

### **What attracted Heineken to invest in Burma?**

Heineken was here previously, [but] because of international sanctions Heineken pulled out in 1996. When the sanctions were lifted four years ago, and the country opened up again, Heineken saw the opportunity to come back. Unfortunately, by that time, our previous brewery had another partner already. So Heineken had no choice but to open a new brewery.

The market is a very exciting one. It's a big market of over 50 million people. Young, many below the age of 35, and incomes are rising very fast. So as a consumer company, these are the truly big things that we are looking for. Big population, young population, growing incomes. The potential for this market is really big. It's a very rich country. That's why we are here.

### **Do you think that now is the right time for Heineken?**

No, because we are doing it 20 years too late. We should have been here from the start. But it's never too late. So now is a good time. The country is opening up again, and we are happy to be here.

### **Myanmar Beer is consumed widely in this country. How do plan to court the market differently?**

It depends on few things. One is our international quality. The quality, for us, is the most important thing. Not just the Heineken brand, but also our other brands, all are of perfect quality. We will not let any beer that doesn't pass our quality check enter the market. So that's number one.

The second thing is our brands. The brand itself is very important. A brand stands for many things. It stands for quality, it stands for reputation, it stands for image. We will have to build good brands, strong brands for the market here.

### **What about the price? Can you compete with local beers, or will your products be priced as premium?**

For Heineken, we have prices for Heinekens all around the world. Heineken is never a

cheap product. Therefore, it's always a bit higher. But for our local brand, we will try to be as competitive as we can with other local brands.

**How many people are employed by the brewery?**

At the moment, there are about 200 employees in the whole company. The factory has about 60. But there are also people that we work with indirectly. Our suppliers, right now we are talking about 50.

For example, at the canteen we provide food for our staff. We hired a company to cook food for our staff. We work with local companies. We want to work with them so that as our company grows they will grow together with us.

**Let's talk about "Brew A Better World," Heineken's initiative promoting responsible water use and the sourcing of local ingredients. Can you tell us a bit more about it?**

"Brew A Better World" is a very important part of the Heineken company's strategy all around the world. We really focus on safety. Everybody that steps into our brewery must attend a safety briefing, wear safety shoes, safety hats and safety vests. If you don't wear all these you can't come in.

The second pillar is growing with the community. For example, the caterer that I told you about; we work with all these small companies so that they can grow together with us.

The third one is sourcing. Local sustainable sourcing. Our local brand Regal Seven, the new brand, that product will use some rice. And we work with rice farmers to move them away from normal farming to sustainable farming with a contract, with us. We also work with the millers to work out transportation of rice to improve the quality. We do things like that.

Obviously, the next thing is water. We have a global target that for every liter of beer that we produce, we should only use about four liters of water. We haven't gotten there but that's our target. We need to slowly come down to four liters. For water there are two concerns. One is the water coming in and the other is wastewater going out. The

wastewater to us is also very important because around the area of our factory is all paddy farmers. So we work together with the Myanmar Engineering Society and with the village hill-men, and we have one monitoring committee.

We have spent a lot of money to build a water treatment plant, and we also built a pipeline to discharge the water. We could have done an open drain and let it go, but for the sake of the community around us we have built a pipeline. So we will treat the water, and we will drain water into the river. We had an inspection from the YCDC three weeks ago. The wastewater being pumped to the river is clean. For us the environment is very, very important matter.

### **So you have to complete an ESIA?**

Yes, we do. We have to meet all the standards. We arranged to use the global standard so Heineken's quality standards are not only for the beer but also for the water and wastewater. We work with the Myanmar Engineering Society... we send all of our samples to Poland. So every month our DHL bill is very high because we send beer, we send water, every month.

### **How do you promote responsible consumption of alcohol?**

You will see messages on all of our bottles and cans. Under 18, please don't drink. If you drink, don't drive. But it's just a message. It's easy to say, we need to do also. We have worked together with the vice president and some of the big ministries, we ran a national road-safety campaign.

### **How might Burma's upcoming election impact investment in Burma?**

I think political stability is a concern for all businesses around the world. Not just in Myanmar. There are many countries that people are worried about. And it doesn't need to be developing countries, developed markets are the same. Political risk is the same, it exists everywhere.

We always hope for the best. But we know that the government is a very progressive government. So hopefully if they will still be in power or whichever new government is in power, if they will remain progressive and investment-friendly, I believe that

international investors can bring a lot to the country. And we will be happy to work together with this or the next government for the progress of the country.