

Cases handled by the National Contact Points for the OECD Guidelines for Multinational Enterprises

The OECD Guidelines for Multinational Enterprises (Guidelines) represent a global framework for responsible business conduct covering all areas of business responsibility including disclosure, human rights, employment and industrial relations, environment, anti-corruption, competition and taxation.

Countries adhering to the Guidelines are required to set up National Contact Points (NCPs) which are tasked with furthering their effectiveness. As part of their mandate, NCPs provide a mediation and conciliation platform for helping to resolve cases (known as “specific instances”) of the alleged non-observance of the Guidelines.

How do NCPs handle cases in practice?



1. Initial assessment The NCP evaluates whether the issues raised merit further examination and either accepts the case or publishes a statement explaining why it has not accepted the case.



2. Support The NCP offers its “good offices” (dialogue, mediation, conciliation services) to both parties with a view to resolving the issues.



3. Conclusion At the end of the process, the NCP publishes a statement regarding the issues raised in the case, the support offered by the NCP and the outcomes.

A unique grievance mechanism



SCOPE: Since 2000, NCPs have received more than 400 cases relating to company operations in over 100 countries and territories.



THEMES: The majority of cases deal with employment and worker issues (54%), followed by human rights (28%) and environment (20%). However since 2011, when a human rights chapter was added to the Guidelines, human rights cases have been the most frequent.



SECTOR: 33% of cases since 2000 relate to issues arising from multinational enterprises operating in the manufacturing sector. However, cases concerning the financial sector are on the rise, accounting for over 20% of all new cases between 2014 and 2016.



SUBMITTERS: Trade unions, NGOs and individuals account for 90% of the cases submitted to NCPs since 2000. Companies and government officials have also submitted cases to NCPs.



OUTCOMES: Between 2011 and 2016, approximately half of all cases (47%) which were accepted for further examination by NCPs resulted in some form of agreement between the parties; approximately 37% resulted in an internal policy change by the company in question.

These cases have contributed to protecting:



HUMAN RIGHTS

A case handled by the Norwegian and Swedish NCPs involved the construction of wind turbines which could interfere with traditional migration routes of the Sami reindeer-herding collective. A short time after mediation organised by the Norwegian NCP, an agreement was reached between the Sami collective and Statkraft, the enterprise building the turbines, which set out the preventive measures which will be taken to avoid the negative impacts to the traditional lands of the collective.



WORKERS

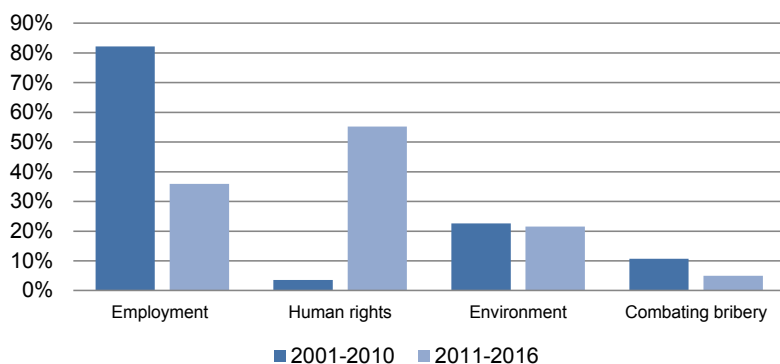
A case handled by the NCP of Germany concerning a German company sourcing from the Tazreen garment factory in which over one hundred people were killed in 2012 due to a fire breaking out, led to an agreement by which the company committed to improve the fire and building safety standards in its supplier factories. Measures included reducing the number of supplier factories, establishing long-term supplier relations, close supervision by local staff, and signing the Bangladesh Accord on Fire and Building Safety.



THE ENVIRONMENT

The UK NCP concluded mediation between the World Wildlife Fund (WWF) and SOCO International PLC regarding oil exploration being conducted by SOCO in Virunga National Park in the Democratic Republic of Congo (DRC), a World Heritage site. SOCO committed to cease exploration in the park unless UNESCO and the DRC government agree that such activities are not incompatible with its World Heritage status and not to conduct any operations in any other World Heritage site.

Main themes of specific instances
(before and after 2011)



For more information please visit:
mneguidelines.oecd.org/ncp.htm