SMEs that provide goods and services to the multinational corporation attended. These SMEs operate in various sectors, from packaging and marketing to distribution. Follow up, including reports produced by SMEs and an Open Door Day to share experiences, allowed Building Markets to monitor the implementation of the initiative. The local Chamber of Commerce, UMFCCI, has since asked for the content so that they can replicate the workshop for their members.

II: Labor Laws and Human Rights

100% Contract Workshop

In order to help local SMEs integrate employment contracts into their human resource operations, Building Markets organized workshops entitled “100% Contract” in Yangon, led by experts from Justice for All, Progetto Continenti and Chartered Management Institute. The first workshop was for two days (October 22-23, 2015) and provided SMEs with practical tools for taxation, human resources management, and employees' performance. The workshop was followed by two weeks of continued support and a final survey administered to evaluate each SME. An additional two workshops were held on December 8 and December 15, 2015. In total, 52 SMEs participated, and, according to the follow up, SMEs greatly increased their number of employment contracts (with one SME signing 26 employee contracts after attending the workshop).



Labor Rights Workshops

To support Coca-Cola Pinya Beverages' effort to share its values with Myanmar suppliers and business partners, Building Markets designed two training sessions and one workshop on labor rights, delivered from March 28 to April 1,

2015. These activities aimed to improve SMEs' business practices through compliance to the Supplier Guiding Principles (SGP).

- *Labor Laws & Guiding Principles Training*: This day covered Coca-Cola's SGPs, Myanmar labor laws and international conventions, and the responsibilities of Myanmar SMEs. The group discussed challenges and issues they face, and ways to comply with laws and define mechanisms to address the following: prohibiting child labor, prohibiting forced labor and abuse of labor, eliminating discrimination, and understanding work hours and wages.
- *Tools & Tips for Compliant Human Resources Management Training*: This day aimed to give participants the means to align their human resources processes with the SGP by introducing tools and approaches that will help them turn theory into practice.
- *A Safe & Healthy Workplace Workshop*: This workshop on Occupational Health and Safety (OHS) standards included a presentation and panel discussion. The goal of this workshop was to discuss the meaning and importance of occupational health and safety standards. The panel discussion consisted of Coca-Cola, Dr. Hein Ye Linn, a local business owner, and Global Group.



III: Environment

LEAN for Sustainable Development

Inspired by the success of the program LEAN: A method to systematically identify wastes in Product Development Process, which was held in the first half of 2015, Building Markets has developed, in collaboration with the Polytechnic University of Milan, the Lean Non-Profit Initiative for Sustainable Development (LeaNGO). The objective of LeaNGO is to promote sustainable development through the adoption of "Lean" philosophy (e.g. efficient use of scarce resources), under the respect of Principles 7, 8 and 9 of the UNGC. The LeaNGO project included a two-day training workshop for 17 SMEs, which focused on lean thinking applied to sustainability. Main topics included:

- Sustainable Development
- Product Life Cycle
- Environmental Impacts
- Waste
- International Environmental Labels
- Circular Economy



Participants took part in the "Life Cycle Perception" game, which helps explain the concept of 'life cycle' in the perspective of sustainable development. After the two-day training, SMEs were invited to open the doors of their companies to the trainers and consultants from Politecnico, and also to the other SME participants. Seven companies were visited and two (whose production was situated far outside Yangon) joined a bilateral meeting at Building Markets' office with Polimi experts.

3. MEASUREMENT OF OUTCOMES

3.1 Information & Registration Sessions

Date	Event	Location
30-Sep-15	1st UNGC registration Session	Yangon
6-Oct-15	2nd UNGC registration Session	Mandalay
4-Nov-15	3rd UNGC registration Session	Yangon
20-Nov-15	4th UNGC registration Session	Mandalay
27-Nov-15	5th UNGC registration Session	Yangon
18-Dec-15	6th UNGC registration Session	Yangon
22-Jan-16	7th UNGC registration Session	Yangon
26-Feb-16	8th UNGC registration Session	Yangon

3.2 Myanmar UNGC Members

The following businesses have joined the UNGC as a result of engagement with Building Markets' programming:

Company Name	Business Sector	City	Membership Date	# Employees
Marcopolo Travels & Tours	Travels & Leisure	Yangon	12-Oct-15	11
Myanmar Win Logistic Express	Support Service	Yangon	12-Oct-15	14
GREEN Pest Management	Support Service	Yangon	12-Oct-15	36
Digital Cottage Business Group	Support Service	Yangon	12-Oct-15	50
Nadi Myanmar Family Group	Support Service	Yangon	12-Oct-15	40
I.E.M Company Limited	Industrial Engineering	Yangon	24-Sep-15	233
Trade Wind Group	Support Services	Yangon	16-Oct-15	100
Mobile Land	Auto Mobiles & Parts	Mandalay	16-Oct-15	15
Asia Golden Sea	Food Producers	Mandalay	16-Oct-15	150
Event CEO	Support Service	Mandalay	16-Oct-15	15
WIN MYAT THU Construction Material Trading	Construction & Materials	Mandalay	16-Oct-15	12
Prime Victory Company Limited	Pharmaceuticals & Biotechnology	Yangon	16-Oct-15	15
MFATP (Myint Family Aung Tha Pyay)	Beverages	Yangon	19-Oct-15	90
Amigos International	Technology Hardware & Equipment	Yangon	11-Nov-15	35



Shwe Swel Len	Forestry & Paper	Yangon	11-Nov-15	30
Orient Mandalay	Software & Computer Service	Mandalay	1-Dec-15	22
San Htike Trading	General Retailers	Mandalay	1-Dec-15	11
Ayarwaddy Legend Travels & Tours	Travel & Leisure	Yangon	11-Dec-15	18
Thein Oo Services	Industrial Transportation	Yangon	11-Dec-15	15
Happy Holidays Travel & Tours	Travel & Leisure	Yangon	9-Dec-15	20
Eastern Nature International	Travel & Leisure	Yangon	9-Dec-15	15
Pro Niti Travel & Tours	Travel & Leisure	Yangon	7-Dec-15	20
Mira Travels & Enterprises Ltd.	Travel & Leisure	Yangon	5-Dec-15	18
UniLeisure Travels & Tours	Travel & Leisure	Yangon	4-Dec-15	15
Myanma Pearl Travel & Tours	Travel & Leisure	Yangon	4-Dec-15	15
Adventure Myanmar Tours & Incentives	Travel & Leisure	Yangon	4-Dec-15	150
Oriental Century Travel & Tours	Travel & Leisure	Yangon	4-Dec-15	17
Grand Fortuna	Support Services	Yangon	4-Dec-15	15
Pho La Min Real Estate & General Services	Real Estate	Yangon	15-Dec-15	10
The Nation English Centre	Support Services	Yangon	15-Dec-15	11
New Motion Travels & Tours	Travel & Leisure	Yangon	26-Dec-15	70
Enchanting Myanmar	Travel & Leisure	Yangon	26-Dec-15	15
Myanmar Escapade Travel and Tours	Travel & Leisure	Yangon	26-Dec-15	20
Victorious King Travels & Tours	Travel & Leisure	Yangon	26-Dec-15	11
Innovative Global Wave Technology	Software & Computer Services	Yangon	12-Jan-16	90
Vantage	Diversified	Yangon	2-Feb-16	100
Amazing Holidays Hotel & Resorts	Travel & Leisure	Yangon	2-Feb-16	800
Golden Hours	Construction & Materials	Yangon	2-Feb-16	30
Vital Pharmaceutical	Pharmaceuticals & Biotechnology	Yangon	2-Feb-16	65
Glory Natural Juice Production	Beverages	Yangon	2-Feb-16	15
Green Myanmar Travels & Tours	Travel & Leisure	Yangon	2-Feb-16	35
GMBF Group of Companies	Travel & Leisure	Yangon	2-Feb-16	35
Winner Ocean Trading	Real Estate	Yangon	2-Feb-16	15
Zenith Power	General Industrials	Yangon	2-Feb-16	165
Bright Team Group of Companies	Construction & Materials	Yangon	2-Feb-16	35



Space Light	Electronic & Electrical Equipment	Yangon	3-Feb-16	150
Ivory Uniform Services	Support Services	Yangon	8-Mar-16	16
MARINA Purified Drinking Water	Beverages	Yangon	7-Mar-16	30
Soft Guide/Yangon Region Computer Industry Association	Software & Computer Service	Yangon	Pending	
Myanmar Sedate Trading	Trading	Yangon	7-Mar-16	28
Myanmar Sedate Shipping & Logistics	Shipping & Logistics	Yangon	1-Jun-16	28
Asia Precious Junction	Travel & Leisure	Yangon	14-Mar-16	12
IEMS	Support Services	Yangon	Pending	
International Smile World	Support Services	Yangon	Pending	