



**GLOBAL FORUM
ON RESPONSIBLE
BUSINESS CONDUCT**

DRAFT CONCEPT NOTE

26-27 JUNE 2013

OECD CONFERENCE CENTRE

PARIS, FRANCE





This draft concept note outlines the purpose, objectives, and structure of the inaugural Global Forum on Responsible Business Conduct (the Forum), established in preparation of the 2012 OECD Ministerial Meeting with the aim to a) strengthen international dialogue on responsible business conduct (RBC) and b) contribute to the effective implementation of the OECD Guidelines for Multinational Enterprises in a global context.

New Global RBC Agenda

An unprecedented convergence and coherence in international principles and standards on what constitutes RBC has emerged over the past two years. The baseline expectations for how business should understand and address the social risks of their operations, as well as an understanding of how governments should support and promote responsible business practices, are now clearer than ever.

This convergence and coherence is apparent in the 2011 updated OECD *Guidelines for Multinational Enterprises* (the *Guidelines*); the *Guiding Principles for Business and Human Rights*, based on the 2008 UN “Protect, Respect and Remedy” Framework and unanimously endorsed in June 2011 by the UN Human Rights Council; the revised IFC *Performance Standards*; and the OECD *Recommendation of the Council on Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence*. It is also echoed in the evolution of national RBC policies around the globe, including in policies of major emerging economies and new investment frontiers.¹

The result is a more predictable business environment in which enterprises understand their responsibilities and their stakeholders are empowered with tools to hold them accountable.

Guidelines for Multinational Enterprises

The updated *Guidelines* are in a unique position to support this new global RBC agenda. The *Guidelines* are a set of RBC recommendations addressed by governments to multinational enterprises (MNEs) operating in or from adhering countries. Encompassing all areas of business ethics, the *Guidelines* are the only existing multilaterally agreed on international corporate responsibility instrument that governments have committed to promoting. They express the shared views and values of 44 countries that are the sources and recipients of a large majority of world's investment flows and also home to most MNEs.

The *Guidelines* are known for their unique implementation and built-in conflict resolution mechanisms, the National Contact Points (NCPs) and the *specific instance facility*. The adhering countries are obliged to set up NCPs to further the effectiveness of the *Guidelines* by undertaking promotional activities, handling enquiries, and providing a mediation and conciliation platform for resolving practical issues that may arise with the implementation of the *Guidelines*.

Furthermore, in addition to reinforcing the *conflict resolution* dimension of the *Guidelines*, the 2011 Update added a major *prospective* dimension to the *Guidelines*, referred to as the *proactive agenda*. The *proactive agenda* aims to promote the effective observance by enterprises of the principles and standards contained in the *Guidelines* by encouraging the positive contributions of MNEs to sustainable development and helping them identify and respond to risks of adverse impacts associated with particular products, regions, sectors or industries. In addition to calling attention to the other important distinguishing features of the *Guidelines* (e.x. the national contact point mechanism), the *Forum* will highlight the importance and potential of the innovation of the *proactive agenda*, of which the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* is a good example.²

¹ For example, India's updated 2011 *National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business* or China's *Guidelines on the Social Responsibilities of State-owned Enterprise*.

² <http://www.oecd.org/daf/inv/mne/mining.htm>



A Global Dialogue on RBC

The OECD, in addition to maintaining co-operative relations with more than 70 non-member economies, already has enhanced engagement arrangements with Brazil, China, India, Indonesia, South Africa, and Russia. The OECD has also developed partnerships arrangements with leading international instruments such as UN Global Compact, UN Guiding Principles for Business and Human Rights, Global Reporting Initiative, International Labor Organization, and International Coordinating Committee of National Human Rights Institutions. The OECD also regularly consults with the representatives of business, trade unions and civil society on a range of issues.

Thus, the new *Forum* hosted by the OECD can play a leading convening role on RBC topics and can provide a platform for comparing different RBC approaches and experience sharing. The new *Forum* will be a great opportunity to look at emerging issues of mutual interest to advanced, emerging and developing economies and will provide a strong base for exploiting existing and potential synergies between the *Guidelines* and non-adhering countries' own corporate responsibility initiatives.

Structure of the Forum

The *Forum* will aim to 1) outline high-level systematic approaches to RBC to set the vision for future action and 2) focus on particular implementation challenges. The purpose of this double approach is to provide an opportunity to discuss global trends in the RBC field while also giving appropriate attention to particular challenges. The *Forum* will be divided into three parts with two side events.

PART 1: Opening High-level Plenary will be opportunity to discuss different approaches to RBC in light of the increased convergence and coherence in international principles and standards on what constitutes as RBC. One size does not fit all – the evolution of national RBC policies around the globe, including in major emerging economies and new investment frontiers, demonstrates so. At the same time, there is an expectation in these policies to respect international principles and standards. This opening high-level plenary will be an opportunity to showcase and discuss the merits of these different approaches.

PART 2: Working Sessions will focus on particular challenges of translating principles and standards of responsible business conduct into effective action.

- **2.1. Bangladesh: Way Forward and Implications for the Textiles Sector Globally**

This session will focus on issues underlying the tragedy in Rana Plaza. Immediate response and the wider implications for the sector, relating to working conditions, labour rights and responsible supply chain management, will be considered. Policy makers, businesses, trade unions and civil society will come together to discuss the way forward and assess the need for further action.

- **2.2 OECD Guidelines for Multinational Enterprises and the Global RBC Agenda**

This session will focus on priorities for the *OECD Guidelines for Multinational Enterprises* in view of their unique implementation mechanism and the innovative proactive initiatives based on a multi-stakeholder approach.

- **2.2. Responsible Business Conduct and the Financial Sector**

This session will be an opportunity to reflect on the convergence and coherence of expectations for responsible business conduct in the financial sector, with particular attention given to due diligence and the added value of mediation.

- **2.3. Stakeholder Engagement and Due Diligence in the Extractive Sector**

This session will be an opportunity to discuss what the best practices in stakeholder engagement in extractive industries (mining and oil and gas) as they relate to due diligence, supply chains, indigenous peoples, and SMEs.



GLOBAL FORUM ON RESPONSIBLE BUSINESS CONDUCT

PART 3: Closing Plenary will be an opportunity to outline the future vision for the *Forum* and discuss lessons learned.

SPECIAL EVENTS: Two special events are also planned – 1) *Disclosure and Reporting* and 2) *Responsible Business Conduct in the ICT Sector*.

Global Forum on Responsible Business Conduct: Preliminary Conference Schedule		
Wednesday, 26 June 2013		
08:00 – 09:30	Registration	
09:30 – 10:00	Welcoming Remarks and Opening Address	
10:00 – 12:30	Trends in Responsible Business Conduct	
12:30 – 14:00	Lunch	
14:00 – 16:00	Bangladesh: Way Forward and Implications for the Textiles Sector Globally	Special Event: Disclosure and Reporting
16:30 – 18:00	OECD Guidelines for Multinational Enterprises and the Global RBC Agenda	
18:30 – 20:00	Cocktail Reception	
Thursday, 27 June 2013		
09:30 – 16:30	WORKING SESSION 1 Responsible Business Conduct and the Financial Sector	09:30 – 13:00 WORKING SESSION 2 Stakeholder Engagement and Due Diligence in the Extractive Sector
Part 1: Defining Due Diligence in the Financial Sector 09:30 – 11:00: Current Practices of the Financial Sector 11:30 – 13:00: Responsibility and Leverage of Financial Institutions		09:30 – 11:00: Challenges of Stakeholder Engagement on the Ground 11:30 – 13:00: Next Steps: Options and Recommendations
13:00 – 14:30	Lunch	
Part 2: Roles and Procedures of National Contact Points 14:30 – 16:30		Special Event: Responsible Business Conduct in the ICT Sector
16:30 – 17:45	Moving Forward: Lessons Learned	
17:45 – 18:00	Closing Addresses	

Registration and further information

Participation in the *Forum* is open. Registration information and relevant materials can be found at <http://www.oecd.org/daf/inv/mne/rbc-global-forum-2013.htm>. The *Forum* conclusions, outcomes and proceeding are also expected to be published.