



GLOBAL FORUM ON RESPONSIBLE BUSINESS CONDUCT

BACKGROUND NOTE

Multi-Stakeholder Initiatives and Responsible Business Conduct

9 June 2016

11:30 – 13:00

Auditorium

[OECD Conference Centre](#)

2, rue André Pascal, 75775 Paris Cedex 16, France

A large number of Multi-stakeholder initiatives (MSIs) have emerged in the past two decades to help business identify and address the adverse environmental, labour and human rights impacts in their global supply chains. MSIs include a wide range of stakeholders, including businesses, civil society, government policy makers and other stakeholders that seek to work together to address a problem. MSIs have been established to set standards in almost every major global industry, ranging from certifying the production of clothing and food, through to monitoring the extraction of oil and gas, or to establishing codes of conducts for internet companies regarding privacy and freedom of expression.

The multi-stakeholder approach is an integral part of the OECD's sector work on responsible business conduct (RBC). The development of sector guidance in minerals, extractives, textiles, and agriculture have all benefited from multi-stakeholder input to build consensus on how to best to implement and promote responsible business conduct in specific global supply chains. Buy-in from a broad range of stakeholders is critical to forge a shared vision, which in turn enables constructive problem-solving over the long-term and avoids misalignment of expectations among different stakeholder groups.

[OECD projects on due diligence in global supply chains](#) suggest that MSIs are one of the best ways to address complex and systemic challenges that lead to human rights, labour, environmental and other adverse impacts covered by the MNE Guidelines. Experience to date from sector projects have shown that multi-stakeholder collaboration can be particularly effective for:

- Helping enterprises identify, assess and monitor risks in the supply chain;
- Helping enterprises address systemic risks in the supply chain;
- Maintaining traceability systems and addressing related data inconsistencies;
- Increasing governance credibility of industry run social audit and assurance schemes;
- Building capacity of suppliers and stakeholders on international standards, risk based due diligence, roles and responsibilities of the different stakeholders;
- Engaging with governments and stakeholders in a particular region or on a specific issue;



- Establishing grievance mechanisms.

While multi-stakeholder collaboration will often support enterprises in their due diligence and have proven effective in addressing complex challenges, enterprises cannot outsource their responsibility through collaboration. As such, some due diligence tasks simply cannot be accomplished through collaboration, for example:

- Enterprise policies on responsible business conduct, communications to suppliers and business partners on responsible business conduct expectations;
- Enterprise-specific risk assessments, for example “Know Your Counterparty” or transaction level risk assessments;
- Internal systems and reporting, stakeholder engagement, other risk management;
- Public reporting on steps companies themselves have taken to implement due diligence.

The session on MSIs of the global forum will include experts as well as participants from national and international MSIs to reflect on their experiences to date, and draw broad lessons that could help strengthen collaborative engagement on responsible business conduct in the future. This session will also explore to strengthen MSIs and how MSIs can measure their effectiveness and impact.

Useful links

- OECD sector standards developed through a multi-stakeholder approach:
 - Stakeholder Engagement in the extractives sector
<https://mneguidelines.oecd.org/stakeholder-engagement-extractive-industries.htm>
 - Agricultural supply chains <https://mneguidelines.oecd.org/rbc-agriculture-supply-chains.htm>
 - Mineral supply chains in conflict-affected and high-risk areas
<https://mneguidelines.oecd.org/mining.htm>
 - Garment and Footwear Supply Chains <https://mneguidelines.oecd.org/responsible-supply-chains-textile-garment-sector.htm>
 - Financial Sector Due Diligence (in development)
<https://mneguidelines.oecd.org/rbc-financial-sector.htm>
- OECD multi-stakeholder implementation programme:
 - Mineral supply chains in conflict-affected and high-risk areas
<http://www.oecd.org/daf/inv/mne/implementingtheguidance.htm>



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- Institute for Multi Stakeholder Initiative Integrity <http://www.msi-integrity.org/about/msi-integrity/>
- Cooperation Committee for Cambodia (CCC) www.ccc-cambodia.org
- Responsible Jewellery Council <http://www.responsiblejewellery.com/>
- Partnership for Sustainable Textiles <https://www.textilbuendnis.com/en/>
- ISEAL <http://www.isealalliance.org/our-work>