



International Organisation of Employers
Organisation Internationale des Employeurs
Organización Internacional de Empleadores

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OECD Guidelines for Multinational Enterprises

March 2014



What are the OECD MNE Guidelines?

- Recommendations from governments to business.
- Responsible business behaviour abroad in ten areas.
- Not exclusively addressed to large enterprises: they expressly also relate to small and medium-sized enterprises which are active on a multinational scale.
- Voluntary, **but** grievance mechanism (mediation by National Contact Points).
- Not legally enforceable, because they are intended to stimulate fair behaviour and not trigger legal disputes.



Content of the Guidelines

- General policies
- Disclosure
- Human rights
- Employment and industrial relations
- Environment
- Combatting bribery
- Consumer interests
- Science and technology
- Competition
- Taxation



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Business generally supports the OECD MNE Guidelines

- Most comprehensive international CSR instrument
- Level playing field (outreach important)
- Not only a burden, but also protection against unrealistic expectations

What are the essence of the Guidelines?

- Multinational enterprises should avoid adverse impacts of their own business activities on the interests covered by the Guidelines. Which means:
 - do not cause adverse impacts
 - do not substantially contribute to adverse impacts
 - seek to deter partners from infringement (“*This is not intended to shift responsibility*”)
 - encourage suppliers to apply



Key concept: due diligence

- Due diligence is the process whereby enterprises identify, prevent and mitigate actual and potential adverse effects, and also report how they take these effects into account in their decision making and risk-management.
- The Guidelines do not mention specific procedural requirements for this process.
- No due diligence in the fields of competition, science and technology, and taxes.
- Nature and scope of due diligence demand a tailor made approach (depending on enterprise size, the context of the business activity, the gravity of the adverse effects).

Challenges for Business

- Due Diligence: What does it mean? How to implement it? Where to end?
- Misuse of NCP-Procedure for campaigning
- Between 2000 and 2011, 262 complaints were raised at the NCP in the 44 members which adhere to the OECD Guidelines.
- This low number shows that Business takes its responsibility seriously and complies with the provisions in the Guidelines.



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**Thank you very much
for your attention!**