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Organisation de Coopération et de Développement Economiques
Organisation for Economic Co-operation and Development

24-Jul-2002

English, French

**DIRECTORATE FOR FINANCIAL, FISCAL AND ENTERPRISE AFFAIRS
COMMITTEE ON INTERNATIONAL INVESTMENT AND MULTINATIONAL ENTERPRISES**

**DAFFE/IME/NCP/RD(2002)1/REV1
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**Annual Meeting of the National Contact Points for the OECD Guidelines for
Multinational Enterprises**

**OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES:
REPORTS BY THE NATIONAL CONTACT POINTS**

This compilation of NCP reports has been revised to incorporate reports submitted during and after the Annual Meeting of the NCPs on 18 June 2002.

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JT00129900

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ARGENTINA / ARGENTINE

A. *Institutional Arrangements*

The Argentinian National Contact Point is located at the Ministry of Foreign Affairs, International Trade and Worship -Direccion Nacional de Negociaciones Economicas Internacionales- (Head: Minister Felipe Frydman).

Mailing adress: Esmeralda 1212 - Piso 9 (C.P. 1306)
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It is important to point out that the Congress is considering a project of law whose aim is to create a National Contact Point integrated not only by the Ministry of Foreign Affairs but also by the Ministry of Labour.

Participants from the business sector, labour unions and NGO's interested in OECD Guidelines are also contemplated in the project. We expect to have this law passed by the end of 2002.

B. *Information and Promotion*

Information on the OECD Guidelines can be found on the website of the Ministry of Foreign Affairs, International Trade and Worship (www.mrecic.gov.ar). A more extensive webpage will be established shortly and will contain more information on the Guidelines, documents and appropriate links.

On the 25th and 26 of April a delegate from Argentina attended a seminar organised by the Chilean NCP. This was an excellent opportunity to get information on the promotion activities of other NCPs.

There have been no specific enquiires from other NCPs or governments of non- adhering countries so far.

C. *Implementation in specific instances*

There have been no specific instances brought before the Argentinian National Contact Point so far.

AUSTRALIA / AUSTRALIE

The Guidelines cover issues such as:

- employment and industrial relations – recognising fundamental rights at work and international labour standards as set out by the International Labour Organisation;
- the environment – recognising the objectives contained in the Rio Declaration on Environment and Development and the importance of sound environmental management to improve sustainable development;
- human rights – recognising the Universal Declaration of Human Rights;
- combating bribery;
- consumer interests;
- competition;
- taxation;
- science and technology; and
- corporate disclosure.

The Guidelines are a set of recommendations to business that are endorsed by Governments representing ‘best practice’ standards for responsible business conduct. They are not a binding code of conduct on multinational enterprises, and not legally enforceable.

The Australian Government has established a National Contact Point for the Guidelines, in order to aid the implementation and promotion of the Guidelines in Australia and make them better known to business, labour and other interested parties.

Australia’s NCP is the Executive Member of the Foreign Investment Review Board.

This Report has been prepared in consultation with business, labour and NGOs and it will be made publicly available. It is submitted to the OECD Committee responsible for the Guidelines and related activities (The Committee on International Investment and Multinational Enterprises).

Introduction

1. The second Annual Report of the Australian NCP is a good opportunity to take-stock of progress made in promoting and implementing the Guidelines in Australia over the past 12 months.

2. As noted in last year's report, there are considerable challenges facing the NCP in raising community awareness of the Guidelines and promoting their implementation in Australia. This cannot be done overnight and there are many important considerations which will impact on any strategy adopted. This year we have focussed on three main outcomes:

- the need to consider and settle the structure for the NCP during the coming period of consolidation and confidence-building;
- continuing the constructive dialogue established last year with social partners and engaging them on key issues arising out of Guidelines' implementation. In that regard, consultations have covered particular themes and linkages, such as human rights issues and the linking of compliance with the Guidelines to the receipt of government grants and export credit insurance; and

- getting a better idea what information is already available on the broad question of corporate social responsibility (implementation of ethical standards by Australian enterprises) and deciding upon where more research needs to be done.

A. Institutional Arrangements

3. The Procedural Guidelines recognise that the NCP may be individually and flexibly structured consistent with the objective of obtaining 'functional equivalence'.

4. The Australian NCP for the MNE Guidelines remains the Executive Member of the Foreign Investment Review Board (FIRB). The contact details are as follows:

The Executive Member
 Foreign Investment Review Board
 c/- The Treasury
 CANBERRA ACT 2600
 Telephone: (02) 6263 3795
 Facsimile: (02) 6263 2940
 E-mail: ancp@treasury.gov.au
 Website: www.ausncp.gov.au

5. The NCP is one individual public official supported by the resources of Government. The FIRB is a four member non-statutory body that advises the Australian Government on foreign investment policy and its administration. Executive assistance to the Board is provided by the Foreign Investment Policy Division of Treasury, which is headed by the Executive Member of the FIRB, a senior Treasury official. In addition to its function as a secretariat to the Board, the Executive also advises the Government on international investment issues in international fora such as the OECD. Treasury officials from within the Executive represent the Government in the OECD Committee on International Investment and Multinational Enterprises (CIME).

Future structure of NCP

6. Following discussions on the structure of the NCP and a Service Charter, last year, a number of NGOs expressed reservations concerning Australia's current NCP arrangements. Some of these NGOs¹, in response to those discussions, prepared a paper which was circulated widely for comment. The paper proposed, *inter alia*, that the NCP membership be expanded to become a 12 member quadripartite body consisting of equal representation from business, labour, government and other NGOs.

7. After careful consideration of a number of factors including the OECD's procedural guidance on possible structures, the comments made by business, labour and NGOs on the quadripartite model and the political climate for change, the Government decided not to adopt this model at this stage. Notwithstanding, it was felt that there was merit in considering increased formal involvement of social

¹ The paper was prepared by Ms Natasha Holmes on behalf of the Australian Council of Trade Unions, Australian Manufacturing Workers Union, the Construction, Forestry, Mining & Energy Union, the National Tertiary Education Union, Public Interest Advocacy Centre, Oxfam-Community Aid Abroad and Apheda - Union Aid Abroad

partners in any consideration of specific cases alleging MNE breaches of the Guidelines. Thus while the NCP will continue as it is presently structured:

- it will continue to meet bi-annually in the major centres to discuss key issues relating to the Guidelines implementation. This will continue to be open to any interested parties;
- careful consideration will be given to fleshing out how a more specialised body (largely drawn from the interested parties attending the more general meetings) could be constituted on a case by case basis to discuss and report on specific instances as they arise; and
- steps will be taken to invite the participation in consultations of a wider groups of social partners and government agencies.

B. Information and Promotion

8. The NCP has continued to be pro-active in implementing and promoting the Guidelines through the NGO consultations process that was commenced last year. This year, the NCP discussion paper and the recent face to face meetings in Canberra and Sydney were the main avenues of the consultative process. The NCP discussion paper was circulated to all interested parties, who were asked for comment. Further consultations on the NCP paper were handled by correspondence, emails and indirectly through the website.

9. The meetings in Canberra and Melbourne attracted representatives from business and labour, a number of NGO's and academics. Attendance in terms of numbers was comparable to last year. Ways to promote the Guidelines was a feature of the discussions at these meetings. The meetings came up with some innovative ideas. These included using the websites of other Government Departments engaged in aid or business grants to list and promote the Guidelines to their clients. Another suggestion was that the NCP employ a specialised communications consultant to design a strategy to make the Guidelines more widely known.

Website

10. An NGO suggested at the Melbourne meeting that the web site be made more user friendly in particular with respect to guidance for raising a 'specific instance' with the Australian NCP. A step by step users guide was envisaged, whereby the procedures necessary to bring a complaint against an MNE in a 'specific instance' would be spelt out and described in sequence. The site would outline the NCP's role and activities and CIME's role in a specific instance as detailed in the Procedural Guidance. We considered this suggestion to be very useful. The NCP had originally planned to up date the website along these lines as part of the Service Charter after the structure of the NCP had been settled. However, with the suggestion having been made, this will be undertaken as soon as possible.

11. As a separate exercise the NCP monitors the usage on the NCP dedicated website on a monthly basis. Interestingly, the website receives over a 1000 hits per month and the Guidelines text is the most frequently downloaded section. Over 6 per cent of visits are for longer than 19 minutes duration and over 7 per cent visit the site more than once.

12. The NCP's list of NGOs and other interested parties is continually updated and it is proposed that a permanent list be posted on the dedicated website so that NGOs and other interested parties can

automatically update contact details as appropriate. Last years initiative of providing MNE information on the Guidelines through FIRB correspondence has continued to work well.

Dialogue with NGOs and NCP on key issues

13. As well as suggestions for the NCP model, the meetings in Canberra and Melbourne discussed:
- (i) the current CIME research papers; viz, 'The Benefits and Cost of FDI for Development Report' and the 'Policy Based Competition for Investment Project' and the 'Post Doha Development Agenda'. The delegates showed considerable interest in the papers. Although, it was noted that NGO's without international affiliations directly engaged with CIME were at a disadvantage at not having sighted the subject papers. Because of confidentiality requirements the papers were not circulated at the meetings and this raises the issue that perhaps CIME could give consideration to allowing NCP's discretion to broaden the consultation process in allowing these papers to be released to certain NGO's while still in preparation.
 - (ii) the linkages issue and the policy adopted by the Dutch Government. Briefing was provided to the meeting including CIME's past correspondence with the parties concerned with this issue. Although unavailable for the meetings this year, the NCP proposes to organise a presentation from the Australian Government's statutory body, the Export Finance and Insurance Corporation, to explain their role and the procedures in place to grant export and investment assistance to Australian companies operating in overseas markets. Most of the NGOs present expressed an interest in the issue and thought that the Dutch policy was a practical initiative in implementing the Guidelines. The Meeting was advised that the Australian Government had a similar view to CIME's on this issue.
 - (iii) the investment climate in Burma (Myanmar) (this was substantively on the agenda for Melbourne only-where a private sector consultant with experience in Burma led the discussion). The Department of Foreign Affairs and Trade provided also briefing to the NGOs on the political climate in Burma and the Australian Government's policy towards that country. The briefing confirmed that no Australian company is connected with forced labour in Burma and that constructive engagement with an emphasis on human rights is the official policy line. The Australian investment consultant who has over 10 years experience in Burma addressed the Melbourne meeting outlining his perspective of living and working in that country. Essentially, his view was that he did not believe economic sanctions would be effective and only foreign direct investment would help the ordinary Burmese citizen. He noted from his experience that the private sector in Burma had little knowledge or awareness of the Guidelines.

14. The feedback from these meetings was constructive and provided elements for future follow up work. One issue to emerge strongly was the interest NGOs have in fostering responsible social behaviour both in Australia and abroad and rising community expectations about corporate conduct that companies have had to meet.

'Good Reputations Index'

15. As flagged in last years NCP Report, this year the NCP has been undertaking preliminary work to conduct a survey of the top companies operating in Australia concerning their awareness of the Guidelines. It was planned to quiz these companies by mail through a detailed questionnaire about their awareness of

the Guidelines and their internal company procedures to institutionalise awareness and compliance. The survey was to go out later this year. However, at the Melbourne meeting several NGOs reported that they were participating in an exercise run by a private organisation, Reputation Measurements Pty Ltd that was targeting Australia's top 100 private and public companies to ascertain their overall level of 'corporate responsibility'. It is intended that these companies be ranked from 1 to 100 on their commitment to ethical behaviour and commitment to social values. The criteria used to assess the companies covers the areas of:

- Employee Management;
- Environmental Performance;
- Social Impact;
- Ethics and Corporate Governance;
- Management and Market Focus; and
- Financial Performance.

16. The NGO's views on these companies are to be collected and analysed as part of the judging process used to rank the companies. Reputation Measurements Pty Ltd is asking the NGOs to rank these companies. As part of the ranking exercise, the NGOs have sent each of the companies a detailed questionnaire on their ethical and corporate responsibility awareness. Some of the questionnaires specifically ask the companies their awareness of the Guidelines along with other corporate responsibility codes. The details of the survey are to be available in October when the results will be published in Australian metropolitan newspapers. The NCP will undertake further research and follow up work on the survey if possible. We hope to be involved in the follow up process in some capacity. It would provide useful information for our intended survey. Alternatively, we may decide to use the survey as a basis for collecting further data on the Guidelines' awareness in the future.

17. The survey highlights the concerns in the Australian community about the activities of MNE and how the private sector and NGOs are engaged in initiatives to monitor MNEs compliance with certain core ethical and community values that are independent of the MNE guidelines and the NCP. NGOs, the media and the private sector are developing their own strategies to bring about responsible corporate behaviour. To take this one step further, as part of a world wide trend Australian MNEs are being encouraged to undertake their own corporate governance monitoring and publishing 'ethical standards reports'. One of the future challenges for the NCP will be to harness this movement and make the Guidelines' awareness part of this process.

'Supply Chain' Seminar

18. A number of NGOs at the Melbourne meeting indicated that they had a particular interest in CIME 'Supply Chain' debate. One NGO, an aid organisation, advised that they had a (perhaps) unique perspective on the issue. A representative of that organisation, Ms Serena Lillywhite of the Brotherhood of St Lawrence is to speak to the Roundtable on this issue in Paris, in June. In the meantime, it is intended that a seminar be held to be attended by the key NGOs, and other interested parties, to brief the NCP on specific NGO supply chain concerns and experiences so the NCP may also take these matters to the Roundtable in June.

Proposed Meeting with the New Zealand NCP

19. The Australian NCP has invited representatives of the New Zealand NCP to Canberra to discuss issues of mutual concern and to swap ideas. No definite arrangements have been made. However, the NZ High Commission has indicated that the NZ NCP is interested and a reply is pending. We anticipate the

arrangements being finalised in the coming weeks. We envisage an annual meeting with the New Zealand NCP would alternate between Canberra and Wellington and would assist both NCPs in implementing and promoting the Guidelines.

C. *Implementation in Specific Instances*

20. No specific instances have been raised with the Australian NCP in the past 12 months.

D. *Looking Forward-other perspectives*

21. This year we made progress in establishing good working relationships with our social partners to promote the Guidelines, but much more work is required. This remains the primary task for 2002-2003. The immediate priority in the year ahead is to put in place arrangements for dealing with 'specific instances' as they arise and the web site will be updated to assist parties to raise specific instances.

22. Looking further ahead, any NCP planning will need to consider devoting resources to analysing the NGOs survey results in October. Another priority will be to undertake dialogue with the NZ NCP.

23. In summary, the NCP met its main priorities and responsibilities over the last year. Relationships with NGOs are improving and while challenges remain, we look forward to working with NGOs in the year ahead in implementing and promoting the Guidelines.

AUSTRIA / AUTRICHE

A. *Institutional Arrangements*

The Austrian National Contact Point is located at the Federal Ministry of Economic Affairs and Labour, as an integral part of the Export and Investment Policy Division (Head: Dr. Manfred Schekulin).

Mailing address: Bundesministerium für Wirtschaft und Arbeit,
Abteilung II/5, Stubenring 1, 1011 Wien, Österreich

Phone number: +43 1 71100 5180 or 5792

Fax number: +43 1 7159651

E-mail address: POST@C25.bmwa.gv.at

The Contact Point is supported by an **Advisory Committee**, chaired by the Head of the Export and Investment Policy Division, and composed of representatives from:

- other divisions of the Federal Ministry of Economic Affairs and Labour concerned;
- the Federal Chancellery and other Federal Ministries concerned;
- the Austrian Economic Chamber, the Austrian Federal Chamber of Labour, the Austrian Federation of Trade Unions, the Federation of Austrian Industry;
- some NGOs interested in the OECD Guidelines.

The Advisory Committee has its own rules of procedure and in the period under review has held 2 meetings (on 28 November 2001 and 22 May 2002). The Advisory Committee has discussed all relevant business of the Contact Point, including the present annual report.

B. *Information and Promotion*

The OECD Guidelines are available on several Austrian websites, e.g. on a special website of the Federal Ministry of Economic Affairs and Labour (www.oecd-leitsaetze.at) and on the websites www.wko.at/eu/handel/oecd.htm and www.akwien.at.

Moreover, the Contact Point has recently edited a publication on the OECD Guidelines in German language in three parts, consisting of

- a folder;
- a brochure with the full text of the OECD Guidelines and the commentary;
- a brochure presenting the OECD Guidelines.

This publication has been distributed to all member companies of the Federation of Austrian Industry.

Furthermore a summary of the OECD Guidelines has been sent to approximately 13,000 exporting and importing Austrian enterprises by the Austrian Economic Chamber, including a link to the Guidelines` full text available on the Chambers website. In addition, enterprises of different sectors were informed by means of their respective brochures, newsletters etc.

There have been no specific enquires from other NCPs or governments of non-adhering countries so far.

C. *Implementation in specific instances*

A specific instance concerning an MNE not headquartered in Austria with suppliers in non-adhering countries was recently brought before the Austrian National Contact Point. As a first step, contacts with the respective NCPs will be established.

There is consensus that in specific instances brought before the Contact Point the rules of procedure recommended by the OECD will be followed.

BELGIUM / BELGIQUE

Préambule

Nous ne reviendrons pas sur les raisons qui furent à la base de la constitution du point de contact belge dès 1980, ni sur son activité jusqu'en l'an 2001 puisqu'elles figurent dans notre premier rapport annuel.

Nous nous limiterons dès lors à mentionner que l'activité du point de contact belge s'est poursuivie de manière régulière.

A. Aspects institutionnels

- Le Point de Contact belge fut instauré près le Ministère des Affaires économiques en 1980.

Siège : Ministère des Affaires économiques
Administration des Relations économiques
rue Général Leman 60
1040 Bruxelles
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- **Président** :
M. Roland CHARLIER, Directeur général honoraire du Ministère des Affaires économiques

Secrétariat et membre :
Mme Colette VANSTRAELEN, Conseiller adjoint au Ministère des Affaires économiques,
Représentante de la Belgique auprès du CIME

Autres membres :
Représentants des ministères fédéraux :
- Ministère de l'Environnement
- Ministère de l'Emploi et du Travail
- Ministère des Affaires étrangères
- Ministère des Finances
- Ministère de la Justice

Représentants des gouvernements régionaux :
- Bruxelles-Capitale
- Flandre
- Wallonie

Représentants des fédérations professionnelles suivantes :
- FEB (Fédération des Entreprises de Belgique)
- AGORIA (Fédération multisectorielle de l'industrie technologique)
- FEDICHEM (Fédération des industries chimiques de Belgique)

Représentants des organisations syndicales suivantes :

- FGTB (Fédération Générale des Travailleurs de Belgique)
- CSC (Confédération des Syndicats Chrétiens)
- Centrale Générale des Syndicats Libres de Belgique

B. Information et promotion

Le point de contact belge n'a pas fait l'objet de demandes de modification de son activité ni de son champ d'application.

Dans les diverses enceintes où des négociations bilatérales et multilatérales se déroulent, les délégués belges proposent de tenir compte, en les incluant, des lignes directrices de l'OCDE.

Dans nos contacts avec les entreprises multinationales et auprès des différentes instances intéressées, on ne manque pas d'en rappeler les principes.

La traduction du texte des Principes Directeurs en langue néerlandaise est finalisée.

La publication sur le plan belge d'une brochure spécifique et actualisée est envisagée comme ce fut le cas, il y a quelques années déjà.

C. Mise en œuvre dans des cas spécifiques

L'année 2001 a été caractérisée par la saisine et le traitement d'un dossier relatif à la cessation complète d'activité de la filiale belge d'une entreprise britannique spécialisée dans le secteur de la distribution.

Une telle fermeture a caractérisé d'autres pays européens mais, seuls deux pays, à savoir la France et la Belgique, ont été saisis de la question.

Le point de contact belge a consacré pas moins de six séances à cette affaire qui visait le licenciement de près de 1000 personnes. Le point de contact belge s'est penché sur ce dossier à la demande des syndicats; dont l'argumentation reposait notamment sur le non respect des principes directeurs suivants :

Lorsqu'elles envisagent d'apporter à leurs opérations des changements susceptibles d'avoir des effets importants sur les moyens d'existence de leurs salariés, notamment en cas de fermeture d'une entité entraînant des licenciements collectifs,

- en avertissent dans un délai raisonnable les représentants de leurs salariés, et le cas échéant les autorités nationales compétentes (chapitre IV "Emploi et relations professionnelles", paragraphe 6 première partie).
- Compte tenu de circonstances particulières dans chaque cas, il serait souhaitable que la direction avertisse les intéressés avant que la décision définitive ne soit prise (chapitre IV "Emploi et relations professionnelles", paragraphe 6 deuxième partie).

- Observent en matière d'emploi et de relations du travail des normes aussi favorables que celles observées par des employeurs comparables dans le pays d'accueil (chapitre IV "Emploi et relations professionnelles", paragraphe 4a).
- Fournissent aux salariés et à leurs représentants les informations leur permettant de se faire une idée exacte et correcte de l'activité et des résultats de l'entreprise (chapitre IV "Emploi et relations professionnelles", paragraphe 3).

A deux reprises, les dirigeants belges de l'entreprise mise en cause ont répondu aux questions soulevées; ils étaient accompagnés de leurs avocats.

Finalement, un communiqué commun de tous les membres du Point de Contact a été publié par le point de contact le 27.12.2001. Il mentionnait notamment ce qui suit :

"Suite à ces consultations, le point de contact belge a relevé que les éléments de fait probants, objectifs et irréfutés qui lui ont été communiqués, ne permettent pas d'établir que la firme britannique en question n'a pas respecté les principes directeurs de l'OCDE.

Par ailleurs, le point de contact national relève que les lois boursières et en particulier les "UK listing rules" dans la mesure où elles imposeraient une information prioritaire en bourse, rendent plus difficile le respect des principes directeurs de l'OCDE."

Nous pensons qu'il y a sans doute de ce fait matière à réflexion lors de la 2^{ème} réunion annuelle des points de contacts nationaux et peut-être même ultérieurement par le CIME.

Il n'y a pas eu d'autres cas spécifiques qui aient été soulevés.

D. Divers

- Nous avons déjà, lors de notre premier rapport, souligné l'importance et même la nécessité d'une coopération, en cours d'exercice, des rapports entre les différents points de contact nationaux à l'occasion de cas spécifiques ou de problèmes particuliers.
- Nous suggérons qu'une procédure de principe puisse être mise sur pied en collaboration plus étroite avec le secrétariat compétent de l'OCDE.

BRAZIL / BRESIL

A. *Institutional Arrangements*

The Guidelines for Multilateral Enterprises are being promoted – and, in particular, the Brazilian National Contact Point (NCP) is being implemented - by the General Co-ordination for Economic Organisations of the Ministry of Foreign Relations:

Name of Responsible Officer: Minister Ricardo Neiva Tavares

Address: Coordenação-Geral de Organizações Econômicas (CORG)
Ministério das Relações Exteriores
Anexo II, Sala 502
Esplanada dos Ministérios – Bloco H
Brasília-DF

Telephone: (+5561) 411-6912

Fax: (+5561) 226-3413

e-mail: corg@mre.gov.br

The OECD Liaison Office of the Brazilian Embassy in Paris has a supporting role in relation to the Guidelines and their implementation:

Name of Responsible Officer: Counsellor Antonio F. Da Costa e Silva

Address: Ambassade du Brésil en France
Bureau de Liaison avec l'OCDE
34, cours Albert 1er
75008 Paris
FRANCE

Telephone: (+331) 4561-6306 / - 6309

Fax: (+331) 4289-0345 / 5375-0546

e-mail: ocde@brazil.org

The General Co-ordination for Economic Organisations is a Directorate of the Brazilian Ministry of Foreign Relations created in the context of the re-structuring process undergone by the economic area of the Ministry in 2001.

The OECD Liaison Office is responsible, within the Brazilian Embassy in France, for the follow-up and co-ordination of all activities related to the co-operation between the OECD and Brazil.

B. *Information and Promotion*

The translations into Portuguese of the texts of the OECD Guidelines for Multinational Enterprises and of the Implementation Procedures are available in the internet site of the Brazilian Ministry of Foreign Relations (www.mre.gov.br), under the heading “Links Temáticos”. The translations are preceded by an introductory text which explains the general purpose of the Guidelines and indicates that comments and other requests can be posted through the Ministry channel of public dialogue, under the heading “Fale Conosco”. The site also contains a link to the OECD homepage.

The Brazilian Ministry of Foreign Relations is considering options to make the site more comprehensive. Among the measures currently under consideration, it is important to mention those aimed at the creation of a direct link to the Brazilian information page, at the systematic updating of the information available on the initiatives being taken by the government in the area of the Guidelines and at reviewing the translation of the document, with the addition of the text of the Commentaries. As far as this last activity is concerned, Brazil is examining the possibility of co-operating with the Portuguese NCP.

Comments on how to improve the present presentation of the Guidelines through the internet are welcome.

- *How is co-operation with the business community, trade unions, NGOs and the interested public carried out, with respect to information on, and promotion of, the Guidelines (consultations, distribution of the Guidelines, etc.)?*

The issue of corporate social responsibility (CSR) ranks high for the Brazilian government and society. Among the many examples related to CSR in Brazil, it is worth mentioning:

- *the Seminar on Enterprises, Corporate Responsibility and Social Investment, promoted by the Brazilian Bank for Economic and Social Development (BNDES), in Rio de Janeiro, on October 2001. In its opening remark to this event, the Brazilian Ambassador in France, Marcos Castrioto de Azambuja, made specific reference to the Guidelines and to the Brazilian participation in the OECD process in this field.*
- *Also on October 2001, a major Conference was held in Belo Horizonte, which marked the first official meeting of the UN Global Compact in Brazil. Among the decisions taken in that Conference, a working group was created to assist in the development of an academic curriculum on corporate citizenship to be taught by university faculties in business, economics and engineering. The Brazilian Government will contact the members of the working group to request that the Guidelines be taken into account in that effort.*
- *Have enquiries been received from (a) other NCPs; (b) the business community, employee organisations, other non-governmental organisations, or the public; or (c) governments of non-adhering countries?*

The Brazilian Ministry of Foreign Relations has heard from a number of civil society representatives that would be interested in having more information about and in participating in the Brazilian NCP.

Bearing in mind the Procedural Guidance attached to the Guidelines and the experience accumulated in this field by other NCPs, the Brazilian government also welcomes comments from social partners and other interested parties on the best ways to ensure participation in the promotion and implementation of the Guidelines in Brazil. Those comments and contributions should be submitted, preferably by e-mail, to the General Co-ordination for Economic Organisations of the Brazilian Ministry of Foreign Relations, with a copy to the OECD Liaison Office of the Brazilian Embassy in France.

C. *Implementation in specific instances*

No specific instances have been involved in the Brazilian process of implementation of the Guidelines so far.

CANADA

1. Introduction

The OECD Guidelines for Multinational Enterprises is an instrument of the Organization for Economic Co-operation and Development (OECD). The recommendations set forth in the Guidelines are a voluntary, multilateral framework of standards and principles on responsible business conduct.

As a member of the OECD and signatory to the Guidelines, Canada is obligated to establish a national contact point (NCP). The role of the NCP is to promote awareness of the Guidelines and ensure their effective implementation. This report provides a summary of the activities undertaken by Canada's NCP in the past year (June 2001 - June 2002) to fulfill its responsibilities.

2. The Canadian Policy Context

The Guidelines are an important element of the Government's approach to promoting corporate social responsibility (CSR). A number of government departments are active in this area, through activities such as information dissemination, facilitation of dialogue among interested parties and support for the development of international norms. The Guidelines are a part of these activities, their contribution heightened by the fact that they represent the shared views of thirty-six national governments on what constitutes appropriate corporate behaviour. The business community in Canada is promoting CSR as well, with an increasing number of enterprises adopting codes of ethical conduct and related management strategies. The Guidelines can provide a frame of reference for private sector initiatives and an institutional home for efforts to encourage progress in this area internationally.

Corporate social responsibility, and the Guidelines, make an important contribution to the Government's policy on promoting sustainable development. Achieving sustainable development requires the responsible engagement of all sectors of society, including the business community. The Guidelines encourage corporations' contribution to sustainable development and help to strengthen the basis of mutual confidence between enterprises and the societies in which they operate. Thus, while our NCP has a clear mandate to implement the Guidelines, its activities also support other broader policy objectives of the Government.

3. Institutional Arrangements

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125 Sussex Drive
Ottawa, Ontario
Canada K1A 0G2

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Facsimile: (613) 944-0679
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Website: www.ncp-pcn.gc.ca

The key responsibilities of Canada's NCP are to promote the Guidelines, respond to inquiries and contribute to the resolution of problems that may arise in relation to the operations of multinational enterprises. Important guiding principles for the NCP's activities include visibility, accessibility, transparency and accountability.

Canada's NCP is an interdepartmental committee of the federal Government. It comprises representatives from a number of departments, including the Department of Foreign Affairs and International Trade, Industry Canada, Human Resources Development Canada, Environment Canada, Natural Resources Canada, the Department of Finance and the Canadian International Development Agency. The diversity of the issues covered by the Guidelines and the potentially broad spectrum of public interest (business, labour, non-governmental organizations) in Canada underscores the importance of structuring the NCP in this way. Other departments and agencies participate in NCP activities as well. Export Development Canada is a frequent participant in NCP meetings and communications, and more recently the Canadian Commercial Corporation has become involved. The NCP representatives exchange communication frequently and meet as required, depending on the issues at hand.

The Canadian NCP's key business and labour interlocutors on the Guidelines are the Canadian Council for International Business (CCIB), the Canadian Labour Congress (CLC) and the Confédération des syndicats nationaux (CSN). A regular point of contact has not been established with the NGO community, although the Guidelines have been promoted with a number of these organizations, including Mining Watch, Oxfam, the Sierra Club and the Canadian Council for International Co-operation.

4. Information and Promotion

4.1 Information and Promotional Tools

The Canadian NCP web site, established in June 2001, has proven to be a useful tool for promoting the Guidelines. An electronic bulletin was sent to some 100 organizations to inform them of the web site and to invite them to establish links. The web site has also become an efficient way to communicate information on the Guidelines to our overseas missions. All of our embassies and high commissions have been informed of the Guidelines and the importance of this instrument for the promotion of corporate social responsibility. Overall, the web site offers a convenient point of reference for a growing number of Canadian organizations and businesses that are seeking information on the issue of corporate social responsibility. The site receives about 100 visits per week.

An official Government of Canada brochure on the Guidelines has been produced and distributed to a number of stakeholder organizations, including business, labour and NGOs. The brochure is also available on-line from the NCP web site and the virtual Publications Catalogue of the Department of Foreign Affairs and International Trade.

4.2 Promotion with Social Partners

NCP members travelled to Toronto in January 2002 to attend the annual meeting of the Canadian Labour Congress (CLC) Trade Union Researchers. Two presentations on the Guidelines were made - one by a NCP member from Human Resources Development Canada and the other by a TUAC representative. The presentations generated significant interest from the audience and a number of questions were raised, such as: Who had the right to file a complaint?, Does the NCP have an investigative role and does it have a budget?, Does the Canadian International Development Agency sit on the NCP?, Are the Guidelines legally enforceable?, What is happening in regard to MNE's operating in Burma? The speaking engagement provided the NCP with a valuable opportunity to make the Guidelines better known in the labour community in Canada. The participation of TUAC added greatly to the success of the event.

The OECD Guidelines were highlighted during an across-Canada "Business Integrity Workshops" tour, April-May 2002, sponsored by Export Development Canada. The workshops were designed to help businesses operating internationally to manage human rights, environmental and labour issues in challenging conditions. The Ottawa session featured a keynote address on the OECD Guidelines by the President of the Canadian Council for International Business.

Canada's Trade Commissioner Service now includes corporate social responsibility as an important aspect of its promotional activities. Guidelines brochures are made available to companies that participate on trade and investment promotion missions abroad, and consideration is being given to further integrating corporate social responsibility activities into these missions. The missions normally include government Ministers and attract many Canadian firms interested in doing business abroad. As a result, they are an excellent forum for the promotion of the Guidelines in cooperation with the business community.

4.3 Promotion within the Government

Promoting the Guidelines within the government is an essential aspect of the NCP's responsibility to raise awareness of the instrument. A number of departments and agencies interact directly with the business community and NGOs through their programs and consultative activities. This is an important channel for alerting these groups of Canada's commitment to support the Guidelines.

The Department of Foreign Affairs and International Trade (DFAIT) has integrated the Guidelines into its activities to promote corporate social responsibility at the international level. The Department provides information sessions on the Guidelines for its overseas trade officials. The provision of Guidelines information is also a part of human rights training for government officials preparing for overseas postings. A formal training program on CSR targeted at trade officials is planned, and will include a session on the application of the Guidelines abroad. The Guidelines are also an important element of the Department's strategy to promote sustainable development.

Canada's Department of Industry has publicly committed to promoting the OECD Guidelines in its Sustainable Development Strategy for 2000-2003. This involves not only identifying concrete deliverables regarding the Guidelines (e.g. developing promotional material and identifying opportunities to promote the Guidelines with the Canadian business community), but also reporting publicly on these efforts.

Industry Canada has promulgated the Guidelines throughout the department, particularly to all areas which are involved in investment development activities. These groups have been requested to hotlink their respective web sites to Canada's National Web Site on the OECD Guidelines for MNEs and to circulate the Government's brochure on the Guidelines to client groups on an as-requested basis.

Members of the NCP made a presentation on the Guidelines to the Canadian International Development Agency's (CIDA's) Industrial Cooperation Program. This Program is an important point of contact for CIDA with the Canadian business community. A key objective of the Program is to encourage the contribution of businesses to sustainable development in developing countries. The OECD Guidelines can provide guidance to companies as they carry out their activities in partnership with CIDA.

Export Development Canada (EDC) is developing a corporate social responsibility framework to make CSR a more integral part of its corporate strategy. Through its web site, EDC is promoting corporate social responsibility principles, including the recommendations of the Guidelines. EDC has established a link between its web site and that of Canada's NCP. Also, as noted above, EDC sponsored an across-Canada tour to promote business ethics which included promotion of the Guidelines.

4.4 International Events

Corporate social responsibility is an important theme that the Government of Canada, and other governments, will promote at the G8 Summit in Kananaskis. In the lead-up to this high profile event, the NCP has ensured that references to the OECD Guidelines were included in Summit documentation.

Canada is a key supporter of the Americas conference on corporate social responsibility scheduled for September 2002 in Miami. It is being organized by the Inter-American Development Bank, Organization of American States and the World Bank. Key international codes of conduct, including the OECD Guidelines, will figure importantly in the discussions.

Members of the NCP attended a Global Mining Initiative conference in Toronto in May 2002. The GMI, launched in 1998 by nine mining companies from around the world, set out to re-define the role of the global mining industry in relation to sustainable development. The Toronto conference, which was the third and final component of the three year GMI, was attended by a cross-section of society sharing a common resolve to work towards achieving a greater contribution to sustainability by the sector. The importance of international standards and norms to guide corporate operations was discussed, and in this context attention was drawn to a role for the OECD Guidelines for MNEs. The outcome of the GMI process will contribute to the forthcoming World Summit on Sustainable Development.

5. Inquiries

A number of inquiries about the Guidelines have come to the NCP in the past year. Inquiries received via e-mail are often from think-tanks and academic institutions looking for information on Canada's experiences with the Guidelines. Other inquiries come through meetings with businesses or non-governmental organizations. The purpose of such meetings is usually to discuss issues related to corporate social responsibility, and in this context an inquiry will be made about the OECD Guidelines and their relevance to the situations in question. As well, the Guidelines are occasionally raised in the public's correspondence to Ministers.

6. Implementation in Specific Instances

Canada's NCP received one notice of a specific instance of MNE conduct in relation to the Guidelines. The notice, which was received in July 2001, was the first in the history of the Canadian NCP. It was brought to the attention of the NCP by an international non-governmental organization through its affiliated Canadian organization. After a preliminary assessment the case was deemed to merit further examination.

The case involved the operations of a copper mining company in Zambia. The company, formerly state-owned, was acquired jointly by two foreign firms - one Canadian, one Swiss - in March 2000. The Government of Zambia retained a minor stake in the operations. The NGO reported that the operations of the company were not respecting three OECD Guideline recommendations: 1) Chapter II, paragraph 2, regarding respect for human rights; 2) Chapter II, paragraph 7, regarding development of practices that foster confidence and trust between companies and the societies in which they operate, and; 3) Chapter V, paragraph 2(b), regarding communication and consultation with communities on environmental, health and safety policies. The central underlying issue that gave rise to these charges was the impending removal of poor local farmers from company-owned land.

To address this issue, the Canadian NCP facilitated a flow of communications between the company's headquarters in Canada and the Canadian office of the NGO. All communication flowed through the office of the NCP. Both Canadian parties in turn communicated with their operations in Zambia where face-to-face meetings took place. While there was a variance in the facts and opinions reported on each side, a

resolution was reached after the company met with groups from the affected communities and worked out an approach whereby the farmers could continue to use the land, at least for the short-term. The Canadian NCP sent a final communication to the Canadian company, copied to the Canadian NGO, that welcomed the spirit of co-operation demonstrated by both parties. We also encouraged the company to maintain an open line of communication with the Canadian NGO and other groups concerned about the welfare of people affected by the operations of the Zambian mining company. Throughout the process, the Canadian NCP kept its counterpart in Switzerland informed of developments.

7. Other Issues

The NCP has shared communications with its French counterpart concerning a Canadian company's former operations in France. The matter is the subject of ongoing discussion between the two NCPs.

8. Concluding Remarks

The OECD Guidelines for Multinational Enterprises has become an important element of the Government's approach to promoting corporate social responsibility, domestically and internationally. The interdepartmental structure of the NCP facilitates the promotion of the Guidelines within the Government and with departmental constituencies, including business, labour and NGOs. The NCP looks forward to further promotional activities in the coming year.

Canada's one experience with a Guidelines case resulted in a positive outcome. The approach adopted by the NCP to facilitate a resolution drew significantly from the Procedural Guidance annex of the Guidelines Decision. With the full cooperation of the parties concerned, this approach offered a non-judgmental process for confronting a complex social problem related to a foreign investment activity. Essentially, the process facilitated a dialogue, and the dialogue led to a resolution.

CHILE / CHILI

Depuis sa création, le PCN du Chili n'a développé ses activités qu'à partir du mois de juin 2001, lors de la création du Département Ocde dans la Direction des Relations Economiques Internationales du Ministère des Affaires Etrangères.

Pour le travail du PCN on part de la constatation que le Chili est un pays récepteur de capitaux, et par conséquent l'univers de sa préoccupation est l'ensemble des 150 Entreprises Multinationales Etrangères qui sont présentes dans le pays dans l'actualité, et cela dans tous les domaines de l'activité économique, en particulier les secteurs des mines, électricité, agroalimentaires et finances.

A. *Organisation Institutionnelle*

1. Le Point de Contact National du Chili est situé dans le Département OCDE de la Direction de Relations Economiques Internationales du Ministère des Affaires Etrangères du Chili, dont voici les coordonnées :

Claudio Rojas Díaz
 Jefe Departamento OCDE
 Dirección de Relaciones Económicas Internacionales
 Ministerio de Relaciones Exteriores de Chile
 Teatinos 20, tercer piso, Santiago
 Tel: 56-2-5659325
 Fax: 56-2-6960639
clrojas@direcon.cl
pnacional.contacto@direcon.cl

2. La composition actuelle du PCN est quadripartite :

- a) Gouvernement
 - Direction de Relations économiques Internationales du Ministère des Affaires Etrangères (DIRECON)
 - Fiscalité Economique Internationale, Ministère de l'Economie
 - Direction du Travail, Ministère du Travail
 - Ministère Secrétariat Général de la Présidence
- b) Entreprises
 - Fédération des producteurs du lait (Fedeleche)
 - Société de Promotion de la Production (Sofofa)
 - Association de banques et Institutions Financières
 - Société Nationale de l'Agriculture (SNA)
- c) Syndicats
 - Union Nationale des Syndicats
- d) ONG
 - Greenpeace Pacifique Sud Chili
 - Corporation Sur Professionnels
 - Conadecus, Organisation de Consommateurs
 - Cenda, Centre d'Etudes de Développement Alternatif
 - Fondation Ebert

3. Le PCN a des rapports d'information avec les autres agences gouvernementales
 - Direction du Travail, Ministère du Travail
 - Comité des Investissements Etrangères
 - Fiscalité Economique Nationale
 - Secretariat Général de la Présidence
 - Conseil de Defense de l'Etat
4. Les partenaires sociaux participent du PCN de deux façons :
 - a) Font partie de la coordination permanente
 - b) Participent a des réunions d'information spéciales
5. Oui, les organisations type ONG participent, car le PCN est à caractère quadripartite.

B. *Information et Promotion.*

1. Pour rendre accessibles les principes Directeurs, nous avons reproduit le texte en espagnol et l'avons incorporé dans le site web de la Direction.
2. La coopération avec les milieux d'affaires, syndicats, Ongs, a été organisé par l'intermédiaire d'une coordination permanente qui se réunit tous les deux mois, à laquelle peuvent participer aussi tous ceux qui ont un intérêt particulier pour la diffusion ou application des Principes.

En plus, par la diffusion des Directrices par courrier électronique et la réalisation de séminaires.

3. Nous avons participé au Séminaire organisé par la Fondation Fredrick Ebert à Santiago du Chili en novembre 2001, qui a présenté les Directrices au monde syndical latinoaméricain, avec la présence d'un représentant du TUAC.

En janvier 2002 nous avons organisé une Séance d'Information dans le siège de la Direcon, avec la participation des représentants de 19 Entreprises Multinationales, 05 ONG, 04 Syndicats, 04 Organisations patronales, et 05 organisations du gouvernement.

Egalement nous avons organisé un Séminaire International les 25-26 avril 2002, à Santiago du Chili, avec la participation des représentants du CIME, BIAC, TUAC, et PCN du Mexique, France et Suède, dont voici la liste des intervenants :

- Mme. Kathryn Gordon, en représentation du CIME, OCDE,
- M.Kristian Ehinger, du Bureau du BIAC
- Mlle. Verónica Nilsson, du Secretariat du TUAC
- M. Arturo Juárez, Point de Contact National du Mexique
- M. Claude Guery, PCN de France, Ministère de l'Economie
- M. Henning Envall, PCN de la Suède

Les intervenants chiliens :

- Sr. Diego Olivares, responsable des Relations internationales de l'Union Nationale des Syndicats
- Sr. Oscar Gmo. Garretón, President du Conseil de IANSA, (FMN)
- Srta. Carolina Lucaroni, Responsable des Relations Publiques de Shell
- Sr.Rodrigo Romero, représentant de Greenpeace

- Sr. Carlos Cárdenas, Président de la Confédération de Syndicats de la Banque
- Sr. Pablo Lazo, Expert en relations de travail
- Sra. Estrella Díaz, Expert de Hexograma (Ong)

Les institutions invitées à participer au séminaire sont les suivantes :

- a. Les ONG
 - b. Les représentants diplomatiques des pays de l'ocde.
 - c. Organismes d'Etat divers
 - d. Organisations Internationales, Cepal, Oit., Flacso
 - e. Les Syndicats
 - f. Les Universités
 - g. Les Entreprises Multinationales
4. Nous avons reçu diverses demandes d'information, en particulier des ONG et des Universités.

C. *Mise en œuvre dans des circonstances spécifiques.*

Pour le moment le PCN n'a pas reçu de demandes d'intervention sur de problèmes particuliers.

- 1. Non
- 2. Non
- 3. Non
- 4. Non

D. *Divers.*

1. Les caractéristiques de visibilité, accessibilité, transparence et légitimité du PCN ont été appliquées de la manière suivante :
- a) Visibilité. Nous avons envoyé un communiqué sur l'existence du PCN à tous les acteurs directement impliqués par les Directrices :
 - les Entreprises Multinationales
 - les Syndicats respectifs et l'Union National de Travailleurs (CUT)
 - Les Ongs qui traitent des sujets contenus dans les Directrices
 - Les organisations des entreprises.
 - Le gouvernement
 - Les Ambassades des pays membres de l'OCDE

Ultérieurement les Universitaires.

- b) Accessibilité. Tous les potentiels intéressés ont été informés de l'existence du PCN et du lieu de fonctionnement, ainsi que des moyens de communiquer avec lui.
- c) Transparence. Les activités du PCN se réalisent en accord et avec la participation des organisations qui sont devenus membres de la coordination permanente.
- d) Légitimité. Le PCN a, en ce moment, une légitimité favorable par sa façon d'agir, ce qui a été constaté pendant la réalisation du Séminaire International.

2. Après un an d'existence réelle du PCN, nous avons avancé beaucoup dans nos relations avec les divers acteurs concernés par les Directrices.

Néanmoins la tâche la plus difficile c'est la d'obtenir que les responsables des entreprises participent aux activités du PCN.

CZECH REPUBLIC / RÉPUBLIQUE TCHEQUE

A. *Institutional arrangements*

The Czech National Contact Point (NCP) is established at the Ministry of Finance of the Czech Republic. The NCP is chaired by Ms Lenka Loudová, the head of the International Organisations Department. Below are the relevant co-ordinates.

International Organisations Department
Ministry of Finance
Letenská 15
118 10 Prague
Czech Republic

tel. +420-2-5704 2133
fax: 00420 2 57042795
e- mail address: Lenka.Loudova@mfcz.cz

No changes in the location or in the NCP status are expected.

Institutional structure solely charging the Ministry of Finance with the agenda of the NCP has proved to be appropriate.

Nevertheless the NCP consults with other ministries and central authorities, especially on issues concerning promotional activities and the solution of submitted disputes. The NCP works in particularly close contact with officials of the Ministry of Labour and Social Affairs and the Ministry of Industry and Trade. The NCP hosts consultation sessions with them and other ministries as well e.g. the Ministry of the Interior, the Ministry of Justice, the Ministry of Foreign Affairs, the Ministry of the Environment and the Czech National Bank.

During the second half of the year 2001 the co-operation was extended and new contacts were set up with the Office for the Protection of Economic Competition, the Czech Statistical Office, CzechInvest and the Securities Commission.

In 2002 the NCP was requested to participate in the negotiations of the Council of Economic and Social Agreement, which is the supreme tripartite body operating under the auspices of the Government. Through this contact the NCP ensures that the Guidelines feature the Czech Republic's overall policy on corporate and social responsibility.

The NCP also closely co-operates with social partners - the Czech representative in BIAC (the Confederation of Industry of the Czech Republic) and with the Czech representative in the TUAC (the Bohemian-Moravian Trade Unions Confederation). The specific Guidelines issues are discussed with branch-specialised organisations of employees and employers.

B. Information and promotion

Information on the websites

The Guidelines including the commentaries are accessible not only on the Ministry of Finance websites but also on the websites of CzechInvest (the Czech Government's Investment Promotion Agency). Both publications involve link to the Czech NCP and to the related documents supporting the implementation and observance of ethical codes, including direct references to the ethical codes of particular associations and companies in the Czech Republic.

Printed publication

The official publication of the Guidelines in one of the most important Czech economic magazine – "Ekonom" was successfully completed during the summer of 2001. Its publication was followed by very positive reactions.

Information for prospective investors

Prospective investors in the Czech Republic are provided with information on the Guidelines through CzechInvest who encourages the MNEs to observe the Guidelines.

Promotion within the Government and top level tripartite partners

The NCP activities and Guidelines importance have been promoted on a ministerial level at sessions of the Council of Economic and Social Agreement. The Council appreciated all the NCP activities and encourages the NCP to continue its work.

Information towards social partners

The NCP maintains informal permanent contacts with all key partners, primarily representatives of the Confederation of Industry of the Czech Republic and the Bohemian-Moravian Trade Unions Confederation in order to disseminate information among their members. The social partners keep their members informed of the particular Guidelines issues. On the other hand the social partners have provided the NCP with useful information.

C. Implementation in specific instances

Institutional framework

The Czech NCP arranges one regular meeting per year and other meetings in case of necessity.

Rules of Procedure

The NCP has adopted "the Rules of Procedure for the Negotiations of National Contact Point Relating to the Implementation of the Guidelines in Specific Instances" (see Annex) at its meeting on July 15, 2001.

Resolution of specific instances

In two instances the trade unions have raised issues regarding the exercise of trade unions' rights in two subsidiary companies of multinational enterprises operating in the Czech Republic.

In 2001 the NCP received a request from a trade union regarding the Czech subsidiary of a German-owned multinational enterprise. The issue involved the right to trade union representation. In this case the parties reached the agreement soon after entering into the negotiations.

At the same time the same trade union presented a submission concerning the subsidiary of another German-owned multinational enterprise. The submission dealt with the right to establish a trade union in the company and with the employer's duty to support it. This case was discussed at four meetings of the NCP where tensions were considerably alleviated and the parties gradually reached a consensus. At the fourth NCP meeting it was declared that a constructive social dialogue had been launched in the company and there was no more conflict between the parties.

Potential future instance

At the last meeting in April 2002 the Retail Workers Trade Union informed about the possibility of a new instance regarding the alleged problematic conduct of management in some multinational retail chains operating in the Czech Republic.

Annex

Rules of Procedure for NCP Negotiations in the Implementation of Guidelines in Specific Instances

(Information by the Czech Authorities)

1. Whilst implementing the *Guidelines* in Specific Instances the National Contact Point (hereinafter referred to as „NCP“) will above all take into account the recommendations arising from the *Declaration of International Investment and Multinational Enterprises, Part 2, Implementation Procedures of the OECD Guidelines for Multinational Enterprises and Procedural guidance and Part3, Commentary on the Implementation Procedures of the OECD Guidelines for Multinational Enterprises*;
2. The NCP will make every effort that the negotiations of the NCP in specific instances have a tripartite character;
3. When resolving specific instances the NCP will first convene a so-called, **preliminary meeting**, to which it will invite trade-union representatives, business community associations, relevant ministries and other central administrative authorities. This meeting should make an initial assessment of the problems/issues raised and should consider further procedural strategy, especially the necessity of direct negotiation with employees and/or employers involved in this matter, and/or the need for submission of further documentation, information, analyses, etc.;
4. If the specific instance cannot be resolved by the preliminary meeting, then one or more **open meetings** will be convened, where the NCP will invite the employees and/or employers involved. During these meetings the NCP should discuss the problems with the parties concerned and offer mediation, appropriate to the resolution of the instance;
5. The NCP will make every effort to resolve the specific instance on a **national level**. If necessary, the NCP will consult the specific instance on a **bilateral level** with the NCP of the country where the parent multinational enterprise has its registered office or ask for co-operation on a **multilateral level**, i.e. another NCP, or the CIME (Committee for International Investment and Multinational Enterprises) of the OECD;
6. Upon receiving a *submission/complaint/motion* etc., the NCP will issue, without undue delay, a **Notification of Submission Received**, confirming the acceptance of the submission to be reviewed, and if necessary, what further data are to be involved to complete the submission, in accordance with the Guidelines requirements, the identities of the parties involved and their particular interest in the given issue and whether the instance is real and well founded;
7. The NCP will send the *Notification of Submission Received* to the submitter, trade union representatives, business community associations, relevant ministries and central administrative authorities. The NCP will also make the *Notification* available to the Press Office of the Ministry of Finance, which will further evaluate its disclosure to the media;
8. The NCP will issue a **Statement** regarding the results of the negotiations, which will include relevant recommendations and/or announcement that the dispute has been settled and/or a statement that the instance does not worth further consideration, it is not related to the Guidelines etc.;
9. The NCP will send the *Statement* to all the parties involved in the instance, trade union representatives, business community associations, relevant ministries and central administrative

authorities. The NCP will also make the *Statement* available to the Press Office of the Ministry of Finance, which will further evaluate its disclosure to the media;

10. The NCP will take care to uphold the principles adopted in the *Guidelines*, especially the transparency in relation to the public. At the same time it will see to the protection of sensitive business information and confidentiality as the specific instance demands i.e. the proceedings related to the implementation of the *Guidelines* in the specific instance will be confidential under normal circumstances but the results will be transparent;
11. **The submission/complaint/motion should always concern a single specific instance and should include the following particulars:**
 - (i) Name and address of submitter;
 - (ii) Subject of the submission;
 - (iii) Guidelines provision(s) which the submission concern(s);
 - (iv) Names and addresses of the parties concerned;
 - (v) Name and address of the parent company registered office of the multinational enterprise abroad;
 - (vi) Petition stating what should be achieved by the submission.
12. The summary report on the resolution of the specific instance will be presented by the NCP at its regular meeting.

Prague, June 2001

DENMARK / DANEMARK

A. *Institutional arrangements*

- The Danish National Contact Point is located at the labour law and international relations centre in the Danish Ministry of Employment.

Ministry of Employment
Holmens Kanal 20
DK 1060 Copenhagen K
Tel. +45 33 92 59 00
Fax +45 33 12 13 78

The Chairman of the Danish Contact Point is Deputy Permanent Secretary of State **Einar Edelberg** [Tel: +45 33929959; E-mail: eed@am.dk].

- The Danish Contact Point consists of representatives from
 - The Danish Federation of Trade Unions
 - The Salaried Employees and Civil Servants Confederation
 - The Danish Confederation of Professional Associations
 - The Danish Employers Confederation
 - The Danish Agency for Trade and Industry
 - The Environmental Protection Agency
 - The Ministry of Economic and Business Affairs
 - The Ministry of Foreign Affairs
 - The Ministry of Employment (where the Secretariat and chairmanship is anchored)
- The above mentioned Danish government agencies are considered to have a direct interest in the *Guidelines*. The Danish Contact Point does not have any specific relations to other government agencies, but is currently attempting to make its presence known.
- The social partners are represented in the Danish Contact Point and have contributed to the information on and promotion of the *Guidelines*.
- Alongside the Danish Contact Point an open "Guidelines-group" has been established with representatives of interested NGOs and the members of the Danish Contact Point. The purpose of the Guidelines-group is to facilitate the exchange of views and ideas on the promotion of the *Guidelines*.

B. *Information and Promotion*

- The Danish Contact Point released a booklet containing the *Guidelines* in Danish in 2001. In an effort to promote the awareness of the *Guidelines* in Denmark a handbook on the *Guidelines* and how to use them has been published and is currently being distributed to enterprises, libraries etc.. The *Guidelines* in Danish are accessible on the WWW.

- Aside from the co-operation within the Danish Contact Point and in the "Guidelines-group" mentioned above, the Danish Contact Point has made an effort to ensure public awareness of the *Guidelines* through the media.
- A project on the *Guidelines* and corporate social responsibility has been carried out in the Ministry of Employment (the secretariat) with a view to enhance knowledge and co-operation on corporate social responsibility.
- The Danish Contact Point has not received any enquiries since the revision of the *Guidelines*.

C. *Implementation in specific instances*

- The Danish Contact Point considers itself ready to deal with specific instances, however, no specific procedures have been put in place.
- In February 2002 a specific instance was brought to the attention of the Danish Contact Point on the situation of Malaysian workers in a Danish-owned enterprise. The case was brought forward by a workers organisation (AIF).
- The Danish Contact Point decided at a meeting in April 2002 that the case was receivable and decided to ask for further information before initiating dialogue with the parties concerned.

D. *Other*

- The Danish Contact Point has tried to create a framework to deal with specific instances in accordance with both Danish and international standards on visibility, accessibility, transparency and accountability, but it does not seem possible to exemplify this specifically at the present time.
- The specific instance for the Danish Contact Point resulted in massive attention from the press - both as regards the parties involved and as regards the tackling of the instance by the Danish Contact Point, being the first case on the revised *Guidelines*. This resulted in a discussion on whether to follow pre-fixed procedures or whether instances should be dealt with on a case by case basis. It is the opinion of the Danish Contact Point that the Procedural Guidance point I.C on implementation in specific instances gives good guidance as regards procedures to follow.

FINLAND / FINLANDE

A. Institutional Arrangements

- *Where is the National Contact Point located? Please include mailing address, phone number, e-mail address, and other relevant co-ordinates.*

The Advisory Committee on International Investment and Multinational Enterprises of Finland (MONIKA), which operates under the auspices of the Ministry of Trade and Industry as a wide-scoped forum of public and private representatives for issues related to investments, acts as the Finnish NCP, together with the Ministry of Trade and Industry.

The MONIKA Committee, which has been established by the Government Decree 335/2001, takes care of the promotion of the Guidelines and serves as an advisory forum in other issues related to the CIME. The Ministry of Trade and Industry is responsible for the handling of inquiries and the implementation in Specific Instances.

Furthermore, issues dealing with international investment and Corporate Social Responsibility, are promoted by the MONIKA Committee.

Mailing Address etc:

Jorma Immonen, Secretary General, Senior Government Secretary
Advisory Committee on International Investment and
Multinational Enterprises of Finland (MONIKA)
Ministry of Trade and Industry
PO Box 32
0023 Valtioneuvosto
Helsinki

Tel. +358 9 1606 4689 or GSM +358 50 3756198

Email: jorma.immonen@ktm.vn.fi

Web: <http://www.ktm.fi/monika/>

- *What is the composition of the National Contact Point? (If other government departments or specialised agencies are included, please specify.)*

Chairman: Mr Risto Paaermaa
Ministry of Trade and Industry

Vice Chair: Mr Rauno Viemerö
Ministry for Foreign Affairs

Members:

Mr Jyrki Jauhiainen, Ministry of Justice

Mrs Asta Niskanen, Ministry of Finance

Mr. Rolf Myhrman, Min. of Social Affairs and Health

Mr. Jouni Lemola, Ministry of Labour

Mrs Tuula Varis, Ministry of Environment

Mrs Pirkko Haavisto, TT - The Confederation of Finnish Industry and Employers
Mr. Timo Vuori, The Finnish Section of the International Chamber of Commerce (ICC)
Mr. Peter J. Boldt, The Central Organisation of Finnish Trade Unions SAK
Mrs Eeva Simola, Service Centre for Development Co-operation KEPA (NGOs)

Secretary General: Mr. Jorma Immonen, Ministry of Trade and Industry
Experts: Mr. Jari Gustafsson (Trade Issues), Mr Pekka Timonen (Corporate Governance),
Mr. Yrjö Sahrakorpi (Energy Charter Treaty), Ministry of Trade and Industry

- *How does the NCP relate to other government agencies?*

The other government agencies are represented in the NCP by the relevant ministries, as stated above.

- *How does the NCP relate to social partners (business community and employee organisations) involved in the functioning of the National Contact Point?*

Social partners are represented in the NCP by TT - The Confederation of Finnish Industry and Employers, The Finnish Section of the International Chamber of Commerce (ICC) and the Central Organisation of Finnish Trade Unions SAK, see above.

- *How does the NCP relate to other interested parties, including non-governmental organisations (NGOs), involved in the functioning of the NCP?*

The NGOs are represented by the Service Centre for Development Co-operation KEPA, see above.

B. Information and Promotion

- *How have the Guidelines been made available in your country (translation, creation of a webpage or website, etc.)?*

The Guidelines have been translated into Finnish and Swedish, which are the official languages in Finland.

A special website of the Finnish NCP with links to the OECD website and other organisations has been created, <http://www.ktm.fi/monika>.

- *How is co-operation with the business community, trade unions, NGOs and the interested public carried out, with respect to information on, and promotion of, the Guidelines (consultations, distribution of the Guidelines, etc.)?*

Ministries, social partners and NGO's represented in the NCP have actively attended the meetings of the NCP. The content of the Guidelines has been studied in the meetings after the presentations of these members. The members have promoted the Guidelines by disseminating information to stakeholders. in various meetings, speeches and publications.

The Guidelines have been widely distributed to the public and well over one thousand Finnish export companies by the Ministry of Trade and Industry and Finnvera Plc (the Finnish Export Credit Agency).

A number of activities have been undertaken since the June 2000 Guidelines review, aiming at promoting the Guidelines among business, trade unions and non-governmental organisations and preparing special information seminars.

The President of the Republic of Finland, the Minister of Trade and Industry and the Foreign Trade Minister have highlighted the Guidelines in the official speeches.

Well over a hundred civil servants and representatives of enterprises, employees' organisations and non-governmental organisations convened in April 2002 in the Finnish Parliament for the Seminar on International Trade and Investment, organised by the Finnish NCP. The Seminar brought out views of the WTO Secretariat, public administration, trade organisations and non-governmental organisations (Oxfam) on the ongoing negotiations in the WTO as well globalisation and the corporate social responsibility of enterprises. Furthermore, the aim was to promote the Guidelines and to offer a discussion forum for the different parties and to give feedback to the Finnish NCP.

- *Have other information and promotion activities been held or planned (seminars and/or conferences on the Guidelines in general or on specific subjects, informative publications, co-operation with investment promotion agencies, departments of education, business schools, etc.)?*

In October 2001, a seminar for the stakeholders was held by the Finnish NCP on a green paper on EU-wide strategy for corporate social responsibility (CSR), launched by the European Commission on 18 July 2001. A follow up seminar is planned in 2002 on a policy proposal by the Commission that will be published in July 2002.

The Business Marathon Campaign launched by business leaders after the appeal to business by the European Heads of State at the European Summit in 2000, comes to Finland on 9 October 2002. The initiative to the Campaign came from CSR Europe, The Copenhagen Centre and The International Business Leaders Forum. The Finnish conference on CSR points out that "Responsible Company is Successful!". The conference underlines the practical point of view of CSR which is shown in the practice of strategies and procedures. Organisers are Ministry of Trade and Industry (MONIKA), Ministry of Labour, Ministry of the Environment, Johnson&Johnson, KPMG, Taloussanommat and Finnish Business & Society. In the seminar, the Finnish NCP MONIKA will take care of a workshop with a title 'Ethical Investment in Europe – Changes and Challenges'.

- *Have enquiries been received from (a) other NCPs; (b) the business community, employee organisations, other non-governmental organisations, or the public; or (c) governments of non-adhering countries?*

None.

C. Implementation in specific instances

- *Have procedures been put in place to deal with specific instances?*

Not yet (still in the preparatory stage).

- *Have specific instances been brought to the attention of your National Contact Point? By whom (business, labour, NGO, other NCPs, others)?*

Early 2002 the Dutch NCP informed the Finnish NCP informally about a possible case linking to a closure of some activities of a Finnish multinational enterprise in the Netherlands.

- *If applicable, how did your National Contact Point assist in solving these specific instances? What was the outcome?*

Not applicable.

- *Have any specific instances arisen in non-adhering economies? What procedures were followed by the NCP? What was the outcome?*

None.

D. Other

- *How have the core criteria for the operation of NCPs (visibility, accessibility, transparency, and accountability) been applied in your country to further the effectiveness of guidelines implementation? Please provide examples that illustrate this.*

See point B.

- *Do you wish to provide any other information on the nature and results of NCP activities, including on any useful experiences and/or difficulties encountered in carrying out the duties of the NCP?*

In Finland, the Act on the State's Export Credit Guarantees came into effect in July 2001. In the implementation of this act, Finnvera plc, the national Export Credit Agency, have introduced a set of environmental and other principles covering also the Guidelines. Finnvera wishes to call the OECD Guidelines for Multinational Enterprises to the attention of guarantee applicants.

The Finnish NCP has been in contact with the Estonian Ministry of Economics to provide possible assistance in establishing the Estonian NCP.

The Nordic countries had a joint meeting in Oslo on the 8 May 2002.

ESTONIE / ESTONIA

The OECD Council agreed, in the beginning of 2001, to invite Estonia to adhere to the Declaration. The experts of the OECD Secretariat visited Tallinn in the spring of 2001 to prepare the review of Estonia's investment policy. The Government of Estonia adopted the OECD Declaration and Related Decisions in June 16, 2001. Estonia signed the Declaration in September 20, 2001.

A. Institutional Arrangements

Estonian National Contact Point (ENCP) is administratively situated in the Foreign Trade Policy Division in the Trade Department of Ministry of Economic Affairs.

National Contact Point of OECD Declaration on International Investment and Multinational Enterprises
Ministry of Economic Affairs of the Republic of Estonia
Harju 11
15072 Tallinn
Estonia

Tel: +3726256326
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E-mail: mveiner@mineco.ee

Estonia has chosen a tripartite system for National Contact Point (NCP). The Advisory Committee to ENCP consists of the representatives from the several ministries, business associations and the association of the trade unions. The members of Committee are experts from Ministry of Foreign Affairs, Ministry of Finance, The Association of Trade Unions and business associations.

The ENCP relies heavily on the experience and expertise of other ministries, for example Ministry of Social Affairs, Ministry of Environment, and governmental bodies. The ENCP has close links with the Estonian Investment Agency and the Estonian Export Agency that represent the important partners in promoting the guidelines.

In the complex area of foreign investments the social dialogue is mainly developed in the ENCP Advisory Committee which collaborate with business community and employee organisations. The other NGOs are involved to the functioning of the NCP through informal contacts. They have provided valuable insight at different aspects of foreign investments and the guidelines and the ENCP seeks for the deepening of the contacts.

B. Information and Promotion

The Guidelines have been translated into the Estonian language. The translation and the original text have been also published in the official gazette *Riigiteataja*. The Estonian text of the Guidelines is available on the Ministry of Foreign Affairs web-page (<http://web-static.vm.ee/static/failid/118/OECDsuunised.pdf>). On request the ENCP sends also the copies of the Guidelines and other relevant material.

The ENCP has contacted the Confederation of Estonian Trade Unions, Estonian Employers' Confederation and the Estonian Chamber of Commerce. The organisations disseminated information about

Estonian adherence to the Guidelines to their members. They have also agreed to continue inform the members about the events of the ENCP and the developments on the area of international investment.

In co-operation with TUAC the Confederation of Estonian Trade Unions held a seminar in February 27, 2002 on the Guidelines where the ENCP participated. The Estonian compilation of the Guidelines for the trade unions was presented and all interested parties joined in discussion.

The ENCP has also planned to introduce the Guidelines in the newspaper of the Estonian Chamber of Commerce and follow it with an informative seminar on the Guidelines.

The Estonian Investment Agency has also published a short summary on their web-page and added a hyper-link to the Guidelines.

In collaboration with the Ministry of Foreign Affairs the ENCP has also informed economic attachés about the adherence of Estonia to the Guidelines and asked for active participation in promoting the Guidelines to foreign and possible Estonian investors.

As Estonia has been adhered to the Declaration some months ago and the ENCP is quite new institution no enquiries have been received from other NCPs, the business community, employee organisations or other governments. Since December 2001 the ENCP has attended at the meetings of the OECD and has a regular contact with other NCPs.

C. *Implementation in specific instances*

The procedures for dealing with specific instances have been put in place and will be developed further based on the experience of the ENCP.

There has been no specific instances been brought to the attention of the ENCP.

Visibility. The ENCP has promoted the Guidelines since the adherence to the Declaration. The representative of the ENCP participated in the seminar of the Confederation of Estonian Trade Unions. The guidelines have also been translated into Estonian and published in print and web-pages.

Accessibility. The detailed contacts have been added to the list of the NCPs on OECD web-page and the link has inserted in the Ministry of Economic Affairs web-page. The institutional location has been advertised in press announcements.

Transparency. The ENCP has presented overview of its operation and future plans to business associations, trade unions, other interested parties and other NCPs.

Accountability. The ENCP has close connections with ministries and government agencies like Estonian Investment Agency. The copy of this report will be sent to ministries and added to the web-page of the Ministry of Economic Affairs.

The ENCP will continue its promotional activities and take every opportunity to draw attention to the Guidelines. As adherent to the Declaration, the ENCP has attended the meetings of the Working Party and sees this as important resource of experiences to improve the operation of the ENCP.

FRANCE

A. Organisation institutionnelle

Depuis la révision des principes directeurs de l'OCDE en juin 2000, l'organisation du PCN français n'a pas été modifiée. Le PCN français fonctionne selon une structure tripartite rassemblant les principales centrales syndicales (CFDT, CGT, CGT-FO, CFE-CGC, UNSA), les représentants des entreprises (MEDEF) et l'administration (ministères de l'économie et des finances, des affaires étrangères, de l'environnement, de l'emploi et de la solidarité). Son secrétariat et la présidence sont assurés par la direction du Trésor du ministère de l'économie et des finances.

Une information plus détaillée sur l'organisation du PCN français est désormais disponible sur la page « web » qui lui est consacrée, accessible sur le site du ministère de l'économie et des finances à l'adresse suivante : « <http://www.minefi.gouv.fr/TRESOR/pcn/pcn.htm> ».

B. Information et promotion

L'implication des membres du PCN dans des séminaires et colloques s'est poursuivie.

La présidente du PCN est intervenue dans le cadre de la réunion d'information organisée le 9 avril dernier par le Ministère des affaires étrangères sur le Pacte mondial des Nations-Unies (« Global Compact »).

Le PCN français a également présenté ses activités dans le cadre du colloque organisé par le Ministère chilien des affaires étrangères au sujet des principes directeurs de l'OCDE les 25 et 26 avril à Santiago du Chili. L'intervention de M. Guéry, représentant du PCN français et conseiller social du Directeur du Trésor, est jointe en annexe 3 de ce rapport.

Enfin, les activités du PCN français ont été présentées dans le cadre du comité français pour le sommet mondial du développement durable, qui a été mandaté par le premier Ministre pour préparer les positions de la « société civile » française en vue du sommet de Johannesburg (septembre 2002).

Le PCN français s'est également penché sur la question du lien entre principes directeurs et garanties à l'exportation ou à l'investissement.

Le gouvernement français a décidé que les entreprises sollicitant des soutiens à l'exportation ou des garanties à l'investissement seraient systématiquement informées de l'existence des principes directeurs et de leurs procédures de mise en œuvre.

Cette information prend la double forme d'une lettre d'accompagnement de la COFACE – organisme chargé de la gestion des soutiens publics pour le compte de l'État – attirant l'attention des entreprises sur les principes directeurs de l'OCDE et d'une lettre à la signature des entreprises dans laquelle ces dernières déclarent avoir pris connaissance des principes directeurs de l'OCDE. Ces deux lettres sont disponibles dans le document de séance no.1.

C. *Mise en œuvre dans des circonstances spécifiques*

Depuis la publication du rapport 2001, le PCN français a achevé le traitement de trois cas spécifiques.

Un premier cas a porté sur les conditions de fermeture de la filiale française de l'entreprise britannique Marks & Spencer.

Plusieurs syndicats ont saisi le PCN français au motif que Marks & Spencer n'avait pas respecté les recommandations des principes directeurs prévoyant l'information des salariés dans un délai raisonnable lors de la fermeture d'une entité qui entraîne des licenciements collectifs (chapitre IV « emplois et relations professionnelles », paragraphe 6).

Le PCN français a organisé des consultations entre les différentes parties impliquées. La direction de la filiale française est intervenue devant les membres du PCN et a fait valoir que Marks & Spencer s'était trouvée confrontée aux obligations en matière de diffusion d'information liées au droit boursier britannique (« listing rules »).

Afin de clarifier les enjeux des discussions, le PCN a interrogé le PCN britannique au sujet des règles de droit boursier auxquelles la maison-mère britannique était assujettie.

A l'issue de ces différentes consultations, le PCN a considéré que les procédures suivies par Marks & Spencer ne correspondent pas à l'esprit des principes directeurs. Il a diffusé un communiqué en ce sens (joint en annexe 1 de ce rapport – ce communiqué est également disponible sur le site du PCN français et a été transmis pour information au Secrétariat de l'OCDE). Par ailleurs, le PCN a adressé un courrier au président de Marks & Spencer, M. Vandevelde.

Un deuxième cas a concerné la question du travail forcé en Birmanie.

Saisi au sujet du cas spécifique des opérations du groupe Total en Birmanie, le PCN a procédé à plusieurs consultations. La direction du groupe Total est venue décrire aux membres du PCN les conditions d'exploitation du gazoduc de Yadana. A la demande de l'un des syndicats membre du PCN, ces consultations ont été élargies au groupe ACCOR qui opère également en Birmanie.

Ces consultations ont débouché sur des recommandations générales du PCN français à l'intention des entreprises françaises ayant des activités en Birmanie. Ces recommandations ont été diffusées sur la page « web » du PCN et sont également jointes en annexe 2 au présent rapport.

Un dernier cas a porté sur les conditions dans lesquelles l'entreprise canadienne BATA a décidé de fermer son usine française de BATA Hellocourt.

Plusieurs syndicats ont demandé la saisine du PCN au motif que BATA n'avait respecté ni les recommandations des principes directeurs sur l'information des salariés (chapitre IV « emplois et relations professionnelles », paragraphe 6), ni celles encourageant les entreprises à la création de capacités locales (chapitre II « principes généraux », paragraphe 3).

Afin d'examiner de manière plus complète la recevabilité de cette demande, le PCN a cherché à obtenir des informations complémentaires de la part de BATA en sollicitant le PCN canadien à cette fin.

BATA n'aurait pas souhaité communiquer ces informations supplémentaires, estimant que la reprise de l'usine de BATA Hellocourt, intervenue entre temps, mettait fin au traitement de ce cas spécifique par le PCN français.

Considérant au contraire que la question soulevée par les syndicats n'était pas réglée par la reprise de l'usine de BATA Hellocourt, le PCN français a adressé une lettre en ce sens au PCN canadien et à BATA lui-même.

Les cas traités par le PCN français ont soulevé deux problèmes de procédures.

En effet :

- le cas Marks & Spencer a soulevé le problème de la diffusion de deux communiqués divergents par deux PCN sur deux affaires largement similaires ;
- le cas BATA a soulevé le problème de l'objet d'une saisine d'un PCN dès lors que l'avenir de l'entreprise est réglé en pratique.

Ces deux problèmes ont fait l'objet d'une note adressée au comité CIME [DAFFE/IME/NCP/RD(2002)2].

FRANCE (English Version)

A. *Institutional organisation*

Since the OECD Guidelines were revised in June 2000, there have been no changes in the organisation of the French NCP. The composition of the latter is tripartite, consisting of the main trade unions (CFDT, CGT, CGT-FO, CFE-CGC, UNSA), business representatives (MEDEF) and government (Ministries for Economic Affairs and Finance, Foreign Affairs, the Environment, Employment and Solidarity). Its secretariat and chairman are provided by the Treasury Directorate of the Ministry for Economic Affairs and Finance.

More detailed information about how the French NCP is organised is now available on its web page which can be accessed via the Economic Affairs and Finance Ministry's web site at the following address: <http://www.minefi.gouv.fr/TRESOR/pcn/pcn.htm>.

B. *Information and promotion*

The involvement of NCP members in seminars and colloquia has continued.

The NCP Chair intervened in the context of the information meeting organised on 9 April last by the Ministry for Foreign Affairs on the United Nations Global Compact.

The French NCP also described its activities at the colloquium on the OECD Guidelines organised by the Chilean Foreign Affairs Minister in Santiago de Chile on 25 and 26 April. The statement by Mr. Guéry, French NCP representative and adviser on social affairs to the Treasury Director, is attached to this report in Annex 3.

Lastly, the activities of the French NCP were outlined in the framework of the French Committee for the World Summit on Sustainable Development, which has been mandated by the Prime Minister to prepare the positions of French civil society for the Johannesburg Summit in September 2002.

The French NCP has also looked into the question of the link between the Guidelines and export guarantees and investment

The French Government has decided that firms looking for support with their exports or investment guarantees will be systematically informed of the existence of the Guidelines and of the procedures for their implementation.

The form that this information takes will be twofold: an accompanying letter from the COFACE - the body responsible for managing official export guarantees on behalf of the government - drawing the attention of firms to the OECD Guidelines, and a letter for signature by the said firms in which the latter acknowledge that they have been informed of the OECD Guidelines. These letters are reproduced in Room Document No.1.

C. Implementation in specific circumstances

Since publication of the 2001 report, the French NCP has dealt with three specific cases.

One concerned the conditions surrounding the closure of the French branch of the British company Marks & Spencer.

Several unions complained to the French NCP on the grounds that Marks & Spencer had failed to comply with the recommendations in the Guidelines to the effect that employees should be given reasonable notice of the closure of an entity involving collective lay-offs (Chapter IV “Employment and Industrial Relations”, paragraph 6).

The French NCP organised talks between the various parties involved. The management of the French branch met with the members of the NCP and argued that Marks & Spencer had had to contend with British stock market listing rules concerning the dissemination of information.

To clarify what was at stake in the discussions, the NCP consulted its British counterpart with regard to the stock market rules incumbent on the British parent company.

As a result of these different consultations, the NCP concluded that the procedures adopted by Marks & Spencer were not consistent with the spirit of the Guidelines. It put out a communiqué to that effect (attached in Annex 1; the communiqué is also available on the French NCP’s web site and has been forwarded to the OECD Secretariat for information). The NCP also wrote to the Chairman of Marks & Spencer, Mr. Vandeveldde.

Another concerned the question of hard labour in Burma

Having had referred to it the specific case of the Total Group’s operations in Burma, the NCP held a number of consultations. The management of the Total Group came to tell NCP members about the conditions in which the Yadana gas pipeline was operated. At the request of one of the NCP’s member unions, these talks were extended to include the ACCOR group which also operates in Burma.

These talks resulted in the French NCP issuing general recommendations to French companies operating in Burma. The recommendations were put on the NCP’s web page and are also attached to this report (Annex 2).

The last concerned the conditions in which the Canadian company BATA had decided to close its French BATA plant in Hellocourt

Several unions asked for the matter to be referred to the NCP on the grounds that BATA had respected neither the recommendations in the Guidelines concerning information for employees (Chapter IV “Employment and Industrial Relations”, paragraph 6), nor those encouraging local capacity building (Chapter II “General Policies”, paragraph 3).

In order to give fuller consideration to the admissibility of the request, the NCP sought further information from BATA by consulting the Canadian NCP on this matter.

BATA was unwilling to provide further information, considering that the takeover of the BATA factory in Hellocourt in the meantime terminated the French NCP’s handling of this specific case.

The French NCP considered, on the contrary, that the matter raised by the unions had not been settled by the takeover of the BATA Hellocourt plant, and therefore wrote to the Canadian NCP and to BATA itself to that effect.

The cases handled by the French NCP have raised two problems of procedure

- The Marks & Spencer case raised the problem of two diverging communiqués being issued by two NCPs on two broadly similar affairs;
- The BATA case raised the problem of the point of referring a matter to a NCP when the future of the company was in practice settled.

The two problems were the subject of a note addressed to the CIME [DAFFE/IME/NCP/RD(2002)2].

Annexe 1/Annex 1

Jeudi 13 décembre 2001
Communiqué du Point de contact national français
chargé du suivi des principes directeurs de l'OCDE
à l'intention des entreprises multinationales

« Le Point de contact national (PCN) français a été saisi par plusieurs syndicats suite à l'annonce de la fermeture des magasins Marks & Spencer faite le 29 mars dernier, au motif que cette fermeture n'avait fait l'objet d'aucune information préalable des employés, contrairement aux dispositions prévues par les principes directeurs de l'OCDE à cet égard ».

« D'après ces derniers, en effet, " lorsque [les entreprises] envisagent d'apporter à leurs opérations des changements susceptibles d'avoir des effets importants sur les moyens d'existence de leurs salariés, notamment en cas de fermeture d'une entité entraînant des licenciements collectifs, [elles devraient] en avertir dans un délai raisonnable les représentants de leurs salariés ". Il est ajouté que " compte tenu des circonstances particulières dans chaque cas, il serait souhaitable que la direction en avertisse les intéressés avant que la décision définitive ne soit prise " (chapitre IV " Emploi et relations professionnelles ", paragraphe 6) ».

« Conformément aux procédures prévues par les principes directeurs de l'OCDE, le PCN a procédé à des consultations avec l'ensemble des parties concernées. Suite à ces consultations, le PCN français a adressé un courrier à la direction de Marks & Spencer indiquant que les modalités d'information préalable des représentants des salariés sur les restructurations envisagées par l'entreprise n'ont pas été satisfaisantes au regard des principes directeurs ».

« A cet égard, le PCN souligne que l'information et la consultation recouvre l'évolution probable de l'activité et de l'emploi au sein de l'entreprise. L'information doit donc s'effectuer de façon à permettre aux représentants des salariés de procéder à un examen adéquat et de préparer la consultation ».

« Même si Marks & Spencer a déclaré officiellement son intention de consulter les employés des filiales touchées par la restructuration du groupe, le PCN regrette que cette consultation n'ait pas été, en tout état de cause, mieux préparée et organisée. Néanmoins, il note avec satisfaction la reprise des magasins ».

* *

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« Les principes directeurs de l'OCDE à l'intention des entreprises multinationales sont constitués d'un ensemble de recommandations qui portent sur une très large part des domaines touchés par l'activité des entreprises " multinationales ". La publication d'informations, l'emploi et les relations professionnelles, l'environnement, la science et la technologie, la concurrence, la fiscalité y sont traités. La dernière révision des principes directeurs (juin 2000) a permis d'y rajouter la lutte contre la corruption et la protection des consommateurs, ainsi qu'une nouvelle recommandation sur les droits de l'homme ».

« Les principes directeurs de l'OCDE sont assortis d'un mécanisme de mise en œuvre qui a été renforcé lors de leur dernière révision en juin 2000. Ce mécanisme repose sur un réseau de Points de contact nationaux (PCN) chargés d'en suivre l'application à leur niveau et pouvant être saisis au sujet de cas spécifiques. En France, le PCN rassemble, outre l'administration, des représentants de plusieurs centrales syndicales ainsi que des représentants des entreprises. Des informations complémentaires peuvent être obtenues sur la page " web " consacrée aux principes directeurs de l'OCDE et au PCN français ».

Annexe 2 (version française)

Jeudi 28 mars 2002
Recommandations du Point de contact national français
à l'intention des entreprises au sujet de la question du travail forcé en Birmanie

« Les principes directeurs de l'OCDE à l'intention des entreprises multinationales prévoient que "les entreprises devraient [...] contribuer à l'élimination de toute forme de travail forcé ou obligatoire" (chapitre IV "emploi et relations professionnelles"). »

« Sur cette base, plusieurs syndicats ont saisi le Point de contact national (PCN) français au sujet de la question du travail forcé en Birmanie. Conformément aux lignes directrices de procédure prévues par les principes directeurs de l'OCDE, le PCN a procédé à des consultations avec plusieurs entreprises concernées, desquelles il ressort les éléments suivants. »

« Le PCN est d'avis que les entreprises opérant en Birmanie devraient tout mettre en œuvre afin d'éviter directement ou indirectement tout recours au travail forcé dans le cadre normal de leurs activités, dans leurs liens avec d'éventuels fournisseurs ou sous-traitants ou par des investissements futurs, tout particulièrement dans les zones à forte présence militaire et pour les activités contrôlées par l'armée. »

« À cet égard, les consultations effectuées par le PCN ont permis de mettre en évidence plusieurs pratiques des entreprises pouvant contribuer à lutter contre le travail forcé :

- l'élaboration d'actions concertées avec les instances internationales de représentants des salariés aux différents niveaux pertinents ;
- le recours à un contrôle externe ;
- la promotion de la législation contre le travail forcé ;
- la contribution à des projets de développement en particulier dans leurs secteurs d'intervention ;
- la vérification par la direction locale du comportement des sous-traitants ;
- la contribution à des opérations de formation.

D'autres pratiques des entreprises peuvent également y contribuer :

- le développement d'un dialogue social avec les organisations représentatives des salariés à l'échelon local et international ;
- une information régulière de leur Conseil d'administration au sujet des initiatives qu'elles auraient prises pour éviter tout recours au travail forcé.

De telles pratiques ne sauraient évidemment se substituer ni à la mise en œuvre de toutes les mesures nécessaires à la suppression du travail forcé par le gouvernement birman lui-même conformément aux recommandations de l'OIT, ni aux actions de ses États membres ».

Annex 2 (English version)

Thursday, 28 March 2002
Recommendations by the French National Contact Point to Companies
on the Issue of Forced Labour in Burma
(Translation from the original French)

The OECD Guidelines for Multinational Enterprises states that "enterprises should.... contribute to the elimination of all forms of forced or compulsory labour." Chapter IV "Employment and Industrial Relations".

On this basis, several labour unions asked the French National Contact Point (NCP) to look into the question of forced labour in Burma. In conformity with the procedural guidance set forth under the OECD Guidelines, the NCP undertook consultations with several enterprises, with the following results.

The NCP is of the opinion that companies operating in Burma should do everything possible in order to avoid direct or indirect recourse to forced labour in the normal course of their operations, in their relations with sub-contractors or through future investments, particularly in zones with a strong military presence and in activities controlled by the army.

In this respect, the consultations undertaken by the NCP have brought to light the following practices that companies can use to contribute to the fight against forced labour:

- Undertaking co-operative action with international labour organisations at the relevant levels;
- External monitoring;
- Promoting legislation against forced labour;
- Contributing to development projects, especially in their areas of involvement;
- Verification by local managers of the behaviour of sub-contractors;
- Contributing to training operations.

Other company practices can also contribute:

- Development of a social dialogue with organisations representing employees at the local and international levels;
- Provision of regular information to Boards of Directors about initiatives taken to avoid recourse to forced labour.

Such practices obviously cannot substitute for the enforcement of the measures necessary for the suppression of forced labour by the Burmese government itself in conformity with the recommendations of the ILO, nor for actions by its member States.

Annexe 3/Annex 3

The activity of the French National Contact Point (NCP)

Presentation by Jean-Claude GUERY, Social Advisor to the Director of Treasury, Ministry of Economy, Finance and Industry in Santiago, Chile, on 25-26 April 2002

I) Organisation of the French NCP.

Since the 1976 declaration on International Investment and Multinational Enterprises, the French NCP is part of the Treasury Department (more accurately "sous-direction Europe et Affaire Monétaires Internationales").

After the completion of the last review of the Guidelines in June 2000 the constitution of the French NCP has been (transformed) changed. The French NCP is now tripartite and several ministries are involved.

It includes :

- three ministries (Labour, Environment and Foreign Affairs) in addition to the ministry of Finance ;
- six unions (CGT, CFDT, FO, CFTC, CFE-CGC and UNSA) regarded as the most representative of the workers ;
- MEDEF, representative of the business community.

The NCP is headed by Odile Renaud-Basso, Deputy Director for "Europe and International Monetary Affairs"

The NCP website is working and will give information on the OECD Guidelines and the activity of the French NCP.

II) Activity of the French NCP.

1. Before the last review of the guidelines in June 2000, the French NCP had been concerned mainly by two cases:

a) The Hoover case in 1993. After the decision to transfer production from the Longvic plant to Scotland, the representatives of the firm's employees claimed that no information had been given. On 17th March 1993 the French authorities submitted a note requesting clarifications on three issues:

- Paragraph 7 of the introduction: "the entities of multinational enterprises located in various countries are subject to the laws of these countries".
- Paragraph 6 of chapter IV "Employment and Industrial Relations" : "Provide reasonable notice in case of changes of operations"
- Paragraph 8 of chapter IV: about the transfer of employees in order to influence unfairly negotiations with the representatives of employees.

The CIME studied the case at different meetings. Finally no clarification was issued.

- b) The Renault Case. On February 27th, 1997 Renault Industries announced the permanent closure of the Renault Plant In Vilvorde (Belgium) as of July 1997, leading to the loss of jobs.

After discussions, the Belgian and the French NCPs submitted jointly in April 1997 a document requesting clarification on two points:

- Relations between parent companies and/or local companies (Paragraph 8 of introduction of Guidelines, 1997 version)
- Reasonable notice of changes in operations (paragraph 6 of employment and industrial chapter).

The CIME discussed this request at its meeting in June 1997 and issued its response in November 1998. To sum it up: On the first point, the CIME said that the Guidelines do not imply a model of corporate decision-making and that all companies (parent and subsidiaries) should co-operate to ensure observance of the Guidelines. On the second point, the CIME said that a "reasonable notice" is a sufficient notice for the purpose in light of the specific circumstances of each case.

2. *Since the last review of the guidelines, the French NCP has been concerned mainly by two cases: compulsory labour in Burma and the permanent closure of Marks & Spencer department stores in continental Europe.* In addition, the French NCP was concerned (by) with a dispute between a worker's Union and an Alabama-based subsidiary of the French firm Imerys. The French NCP communicated with Imerys and the problem was settled quickly. The US Union withdrew its request in February 2001. Recently, CFDT and CGT French Labour Unions have lodged a complaint against Bata at the French NCP about the permanent closure of the Hellocourt plant of Bata France which is a subsidiary of Bata Canada. But it is not certain (sure) that this case (merit) deserves a further examination, and the NCP is presently examining the issue.

- a) Compulsory labour in Burma : controversial intervention of Total-Elf in Burma/Myanmar.
In a resolution adopted in November 2000 during the 88th session of the International Labour Conference, Burma was condemned for the use of forced labour. Following this condemnation, CFDT union sent in Mars 2001 a request to the French NCP to examine how French firms could implement guidelines to get rid of forced labour in Burma.

The controversial intervention of Total-Elf in Burma/Myanmar: In 1992 Total signed an agreement with the national Burman company of oil and gas (MOGE) for operating the gas field of Yadana. The construction of a gas pipeline was decided to bring the gas to Thailand. The pipeline crosses Burma (during) for 63 kms. Total was accused of using forced labour for this project.

During 2001 the French NCP had several meetings on this issue. Total management explained to NCP members the different social actions led by the firm. Consultations were (enlarged) opened to other firms like ACCOR (international hotel business group).

On the basis of these consultations, NCP members decided to adopt a set of general recommendations to French firms which operate in Burma/Myanmar, that could) stress several best practices (enable) leading to the elimination of forced labour, but without pointing to any particular firms.

The draft of the recommendations urges firms operating in Burma/Myanmar to fight against forced labour not only in relation with their own activity but also through their links with (their) suppliers or subcontractors. This draft lists several best practices like: common actions with international organisations, appeal to external control, contribution to vocational training.

b) Marks & Spencer case.

The UK-owned Marks & Spencer quoted on the London Exchange was affected since 1997 by several warning signs. Profits had dramatically fallen and sales in France had been in decline. Luc Vandeveld, the Belgian Chief Executive of Marks & Spencer implemented drastic measures and refocused the activity on the UK. The announcement of the closure of the continental department stores came on March 29. At 7:00 a.m. a member of Marks & Spencer board sent an e-mail to a member of the board of Marks & Spencer France with the statement to the press adopted the day before by the board but not yet issued. This Statement was issued at 8:00 a.m., opening time of the London Exchange. This statement said: "The company intends to close its loss-making business in Continental Europe, affecting some 3,350 jobs, subject to consultation". A few days later Luc Vandeveld said to the journal "Le Monde" that "closing of all the stores in Continental Europe is the only sensible decision". Thus, it seems that the decision was already taken and not really "subject to consultation".

In April 2001 several Unions (CFDT, CGC, CGT, UNSA and FO) lodged a complaint at the French NCP about the behaviour of Marks & Spencer. The Union referred to the chapter IV of the Guidelines "Employment and Industrial Relations" and more accurately to the paragraphs: 3 "Provide information to employees and their representatives...", 4 "Observe standards of employment and industrial relations not less favourable ...", 6 "Provide reasonable notice in case of a closure involving collective lay offs...".

The French NCP examined this complaint with a very particular attention. The management of Marks & Spencer France was heard and its lawyers referred to the UK listing rules edited by the UK Listing Authority which state that a quoted company has to inform the market without delay of any major new developments in its sphere of activity. They said that Marks & Spencer had to abide by UK law and could not organise a consultation of worker representatives before the announcement of the decision.

Despite the argument of the Marks & Spencer Company, the NCP, in a statement issued on December 13th, 2001, considered that Marks & Spencer did not organised the consultation of worker representatives in good conditions. The NCP has sent a letter to the Marks & Spencer Company indicating that worker representatives were not informed in accordance with OCDE Guidelines. In this case the NCP estimated, without denying real difficulties due to a conflict of laws, that UK listing rules don't prevent firms from implementing a consultation of worker representatives

SOME COMMENTS

1. Since the last review of the Guidelines and the transformation of the French NCP in a tripartite body, the interest of all parties (labour unions, business organisations and multinational firms) has been raising significantly.

2. In the last two cases (Total-Elf and Marks & Spencer), the debate during NCP meetings has always been rich and constructive. All organisations were really involved in the discussion and in taking decisions. (The) Writing the statements was sometimes the subject of hard debate.
3. Very serious questions were raised.
 - Regarding the Total–Elf case, a serious debate between unions raised the question of how to fight against forced labour in Burma. Must the NCP recommend the firm to leave the country or on the contrary can the presence of multinational firms accelerate the economic development and consequently improve the social conditions of workers?
 - Regarding the Marks & Spencer case, an interesting debate took place on the contradiction between market rules and labour rules in restructuring multinational firms.
4. Globalisation and deregulation of trade have reduced the control of both governments and worker representatives on decisions taken by multinational firms. In this context, the OCDE level is relevant to organise industrial relations regarding multinational firms. But this new level being established in addition to the national level and the European level, it is more and more difficult for multinational firms to implement changes in their operations in accordance with national, European and international laws that are not always compatible.

GERMANY / ALLEMAGNE

A. *Institutional Arrangements*

- *Where is the National Contact Point located?*

Bundesministerium für Wirtschaft und Technologie (BMWi)
 Scharnhorststrasse 34-37
 10115 Berlin
 Deutschland
 Phone number: +49-30-20.14-71.79
 Fax number: +49-30-20.14-53.78
 E-mail address: buero-vc3@bmwi.bund.de

- *What is the composition of the National Contact Point (NCP)?*

The National Contact Point is headed by a senior official of the Federal Ministry of Economics and Technology. The foreign investment division of the Ministry is the focal point for all questions concerning the Guidelines. The National Contact Point works in close co-operation with the social partners.

- *How does the NCP relate to other government agencies?*

The National Contact Point provides other ministries the opportunity to participate in the further implementation of the Guidelines. This includes discussions on the application of the Guidelines on the issues raised in a Specific Instance.

In order to further the exchange of views on matters related to the Guidelines, the Federal Ministry of Economics and Technology established a "Working Party on the OECD Guidelines". Members to this Working Party are interested ministries and the social partners. Selected NGOs may be invited to present their views on special topics. Under the chairmanship of a senior official of the Federal Ministry of Economics and Technology, the Working Party will meet in regular intervals (about twice a year) and in special sessions, if necessary.

- *How does the NCP relate to social partners (business community and employee organisations), involved in the functioning of the NCP?*

The involvement of the social partners in the practical work of the National Contact Point depends on the substantive requirements. As far as the application of the Guidelines in Specific Instances is concerned, the social partners will be given access to possible conciliation or mediation procedures, with the agreement of the Parties Involved.

- *How does the NCP relate to other interested parties, including non-governmental organisations (NGOs), involved in the functioning of the NCP?*

In its efforts to promote the Guidelines, the National Contact Point also co-operates with other non-governmental organisations. As far as the application of the Guidelines in Specific Instances is concerned, non-governmental organisations are consulted on possible

conciliation or mediation procedures, with the agreement of the Parties Involved, as stipulated.

B. Information and Promotion

- *How have the Guidelines been made available in your country?*

A German translation of the revised Guidelines was prepared by the German Translation Service of the OECD. The German version of the Guidelines was put on the Internet sites of both the Federal Ministry of Economics and Technology and the OECD BERLIN CENTRE.

In addition, the Federal Ministry of Economics and Technology has published a documentary booklet on the "Revision 2000" of the Guidelines in German which includes the text of the Guidelines, the so-called 'Green Book'.

A reference to the "OECD Guidelines for Multinational Enterprises" was included on the application form for investment guarantees granted by the Federal Government. The reference also mentions the Internet address for the German translation of the "Revision 2000" of the "OECD Guidelines for Multinational Enterprises".

- *How is co-operation with the business community, employee organisations, NGOs and the interested public carried out, with respect to information on, and promotion of, the Guidelines?*

The German Federal Government has been supporting the OECD initiative for the revision of the Guidelines from the beginning. The Federal Government requests German business associations, as well as any German company with foreign activities, to help make the new "OECD Guidelines for Multinational Enterprises" effective and successful. On 11 July 2000, the Federal Minister of Economics and Technology had addressed a letter to this effect to the President of the Federation of German Industries (Bundesverband der Deutschen Industrie e.V. - BDI).

The German business community as well has made a positive contribution to the development of these recommendations and has endorsed the principles and standards of the Guidelines repeatedly in public statements.

On 11 September 2000, the Federation of German Industries (BDI) directed a circular to her affiliated associations asking them to recommend the observance of the Guidelines to German enterprises. The Confederation of German Employers' Associations (Bundesvereinigung der Deutschen Arbeitgeberverbände - BDA) as well informed her members accordingly. BDI and BDA jointly published an essay on the "Revision 2000" of the Guidelines in the BDA-periodical "Der Arbeitgeber" ("The Employer").

The German Association of Chambers of Industry and Commerce (Deutscher Industrie- und Handelskammertag - DIHK) has instructed her 82 affiliated regional chambers in Germany, representing more than 3 million German entrepreneurs, and the world-wide network of 117 German Chambers of Commerce, Delegates and Representatives of German business in 80 countries about the "Revision 2000" of the Guidelines asking them for distributing the text of the Guidelines to all affiliated companies in their respective regions.

Furthermore, the DIHK as well as the BDI and the BDA have put textual information about the Guidelines on their respective Internet homepages. In addition to that, the BDA, the BDI and the DIHK issued a joint statement "OECD-Leitsätze schaffen Handlungsrahmen für multinationale Unternehmen" ("OECD Guidelines as a Framework for Multinational Enterprises") which is published on the Internet.

- *Have other information and promotion activities been held or planned?*

At the symposium of the Federation of German Industries (BDI) "Freiheit und Verantwortung -- die Unternehmen in der Globalisierung" ("Freedom and Responsibility -- Multinational Enterprises in Globalisation") on 13 June 2001 in Berlin, the Federal Minister of Economics and Technology underlined, *inter alia*, the importance of the "OECD Guidelines for Multinational Enterprises".

On 06 December 2001, a senior official of the Federal Ministry of Economics and Technology participated in the workshop "Internationale Solidarität in einer globalen Welt" ("International Solidarity in a Global World") held by the Trade Union of German Metalworkers (IG Metall) in Frankfurt/Main, and gave a lecture on "Die OECD-Leitsätze aus Sicht der Bundesregierung" ("The OECD Guidelines seen from the Federal Government's Perspective").

On 11 December 2001, the Federal Minister of Economics and Technology held a conference in Berlin, together with the social partners, on the topic "Ein Handlungsrahmen für Auslandsinvestitionen -- die OECD-Leitsätze für multinationale Unternehmen" ("A Framework for Foreign Direct Investments -- the OECD Guidelines for Multinational Enterprises"). At this occasion, the President of the Federation of German Industries (BDI) and the representative of the Confederation of German Employers' Associations (BDA) confirmed the commitment of the German business community further to observe, in foreign activities, the recommendations of the OECD Guidelines, on a voluntary basis. A member of the board of the German Confederation of Trade Unions (Deutscher Gewerkschaftsbund - DGB) welcomed the renewal of this commitment by the BDI and the BDA. The Federal Minister of Economics and Technology pointed to the voluntary nature of the OECD Guidelines as the basis for their acceptance by the business community and rejected any linkage of the OECD Guidelines to investment promotion schemes as endangering this indispensable consensus.

On 16 January 2002, the "Working Party on the OECD Guidelines" held its inaugural meeting in Berlin, under the chairmanship of the Federal Ministry of Economics and Technology. The participating members of the Working Party (representatives of interested ministries and of the social partners BDI, BDA, DIHK, DGB) had an exchange of views on various matters related to the "OECD Guidelines for Multinational Enterprises". Selected NGOs were invited to present their views as well.

On 03 May 2002, the Federal Government Commissioner for Human Rights Policy and Humanitarian Aid at the German Foreign Office and representatives of the Federation of German Industries (BDI), of the Confederation of German Employers' Associations (BDA), of the German Confederation of Trade Unions (DGB) and of selected NGOs signed, at a ceremonial act in Berlin, a Joint Declaration "Internationaler Schutz der Menschenrechte und Wirtschaftstätigkeit" ("International Protection of Human Rights and Economic Activity"). In this Joint Declaration, the signatories welcome the new version of the "OECD Guidelines for Multinational Enterprises" as recommendations for responsible corporate

practices. The concise Joint Declaration is presented on the Internet homepage of the German Foreign Office.

- *Have enquiries been received from (a) other NCPs; (b) the business community, employee organisations, other non-governmental organisations, or the public; or (c) governments of non-adhering countries?*

On (a): There was a general exchange of views with some NCPs. On (b): A number of requests for information were received and have been answered. On (c): No.

C. *Implementation in Specific Instances*

- *Have special procedures been put in place to deal with Specific Instances?*

No.

- *Have Specific Instances been brought to the attention of your National Contact Point?*

No Specific Instance has arisen in Germany.

- *Have any Specific Instances arisen in non-adhering economies?*

Two issues, one concerning an adhering country, one concerning a non-adhering economy, have been raised very recently. The Initial Assessments of these issues raised have shown the following. The one issue concerning an adhering country falls into the competence of the NCP of that adhering country. The government of that adhering country has been informed accordingly. With regard to the other issue concerning a non-adhering economy, it is doubtful whether at all this issue is a Specific Instance. The question of the applicability of the Guidelines and the question whether this issue raised is within the competence of the German NCP are still under investigation.

GREECE / GRECE

A. *Institutional arrangements*

- The Greek National Contact Point is located in the premises of the Ministry of National Economy:

Ermou & 1, Cornarou Street
GR-105 63 ATHENS
Tel: +3010-328.6301 or +3010-328.6231
Fax: +3010-328.6309
E-mail: nsyms@ath.forthnet.gr

- The NCP is a governmental service:
The *Directorate for International Organisations and Policies*, headed by its Director, Mr. Nicholas Symeonidis, part of the General Directorate for Policy Planning and Implementation of the General Secretariat for International Relations of the Ministry of Economy and Finance.
- Government agencies as well as the social partners (Federation of Greek Industries and the Trade Unions' Federation) have been asked to appoint a "contact point" to the NCP. These persons have been consulted during the review of the Guidelines, are associated with promotional activities and will participate, as appropriate, in the Advisory Committee (see below, under C).

B. *Information and Promotion*

- The Guidelines have been translated into Greek and are now electronically available, together with an Introductory Note and information on the Greek NCP, on the website of our Investment Promotion Agency (ELKE), at the address: www.elke.gr/bloecd.htm
- NGOs have been informed by letter on the adoption of the revised Guidelines and the establishment of the NCP. For social partners, see above under A, third bullet.
- Inquiries of a general nature have been received by a few NGOs.

C. *Implementation in specific instances*

- Specific instances will be dealt by the NCP, assisted by an Advisory Committee, composed by representatives of relevant government agencies, business and labour.
- No specific instances have been brought to the attention of the NCP up to now.

D. Other

- We consider that our contacts with social partners and NGOs, together with the posting of relevant information on the web, have rendered the NCP visible and accessible to all interested parties. Transparency and accountability are more connected to the implementation of the Guidelines in specific instances and we hope that if and when such an instance arises, the Advisory Committee procedures will prove satisfactory to this effect.
- In an effort of making the Guidelines known to non-adhering countries, information on the Guidelines and the position of the Greek government on their observance has been prepared to be given out on the occasion of Joint Intergovernmental Meetings with non-adhering countries where Greek business operates.

Nicholas Symeonidis
Director
International Organisations and Policies

HUNGARY / HONGRIE**A. Institutional Arrangements****Address of the Hungarian National Contact Point:**

Ministry of Economic Affairs
 Investment Incentives and Investment Promotion Department
 Honvéd utca 13-15
 1055 Budapest

Phone: 36-1-374-2877

Fax: 36-1- 269-3478

E- mail: tibor.tejnora@gmv.gov.hu

Web: <http://www.gm.hu/fomenu/kereskedelem/htm/oecl/index.htm>

Composition of the Hungarian National Contact Point (HNCP)

In the second quarter of 2002 composition of the Hungarian National Contact Point changed. Tasks of the Hungarian National Bank (HNB) were modified and the Bank was restructured. Moreover the liberalisation of capital flow was practically completed in Hungary. As a result of the changes direct participation of the HNB in the HNCP became unnecessary. Current organisational structure is trilateral, the HNCP remained an interdepartmental body with permanent members.

List of permanent members

Ministry of Economic Affairs (MEA)

Ministry of Finance (MoF)

Ministry of Foreign Affairs (MoFA)

Despite the organisational modification MEA will act as a Secretariat for the HNCP and a permanent member of HNCP at the same time. HNCP makes decision on the basis of consensus. There was no any serious change in the mode of keeping in touch with the civil organisations.

B. Information and Promotion

Regarding the Guidelines the main information source remained the home page of MEA and the HNCP in the MEA. However the promotion of the Guidelines and the information dissemination was implemented via different fora. Role of the Guidelines was characterised and explained under a conference held in the headquarters of the Confederation of Hungarian Trade Unions on December 17, 2001. On this event Mr John G. EVANS General Secretary (OECD TUAC) delivered a lecture on the Guidelines and the experience gained in different countries and related to the implementation of the Guidelines. Dr. Dimitrina Dimitrova (representative of Budapest Office of ILO) spoke about the ILO Tripartite Declaration and the relationship between multinational enterprises and the social policy. The representative of HNCP addressed as well as and he illustrated the role, organisational structure, activity of HNCP. Beside the trade union leaders Mr Sándor Földes was also present as Co-president of the Confederation of Hungarian Employers' Organisations for International Co-operation. On this occasion the Confederation of Hungarian Trade Unions published the text of the Guidelines in 500 copies of Hungarian language and made a temporary website on the Internet for the Guidelines and the ILO Tripartite Declaration. A roundtable

discussion on the foreign direct investments in Hungary which was organised by the Hungarian Academy of the Sciences was also a useful event to promote the HNCP and the Guidelines.

C. *Implementation*

The Secretariat of HNCP wrote a letter to the Executive Director of the Confederation of Hungarian Employers' Organisations for International Co-operation asking for a broad information activity on the Guidelines for all members. The HNCP proposed to the Hungarian Employers' Organisations to take into consideration the adherence to the Declaration.

D. *Other*

The representative of HNCP was invited to take part in bilateral talks with the leaders of the multinational enterprises registered in Hungary in order to clarify the situation on tax type investment incentives which should be modified in the context of the accession to the EU. These talks were arranged as events initiated by the Investors' Council and they will be continued.

ICELAND / ISLANDE

The Ministries of Industry and Commerce take part in ongoing work of the CIME, including efforts to increase public awareness of the OECD Guidelines for Multinational Enterprises. They also take part in Nordic NCP co-operation.

Efforts made to promote the Guidelines in Iceland are:

- The translation of the Guidelines into Icelandic is in the final stages. Simultaneously, the Ministries of Industry and Commerce have been gathering information on Icelandic companies possessing any kind of subsidiary bodies abroad (branches, agencies etc.) or those with extensive economic activities in foreign countries for the purpose of expediting the promotion of the Guidelines among Icelandic enterprises. That list is near completion.
- Once the translation into Icelandic is complete, the Ministries of Industry and Commerce will address each individual company on the list and encourage them to familiarise themselves with the provisions of the Guidelines. Furthermore, the Ministries of Industry and Commerce intend to publish the Guidelines on their web-side in both the Icelandic and English versions.
- The Ministries hope to have the translation and the process of addressing each company finalised before the end of summer.

So far, the NCP has received but one informal request for information on the Guidelines.

IRELAND / IRLANDE

Introduction

This is the Second Annual Report of Ireland's National Contact Point on the OECD Guidelines for Multinational Enterprises. The Report covers the period May 2001 to May 2002 approximately.

A. Institutional Arrangements

The National Contact Point can be contacted at the following address:

National Contact Point for the OECD Guidelines for Multinational Enterprises
Enterprise Policy Unit
Department of Enterprise, Trade and Employment
Kildare Street
Dublin 2
IRELAND.

Telephone + 353 1 631 2936

Fax + 353 1 631 2822

e-mail Conor_Obrien@entemp.ie or Páraig_Hennessy@entemp.ie

The NCP continues to operate as a single point of contact within the Department of Enterprise, Trade and Employment. The senior official heading the NCP is Mr. Páraig Hennessy, Principal Officer in charge of the Enterprise Policy Unit at the Department.

The main Irish development agencies with responsibility for enterprise development and investment promotion report to the Department of Enterprise, Trade and Employment. These agencies are kept informed of developments in relation to the Guidelines, as are other Government Departments.

Because the NCP functions as a single expert point of contact, business, trade unions and non governmental organisations are not directly involved in its operation. However, communication is maintained with these groups, and the contact point is available for consultations with any party expressing an interest in the Guidelines.

B. Information and Promotion

During the year, the NCP undertook the following activities to promote the Guidelines:

The relevance of adopting high standards of business conduct in being increasingly recognised by Irish enterprise. Since we reported over a year ago, international developments, including the debate about globalisation, has reinforced the work of the National Contact Point in increasing the visibility and importance of the Guidelines.

As part of its continuing outreach activities to promote the Guidelines, the National Contact Point is maintaining links with corporate governance experts in both the national employers federation (Irish Business and Employers Confederation - IBEC) and in the Irish Congress of Trade Unions (ICTU).

IBEC Code

Arising from its work in promoting the Guidelines and making its expertise freely available to interested groups, the NCP was asked to advise IBEC on designing a voluntary code of corporate governance for its members. This partnership between IBEC and the National Contact Point was an important promotional activity of the NCP in the period under review. It also consolidated the NCP's position as an important reference point for other organisations and companies working with a corporate governance agenda. IBEC's voluntary code can be located at <http://www.ibec.ie>.

ICTU Conference on Globalisation

In early 2002, the NCP attended a Workshop for Trade Union leaders on the Guidelines, conducted as part of a Conference on Globalisation matters organised by the Irish Congress of Trade Unions (ICTU). The Workshop heard a presentation from TUAC on the Guidelines, and from the NCP on arrangements in Ireland. The presentations were followed by a discussion with delegates.

C. Other Information and Promotion

Details about the Guidelines and the National Contact Point continue to be referenced on the Department's website and can be viewed at <http://www.entemp.ie/epst/fdi2.htm>. The Department's site also provides a link to the dedicated OECD site covering the Guidelines, to facilitate those requiring access to the full Guidelines text and associated commentaries.

The Department's Annual Report for 2001 again includes a section highlighting the objectives of the Guidelines and their promotion by the Department. The report can be accessed at <http://www.entemp.ie/annrep2001.pdf>.

Under Ireland's Freedom of Information legislation, the Department publishes a manual which formally describes the functions and operations of the Department. Access details for the NCP are also detailed in this publication ("*A Guide to the Functions, Records, Rules and Practices of the Department*" – 2nd Edition April 2001), accessible at <http://www.entemp.ie/FOI1405.pdf>.

While the Guidelines have been widely promoted, the NCP has not yet received any enquiries or complaints about the Guidelines from other National Contact Points, from the Governments of non-adhering countries, or from third parties.

D. Implementation in Specific Instances

To date, no specific instances have been addressed to Ireland's NCP.

The NCP is however prepared to deal with any specific instances that may arise in the future.

Conclusion

The increasing prominence in international fora of the role of global investment highlights the relevance of the Guidelines to business. It is considered that the Guidelines will continue to influence the approach of enterprise, trade unions and non-governmental organisations to matters of corporate governance. In this context, the Irish NCP will continue to promote and encourage use of the Guidelines.

ITALY / ITALIE

A. *Organisations institutionnelle.*

L'activité du PCN est coordonnée par la Direction Générale « *Sviluppo Produttivo e Competitività* » du Ministère des Activités des Productions.

L'adresse à laquelle doit être envoyée toute demande concernant le PCN est la suivante :

Mr. Stelio Venceslai - PCN, Uff. C1, D. G. S. P. C., Ministère des Activités des Productions, Via Molise n. 2 – 00180 – Rome – ITALIE;

Téléphone n. ++ 39. 06. 47052836;

Fax n. ++ 39 06. 47887944;

E-mail : venceslai@minindustria.it

Composition du PCN.

Le PCN est constitué par des fonctionnaires du Ministère des Activités des Productions; le PCN assure aussi la coordination interministérielle nécessaire.

On a prévu la constitution d'un Comité consultatif *ad hoc* avec les partenaires sociaux (Patronat, Syndacats et ONG).

B. *Information et promotion*

Le texte des Principes directeurs a été traduit en italien depuis septembre 2000.

Un site *web* a été créé sur le site du Ministère de l'Industrie, (maintenant transformé en Ministère des Activités des Productions) : <http://www.minindustria.it/dgspc/Pcn/Pcn.htm>.

Dans ce site ont été publiés le textes originaux en français et en anglais, la traduction révisée en italien, la composition provisoire du PCN avec l'indication des fonctionnaires impliqués dans le PCN.

Un programme de diffusion et de promotion des Principes directeurs sera activé lorsqu'on pourra disposer d'une poste budgétaire spécifique.

Plusieurs Séminaires et Conférences parmi les entrepreneurs ont été organisés, dans les derniers six mois, à Turin, à Cagliari et à Naples.

C. *Mise en oeuvre dans des circonstances spécifiques*

Un projet de règlement de procédure du PCN a été élaboré de façon à préciser les modalités de fonctionnement du PCN et des consultations dans le cadre du PCN et les délais des différentes phases de la procédure.

Sur demande du PCN néerlandais, en janvier 2001, on a mis en cours une procédure à propos d'un déplacement d'une entreprise suédoise des Pays Bas à Trieste mais, ensuite, cette question a tombé à la demande du PCN néerlandais même.

D. Divers

La création d'un *site web* spécifique dans la *hot mail page* du Ministère des Activités des Productions constitue la forme la plus accessible.

Dans ce site on envisage de concentrer tous renseignements spécifiques à propos des activités et des rapports du PCN italien, et des autres PCN, des études universitaires ou de recherche, et de la correspondance d'information avec le public intéressé.

JAPAN / JAPON

A. *Institutional Arrangements*

The National Contact Point (NCP) had been located in the Ministry of Foreign Affairs since the founding of the NCP. The Government of Japan thoroughly reviewed the composition of the NCP in light of the revision of the Guidelines and opinions submitted by our business and social partners. As a result of the review, the National Contact Point has been reorganised as an inter-ministerial body composed of three ministries, namely, Ministry of Foreign Affairs (MOFA), Ministry of Health, Labour and Welfare (MHLW) and Ministry of Economy, Trade and Industry (METI).

Responsible offices in these Ministries are as follows:

MOFA : Second International Organisations Division
(Tel: 81-3-6402-2192, Fax: 81-3-6402-2191,
Web: www.mofa.go.jp/mofaj/gaiko/oced/index.html)

MHLW : International Division
(Tel: 81-3-3595-2402, Fax: 81-3-3502-1946,
Web: www.mhlw.go.jp)

METI : Trade and Investment Facilitation Division
(Tel: 81-3-3501-6623, Fax: 81-3-3501-3638,
Web: http://www.meti.go.jp/policy/trade_policy/oced/html/cime.html)

The National Contact Point will continue to keep in close contact with other government agencies whenever necessary, as it did prior to its reorganisation.

B. *Information and Promotion*

Japanese provisional translation of the 2000 Guidelines, the revised Council Decision and the Procedural Guidance, together with a general explanatory note, have been available on websites of MOFA and METI since September 2000.

With respect to disseminating information on the Guidelines, several meetings have been organised in Tokyo, including:

- October 2001: Information meeting to Keidanren (Japan Federation of Economic Organisations) by MOFA
- January 2002: Information meeting to Keidanren MOFA

In addition, a seminar for the business community, which includes an invitation to a renowned foreign expert in NCP affairs, is planned in 2002.

Other than a few questions of a very general nature from the public, the National Contact Point has not received any specific enquiries from other NCPs or governments of non-adhering countries.

C Implementation in specific instances

No specific instances have been brought to the National Contact Point.

D. Other

The Government of Japan is committed to enhancing the role and functioning of its National Contact Point, taking into account the social, cultural, and institutional context in which it is placed. To realise its commitment, it has been exerting its utmost efforts to promote the Guidelines, which resulted in early publishing of the provisional translations and various meetings with its business and social partners. The National Contact Point continues to promote such activities, in line with the core criteria for the operation of National Contact Points.

KOREA / COREE

I. Korea National Contact Point

The Korea National Contact Point (NCP) is the Executive Committee on FDI (hereinafter “the Committee”). The Chair of the Committee is the Vice Minister of the Ministry of Commerce, Industry and Energy (MOCIE). The Committee consists of the Deputy Minister of each ministry of the central government and Vice Governors of each local government. The Secretary of the Committee, who is responsible for the practical functioning of the NCP, is the Foreign Investment Policy Division of MOCIE.

In order to effectively resolve issues raised relating to the implementation of the Guidelines, the Committee has Mediation Committees set up temporarily as sub-committees, which consist of relevant government agencies, business associations, trade unions and non-governmental organizations in the field of employment and environment. The Korea NCP will continue to provide useful information to relevant parties and represent their interests fairly.

II. Major Activities: Guatemala Case

a) Overview

The Korea NCP’s first registered complaint, at the end of Feb. 2002, related to a Korean company conducting business in Guatemala. Since then, the Korea NCP has tried to resolve the issues that arose relating to implementation of the Guidelines in Guatemala.

The companies in question, ChoiShin (750 workers) and CIMA Textiles (417 workers) are both invested by a Korean company, ChoiShin Co., and both use common facilities.

According to International Textile, Garment & Leather Worker’s Federation(ITGLWF) who registered a complaint, the above companies interfered with the formation of a labor union between July 9 and August 2, 2001, and continued to interrupt labor activities even after the formal launch of the labor union on August 2.

<Period of labor union formation: July 9~Aug. 2, 2001>

On July 9, 2001, labor union workers of ChoiShin and CIMATextiles established a union named SITRACHO and SITACIMA respectively.

Upon the complaint that the companies intervened with workers in the process of forming a labor union, through blackmail and detention, relevant company workers held a meeting and adopted labor-management agreement and announced the formal launch of the labor union in the public notice of the Guatemalan government.

<After the launch of labor union: August 2, 2001>

Despite having reached consensus between labor and management and formally established the labor union, the two companies in question are believed to have carried out illegal activities, direct and indirect, to thwart labor union activities.

Disciplinary measures imposed on a company manager, the main instigator of blackmails and violence, have been ineffective. Factories were temporarily closed down to interrupt labor activities.

b) *Legal Background*

i) Grounds of Korea NCP Activities

According to Chapter I of the Guideline, governments adhering to the Guidelines encourage the enterprises operating on their territories to observe the Guidelines wherever they operate, while taking into account the particular circumstances of each host country.

- If problems related to the above regulation arise, they should be reported either to the country where the problem arose or to the National Contact Point of the country where the company is located.
- It is legitimate for the mother company to report the problem to Korea NCP since the problem is of the company originated in adhering country, Korea, though occurred in non-adhering country, Guatemala.

ii) Implementation Procedures for Specific Issues

Korea NCP encourages concerned parties to address issues by playing the role as an agent, coordinator and mediator.

- If neither party reaches an agreement, the declaration of implementation of the Guidelines is announced and its implementation is recommended to both parties, if necessary.
- The Korean government completed a preliminary investigation through correspondence and interviews with relevant personnel both in Guatemala and Korea. Following this investigation, the government held an arbitration meeting among concerned parties after consulting with relevant departments of affiliated NCPs.

iii) Substantial matters

Violation of article 1.a and article 7 of the OECD's Employment and Industrial Relations Guidelines.

IV. Employment and Industrial Relations - 1.a) Violation

1. a) Respect the right of their employees to be represented by trade unions and other bona fide representatives of employees, and engage in constructive negotiations, either individually or through employers' associations, with such representatives with a view to reaching agreements on employment conditions

IV. Employment and Industrial Relations - 7. Violation

7. In the context of bona fide negotiations with representatives of employees on conditions of employment, or while employees are exercising a right to organize, not threaten to transfer the whole or part of an operating unit from the country concerned, nor transfer employees from the enterprises' component entities in other countries in order to influence unfairly those negotiations or to hinder the exercise of a right to organize.

C. *Direction of solution: Temporary conclusion*

Since investigation and law application by the local government takes precedence in confirming objective facts, we will have to wait and see how the Guatemala government goes about verifying the facts.

At the end of March, 2002, the Guatemalan justice department received charges concerning the Choishin company by FESTRA. Investigations are currently underway, and the government has indicated that it will take the necessary legal measures if it can be proved that there were violations.

The Korean government plans to provide explanations to the NGO and labor union or advise the company to follow the Guidelines, according to the investigation results.

In Guatemala, regular unofficial management-labor meetings have been conducted twice a month, from July 2001 up to now. Representatives of the Guatemalan government, the Korean Embassy, and NGO have participated when necessary in such meetings.

During this process, it was acknowledged that there were a few misunderstandings between management and labor. Both sides agreed on issues that should be improved and actions that should be punished, and are carrying out such measures. But conflicts still exist due to the lack of trust between labor and management and distrust of the Guatemalan government.

In the May 24 NCP arbitration meeting, representatives of related Korean ministries and the company concerned were present. Officials from Korean ministries made it clear that they would consider legal and administrative measures if the company's settlement of such cases is unsatisfactory. Korean government officials also confirmed that although the Guidelines are not compulsory, it is possible to restrict investment activities of multinational companies in terms of the Korean legal framework if such foreign invested companies do not abide by local labor practices.

In the arbitration meeting, Mr. Hong, the representative of the company, expressed the company's position on the disputed issues, and also explained various efforts by the supervisors to understand the local culture and the company's support for training employees. Among such efforts were birthday parties, employing resident nurses, and organizing healthcare seminars for women.

In particular, the company also published and distributed a booklet of Guatemalan labor laws in animated cartoon form so that even the illiterate workers were able to understand their rights and carry out their obligations.

We thank the TUAC and the U.S. NCP for their concerns in this case. The Korean government will strive to equally reflect the interests of companies, citizens, and workers in carrying out the Guidelines in each case.

III. Other activities and additional issues

We are considering the possibility of rewarding companies who voluntarily implement the Guidelines and publicize their experiences in order to promote compliance with the Guidelines. We should also look for ways to encourage small and medium sized companies to follow the Guidelines, since the infringement of human rights is a global phenomenon. It is difficult for small and medium sized companies to be appropriately equipped with proper production factories and working environment for managers and employees. It is also difficult for them to carry out high-class management, since they do not have any company name or social status to keep up due to lack of brand value like that of multinational companies.

Annex 1. Summary of Labor Union Meetings

Annex 2. Improvements in Labor Welfare in the company (prepared by the company)

Annex 1

Summary of Labor Union Meetings

For about 11 months since July last year, the Company has held informal meetings with the labor union and also 16 formal meetings with witnesses from both sides present. The management and labor union have decided to hold meetings twice a month as the next meeting is scheduled to be held at the company on June 14.

Major contents of the meetings by date are as follows:

1. Meeting on July 25, 2001, (relevant government officials, those from the company and labor union and international labor organization) - venue: Ministry of Labor in Guatemala

Participants

A total of 41 persons consisting of the Minister of Labor, Guatemalan government officials, the management, 18 workers from the company union and FESTRA, and one person from UN Human Rights Committee.

Agreements

First, the labor supervision division from Ministry of Labor in Guatemala establish agenda that will be democratically dealt with.

Second, the labor supervision division expresses agenda that will be dealt with by the management and labor is as follows: 1) Freedom of establishing a labor union, 2) Guaranteeing work of union workers, 3) The company punishes the assaulters, 4) The company makes public its intention not to close the company.

Third, the company expresses its intention on the following matters: 1) Respecting freedom of the labor union, 2) Guaranteeing safety of union workers. The company guarantees freedom of work by union laborers and functions of the labor union in conformity with the relevant laws, and also allows union workers who retired on July 26 to work again. (They are entitled to work again). Also, MINUGUA is allowed to enter the company (in order to confirm agreements between the management and union), 3) The company applies labor law to labor union assaulters. 4) It is made public that the company will not close only because a labor union is organized (8 a.m. July 26).

Fourth, union workers recognize their promises and have obligations to abide by the Guatemalan labor law.

Fifth, the division expresses its appreciation for the mediation which brought reconciliation between the management and union, satisfying all those present.

Sixth, the contents of the meeting will be read to all those present at the meeting and will be legally valid and signed by the two sides and the labor inspecting division .

2-12. The management and labor held meetings at the labor supervision division on various pending issues from August 2001 to March 2002.

Meeting schedules

- Aug. 9, Oct. 31, Nov. 7, Nov. 21, Dec. 5, Dec. 12 of 2001 and Jan. 9, Jan. 23, Feb. 7, 20 and Mar. 5 of 2002)
- Venue: the labor inspecting division and the company

(From the meeting held on February 7, 2002)

- Participants: the union, company, FESTRA, etc.

Discussions: the company's answers to and handling of the labor demand for cleaning, labor environment, wages, medical services, various education and traffic conveniences

- Supplying of toilet paper during cleaning time in the morning
→ Under way with cleaning people arranged
- Nonpayment of changes when the wage supplying bank exchanges wage checks
→ The company visited the bank and delivered the agreements
- Purchasing of vacuum cleaners for cleaning of the company
→ Currently five vacuum cleaners are used as 3 cleaners were additionally purchased on Feb. 23.
- Establishment of signs in the neighborhood of the company for the prevention of traffic accidents
→ Under discussions with the city hall concerned
- Reinstatement of eight workers who were forced to be fired
→ Nobody was forcibly fired. The company expressed its opinion that anybody is allowed to apply for the company.
- Rough remarks by team chiefs against union workers
→ Training concerning this issue is frequently conducted.

13-16. 2002. 3. 6, 4. 10, 5.3, 5.22 Meeting : Discussions on liberty of the labor union and group negotiations

Participants: Government officials, Secretary-general of ITGLWF, U.S. labor union, FESTRA representatives

Agreements between management and labor (Apr. 10)

First: The labor minister greets the members from the company and the labor union, and introduces the members. He also mentions the issues that the management and labor are striving to agree on.

Second: The labor supervision director reports to the labor minister on the cancelled March 20 meeting and unsolved issues. 1) 2) Securing the liberty of the labor union 3) Ways for the company to punish people who have caused trouble 4) Issues that need the compromise of the management and labor

Third: Records details about issue

1) Agrees to reopen talks between the management and labor every 15 days with the labor department present, in order to reach agreement. On issue 2) and 4), both sides agree on reopening negotiations on the liberty of the labor union. On issue 3), both sides agree to carry out future discussions about ways to punish people who cause trouble, in accordance with the company's internal regulations and the labor law.

Fourth: Reports to the participants of both management and labor that the next May 3 meeting will be held at the company from 14:00 to 18:00 with advisors of both sides present.

Fifth: The labor minister and labor supervision thanks both sides for striving to discuss and solve problems caused by difference in opinions through dialogues.

Issues and progress of discussion

1. Setting up a labor union board
2. Establishing labor union offices for Choishin and CIMAtextiles inside the company (for the Choishin labor union, CIMA labor union, and FESTRA)
→ Issues 1 and 2 will be continuously discussed in the next meeting.
3. Reinstating union members that were resigned under instruction
→ The labor union agrees to present the list of resigned workers who wish to be reinstated, and the company agrees to examine the list.
→ The labor union explains that they could not present the list at this meeting because the list was not analyzed yet, and promises to present the list at the next meeting. The management party agrees to this.
4. Liberty of the labor union
→ The company promises to respect the 87 Article of the OIT Agreement, and the labor party presents papers on the 1998 Agreement of the liberty and rights of the labor union.
5. Firing workers who carried out radical actions on July 18 and 19, 2001
→ The labor party withdraws this issue and the company accepts.
6. Group negotiations on working conditions (appointing the date of opening)
→ The working party agrees to present a draft for the group negotiation on working conditions to the company at the next meeting, and the company legally postpones its response to the draft.
7. Firing the labor chief
→ The working party temporarily withdraws discussions on this issue, and the company agrees.
8. Others: The company proposes to create a device for presenting issues for discussion, and the working party agrees. The device works as below.
- Issues for discussion should be presented to the other party and labor inspectors three days before the arranged meeting.

Annex 2

Improvements in Labor Welfare

ChoiShin Co. has two plants in the same location under the name of two different GM local corporations. Industria Textil ChoiShin, S.A. and CIMATextiles have been operating for twelve and four years respectively in Guatemala, mainly producing and exporting knit items. These companies employ 16 Koreans and 1,150 locals. Labor wages and workers' welfare benefits have been generous compared to other local companies and these companies have enjoyed a high reputation in Guatemala since their establishment.

The textile industry is responsible for 57 percent of goods exported, excluding primary industry exports, and in 2001, about 70 textile companies, or 25 percent of the total, have gone bankrupt. Textile exports in the first quarter of this year decreased by 46.7 percent compared to same period last year and this has led companies to lay off a number of workers.

Most workers in Guatemala are not interested in labor unions, both as self-defense and from fear of being unemployed, since they have witnessed in a number of cases in the past how labor union activities force companies to close down and lay off workers. It is therefore understandable that 47 workers initiated the organization of a labor union last June and that only less than 20 workers out of 1,150 are currently engaged in union activities. Regardless of the small representation, managers of these companies respect the labor union, allowing them to hold regular meetings. The fact that the labor union is not getting bigger has little to do with the company, contrary to what is being reported by international labor agencies and the few unionized workers who continue to mislead, manipulate, exaggerate and distort facts to undermine the companies' image. Nevertheless, everyone in the company is working hard, in the belief that majority of workers appreciate what the companies have done for them and recognize the legitimacy of their business operation.

The following are welfare programs for workers in the company:

1. Workers' welfare programs since the foundation of the company

- Provision of drinking water (since company was established)

→US\$1,400 a month

Commuting bus (since company was established)

→US\$11,000 a month

Provision of toiletries/soap & hand dryer (hand towels are unhygienic)

→US\$2,000 a month

Placement of cleaning women to keep toilets clean

Establishment of soccer field and basketball court for workers to spend their leisure time

Installment of drinking taps on a continuous basis (Guatemala suffers from lack of potable water). Currently, there are six taps within the premises of the company for washing.

Presentation of Christmas gifts at year-end. Every year, the company gives workers Christmas presents to boost their morale

→US\$5,000-8,000

Presentation of 'Best Worker Award'

Awards are given to exemplary workers, workers with perfect attendance and those with long-time service record.

2. Enhancement of workers' environment with Coverco

Since November 1998, ChoiShin has been monitored by Coverco, which belongs to FLA of the U.S. in Guatemala, with regard to its labor environment. Being an outside company, Coverco has helped the company to register workers' opinions in an accurate and open manner and there have been many improvements in terms of working environment.

- Human rights education for Korean and local managers
(Learning material focused on enhancing relationships, consulting and management skills to diffuse conflicts between Korean and local workers)
→Language training provided to Korean workers by tutors from outside or inside the company
- Provision of college tutoring fees to workers wishing to study (As of early 2000 there were 110 recipients, but now there are 23, some having dropped out and some graduated.)
- Installation of medical treatment room/ Free supply of basic medicine
- Employment of a full-time nurse
A nurse works full-time in the medical treatment room, checking workers' physical condition and giving consultations on health problems.
- Medical treatment (every Monday)
Provides examination and treatment of workers and medical consulting.
- Women's health seminar (depending on training schedule)
Because of the large number of female workers, separate training is given by an outside tutor (pregnancy/post-pregnancy preparations, cancer prevention, family planning/sex education and hygienic education)
- Provision of a suggestion box
→Workers' suggestions are registered.

3. Welfare programs executed after labor union organization in July 2001:

- Refectory run by a local.
Daily hygienic inspection by nurse/ Korean manager dines in the restaurant at least twice a week.
- Payment of salary
The company pays workers salaries half an hour before the end of work on Saturday, in response to workers' complaints that they had to wait until after working hours to get their salaries (implemented as from March 2, 2002).
- Installment of traffic signs on the road in front of the company and construction of speed-limiting device.
For workers' safety, the company has requested the district city hall to grant approval for installing traffic signs and devices and with its approval erected safety signs on its own expense (installed on April 29, 2002).

- Improvement in clean working environment.
Increased the number of vacuum cleaners from two to seven and employed seven cleaning persons.
- Installment of inhaler on sewing machines to lessen amount of dust
- Arrangement with banks so that workers can borrow money with the company as the guarantor
Made arrangements with main transaction bank, Banco Industrial
- Expanded consulting program/ supplemented channel for workers' grievances
Labor manager provides consulting during lunch hour Labor manager's work is reduced, additional staff employed, to give more time for consulting service. Korean manager gives consulting/deals with grievances Suggestion boxes increased from one in two different locations to six locations/ Suggestions are recorded and put on notice board
- Birthday parties for workers Provision of birthday cakes and free birthday lunch for workers on a twice weekly basis
- Mother's Day event : On Mother's Day, workers receive gifts for their mothers and events are prepared where they read thank you letters to their mothers
- Soccer matches/Basketball games : Soccer games between departments/ Prize given to the winning team of basketball games/ Trophies are presented
→A nurse is on standby during the games
- Publication and distribution of "Code of Conduct"
→Basic workers' rights and labor law was published in the former of a cartoon book and distributed to workers so that they can exercise their rights and assume responsibility. The book is provided to newly employed workers.
- ChoiShin was chosen as one of the 25 "Best Companies" (15 local companies, 10 Korean companies) in Guatemala by "Salud Y Seguridad En El Trabajo" -- a program initiated by Vestex, a government institution -- regarding hygiene, safety and worker-manager relationships.

LITHUANIA / LITUANIE

A. Institutional Arrangements

- *Where is the National Contact Point located? Please include mailing address, phone number, e-mail address, and other relevant co-ordinates.*

The Lithuanian National Contact Point is located in the Company Law division of the Ministry of Economy of the Republic of Lithuania (the head of the Division is Ms. Lina Sabaitienė). Address:

Company Law Division
 Ministry of Economy of the Republic of Lithuania
 Gedimino ave. 38/2, LT-2600 Vilnius, Lithuania

Tel:+370 2 62 18 60

Fax: +370 2 62 39 74, +370 2 62 56 04

E-mail: l.sabaitiene@po.ekm.lt

- *What is the composition of the National Contact Point? (If other government departments or specialised agencies are included, please specify.)*

The Lithuanian National Contact Point is the government official in the Company Law division of the Ministry of Economy. As the Lithuanian National Contact Point is at the beginning of its establishment, no other government agencies are involved.

- *How does the NCP relate to other government agencies?*

The NCP seeks to develop and maintain relations with other government agencies.

- *How does the NCP relate to social partners (business community and employee organisations) involved in the functioning of the National Contact Point?*

The NCP maintains close relations with the representatives from trade unions of Lithuania. There have been several informal meetings with the trade unions, discussing the matters concerning the implementation of the Guidelines for multinational enterprises.

The seminar on the Guidelines for multinational enterprises took place in Lithuania at the beginning of this year. Representatives from business community and employee organisations as well as the government officials took part in the aforementioned seminar. The delegation from Latvia also participated in the seminar.

- *How does the NCP relate to other interested parties, including non-governmental organizations (NGOs), involved in the functioning of the NCP?*

Because it is only the beginning of its functioning, the NCP seeks to develop and maintain relations with other interested parties, including NGOs in the future. It is expected that the

NCP web page will be a proper mean for promoting the Guidelines among all interested parties and inviting them to ask questions concerning the implementation of the Guidelines.

B. Information and Promotion

- *How have the Guidelines been made available in your country (translation, creation of a web page or web site, etc.)?*

The *Guidelines* are available for the interested persons by the following means:

- The *Guidelines* are translated into Lithuanian;
 - The web page for NCP is created in the web site of the Ministry of Economy <http://www.ekm.lt>. The translation of the Guidelines is available in the mentioned NCP web page.
 - The information about the establishment of the NCP is included in the web page for National economy review, which is created in the web site of the Ministry of Economy.
- *How is co-operation with the business community, trade unions, NGOs and the interested public carried out, with respect to information on, and promotion of, the Guidelines (consultations, distribution of the Guidelines, etc.)?*

The seminar on the implementation of the Guidelines for multinational enterprises took place in Lithuania at the beginning of the year 2002. Representatives from business community and employee organisations as well as the government officials took part in the aforementioned seminar.

Several consultations between the government officials and trade unions were organised.

- *Have other information and promotion activities been held or planned (seminars and/or conferences on the Guidelines in general or on specific subjects, informative publications, co-operation with investment promotion agencies, departments of education, business schools, etc.)?*

As the Lithuanian NCP is just newly established the plans for future promotion of the Guidelines for multinational enterprises are under the discussion.

Lithuanian NCP has participated in the informal Nordic NCP meeting in Oslo on 8, May, 2002. In the meeting the NCPs from the Nordic countries have interchanged the experience in organising their NCPs.

- *Have inquiries been received from (a) other NCPs; (b) the business community, employee organisations, other non-governmental organisations, or the public; or (c) governments of non-adhering countries?*

As the Lithuanian NCP is just newly established, there have not been received any inquiries from the interested parties.

C. Implementation in specific instances

- *Have procedures been put in place to deal with specific instances?*

No, there have not been any specific cases held to the NCP.

- *Have specific instances been brought to the attention of your National Contact Point? By whom (business, labour, NGOs, other NCPs, others)?*

No.

- *If applicable, how did your National Contact Point assist in solving these specific instances? What was the outcome?*

No specific instances have been brought to the attention of the NCP.

- *Have any specific instances arisen in non-adhering economies? What procedures were followed by the NCP? What was the outcome?*

No.

D. Other

- *How have the core criteria for the operation of NCPs (visibility, accessibility, transparency, and accountability) been applied in your country to further the effectiveness of guidelines implementation? Please provide examples that illustrate this.*

Seeking to fulfil the core criteria for the operation of NCPs, the Lithuanian NCP has made the Guidelines available by creating the web page. Guidelines have been translated into Lithuanian.

- *Do you wish to provide any other information on the nature and results of NCP activities, including on any useful experiences and/or difficulties encountered in carrying out the duties of the NCP?*

The Government of the Republic of Lithuania adopted the resolution No. 477 on 5 April 2002 “On the approval of the arrangement on Lithuania’s joining the Declaration on International Investment and Multinational Enterprises of 27 June, 2000, signed between the Government of the Republic of Lithuania and Organisation for Economic Co-operation and Development.

LUXEMBOURG

1. *Contexte*

Le Point de Contact national luxembourgeois (PCNL) a été constitué sur base d'une décision du Conseil de Gouvernement luxembourgeois du mois d'avril 2000. Depuis lors le Point de Contact national luxembourgeois est intégré au Comité de Conjoncture, ayant une composition tripartite et d'une structure stable. Au cours de l'exercice 2001, douze réunions ont eu lieu.

2. *Aspects institutionnels*

Le PCNL fut instauré auprès du Ministère de l'Economie au mois d'avril 2000.

Siège: Ministère de l'Economie
Secrétariat du Comité de Conjoncture
L-2914 Luxembourg
Tel.: 478 - 41 73
Fax: 46 04 48
e-mail: marc.hostert@eco.etat.lu ou
anne-catherine.lammar@eco.etat.lu

Présidence:
Le Ministre de l'Economie et/ou le Ministre du Travail et de l'Emploi

Secrétariat et membre:
Marc HOSTERT, Conseiller de Direction au Ministère de l'Economie

- Autres membres:**
- 7 Représentants effectifs gouvernementaux
 - 2 fonctionnaires du Ministère de l'Economie
 - 1 fonctionnaire du STATEC
 - 1 fonctionnaire de l'Inspection Générale des Finances
 - 1 fonctionnaire du Ministère des Finances
 - 1 fonctionnaire de l'Administration de l'Emploi
 - 1 fonctionnaire du Ministère du Travail et de l'Emploi
 - 5 Représentants effectifs des organes professionnels des employés
 - 2 Représentants de la Fédération des Industriels luxembourgeois
 - 2 Représentants de la Fédération des Artisans
 - 1 Représentant de la Confédération du Commerce luxembourgeois
 - 5 Représentants effectifs des organisations syndicales les plus représentatives sur le plan national
 - 3 Représentants du syndicat OGBL
 - 2 Représentants du syndicat LCGB

Les ONG luxembourgeoises ne sont pas membres du PCNL et n'ont pas approché à ce jour le Point de Contact.

3. *Information, promotion des principes directeurs et traitements des affaires spécifiques*

Grâce à une composition tripartite du PCNL, tous ses membres se sentent liés aux principes directeurs. Toutes les informations relatives aux principes directeurs sont disponibles sur le site Internet du Ministère de l'Economie.

Lors de l'exercice 2001, le PCNL n'a pas été saisi dans une affaire particulière. Ses travaux se sont par conséquent concentrés sur la promotion des principes directeurs.

Marc HOSTERT
Secrétaire du Point de Contact national luxembourgeois
Luxembourg, le 10 juin 2002

MEXICO / MEXIQUE

Institutional Arrangements

The National Contact point is located in the Ministry of Economy, at the “Dirección General de Análisis y Seguimiento a Tratados Comerciales Internacionales” headed by Mr. Hector Marquez to take advantage of the acquired expertise this office has in handling the affairs related to the side agreements of the North America Free Trade Agreement (NAFTA). Our office has also been in charge of establishing the suitable operation and diffusion of the NAFTA. Moreover, our office has negotiated the provisions on rules of origin, customs procedures, standard-related measures, emergency action, antidumping measures, textile sector and automotive sector in all the Free Trade Agreements signed by Mexico with other countries. Finally, our office promotes work and consults with the private sector through the “Coordinadora de Organismos Empresariales de Comercio Exterior” (COECE) and the Chambers and Associations representing the manufacturing sector in Mexico.

The NCP mailing address is:

Secretaría de Economía
Attn: Hector Marquez
Alfonso Reyes # 30, Piso 16
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Fax: 5729-6091
pcn-ocde@economia.gob.mx

The NCP may be a senior official or a government office headed by a senior official. Alternatively, it may be organized as a co-operative body, including representatives of other government agencies, representatives of the business community, employee organizations or other interested parties. The first option was considered the most convenient for Mexico and has not affected the cooperation with other interested parties.

B. Information and Promotion

For promotion purposes, the Guidelines web page was established last year on the Ministry’s home page: www.economia-snci.gob.mx/foros/dirocde.pdf. The web page includes the Guidelines in Spanish with an introductory page, links to the OECD home page, the Declaration on International Investment and Multinational Enterprises as well as the June 2000 Decision of the OCDE Council.

Furthermore, a letter notifying the establishment of the NCP and the Internet site were sent last year to the government agencies that deal with matters related to the *Guidelines*, as well as to members of the business community and labor organizations.

This year, we decided to send letters to the following list of industry and commerce chambers and associations asking them to allocate some time during one of their meetings or events in order for us to make a general presentation of *the Guidelines*:

1. Foreign Trade Commission
2. Mexican Board of Foreign Trade

3. National Chamber of the Manufacturing Industry
4. National Association of the Chemical Industry
5. National Chamber of the Pharmaceutical Industry
6. National Association of Importers and Exporters of the Mexican Republic
7. National Chamber of the Electric Manufacturing Industry
8. National Association of Cooking Oils and Fats Industry
9. Mexican-German Chamber of Commerce and Industry
10. National Association of the Exporting in-Bond Industry

So far, we have received two responses and we are in the process of making the necessary arrangements for the presentations to take place.

An informational brochure has been designed and sent to press. We expect it to be ready next July. We plan to hand out the brochures in future informational meetings and also to have them available upon request.

C. *Implementation in Specific Instances.*

Up to this point, we have not received any inquiries about the Guidelines.

D. *Other*

As part of the promotional activities carried out in collaboration with other interested parties, our office participated in the Seminar entitled: “**The OECD Guidelines for Multinational Enterprises**“ organized by the NCP of Chile on April 25th and 26th at Santiago, Chile. The presentation thereby given was entitled: “*Experience of the Mexican National Contact Point about the implementation of the Guideline’s recommendations and performance of this NCP*”.

Furthermore, on November 26th and 27th the Mexican Government hosted The Inaugural Conference of the OECD Global Forum on International Investment: “**New Horizons and Policy Challenges for Foreign Direct Investment in the 21st Century**”. Participants in this event included government officials from the OECD and non-member economies in charge of investment policy, promotion and development issues. World Bank Group, IMF, UNCTAD, UNIDO, UNECE, Inter-American Bank, Asian Development Bank and the European Commission were among the multilateral/regional organization partners invited. There was active presence from business, labor and civil society organizations.

Panel D of this Conference was entitled: “*Initiatives for Corporate Responsibility and Economic Development*” The members of the panel were asked to address various issues regarding business adherence to principles of corporate responsibility such as: Are there risks for corporate responsibility to weaken competitiveness? What does it mean for developing countries?

We consider that by making the *Guidelines* readily accessible through the Internet and the Brochure as well as by carrying out the informational meetings, we are working towards the effective application of the core criteria for the operation of the NCP of Mexico.

NETHERLANDS / PAYS-BAS

A. *Institutional Arrangements*

The Ministry of Economic Affairs chairs the National Contact Point (NCP).

Ministry of Economic Affairs
P.O.Box 20102
2500 EC The Hague
tel. 070-379 6378
www.oesorichtlijnen.nl

Chair: Marinus Sikkel; e-mail: M.W.Sikkel@minez.nl
Secretariat: Jeannette Baljeu; e-mail: J.N.Baljeu@minez.nl

The NCP is an interdepartmental committee. All ministries of The Netherlands are free to attend the meetings of the NCP. Most involved are the ministries of Economic Affairs, Social Affairs and Employment and Development Co-operation. Other ministries may be involved when a specific subject is in their interest. The NCP holds quarterly meetings with the social partners (business community and employee organisations) and NGO's. These meetings provide input for the position of The Netherlands in the CIME and WPD. During the meetings questions regarding the guidelines are discussed as well as possibilities to promote the guidelines.

B. *Information and Promotion*

Last years annual report was sent to parliament in addition to the plans for 2001/2002.

The translation of the guidelines was finished last year. At the moment we're working on the translation of the commentary and guidance for the NCP's.

To promote the guidelines the ministry of economic affairs hosts a website, which has been updated this month (www.oesorichtlijnen.nl)

Regarding promotion the following activities have been arranged;

- The yearly meeting of the ambassadors of the Netherlands has been informed about the guidelines with special focus on corruption. All our Embassies have been informed in writing about the Guidelines and the NCP procedure.
- The guidelines have been linked to some of the foreign investment promotion programmes and export credit insurance facilities. Applicants for these programmes or facilities receive the Guidelines. Companies must acknowledge the fact that they are aware of the guidelines and will try to comply with the guidelines within the limits of their possibilities if they want to make use of such a programme or facility. Agencies in the Netherlands implementing these instruments are more specifically informed about the guidelines.
- A glossy leaflet has been developed to inform companies about the spirit and issues of the guidelines.
- The OECD guidelines are also part of a lively debate on Corporate Social Responsibility in general. This debate has a wider range than the guidelines. This year our Knowledge centre on CSR will start and will refer to the NCP in case of questions about the guidelines.

- The Ministers for Foreign Trade, has included the guidelines in several speeches.
- NCP members have participated in meetings with business groups and seminars, several articles and interviews were published.
- The University of Nyenrode has developed a program for future and young managers on CSR and the OECD-guidelines. The NCP supports CSR in education programs and has been involved in some workshops at Nyenrode.

Future

Focus in 2002 will be on SME's, how can they deal with the guidelines.

- A seminar will be arranged in the last quarter of this year.
- We expect to release a CD-ROM (Dutch only) on the guidelines focussing on the use for SME's in September.
- Information activities with organisations of business sectors will be organised.

C. *Implementation in specific instances*

Procedures

The NCP has not put in place any specific procedures other than those mentioned in the guidelines. In one meeting with the Social Partners and NGO's the procedural guidance has been discussed. There is a difference of opinion on the issue whether or not a party concerned (NGO or social partner) can publicly announce that it has brought a case before the NCP (even mentioning the name of the company involved). The NCP of the Netherlands believes that it is not within the spirit of the guidelines and the NCP procedure to make such a public announcement. It is likely that businesses are less willing to participate in the NCP procedure if their name has already been mentioned in the press. The NCP has informed parties concerned about its position, recognising that it can not prevent any such action.

Within the NCP internal procedures are being discussed. Main issues are:

Institutional arrangements

- how are decisions taken by the NCP?
- should the members be appointed by their ministers?

Accessibility

- a format to raise issues?
- who can raise an issue before the NCP?
- which procedural steps to handle a case?

Transparency

- how to publish?
- what is published?

Confidentiality;

- how to deal with public announcements by a party concerned that it raised an issue at the NCP?

General comments on specific instances

Three cases have been brought to the attention of the NCP and several general questions. The cases come from Trade Unions as well as NGO's. In general there has been a good atmosphere

during the meetings with parties involved. Information is exchanged, positions are explained. The fact that the NCP convenes the meetings stimulates the willingness of parties to talk with each other. The procedural guidance is observed, no information is given to others by any of the parties involved in the procedure.

Most of the cases are in their final stages, the NCP is discussing with the parties involved how best to publish the results of the procedures, information and possible outcome documents. At this moment it seems possible that in all cases the parties involved will reach an agreement.

There has been some discussion whether or not pre-announcements in the press are effective / allowed. Stakeholders agreed that the procedural guidance gives no information on pre-announcements. The NCP considers a pre-announcement not within the spirit of the guidelines and questions the effectiveness for the upcoming procedure.

Specific cases

1. Involves chapter 4 (employment and industrial relations). Abolition of child labour and fair wages in the supply chain. This concerned two companies in the Netherlands, a multinational company and a Dutch importer in the SME sector.

The main questions raised concerns:

- the difference between a major company that has an investment like relation with its supplier and an importer who has a pure trade relation,
 - the extent of the responsibility in the supply chain.
2. Involves chapter 2 (general policies) and chapter 4 (employment and industrial relations), respect the human rights of those affected by business activities, more specifically forced or compulsory labour.

The main question raised concerned:

- how can a company contribute to the elimination of all forms of forced or compulsory labour in a country where these core labour rights are violated on a large scale?
3. Involves chapter 2 (general policies) and chapter 4 (employment and industrial relations). This case involves the closure of a company.

The main questions raised concerned:

- is the closure of the company consistent with the idea of sustainable development for the region
- the term “give notice prior to the final decision”
- the term “provide information to employees to obtain a true and fair view of the company”.

Both questions were raised concerning giving information to employees and their representatives and discuss the changes in the situation with them. The first question was also raised concerning information given to public authorities. The issue of informing

employee representatives was successfully used as a negotiation instrument by the trade unions in their discussions with the management of the company concerned. As part of the negotiation results the part of the case on the representatives of employees was withdrawn. The question concerning information to the public authorities and the question on sustainable development still needs to be addressed. Were public authorities informed timely enough to give them an opportunity for meaningful co-operation to mitigate the effects? How does the decision relate to sustainable development for the region?

General questions

1. Involves chapter 4 (employment and industrial relations) to provide facilities to employee representatives. It was asked by a party to send a letter to the NCP handling the case. This has been done.
2. Involves chapter 4 (employment and industrial relations) on the term “representatives of management who are authorised to take decisions”. Which management would that be if the current owner is in negotiations about a take-over by another company?

D. Other

Visibility - Promotion can never be enough. Reaching all, and particularly small and medium sized enterprises remains a challenging task.

Accessibility - The website, brochures, an e-mail address and the secretariat within the Ministry of Economic Affairs provide the necessary accessibility.

Transparency - All relevant information will be made public on the website. In the case of specific instances, information will be given after finalising the NCP procedure.

Accountability - The Minister for Foreign Trade informs parliament about the progress made to promote the guidelines. This annual report will also be presented to parliament.

NEW ZEALAND / NOUVELLE-ZELANDE

A. *Institutional Arrangements*

- *Where is the NCP located?*

OECD Desk Officer
Trade Negotiations Division
Ministry of Foreign Affairs and Trade
Private Bag 18 901
Wellington
NEW ZEALAND
Ph: (644) 494 8500
email: tnd@mft.govt.nz

- *What is the composition of the NCP?*

The New Zealand National Contact Point comprises officials in the Trade Negotiations Division of the Ministry of Foreign Affairs and Trade.

The New Zealand Government is reviewing the composition of the NCP to ensure that it can best meet obligations. Consultations have been held over the past year within government and with the non-government sector on whether it is appropriate for the NCP to remain in the Ministry of Foreign Affairs and Trade. There is broad agreement that the NCP should be better integrated with New Zealand's business and investment framework. Consideration is being given to how to give best effect to this. This is expected to be finalised by September 2002.

- *How does the NCP relate to other government agencies?*

The NCP draws on the expertise and resources of other relevant government agencies as needed. These include the Ministry for Economic Development, Treasury, Department of Labour, Ministry for Environment, Ministry of Consumer Affairs, Inland Revenue Department and Department of Prime Minister and Cabinet.

- *How does the NCP relate to social partners involved in the functioning of the National Contact Point?*

The NCP consults with business and labour groups as required. During the course of this year consultations have been held with the New Zealand Council of Trade Unions and business groups, in particular Business New Zealand, on the most appropriate location and composition of the NCP. The social partners have also discussed this issue between them. A key element of these discussions has been on how to put in place a more formal arrangement for consultation and involvement of the social partners in the NCP's activities.

- *How does the NCP relate to other interested parties, including NGOs, involved in the functioning of the NCP?*

The NCP welcomes the input of NGOs and wider civil society. The NCP has received a number of enquiries, seeking guidance in particular on New Zealand's approach to the *Guidelines*, from NGOs.

B. Information and Promotion

- *How have the Guidelines been made available in your country?*

New Zealand is committed to integrating the *Guidelines* into New Zealand's investment regime and to promoting the *Guidelines* in this regard. The *Guidelines* are available in written and electronic form from the Ministry of Foreign Affairs and Trade. The Ministry's website includes a link to the *Guidelines*.

- *How is co-operation with the business community, trade unions, NGOs and the interested public carried out, with respect to information on, and promotion of, the Guidelines?*

Discussions with the non-government sector, including trade unions and business groups, have continued to help ensure that the *Guidelines* are well understood.

- *Have other information and promotion activities been held or planned?*

A greater focus on actively promoting the *Guidelines* (through publications, seminars and other outreach activities) is planned once the final location and composition of the NCP is decided.

- *Have enquiries been received from:*

(a) other NCPs;

No enquiries have been received from other NCPs.

(b) the business community, employee organisations, other non-governmental organisations, or the public;

Enquiries have been received from business groups, NGOs, members of parliament, students and the public. Most of these enquiries have been of an informational nature.

(c) governments of non-adhering countries?

No enquiries have been received from governments of non-adhering countries.

C. Implementation in specific instances

- *Have procedures been put in place to deal with specific instances?*

Procedures will be finalised once the final location and composition of the NCP is established. In the meantime the current NCP draws on an interdepartmental group of agencies as necessary. These include the Ministry of Economic Development, Treasury, the Labour Department, Ministry for Environment, Ministry of Consumer Affairs, Inland Revenue Department and Department of Prime Minister and Cabinet.

- *Have specific instances been brought to the attention of your National Contact Point? By whom?*

To date no specific instances have been brought to the attention of the NCP.

- *If applicable, how did your National Contact Point assist in solving these specific instances? What was the outcome?*

Not applicable.

- *Have any specific instances arisen in non-adhering economies? What procedures were followed by the NCP? What was the outcome?*

No specific instances have arisen in non-adhering countries.

D. Other

- *How have the core criteria for the operation of NCPs been applied in your country to further the effectiveness of guidelines implementation?*

Visibility: Interested parties including NGOs, trade unions, business organisations and New Zealand MNEs were notified about the *Guidelines* by mail-out. The *Guidelines* are available from the Ministry website, and there will be further publicity developed once the NCP's location is finalised.

Accessibility: The NCP has responded to all enquiries and requests for information so far received.

Transparency: All activities of the NCP have been completely open and transparent. There have been no specific instances raised to date, and so no issues of confidentiality/transparency have arisen.

Accountability: The NCP is directly accountable to the Minister of Trade Negotiations and Minister of Foreign Affairs and Trade. There has been some Parliamentary interest in the NCP including through Parliamentary Questions on the NCP and the *Guidelines*.

NORWAY / NORVEGE

A. *Institutional Arrangements*

- *Where is the National Contact Point located? Please include mailing address, phone number, e-mail address, and other relevant co-ordinates.*

Ministry of Foreign Affairs
 Department for Trade Policy, Environment and Resources
 WTO/OECD Section
 PO Box 8114
 N-0032 Oslo

TEL : (47) 2224 3418
 FAX : (47) 2224 2784
 E-mail : s-wto@mfa.no

- *What is the composition of the National Contact Point? (If other government departments or specialised agencies are included, please specify.)*

The Norwegian NCP is composed of representatives from the Ministry of Foreign Affairs (chair), Ministry of Industry and Trade, The Confederation of Norwegian Business and Industry (NHO) and The Norwegian Confederation of Trade Unions (LO).

- *How does the NCP relate to other government agencies?*

If necessary the NCP will contact agencies not represented in the NCP.

- *How does the NCP relate to social partners (business community and employee organisations) involved in the functioning of the National Contact Point?*

Business and labour are represented in the NCP. The NCP has held one meeting since the last annual NCP meeting. In addition the Norwegian NCP organized an informal meeting of the NCPs from the Nordic countries including Lithuania.

- *How does the NCP relate to other interested parties, including non-governmental organisations (NGOs), involved in the functioning of the NCP?*

Informal contacts are established with The Norwegian Forum for Environment and Development (ForUM) which is a network organisation for approx. 60 Norwegian NGOs. ForUM has produced their own "Guidelines Concerning Human Rights and Environment for Norwegian Companies Abroad" which i.a. state that Norwegian companies should adhere loyally to the OECD Guidelines (<http://english.forumfor.no/>).

B. Information and Promotion

- *How have the Guidelines been made available in your country (translation, creation of a webpage or website, etc.)?*

The Guidelines are translated into Norwegian and are available on the website of the Ministry of Foreign Affairs (<http://odin.dep.no/ud/norsk/handelspolitikk/032061-990006/index-dok000-b-n-a.html>).

- *How is co-operation with the business community, trade unions, NGOs and the interested public carried out, with respect to information on, and promotion of, the Guidelines (consultations, distribution of the Guidelines, etc.)?*

Co-operation is carried out through the NCP

- *Have other information and promotion activities been held or planned (seminars and/or conferences on the Guidelines in general or on specific subjects, informative publications, co-operation with investment promotion agencies, departments of education, business schools, etc.)?*

The NCP is working on a draft brochure containing general information about the Guidelines. The brochure will be given a wide distribution.

- *Have enquiries been received from (a) other NCPs; (b) the business community, employee organisations, other non-governmental organisations, or the public; or (c) governments of non-adhering countries?*

No.

C. Implementation in specific instances

- *Have procedures been put in place to deal with specific instances?*

The draft brochure contains implementation procedures. These are based upon the procedures described in the Procedural Guidance: *C. Implementation in Specific Instances*.

- *Have specific instances been brought to the attention of your National Contact Point? By whom (business, labour, NGO, other NCPs, others)?*

The NCP has received a specific issue from an international labour organisation.

- *If applicable, how did your National Contact Point assist in solving these specific instances? What was the outcome?*

The NCP is in the preliminary phase of considering the case. An initial assessment of whether the issue raised merits further examination is being made.

- *Have any specific instances arisen in non-adhering economies? What procedures were followed by the NCP? What was the outcome?*

N.A.

D. Other

- *How have the core criteria for the operation of NCPs (visibility, accessibility, transparency, and accountability) been applied in your country to further the effectiveness of guidelines implementation? Please provide examples that illustrate this.*

The activities of the NCP are described above. In addition we have an e-mail address on the MFA's Guidelines page for enquiries, etc.

- *Do you wish to provide any other information on the nature and results of NCP activities, including on any useful experiences and/or difficulties encountered in carrying out the duties of the NCP?*

No

POLAND / POLOGNE

A. *Institutional Arrangements*

Since April 2001, the Polish National Contact Point is located in the Polish Agency for Foreign Investment (PAIZ). The decision was based on the conviction that PAIZ – as a reputed institution which has close relations with the foreign investors - can strongly influence the improvement of the reception of foreign direct investment in Poland by general public.

That is why NCP in Poland attaches great importance to the labour, environment, consumer protection and other standards of the multinationals and consequently the Polish companies.

Responsible person for the National Contact Point is the Director of Research Department of PAIZ, Ms Joanna Cygler Ph.D.

Polish Agency for Foreign Investment
Al. Róż
00-559 Warsaw, Poland
Phone: (48 22) 334-98-71
Fax: (48 22) 334-99-99
E-mail: jcygler@paiz.gov.pl

B. *Information and Promotion*

There were generally four types of the information and promotion activities: creating website and information about Polish Contact Point, making presentation on Guidelines at key events and seminars, informing inward investors and potential investors about that instrument and responding to inquiries.

NCP has created a link on the PAIZ website (www.paiz.gov.pl) to Polish Contact Point.

There is a possibility to find the Polish translation of the OECD Guidelines for Multinational Enterprises and direct link to the English text of the Guidelines on the OECD website.

Information about the Polish Contact Point is available in both English and Polish. The full text is also available on the website of Polish Ministry of Economy, Economic Strategy Department (www.mg.gov.pl).

The Polish NCP made contact with NCPs in Japan, Italy, United Kingdom, Portugal and Germany in order to share experiences in promotion and information activities.

Promotional and Information Events

1. In September 2001 the press conference took place, informing that since April 2001 NCP is located in PAIZ. During the event President of PAIZ, representative of Polish NCP and two representatives of Ministry of Economy made their presentation for gathered journalists.

The conference focused on three main areas:

- The need of locating Polish National Contact Point in PAIZ,
 - OECD and PAIZ experience,
 - Guidelines for Multinational Enterprises.
2. Due to recommendation of TUAC the newsletter concerning violation of the Guidelines for Multinational Enterprises by Burma and recommendation not to undertake or continue business contact with Burma was located on the website.
 3. In October 2001, NCP representatives gave a presentation on the Guidelines during training organized by PAIZ for representatives of local governments and representatives of Investors Assistance Centers.
 4. In November 2001, the seminar ‘Guidelines for Multinational Enterprises’ took place in the Center of Public Partnership – Dialogue. Seminar was organised by Friedrich Ebert Foundation. Representatives of TUAC, Swedish NCP, representatives of Ministry of Labour and Social Policy, Polish Confederation of Private Employers, representative of Polish NCP and representation of Polish main trade unions: Solidarity Trade Union and All- Poland Alliance of Trade Unions (OPZZ) took part in the seminar. Panel discussion concentrated on the future use of Guidelines for Multinational Enterprises. Awareness of the Guidelines by individual companies is not very high. The Guidelines express the shared view of what major governments believe to be good corporate behavior and corporations are expected to abide by their contents in their business operations worldwide. The representatives of trade unions raised the fact that workers’ rights are violated in multinational corporations. Representatives of trade unions were informed that there is an opportunity to rise a case through the system of NCPs.

But it is very important to bear in mind that Guidelines represent ‘best practice’ standards for responsible business conduct on multinational enterprises, and they do not over-ride Polish law. However there are opportunities to make the Guidelines more binding and therefore more relevant to the decision-making process of enterprises. Meanwhile the NCP has taken steps to make Guidelines better known to business, representatives of local governments and trade unions.

The NCP is trying to develop a network of contacts representing business and labour organisations.

C. *Implementation in specific instances*

The first case submitted to NCP was one of company with the participation of German capital. The case was risen by Solidarność- trade union which complains of violation of workers rights (Chapter IV of Guidelines for Multinational Enterprises- Employment and industrial relations). The employer did not respect the right of the employees to be represented by trade union, did not engage in constructive negotiations neither individually nor through employers’ associations (Chapter IV point 1a), did not provide facilities to employee representatives to develop effective collective agreements, did not provide information to employee representatives which were needed for meaningful negotiations on conditions on employment and did not promote consultations and cooperation between employer and employees (Chapter IV point 2a, 2b, 2c). The company observed standards of employment less favorable than those observed by comparable employers in the host country (Chapter IV point 4a).

NCP started mediation thorough correspondence unfortunately the conflict still aggravates.

In January 2002 NCP received a letter from NSZZ Solidarność arising fact that Chapter II, III, IV, IX of Guidelines for Multinational Enterprises were violated by another multinational company. Unfortunately NCP did not received much more specified information concerning that fact - that is why no further steps were taken to mediate or advice.

From NCP's experience it seems that trade union members in Poland have extremely high expectations towards NCP. They treat NCP as a part of system of justice, dealing with The Labour Code, that certainly is not true. Such a state of affairs leads to misinterpretation of the role of NCP and causes lack of understanding and disappointment of trade unions. There should be more effective promotion of real role of NCPs.

PORTUGAL

A. *Institutional Arrangements*

The Portuguese National Contact Point is located in Lisbon:

Av. 5 de Outubro, 101
1050-051 Lisbon
Portugal

Tel. +351 808 214 214/+351 217 909 351
Fax +351 217940209
E-mail: icep@icep.pt

The Portuguese Contact Point is located in ICEP Portugal, the Portuguese National Investment Promotion Agency. This public institute is a body of the Portuguese Public Administration.

ICEP Portugal works in close co-operation with DGREI (General Directorate of International Affairs of the Ministry of Economy) and our Board responds directly to the Minister of Economy.

Consultations with our social partners are maintained on a regular basis.

B. *Information and Promotion*

The English version of the Guidelines has been translated into Portuguese and disseminated through the official website of ICEP Portugal (www.icep.pt).

The publication of the Portuguese version of the Guidelines, and other relevant information, is in the final phase of preparation by ICEP. The brochure will be disseminated to the relevant business associations, enterprises and trade unions, as well as the interested public.

Information and other promotion activities have been organised within the framework of our main activities, namely at the workshops and seminars on those matters.

The situation related to enquiries from the interested public, social partners, including non-governmental organisation to the NCP has been relatively poor.

C. *Implementation in specific instances*

Not applicable.

D. *Other*

Not applicable.

SLOVAK REPUBLIC / RÉPUBLIQUE SLOVAQUE

A. *Institutional Arrangements*

- *Location and other relevant co-ordinates of the National Contact Point.*

National Contact Point of the Slovak Republic - NKM SR
Odbor podnikateľského prostredia
MH SR, Mierova 19
827 15 Bratislava

Phone: +421-2-48541618

Fax: +421-2-48543502

E-mail: kapko@economy.gov.sk

Web site: <http://www.economy.gov.sk/spolupraca/smernicepodniky.doc>

- *Composition of the National Contact Point*

NKM SR is a single unit at the Ministry of Economy of the Slovak Republic (MoE SR). In the organization structure of the MoE SR, the NKM SR is under the Division of Strategy. The Administrator of NKM SR is at the same time Deputy Director of Department of Business Environment.

- *NCP relation to other government agencies*

NKM SR has no direct link to other government agencies. MoE SR is represented at regular sessions of Coordination Committee for Activities of the Slovak Republic in the OECD. Domains of the Guidelines and the NKM SR are included in the agenda of the Coordination Committee. The Coordination Committee is composed of 27 relevant ministries and agencies of the Slovak Republic responsible for cooperation with the OECD.

- *NCP relation to social partners*

Neither business community nor employee organizations are integral parts of NKM SR. They are only involved in discussion and exchange of views either directly or at the sessions of Co-ordination Committee for Activities of the Slovak Republic in the OECD.

- *NCP relation to other interested parties*

NGOs are not integral parts of NKM SR. They are only involved in discussion and exchange of views with NKM SR.

B. Information and Promotion

- *Availability of the Guidelines in the Slovak Republic*

Translation of the Guidelines to the Slovak language and other relevant information is made publicly available at the NKM SR website under the Ministry of Economy of the Slovak Republic (see A.1.). Presentation materials about the Guidelines and the NKM SR have been published in leading national economic magazine.

- *Co-operation with the business community, trade unions, NGOs and the interested public with respect to information on, and promotion of, the Guidelines*

Business community and trade unions are involved in discussion and exchange of views either directly or at the sessions of Co-ordination Committee for Activities of the Slovak Republic in the OECD. NGOs and the interested public are involved in communication either by direct discussion or mostly via e-mail address which is publicly made known.

- *Other information and promotion activities held or planned*

NKM SR has participated at several sessions of a seminar or forum of leading multinational companies operating in the Slovak Republic, and presented there the Guidelines and associated activities for their implementation. The forum is organized by and international NGO focusing on development of international cooperation and economic transformation. The topic of the forum is Corporate Social Responsibility.

Other seminars and/or conferences may be organized by NKM SR if substantial interest from the social partners is shown via various means of communication. For the time being, there are not many requests for information or explanation about the NKM SR and the Guidelines. There is close coordination with investment promotion policy of the MoE SR. Communication is going on with the Bratislava University of Economics, which is the leading business school in the country. The NKM SR Administrator has given a lecture to university students and teachers.

- *Enquiries received by NCP*

There have been requests from foreign and international NGOs, from domestic academia and from the Slovak press on activities of NKM SR. The form of enquiries has been written and oral.

C. Implementation in specific instances

- *Procedures put in place to deal with specific instances*

NKM SR is operational and ready to proceed with specific instances, which might arise. This operability is given by regular and active participation of NKM SR Administrator in the work of CIME and WPG on the Declaration.

- *Specific instances brought to the attention of NCP*

No concrete specific instances of operations of MNEs from or in the Slovak Republic have been brought to the attention of NKM SR for the time being.

- *Specific instances arisen in non-adhering economies*

No concrete specific instances of operations of MNEs of the Slovak Republic in non-adhering economies have been brought to the attention of NKM SR.

D. Other

- *Core criteria for the operation of NCPs (visibility, accessibility, transparency, and accountability) applied in the Slovak Republic to further the effectiveness of guidelines implementation*

NKM SR is publicly visible, as information on its activities and on the *Guidelines* has been published in leading national economic magazine. NKM SR is publicly accessible via telephone, telefax and e-mail as well as through its web site under the Ministry of Economy of the Slovak Republic (see A.1.). Activities of the NKM SR have been so far promotional and in the area of exchange of views with main social partners and have been conducted in a transparent manner. No commitments in the area of confidentiality had to be taken by NKM SR as no specific instances had been raised. Accountability of the NKM SR at national level is there on two main fronts. (1) Administrator of NKM SR reports to Director of Department of Business Environment of the MoE SR. (2) At the same time, the Administrator of NKM SR is accountable to the Head of Delegation of the Slovak Republic to the CIME.

SLOVENIA / SLOVENIE

The Slovenian government agreed to adhere to the Declaration and signed it on 21 January 2002 in Paris.

A. Institutional Arrangements

- *Where is a National Contact Point located? Please include mailing address, phone number, e-mail address and other relevant co-ordination.*

The SLO NCP is based in the Foreign Economics Relation Division (Sector of multilateral economies) at the Ministry of the Economy. The responsible person for the SLO NCP is Helena Brandner, Counsellor to the Government. The contact details are:

SLO National Contact Point
 Ministry of the Economy
 Foreign Economics Relation Division
 Kotnikova 5

1000 Ljubljana
 Tel: 00 386 2 2341035
 Fax:00 386 2 2341050
 E-mail: Helena.Brandner@gov.si
 Website: www2.gov.si/mg/mgslo.nsf/V/K231607ED1AEB03E0C1256BB50033258E

- *What is the composition of the National Contact Point? (If other government departments or specialised agencies are included, please specify?)*

The SLO NCP is supported by an Advisory Committee, chaired by the responsible official and composed of representatives from:

- Other divisions of the Ministry of the Economy
- Other Ministries concerned
- Slovenian Trade and Investment Promotion Agency
- Slovenian Export Credit Agency
- Other experts

- *How does the NCP relate to other government agencies?*

The SLO NCP consults with other government department on promotional activities.

- *How does the NCP relate to social partners (business community and employee organisation) involved in the functioning of the National Contact Point?*

Slovene NCP is a government body, so business and unions are not involved in its work. But the NCP has held separate meeting with unions and chamber of commerce. It is in plan for September a common meeting with unions, business community and employee to discuss the Guidelines issues.

B. Information and Promotion

- *How have the Guidelines been made available in your country (translation, creation of a web page or website, etc.)?*

The OECD Declaration is translated into Slovene language and accessible on the Slovene government web page on main website Foreign Economics Relation Division and has direct link to the full text on the OECD site. NCP distributed copies of the text of the Guidelines and Commentaries to all economics advisers in the embassies functioning in Slovenia.

The translated Guidelines and Commentaries have been deposited in the Slovenian Parliamentary libraries.

- *How is co-operation with the business community, trade unions, NGO's and the interested public carried out with respect to information on, and promotion of Guidelines (consultations, distribution of the Guidelines etc)?*

First informal meeting was already with the major unions in Slovenia (Svobodni sindikati Slovenije), it was given translated Guidelines and ask for their opinion. Further actions are in pipeline.

- *Have other information and promotion activities been held or planed (seminars and/or conferences on the Guidelines in general or on specific subject, informative publications, co-operation with investment promotion agencies, department of education, business school, etc..?)*

After signing the Declaration on January 21. 2002. In March Slovenia organised the Conference on Foreign Directs Investment with the Regional Round Table. The main idea of the Conference was to give the representatives of the transition economies of South-East Europe information about the Guidelines and opportunity to discuss on selected topics and issues on foreign direct investment policies. For other business and diplomatic representatives (economics advisers) was important to promote and explain the value of the OECD Guidelines for Slovenia.

- *Have enquires been received from (a) other NCPs: (b) the business community, employee organisations, other non-governmental organisations, or the public, or (c) governments of non-adhering countries?*

There have been no specifics enquires from other NCP's or government or non-adhering countries.

C. Implementation in specific instances

- *Have procedures been put in place to deal with specific instances?*

No, no specific instances have been put in place. The NCP is in first stage of functioning.

SPAIN / ESPAGNE

A. *Organisation institutionnelle*

- *Où est le PCN?*

Le PCN espagnol est situé au:

Secrétariat Général du Commerce Extérieur
Ministère de l'Économie
Paseo de la Castellana, 162
28046 Madrid

Toute demande concernant le PCN peut être aussi envoyée:

- par télécopie au numéro de fax: 91 457 28 63
- par e-mail à l'adresse: PNacional.Contacto@sscc.mcx.es

- *Quelle est la composition du PCN?*

Le PCN est un service unique du Ministère de l'Économie.

- *Quel est le lien entre le PCN et d'autres agences gouvernementales?*

Le PCN maintient des contacts réguliers avec le Ministère de l'Environnement, le Ministère du Travail et des Affaires sociales, le Ministère de la Science et de la Technologie, le Ministère de la Santé et de la Consommation et le Ministère de la Justice.

- *Comment sont impliqués les partenaires sociaux dans le fonctionnement du PCN?*

Les partenaires sociaux (milieux d'affaires: CEOE et Conseil Supérieur des Chambres de Commerce; Syndicats: UGT et CC.OO.) ont assisté aux réunions du PCN.

- *D'autres organisations telles les ONG sont-elles associées au PCN?*

Plusieurs ONG ont été convoquées aux réunions du PCN, et trois d'entre elles y ont assisté.

B. *Information et promotion*

- *Comment les Principes directeurs ont-ils été rendus accessibles?*

Dans le rapport 2001 il avait été indiqué que les Principes directeurs avaient été traduits à l'espagnol et qu'une page web sur le site du Ministère de l'Économie avait été mise en place.

Les partenaires sociaux ont été informés sur les Principes directeurs et en ont reçu les textes en espagnol, ainsi que les ONG qui ont assisté aux réunions du PCN et les autres ministères concernés.

- *Comment la coopération avec les milieux d'affaires, les syndicats, les ONG et les autres publics concernés pour promouvoir les Principes directeurs a-t-elle été organisée?*

La coopération s'organise par le biais des réunions du PCN auxquelles sont invités les partenaires sociaux (milieux d'affaires, syndicats) et des ONG, ainsi que des représentants de cinq autres ministères.

Ces réunions ont permis d'échanger des informations à toutes les parties concernées, ainsi que de rédiger et de suivre les plans de diffusion des Principes directeurs.

- *D'autres activités d'information et de promotion ont-elles été organisées?*

Les services économiques et commerciaux des ambassades d'Espagne ont été informés au sujet des Principes directeurs, en leur fournissant les textes officiels et du matériel de promotion.

Le PCN est en train d'éditer en espagnol la brochure du TUAC traduite par les syndicats.

Le PCN prépare un plan de diffusion des Principes directeurs dans les régions du pays à travers les Délégations du Ministère de l'Économie et en collaboration avec les partenaires sociaux.

- *Des demandes d'information ont-elles été reçues de la part: a) d'autres PCN; b) des milieux d'affaires, des organisations syndicales, d'autres organisations non gouvernementales, du public; c) de gouvernements de pays n'ayant pas adhéré aux Principes directeurs?*

Des demandes d'information au sujet des Principes directeurs et du PCN ont été adressées par une fondation à but non lucratif.

C. Mise en oeuvre dans des circonstances spécifiques

- *Des procédures particulières ont-elles été mises en place pour traiter de cas spécifiques?*

N'ayant pas eu de problèmes spécifiques à traiter au PCN, il n'a pas encore été établi de règlement ou de procédure à suivre, afin de bénéficier de la plus grande flexibilité possible dans chacun des cas qui se présenteraient.

- *Des cas spécifiques ont-ils été portés à l'attention du PCN? Par qui?*

Le PCN n'a été saisi d'aucun cas spécifique.

- *Comment le PCN est-il intervenu dans la résolution de ces cas spécifiques? Quelle a été l'issue?*

Sans objet.

- *Certains cas spécifiques ont-ils été soulevés dans des pays n'adhérant pas aux Principes?*

Sans objet.

D. Divers

- *Comment les caractéristiques du PCN prévues par les Principes directeurs pour renforcer leur efficacité (visibilité, accessibilité, transparence, légitimité) ont-ils été applicables dans le cas de votre pays? Veuillez fournir des exemples pour illustrer ces différents points.*

Les quatre critères (visibilité, accessibilité, transparence et légitimité) de fonctionnement du PCN sont assurés par les contacts maintenus autant avec les partenaires sociaux et les ONG qu'avec d'autres départements de l'Administration.

- *Souhaitez-vous fournir d'autres informations sur la nature et les résultats de l'activité du PCN?*

Les activités du PCN se déroulent de façon très satisfaisante grâce aux bonnes relations qui se sont établies avec d'autres Ministères, les partenaires sociaux et des ONG.

SWEDEN / SUEDE

A. *Institutional Arrangements*

- *Composition?*

Tripartite: government, business organisations and trade unions. Committee chaired by the Ministry for Foreign Affairs - Department for International Trade Policy. Participants:

Foreign Ministry:

- International Trade Policy Department
- Department for Global Development
- International Law and Human Rights Department
- Department for Global Security

Ministry of Industry, Employment and Communications

Ministry of Environment

Ministry of Justice (consumer interests)

National Board of Trade

Organisations:

- Swedish Metal Workers' Union (Metall)
- SIF - Swedish Union of Clerical and Technical Employees in Industry
- Swedish Confederation of Professional Employees (TCO)
- Swedish Trade Union Confederation (LO)
- Swedish Confederation of Professional Associations (SACO)
- Confederation of Swedish Enterprise (Svenskt Näringsliv)
- Swedish Federation of Trade (Svensk Handel)

- *How does the NCP relate to other government agencies?*

No changes since last year.

It is in principle open to participation for any interested agency. In April 2001, a meeting was organised specifically to discuss the Guidelines with various government agencies that are not part of the NCP. The invited agencies were: National Board of Occupational Safety and Health, National Institute for Working Life, Swedish Work Environment Authority, The Swedish Accounting Standards Board, Invest in Sweden Agency, Export Credits Guarantee Board, Swedish Trade Council, National Integration Office, Office of the Equal Opportunities Ombudsman, Defence Material Administration, Swedish Environment Protection Agency, The National Board for Public Procurement, Office of the Ombudsman against Ethnic Discrimination, National Chemicals Inspectorate, National Board for Consumer Policies, National Board of Trade, Swedish Business Development Agency, Swedish Competition Authority, National Tax Board, The Knowledge Foundation, Swedish Agency for Innovation Systems.

- *Social partners (business community and employee organisations) involvement?*

No changes since last year.

Parties in the NCP.

- *Other interested parties, including non-governmental organisations (NGOs)?*

At various occasions, bilaterally or at seminars, interested NGOs have been informed about the functions and activities of the NCP and invited to express their views. The interest has grown over the last year. Members of the NCP regularly attend seminars and conferences where they inform about and discuss the Guidelines and the NCP.

On May 29th a meeting was held with a large number of NGOs to discuss the newly initiated Swedish Partnership for Global Responsibility. The meeting attracted great interest and a lively debate.

On March 7th 2002 in a meeting convened by the Prime minister, the heads of five NGOs (defining NGO as separate from business-related organisations and trade unions and counting World Business Council For Sustainable Development as a business organisation) were invited as well as all organisations in the NCP. All participated actively. The five organisations were the Swedish affiliates of: Amnesty Business Group, Save the Children, Red Cross, SNF and WWF. More about this meeting below.

In January, the Ministers of respectively Foreign Affairs and Trade met with the board of Amnesty Business Group in Sweden to prepare for the launch of the *Swedish Partnership for Global Responsibility*.

In December, a network of NGOs launched “Swedwatch” which is a Swedish version of organisations such as Corpwatch and Norwatch. The chair of the NCP keeps contact with Swedwatch.

B. Information and Promotion

- *How have the Guidelines been made available in your country?*

No changes since last year.

1. translation into Swedish
2. fitted into a handbook
3. posted on a webpage: www.utrikes.regeringen.se/nkp.htm

- *Information?*

1. Handbook in 5500 copies for distribution to members of NCP member organisations, all Swedish embassies, the Swedish Parliament, to various interested organisations and companies and on request. As we ran out of copies in February 2000 more copies were printed.
2. Active participation in seminars organised by others, eg NGOs and trade unions. In October, three events took place in Stockholm during the same week. Deloitte &

Touche, an accounting firm, and Affärsvärlden, a business monthly, organised a seminar that concentrated on The OECD Guidelines and the Global Compact, with active debate. Pierre Poret of the OECD secretariat made a presentation. FTSE4GOOD, a socially responsible index made a presentation on a tour of European capitals. A development co-operation organisation affiliated with the trade unions organised a seminar on SA 8000. In February, Amnesty Business Group organised a seminar, on a tour of European capitals, to present a publication on business, conflicts and human rights. This publication will be adapted to Swedish circumstances by a group of academics and business representatives. The Foreign Ministry's ambassador for CSR participates in this work.

- *Co-operation on promotion of the Guidelines?*

1. Five meetings with the national Contact has been held since the June 2001 meeting. The meetings have all devoted some time to discuss the *Swedish Partnership for Global Responsibility*. A special meeting was held under the chairmanship of State Secretary Lotta Fogde with the National Contact Point in November in order for the contact point members to express their views directly to the political leadership of the Ministry.

- In September the NCP benefited from a presentation of a *Dresscode*. *Dresscode* stems from the international Clean Clothes Campaign and aims to establish a system for independent verification of labour standards policies in the clothing sector. The NCP held an exchange of views with the project manager from Dresscode. The future of the project is unclear.

- In November, H & M, a major clothing company presented its work on CSR to the NCP and discussion was held. The NCP also discussed the issue of the eventual (under discussion) link to the OECD GL in the Energy Charter Treaty Supplementary Treaty (an investment agreement).

- In January, the NCP heard a presentation by Robur, the biggest fund manager in Sweden (and in the Nordic countries). Robur has conducted a study on the prevalence human rights and core labour standards policies among the 118 biggest Swedish companies listed on the Stockholm Stock Exchange. Of these, 85% answered. 8-15%, depending on the definitions, have a policy on these issues. 8% referred to the OECD Guidelines.

- In April, the NCP heard a presentation by, and discussed CSR-issues with the Swedish Public Relations Association.

2. Swedish Partnership for Global Responsibility :

Swedish Partnership for Global Responsibility stems, as shown above, from the NCP. The Chairman of the NCP will be working together with the newly appointed ambassador for CSR, who is employed to promote *Swedish Partnership for Global Responsibility*.

On March 6th the three Cabinet Ministers at the Swedish Ministry for Foreign Affairs sent a letter to Swedish companies which calls for a *Swedish Partnership for Global Responsibility*. The initiative was formerly called *Swedish Social Compact*, but has been renamed. The letter is attached.

The issue was discussed with Swedish companies on March 7th, in a meeting led by the Prime Minister and the Ministers of respectively Foreign Affairs, Trade, Development Co-operation, Industry and the Environment. A summary report of this meeting is attached.

More information (in Swedish) is found on: www.ud.se/johannesburg/dialog.htm.

To date three companies have joined:

- ICA, a major grocery chain.
- With 1900 stores, ICA Handlarnas AB is the Swedish groceries market's biggest player. Swedish consumers buy one-third of all their groceries from ICA. In 2001, these stores generated total sales of some SEK 72 billion. All ICA retailers run their own stores on a self-employed basis.
- Löfbergs Lila, a coffee producer, and
- The Body Shop Sweden.

Seven additional companies have indicated they will join. Several others are considering joining.

On the 15 of April, Ms Mia Horn af Rantzien was appointed to promote *Swedish Partnership for Global Responsibility*. Mia Horn af Rantzien was formerly principal secretary of Globkom, a parliamentary commission on Swedish Policy for global development.

3. The NCP has decided to initiate a discussion with individual companies on how to relate the GL to company codes of social responsibility. This discussion will be developed further. The trade union position is that CSR should be handled through agreements between companies and International trade secretariats (international union representatives for a particular sector). The government thinks such arrangements are a good way to promote CSR, in particular as regards labour issues. Annex 3 is a translation of an article published by the trade union federations on this issue.
4. NCP-parties responsible for distribution of handbook to local representatives throughout the country. That distribution has continued over the year.
5. Parties in the NCP are actively engaged in the preparation for and execution of seminars. SIF organised a seminar in February for trade union workers. It dealt with the OECD guidelines, the Global Compact and the European Commission Greenbook on CSR. In May the Confederation of Swedish Enterprise organised, in co-operation with ECPAT Sweden, a seminar entitled "responsible business - commercial sexual exploitation of children - a crime that can be prevented". The seminar was primarily aimed at companies but also had participants from the Foreign Ministry, the Swedish Development Cooperation Agency, the Swedish Defence forces and the three central trade union federations. The aim of the seminar was to build knowledge and discuss the ways and means for companies to deal with the issue.
6. In May, the Ministry for Foreign Affairs organised a seminar in co-operation with the Swedish Agency for Development Co-operation and International Alert (an NGO working on issues related to conflict resolution). The seminar dealt with business and

conflicts. It drew participants from companies, NGOs, trade unions and different ministries. A case study and group exercises were done.

7. In May, 4 member of the NCP and its chairman participated in a Nordic NCP-meeting in Oslo.
- *Other information and promotion activities? (seminars and/or conferences on the Guidelines in general or on specific subjects, informative publications, co-operation with investment promotion agencies, departments of education, business schools, etc.)*
 1. After the conclusion of the discussion in CIME in December 2001, the issue of export credits and the OECD guidelines is under internal consideration.
 2. The Swedish NCP has tasked The National Board of Trade to undertake a study, in cooperation with the OECD secretariat and EIRIS (a consultancy), on the world-wide frequency of policies on human rights and core labour standards.
 - *Have enquiries been received from (a) other NCPs; (b) the business community, employee organisations, other non-governmental organisations, or the public; or (c) governments of non-adhering countries?*
 - (a) No.
 - (b) Many. In particular after the 7th of March meeting. The phone number of the NCP was written in the open letter from the ministers to Swedish companies. A large number of students in universities at various levels write about these issues, and have asked for information. Some companies ask for help to navigate the jungle of expert advise on CSR.
 - (c) No.

C. *Implementation in specific instances*

- *Have special procedures been put in place to deal with specific instances?*

No. Cases will be handled in accordance with the procedural guidance.
- *Have specific instances been brought to the attention of your National Contact Point?*

Two, in 1980 and 1989.
- *Has the National Contact Point taken up any specific instance of its own initiative?*

No.
- *Have any specific instances arisen in non-adhering economies?*

No.

D. Other

- *How have the core criteria for the operation of NCPs (visibility, accessibility, transparency, and accountability) been applied in your country to further the effectiveness of guidelines implementation? Please provide examples that illustrate this.*

The two most important channels are the webpage, and active participation in the public debate. Whenever the chairman of the NCP participates in seminars and conferences he informs about the Guidelines, the NCP and the possibilities these give. Members of the NCP participate in different groups, which is an asset in the work in the NCP and the effective implementation of the Guidelines. Summary reports from meetings of the OECD Working Group and the Swedish NCP are posted on the webpage, www.ud.se/nkp. Accountability is a guiding principle whenever cases are brought.

- *Do you wish to provide any other information on the nature and results of NCP activities, including on any difficulties encountered in carrying out the duties of the NCP?*

Promotion is the easier of the two principal duties of the NCP. The real challenge will be handling cases, in particular in non-adhering countries. In Sweden the NCP is used to plan for meetings in the OECD working group. The issues on the agenda are discussed. One of the benefits of a formal tripartite structure is that the participants have an ownership in the process.

As last year, The Swedish Government contributes financially to the work of the UN Global Compact (USD 400.000).

The Government appointed in 2000 a Parliamentary Commission with the task to deliver a proposal for Swedish policy on Global development (Globkom). It delivered its report in March 2002. The report has the following to say on corporate social responsibility:

“The business sector is taking on an increasingly important role as mediator of knowledge and growth. At the same time an active social dialogue is needed on the labour market, which presupposes well functioning trade unions. The experience and expertise of the Swedish business sector and trade unions should be put to better use in Swedish development assistance by including them to a greater extent in the formulation of country assistance strategies, beginning as early as the planning stage.

Opportunities for the business sector to take on an international role have continued to grow, thanks in part to a deliberate Swedish policy to push for strong international regulations in the economic sphere. The stronger regulatory frameworks facilitate business growth, which in turn contributes to economic development. Regulatory frameworks in the social and environmental areas are weaker. As a result, the positions adopted by the business sector itself with respect to human rights and the environment take on special importance. The Committee proposes to study further whether a need exists for legislation requiring companies and pensions funds to render social and environmental accounts and, secondly, whether there is any need to make export credits conditional on the assumption of social and environmental responsibility. An extended exchange of information between the Government Offices and the business sector should be sought in issues related to human rights.”

In line with these considerations the Commission also put forward a number of proposals. The Commission report is currently under consideration.

Annex 1. Global Responsibility – Open letter to Swedish companies

From: Minister for Foreign Affairs
Minister for Trade
Minister for International Development Co-operation, Asylum Policy and Migration

To: Swedish business executives and representatives of industry and commerce,

The debate on corporate social responsibility is becoming increasingly intense. It is gratifying to see that Sweden's corporate community has played an active role in the efforts to realise a sound environment and good working conditions. It benefits both Sweden and the world. It is our ambition that Sweden should influence international developments by taking action faster and more forcefully than other countries. This could also have a positive impact on Swedish exports.

The Swedish Government pursues proactive policies at the national and international levels for human rights and a better environment. But we need your help. Your cooperation would be of great value in our efforts to achieve a human side to globalisation. We trust that the benefits are mutual. Your commitment would help us continue to pursue consistently liberal trade policies. We also believe the project could help companies manage their problems in different parts of the world, for example, conflicts, corruption and violations of human rights. In addition, we think it could have export promotion effects at a time when trademarks with a positive ethical image are increasingly valuable.

Since 1979 the Government has carried on a continuous dialogue with the social partners concerning corporate social responsibility in accordance with the OECD guidelines for multinational companies. The Government has, irrespective of party complexion, promoted the OECD guidelines.

The Government's basic expectations of Swedish companies' action in the global market, particularly in developing countries, are expressed in the OECD guidelines and the UN's Global Compact. These are based on international agreements, for example in the ILO. The European Commission has produced a Green Paper on Corporate Social Responsibility, a launchpad for a discussion that aims at the formulation of proposals concerning how the Union can promote companies' acceptance of social responsibility at European and international levels.

The Swedish Government now invites the corporate community to take part in an initiative we call the *Swedish Partnership for Global Responsibility*. The main responsibility rests with the Ministry for Foreign Affairs but the initiative has been taken in close co-operation with primarily the Ministry of Industry, Employment and Communications and the Ministry of the Environment. The *Swedish Partnership for Global Responsibility* is a joint effort to encourage Swedish companies to become ambassadors for human rights, decent economic and social conditions and a sound environment.

It is proposed that co-operation in these matters between Sweden's corporate community and the Government would consist of the Government's: 1) making information about Swedish companies available on an Internet website, 2) exchange of best practices, 3) enabling others to share and be inspired by your company's commitment and work in the area, and 4) offering help and advice to companies that operate in difficult situations. The system should be flexible enough to also include small and medium-sized businesses. The *Swedish Partnership for Global Responsibility* can contribute to boosting the credibility of your company's commitment. By your cooperation you can contribute to a globalisation with a human face.

This could be realised if your company:

- 1) Publicly supports the OECD guidelines and the UN's Global Compact, for example by
 - informing employees, shareholders, clients, suppliers, subcontractors and external interested parties that the company has adopted the OECD guidelines and the UN Global Compact.
 - integrating the guidelines into in-house training,
 - adding the guidelines to the company's objectives
 - including the guidelines in the company's annual report and other official documents, for example following a model developed in the context of the UN supported project, Global Reporting Initiative.
- 2) Reports, once a year, concrete examples of measures taken or lessons learnt relating to the OECD guidelines and the UN Global Compact. These reports will be published on the Government's website and in Sweden's annual report to OECD. The intention is not that companies should need to submit a special report to the Ministry for Foreign Affairs. If a company already follows the OECD guidelines and the UN Global Compact and has a follow-up and report system, this can be used.

The Swedish Partnership for Global Responsibility also applies to companies that intend to, or have just started to implement a programme for social responsibility. The OECD guidelines and UN Global Compact could be a help in this work.

The Government looks forward to co-operating with you on this matter and would with this letter like to initiate a dialogue.

Anna Lindh

Leif Pagrotsky

Jan O. Karlsson

Annex 2. Summary report from March 7th meeting

On March 7th, 2002, a meeting was held, hosted by the Swedish Prime Minister, Göran Persson and the Ministers for Foreign Affairs (Anna Lindh), Trade (Leif Pagrotsky), Development Cooperation (Jan O Karlsson), Industry, Employment and Communication (Björn Rosengren) and Environment (Lena Sommestad).

Ministers had a discussion with representatives of 44 major Swedish companies, 20 organisations and 6 state agencies.

The meeting was held in preparation for the International Conference on Financing for Development in Monterrey, Mexico 18-22 March 2002 and the World Summit on Sustainable Development in Johannesburg, South Africa, 26 August – 4 September 2002.

Agenda

1. The *Swedish Partnership for Global Responsibility*, led by the Foreign Minister and the Minister for Trade, with an intervention by Frederick C. Dubeé, office of the Secretary General of the UN.
2. Financing and investment, led by the Minister for Development Cooperation.
3. Development and exchange of clean and efficient technologies, led by the Minister for Industry and the Minister for Environment.

The meeting was concluded by the Prime Minister.

This summary is geared towards the issue of corporate social responsibility (CSR). A more detailed report from the meeting and the ministers interventions in their entirety are found (in Swedish) on www.ud.se/johannesburg

The Foreign Minister appreciated the great interest in the meeting. She pointed out that Sweden, for many years, has promoted the OECD Guidelines for Multinational Enterprises (OECD GL) through the National Contact Point, a committee with representatives of different parts of the society. All companies have a strong self-interest in working in line with the OECD GL and the UN Global Compact. The *Swedish Partnership for Global Responsibility* will highlight company best practises on corporate social responsibility. It should be a partnership, where we can be of mutual support while not confusing the role of business with that of the government.

Frederick Dubeé said that Sweden and Swedish companies is a great support for the Global Compact. Businesses that do not act in harmony with the values of the Global Compact will not develop because stakeholders (employees, consumers and investors in their respective choices) will chose companies that do. Dubeé recommended business to cooperate with the Government, academia and organisations in developing concrete projects.

The Minister for Trade saw a convergence of views on the need for government and business to get together to work on the vital issues of human rights, reduction of poverty, and protection of the environment. Swedish companies are well advanced on these issues, which could give a competitive edge. The *Swedish Partnership for Global Responsibility* will increase resources and attention. More companies should give active support to the UN Global Compact and the OECD GL. The *Swedish Partnership for Global Responsibility* will give goodwill and help to participating companies. It will give larger possibilities for public scrutiny of companies on a webpage, (www.ud.se/ga). The government does not

intend to screen companies before allowing them in. But the follow-up procedures of cases under the OECD GL still apply.

Reactions from companies and organisations:

- Welcomed the initiative.
- CSR is not simple. It requires long term commitment.
- It should have concrete goals, not lofty processes and conferences.
- The initiative must be “more than a webpage”. It should be a basis for a continuous dialogue, like the National Contact Point.
- Sweden should learn from the UK, Norway, Denmark and the Netherlands in filling the issue with content.
- CSR must contribute to profits, otherwise it is not sustainable.
- CSR is best when built on agreements between a company and a trade union federation.
- Professional buyers should be educated in environment and social issues.

The Minister for Development said that development co-operation cannot compensate for, but merely act as a catalyst for private investments. Increased FDI to poor companies is badly needed. Government and business should act in partnership to share risks when there are development benefits from a particular investment but private returns are not large enough to merit the investment.

Organisations and companies commented:

- That the first requirement for FDI is a sound domestic investment climate.
- That the Swedish government should increase its ability to assume the risks from private economic activity in developing countries. For example by more risk-prone export credit guarantees.

The Minister for Industry said that increased exchange of clean and efficient technologies is key to sustainable development. But private returns are often smaller than public benefits. The government can help Swedish businesses in their exports of such techniques through work towards liberalised world-wide markets, building of knowledge, creation of partnerships, and promotion of exports.

The Minister for the Environment said that there are export possibilities for Swedish companies to improve sanitary conditions in middle income countries.

Companies and organisations commented that:

- The ministry for Industry should set up a department to work with business opportunities in sustainable development, like the UK.
- *Centers of excellence* are a good way to spread knowledge, as is student exchanges.

The Prime Minister summed up by saying that open, rules-based, international markets are a requirement for sustainable development. . With globalisation, everybody shares the same impressions. There are no longer any back yards where governments and companies can hide. Both companies and governments are judged by how they handle human rights and the environment. Johannesburg has to be a success, and there seems to be convergence on this necessity.

Annex 3. Trade union federation article on CSR

NB: This article does not necessarily reflect the view of the other parties in the National Contact Point.

TRADE UNION ORGANISATIONS SAFEGUARD RIGHTS

The Government's initiative to intensify the dialogue between management and unions is welcome. We are of the opinion that the idea of a *Swedish Partnership for Global Responsibility*, the Swedish variation being a combination of the UN Secretary General Kofi Annan's Global Compact and the OECD Guidelines for Multinational Enterprises, is a positive beginning.

The idea to call on Swedish companies to, among other things, endorse the core labour standards in working life is very affirmative.

Human rights in working life are based on several international declarations and conventions. The UN Universal Declaration on Human Rights stipulates the right to work as well as the right to join a trade union. 189 states are members of the UN and the overarching majority of those have endorsed this declaration.

Governments, employers and employees have, within the framework of the UN technical body for work life issues, the International Labour Organisation - the ILO - with 175 member states, negotiated eight core conventions which constitute the lowest standard for human rights in working life. These eight conventions comprise the right to free association and the right to collective bargaining, the prohibition of forced, bondage and child labour as well as the ban on discrimination in working life.

Sweden has, together with 41 other countries, ratified all these core conventions and the rate of ratification is high also among other countries. The shortcoming and the problems concern the application, i. e. to proceed from ratifying conventions to take concrete measures.

All the ILO core conventions are nowadays included in the OECD 's recently revised Guidelines for Multinational Enterprises. The OECD Guidelines furthermore include several fields in which companies' decisions have influence on society (environment, taxes, information, bribery, etc.). There is at the Ministry for Foreign Affairs a tripartite body (the Swedish National Contact Point) which is responsible for the promotion and implementation of these Guidelines. The trade union organisations are represented by the undersigned organisations.

The International Confederation of Free Trade Unions with 225 affiliated organisations, among those LO, TCO and SACO, has 157 million members, and publishes, since more than twenty years, statistics on violations of trade union and other human rights world-wide.

The development of the last decade is alarming. The number of violations increases steadily and the future prognosis is dismal. But there is an evident connection between the existence of democratic trade union organisations and the absence of discrimination and bondage and child labour.

That is to say that it pays to promote the establishment of strong independent partners in the labour market. In order to achieve economically and socially sustainable development in the world, free, democratic trade union organisations contribute to increased social justice in the world.

The Swedish trade union movement has 4 million members. Our members are consumers as well. They want to know that the production is human, They want to know that the employees are decently treated. They want to know that the trade union activists are not harassed, fired, persecuted or murdered.

The Swedish trade union movement has a positive approach to globalisation and free trade. We want to work actively for everybody having favour of globalisation. We want to participate in the eradication of the drawbacks and negative consequences, which affect many people. We back "Fair Labelling" and work hard for supporting the building of free and democratic trade union organisations worldwide. Out of the 100 biggest economies in the world, half the number consists of national states. The other fifty are multinational companies! Some 60 000 international groups of companies operate around our globe today with approximately 500 000 subsidiaries. An increasing number of these companies make the decision not to be responsible for the production themselves. They prefer to outsource production to often multiple chains of subcontractors.

This is a terrifyingly effective method of side-stepping the responsibility for inhuman working conditions, oppression and violations of human rights in working life.

We receive, in our international trade union networks, almost daily proof of that such violations exist far down among chains of sub-contractors.

We are of the opinion that here must the companies take an active part in negotiations with the representatives of the employees. And much has already been achieved. In 1988, Danone, the multinational company based in France, concluded a framework agreement with the international trade secretariat of the sector, which guaranteed respect for human rights according to the regulations of the UN and ILO. Since then, another twelve such agreements have been concluded.

Ikea, Skanska and Statoil are further three examples. The strength of these agreements is that they are concluded between the social partners, i.e. employers and employees. They are followed up and therefore give a long-term, trustworthy, and effective guarantee as regards the respect of human rights in working life.

If the government wants to achieve a genuine breakthrough and promote the human rights and the sustainable social and economic development as well as further globalisation, the initiative on Swedish Social Compact must imply that the social partners continue to conclude regular agreements which guarantee a follow-up of what has been concluded.

Not until then can we jointly - government, companies and trade union organisations - contribute to a social dimension of globalisation with curtailed gaps between people and continents.

Wanja Lundby-Wedin, President, LO-Sweden

Sture Nordh, President, TCO (Confederation of Professional Employees)

Anna Ekström, President, Saco (Swedish Confederation of Professional Associations)

Göran Johnsson, President, Swedish Metalworkers' Union

Mari-Ann Krantz, President, Sif (The Swedish Union of Clerical and Technical Employees in Industry)

SWITZERLAND / SUISSE

A. *Organisation institutionnelle*

- *Où est situé le PCN ?*

Département fédéral de l'économie
Secrétariat d'Etat à l'économie (seco)
Secteur Investissements internationaux et entreprises multinationales
Point de contact national
Effingerstrasse 1
CH-3003 Berne

Tél. (+41) (0)31 324 08 54
Fax (+41) (0)31 324 90 42
E-mail: INFB@seco.admin.ch
Internet: www.seco-admin.ch

- *Quelle est la composition du PCN ?*

Le Point de contact national suisse est dirigé par le Secteur Investissements internationaux et entreprises multinationales du Secrétariat d'Etat à l'économie (seco).

- *Quel est le lien entre le PCN et d'autres agences gouvernementales ?*

Le PCN suisse est en contact régulier, formel et informel, avec les agences et organismes suisses compétents pour les divers aspects couverts par les Principes directeurs.

- *Comment sont impliqués les partenaires sociaux (des milieux d'affaires et des organisations syndicales) dans le fonctionnement du PCN ?*

La coopération avec les partenaires sociaux (milieux d'affaires, syndicats et autres cercles intéressés) est institutionnalisée par un « Groupe de liaison ». Toutes les questions concernant les Principes directeurs peuvent y être présentées et débattues.

- *D'autres organisations telles les ONG sont-elles associées au PCN ?*

Les organisations non-gouvernementales intéressées font partie du « Groupe de liaison ».

B. *Information et promotion*

- *Comment les Principes directeurs ont-ils été rendus accessibles ?*

Les Principes directeurs ont été publiés par le Gouvernement fédéral dans les trois langues officielles. De son côté, le Secrétariat d'Etat à l'économie les a publiés sur son site internet. D'autres moyens de diffusion sont à l'étude.

- *Comment la coopération avec les milieux d'affaires, les syndicats, les ONG et les autres publics concernés pour promouvoir les Principes directeurs a-t-elle été organisée ?*

Le PCN a donné des conférences et participé à des colloques sur des thèmes liés à la responsabilité des entreprises, en expliquant l'objectif, la portée et la nature des Principes directeurs. Avec les milieux d'affaires, les syndicats et les ONG, le PCN a continué d'entretenir de nombreux contacts informels.

- *D'autres activités d'information et de promotion ont-elles été organisées ?*

Une conférence majeure sur la responsabilité sociale des entreprises est prévue pour octobre 2002.

- *Des demandes d'information ont-elles été reçues de la part a) d'autres PCN ; b) des milieux d'affaires, des organisations syndicales, d'autres organisations non gouvernementales, du public ; c) de gouvernements de pays n'ayant pas adhéré aux Principes directeurs ?*

Des demandes d'information ont été reçues de la part d'un autre PCN, des milieux d'affaires, d'organisations syndicales ainsi que d'autres organisations non gouvernementales.

C. Mise en œuvre dans des circonstances spécifiques

- *Des procédures spéciales ont-elles été mises en place pour traiter de cas spécifiques ?*

Pour l'instant, il n'est pas prévu d'introduire de telles procédures.

- *Des cas spécifiques ont-ils été portés à l'attention du PCN ? Par qui (entreprises, employés, ONG, d'autres PCN, autres) ?*

Un cas a été porté à l'attention du PCN suisse par un autre PCN. D'autres fois, des renseignements préliminaires ont été demandés au PCN suisse en vue de possibles interventions.

- *Comment le PCN est-il intervenu dans la résolution de ces cas spécifiques ? Quelle a été l'issue ?*

Le seul cas spécifique a été traité conjointement avec un autre PCN. Celui-ci assumant le rôle principal, l'intervention du PCN suisse s'est limitée à informer l'entreprise concernée.

- *Certains cas spécifiques ont-ils été soulevés dans des pays n'adhérant pas aux Principes directeurs ? Quelles procédures ont été suivies par le PCN ? Quelle a été l'issue ?*

Oui (procédure: voir ci-dessus).

D. Divers

- *Comment les caractéristiques des PCN prévues par les Principes directeurs pour renforcer leur efficacité (visibilité, accessibilité, transparence, légitimité) ont-ils été appliqués dans le cas de votre pays ? Veuillez fournir des exemples pour illustrer ces différents points.*

En Suisse, la concentration des différents acteurs et la structure souple du PCN permettent de promouvoir les Principes directeurs à de nombreuses occasions, le plus souvent d'une

façon informelle. Toutefois, des mesures pour améliorer la visibilité sont actuellement à l'étude.

- *Souhaitez-vous fournir d'autres informations sur la nature et les résultats de l'activité du PCN ?, y compris des expériences utiles éventuelles et/ou des difficultés rencontrées en faisant le travail du PCN ?*

La promotion et l'application des Principes directeurs se situe de plus en plus dans un contexte plus général de « responsabilité des entreprises ». Il s'agit d'identifier et de mettre en valeur le rôle spécifique des Principes directeurs par rapport à de nombreux autres instruments introduits ces dernières années, notamment le Global Compact des Nations Unies. Aussi, on assiste en Suisse à un rapide développement des codes de conduite des entreprises.

TURKEY / TURQUIE

A. Institutional Arrangements

- *Location of the National Contact Point*

Undersecretariat of Treasury
General Directorate of Foreign Investments
Inonu Bulvarı No.36
06510 Emek- ANKARA

Tel: 0090-312 212 89 14-15

Fax: 0090-312-212 8916

e-mail: sedat.dankal@hazine.gov.tr/ ozlem.nudrali@hazine.gov.tr

- *Composition of the NCP:*

No other government departments or agencies are involved

The NCP in Turkey, General Directorate of Foreign Investment, a department of the Undersecretariat of Treasury, is a governmental agency

B. Information and Promotion

- *How have the Guidelines been made available in your country:*

1. The Guidelines are available in Turkish since 2001
2. The text of the Guidelines in English and in Turkish is available on the web site of the Undersecretariat of Treasury www.hazine.gov.tr
3. An information letter was sent to the relevant government agencies, and non governmental organisations (including business community, employee organisations and consumer societies) to promote the Guidelines and to collect their comments on it.

Studies and discussions on activities to be conducted in the future are being held at the moment within the NCP.

No enquiries have been received from other NCP's , NGO's, the public or the governments of the non-adhering countries

C. Implementation in Specific Instances

No procedures have been put in place to deal with specific instances.

No specific instances have been brought to the attention of our NCP.

UNITED KINGDOM / ROYAUME-UNI

A. *Institutional Arrangements*

- *Where is the National Contact Point (NCP) located? Please include mailing address, phone number, e-mail address, and other relevant co-ordinates.*

The UK NCP is based in the International Investment and Competition Policy Unit of the Department of Trade & Industry (DTI). The full contact details are:

UK National Contact Point
Department of Trade & Industry
Bay 365
Kingsgate House
66-74 Victoria Street
London SW1E 6SW

T: 020 7215 4510

F: 020 7215 4577

E: uk.ncp@dti.gsi.gov.uk

Website: www.dti.gov.uk/worldtrade/ukncp.htm

- *What is the composition of the National Contact Point? (If other government departments or specialised agencies are included, please specify.)*

The NCP is composed of DTI officials.

- *How does the NCP relate to other government agencies?*

The NCP consults with, and draws on the experience and expertise of, other government departments, for example on promotional activities. Copies of the Guidelines and the UK NCP booklet are distributed to other government departments. The NCP works particularly closely with officials responsible for corporate social responsibility in DTI, the Foreign and Commonwealth Office, and Department for International Development. The NCP also participates in the Government-wide Inter-Departmental Group on Corporate Social Responsibility. Through these contacts the NCP ensures that the Guidelines feature prominently in wider UK policy on corporate social responsibility, for example in the context of helping to prevent/restrict conflict in Africa and the forthcoming World Summit on Sustainable Development (WSSD).

- *How does the NCP relate to social partners (business community and employee organisations) involved in the functioning of the National Contact Point?*

The UK NCP is a government-only body, so business and unions are not formally involved in its functioning. However the NCP has held meetings with the Confederation of British Industry (CBI) and Trades Union Congress (TUC), for example it has met with the CBI International Investment Panel on three occasions since the last Annual report for an exchange of views on the Guidelines with leading UK-based companies of differing sizes and from a range of sectors. The NCP also has informal contacts with these organisations. These contacts have been of great

benefit, particularly in promoting the Guidelines, and the NCP will continue to develop this fruitful relationship with social partners.

- *How does the NCP relate to other interested parties, including non-governmental organisations (NGOs), involved in the functioning of the NCP?*

Again there is no formal role for NGOs or other interested parties in the functioning of the UK NCP. However, the NCP has discussed implementation issues with NGOs (principally Oxfam) at meetings and through informal contacts. As with the social partners, the NCP will continue to build on this contact.

B. Information and Promotion

- *How have the Guidelines been made available in your country (translation, creation of a webpage or website, etc.)?*

The Guidelines are readily accessible on the UK NCP webpages on the main DTI website which has direct links to the full text on the OECD site. The NCP also sends out copies of the text of the Guidelines and Commentaries (either electronically or hard copy) to enquirers on request. A hard copy of the Guidelines and Commentaries is included with the booklets that we distribute. The texts have also been deposited in the UK Parliamentary libraries.

- *How is co-operation with the business community, trade unions, NGOs and the interested public carried out, with respect to information on, and promotion of, the Guidelines (consultations, distribution of the Guidelines etc)?*

The NCP has worked with the CBI, TUC and NGOs to publicise the existence of the Guidelines and the role of the NCP. Since the completion of the review of the Guidelines the CBI and TUC have continued to disseminate information to their members. For example, the CBI have publicised the UK NCP and its website to all their members including through an article in the CBI magazine *Business Voice* and through their own new CBI international website. The TUC are promoting the Guidelines in various fora inside and outside the trade union world, including in its preparation for WSSD. The TUC have also disseminated information about the Guidelines on their website, provided financial support for TUAC's work in promoting the Guidelines in non-adhering countries, and held a successful seminar in October 2001 on the Guidelines where the NCP gave a presentation. Oxfam have also helped to raise the profile of the Guidelines, for example, by highlighting them in their contribution to the European Commission's Green Paper on CSR and to WSSD; and including them in a Briefing Paper entitled *Africa's Rightful Place in the World* as one of the key recommendations to the G8 for tackling the rise in war economies.

- *Have other information and promotion activities been held or planned (seminars and/or conferences on the Guidelines in general or on specific subjects, informative publications, co-operation with investment promotion agencies, departments of education, business schools, etc.)?*

The NCP has given presentations at a number of events including the TUC Seminar on the Guidelines, the European Business Foundation meeting on CSR, and to Commercial Officers from British Embassies as part of their induction/refresher course (held every 6 weeks). The UK NCP has participated in a number of CSR events including those held at The Royal Institute of International Affairs (Chatham House) and Wilton Park, it has also participated in stakeholder

events organised by individual companies seeking input to their CSR strategies (something the NCP is keen to build on).

UK NCP has kept its webpages regularly updated and, since the last Annual Report, they have received an average of 782 hits per month (compared to an average of 485 hits per month the previous year). They are also used to seek views from interested parties on the Guidelines and NCP. The NCP has also received many e-mails to its dedicated e-mail account.

The UK NCP has continued to distribute its explanatory booklet aimed at providing an introduction to the Guidelines and the role of the NCP in promoting and implementing them. A total of 1500 copies have now been distributed. In addition the booklet is available electronically on the UK NCP web pages and had been downloaded 1896 times by the end of April 2002.

Other promotional measures include:

- to help raise awareness among inward investors to the UK, a hyper-link with the InvestUK (the UK government's investment promotion agency) website together with a one-page summary of the guidelines and their relevance to inward investors;
- to help reach companies seeking overseas investment insurance from the UK government, a hyper-link with the Export Credit Guarantees Department website;
- to raise awareness amongst UK overseas investors, information and a hyper-link from the UK Trade Partners UK website;
- participation in the DTI stand at the annual CBI Conference.

The NCP has declared its willingness, on the UK NCP webpages and in the booklet, to discuss any aspects of the Guidelines or NCP's role, particularly in respect of promoting them.

- *Have enquiries been received from (a) other NCPs; (b) the business community, employee organisations, other non-governmental organisations, or the public; or (c) governments of non-adhering countries?*

The UK NCP has regular contact with other NCPs through meetings at the OECD, supplemented by informal contacts. Other NCPs have shown a particular interest in the UK NCP booklet and webpages.

The UK NCP has received a number of enquiries, the majority of which have been from the business community (particularly investment funds), but the NCP has also received enquiries from NGOs, academics and members of the public.

The UK NCP has received no enquiries from the governments of non-adhering countries.

C. *Implementation in specific instances*

- *Have procedures been put in place to deal with specific instances?*

Outline procedures have been put in place and publicised in the booklet and in the UK NCP web pages. The UK NCP will elaborate upon them as the NCP's experience, and that of other NCPs, grows.

- *Have specific instances been brought to the attention of your National Contact Point? By whom (business, labour, NGO, other NCPs, others)?*

Yes. Three other NCPs have sought information or advice from the UK NCP on specific instances brought to their attention, for example that have involved a UK-based company. Two instances involving UK-based companies have been brought to the attention of the UK NCP by NGOs. The NCP is currently assessing their validity.

- *If applicable, how did your National Contact Point assist in solving these specific instances? What was the outcome?*

This stage has not been reached.

- *Have any specific instances arisen in non-adhering economies? What procedures were followed by the NCP? What was the outcome?*

Yes. The NCP is carrying out an initial assessment of both instances mentioned above. We are following the Guidelines implementation procedures.

D. Other

- *How have the core criteria for the operation of NCPs (visibility, accessibility, transparency, and accountability) been applied in your country to further the effectiveness of guidelines implementation? Please provide examples that illustrate this.*

Visibility

The NCP has proactively promoted the Guidelines and its role through, for example, presentations to interested parties, the distribution of booklets, establishment of webpages, and inclusion in publications of other government departments.

Accessibility

The UK NCP has widely advertised its telephone, fax and e-mail details, for example in the UK NCP booklet. The UK NCP has its own e-mail account (uk.ncp@dti.gsi.gov.uk) so that it can be accessed by those working in the NCP rather than just one individual. Our average response time is less than two working days.

Transparency

The UK NCP has provided details of its activities on its webpages, to other NCPs at OECD meetings in Paris, and in discussions with business, trade unions, NGOs and other interested parties.

Accountability

The UK NCP has kept UK Ministers and the UK Parliament informed of its activities, for example by answering Parliamentary Questions and providing copies of the UK NCP Annual Reports to Parliament and posting them on the UK NCP webpages. The NCP has always taken the opportunity to update fellow NCPs on its activities at relevant OECD meetings.

- *Do you wish to provide any other information on the nature and results of NCP activities, including on any useful experiences and/or difficulties encountered in carrying out the duties of the NCP?*
 - (i) On the promotion side the NCP has used a variety of ways of raising business awareness of the Guidelines directly, for example by participating in CBI events and stakeholder events organised by individual companies; by promoting the Guidelines as a useful tool for investment funds to judge the commitment of companies to ethical behaviour, an important component in risk management; and by including positive references to the Guidelines in high-profile UK initiatives such as those concerning Africa. In adopting this strategy of high-level statements and practical discussions the NCP hopes to increase the use of the Guidelines.
 - (ii) Establishing where the Guidelines ‘fit in’ with other international and national initiatives in the burgeoning area of corporate social responsibility continues to be a challenge. The NCP has promoted the Guidelines as making a fairly unique contribution given their government endorsement, involvement of business, trade unions and NGOs, implementation mechanism, and comprehensive nature. The NCP has also taken care, though, not to ‘oversell’ the Guidelines, it is important that people know what they can and cannot do. In this respect the NCP has highlighted the positive uses that the Guidelines have such as benchmarking individual codes of conduct and facilitating dialogue, rather than the ‘powers’ that NCPs have in the event of an unresolved specific instance. In the UK NCP’s experience, though, much of the interest focuses on the ‘powers’.
 - (iii) When including references to the importance of the Guidelines, for example in UK initiatives on the international stage, one of the natural ideas for promoting their use is to encourage other countries to adhere to them. The link between the Guidelines and other parts of the OECD Investment Declaration, i.e. they come as a package, has proved an obstacle, because the UK NCP knows that the vast majority of non-adhering countries would not be able to adhere to the Declaration as a whole, and cannot adhere only to the Guidelines.
 - (iv) Areas where the Guidelines could be revised to be more relevant to the ‘real world’ are now beginning to emerge, particularly in the areas of human rights and conflict zones. These will need to be properly discussed in any future revision.

UNITED STATES / ETATS-UNIS**A. *Institutional Arrangements***

The United States of America National Contact Point (U.S. NCP) is located in the Economic Bureau's Office of Investment Affairs at the United States of America Department of State. The NCP regularly consults with staff members of the Departments of Commerce, Labor, and Treasury, as well as the Environmental Protection Agency and the Office of the United States Trade Representative. Business, labor, civil society organizations, international financial institutions, and other international organizations are consulted regularly via the Advisory Council on International Economic Policy or individually on an ad-hoc basis. When necessary, an interagency committee chaired by the Director of the Office of Investment Affairs meets to discuss Guidelines issues.

The contact information of the U.S. NCP is:

Mr. Wesley S. Scholz
 Director
 Office of Investment Affairs
 Bureau of Economic and Business Affairs
 Department of State
 2201 C St NW
 Washington, DC 20520
 U.S.A.
 Telephone: 202 736-4274
 Fax: 202 647-0320
 E-mail: usncp@state.gov

B. *Information and Promotion*

The Guidelines are available via the Department of State's internet webpage for the Office of Investment Affairs: (http://www.state.gov/www/issues/economic/ifd_oia.html). The U.S. NCP website contains information on the Guidelines, key documents, and appropriate links (<http://www.state.gov/e/eb/oecd/>).

The Advisory Committee on International Economic Policy is the formal advisory body through which issues relating to the Guidelines and the NCP are addressed. However, informal contact is maintained on a regular basis with representatives of business and labor groups, as well as non-governmental organizations that have expressed interest in the Guidelines.

There is interagency cooperation with the Export-Import Bank, the Overseas Private Investment Corporation (OPIC), and the Department of Commerce on the promotion of information on the Guidelines to applicants for their programs in support of U.S. business activities abroad. In addition to the business, labor, and civil society stakeholders referenced above, there has been contact with other organizations interested in corporate social responsibility, including research institutes, business ethics university departments, private firms, law firms, and others, who have inquired with the NCP for more information about the OECD Guidelines for Multinational Enterprises.

The Under Secretary of State for Economic, Business, and Agricultural Affairs Alan Larson has addressed the OECD Guidelines at remarks he has made before business, labor and financial representatives, members of government agencies, foreign diplomats, academics, and other interested elements of civil

society, and in his speeches at conferences, seminars, and other meetings. He highlighted the specific characteristics that set them apart from other guidelines, in that they are comprehensive, recommended by adhering governments, and have a follow-up mechanism. Both Under Secretary Larson and the Assistant Secretary of State for Economic and Business Affairs Wayne routinely meet with the United States Council on International Business and representatives of major interested companies where there are occasions to discuss issues related to the Guidelines. The Department of State's Assistant Secretary and Deputy Assistant Secretary of the Democracy, Human Rights and Labor Bureau also referred to the OECD Guidelines during speeches given on corporate social responsibility topics.

An NCP booklet is available on the U.S. NCP website. The booklet outlines the Guidelines and the role and procedures of the NCP, and is presented in a brief and easily readable format.

Specific to the June 2001-June 2002 Annual Report period, the U.S. NCP received in the normal course of business public inquiries about the OECD Guidelines, and also received requests for more specific information from a number of sources, including NGOs, labor associations, and an academic institution, regarding the number of specific instances related to the Guidelines that have been brought before the U.S. NCP for consideration. In March, the United States delegation to the United Nations Financing for Development Conference in Monterrey, Mexico, through official statements and discussions at investment-related side events, reiterated an important role for the OECD Guidelines in private sector led economic growth. In May, the U.S. NCP advised the American National Standards Institute (ANSI) about the OECD Guidelines in response to an International Organization for Standardization Consumer Policy Committee proposal for international standards for corporate responsibility. The U.S. NCP continues to work closely with United States Government officials that are working on the Johannesburg World Summit on Sustainable Development, to promote the awareness of the Guidelines and how they may be referenced within the context of WSSD discussions. Whenever the opportunity arises, the U.S. NCP ensures that the OECD Guidelines are part of the larger corporate social responsibility debate.

The U.S. NCP, seeking to call attention to the Guidelines through the context of investment guarantee and export promotion programs, undertook discussions with the Export-Import Bank, the Overseas Private Investment Corporation (OPIC) and the Department of Commerce on the promotion of information on the Guidelines to applicants for their programs in support of U.S. business activities abroad and the possibility of establishing links between their websites and the NCP website. Under consideration is the inclusion of the Guidelines in individual country commercial guides provided to U.S. businesses by Washington agencies and through our Embassies. As part of the U.S. NCP interagency team, the Department of Commerce's Office of Multilateral Affairs is in the trial stages of an outreach program to communicate the OECD investment instruments to graduate international business schools and programs by approaching university business ethics professors and offering a guest lecture in their classes on the content and application of the MNE Guidelines. Finally, the U.S. NCP sent copies of its informational booklet to the Economic and Commercial Training Division of the National Foreign Affairs Training Center, where Foreign Service diplomatic, economic, and commercial officers receive advanced economic training for overseas assignments, for incorporation into the training program.

C. Implementation in specific instances

In terms of routine procedures, the U.S. NCP establishes contact with the parties concerned and provides relevant information relating to the Guidelines and implementation procedures and discusses specific facts with the parties. Upon accepting a case, the NCP will try to facilitate resolution of the issue by inviting the two sides to express their own views and comment on the other's viewpoints, thus working toward agreement. It keeps each side informed of its contacts with the other, and forwards to each party documents received from the other party. Mediation or conciliation services can be offered as needed.

The U.S. NCP reports inquiries and meetings concerning Chapter IV, Employment and Industrial Relations, involving

- the right of employees to be represented by trade unions,
- constructive negotiations between the enterprise and such representatives, and
- collective bargaining or labor-management relations.

One of the inquiries under Chapter IV also raised questions of the applicability of the Guidelines in a trade and supply chain context. The U.S. NCP contacted another country's NCP for relevant information sharing about this inquiry. We also received an inquiry in relation to concerns about three chapters of the OECD Guidelines: General Policies, Disclosure, and Combating Bribery. The relationship between these inquiries and other legal or administrative processes has been a significant element of the U.S. NCP experience this past year.

EUROPEAN COMMISSION / COMMISSION EUROPEENNE

A. *Institutional Arrangements*

- *Where is the National Contact Point located? Please include mailing address, phone number, e-mail address, and other relevant co-ordinates.*

The European Commission is not formally a “National Contact Point”. However, it is committed to the success of the Guidelines, and the process initiated by the 2000 review.

Directorate General for Trade, Unit F2, follows the work of the OECD Committee on International Investment and Multinational Enterprises (CIME). The delegate to CIME is Ms Julie Raynal.

Ms Julie Raynal
CHAR 8/206
Rue de la Loi 200
B-1049 Brussels

tel: +322.296.65.77
fax: +322.299.16.51
e-mail: Julie.Raynal@cec.eu.int

- *What is the composition of the National Contact Point, and how does the NCP relate to other government agencies?*

The Commission Delegate to the CIME ensures the co-ordination and information of all other Commission DGs which are interested in the issues raised (mainly DG Employment and Social affairs, DG Relex). Reports of CIME meeting are circulated to all DGs.

B. *Information and Promotion*

- *How have the Guidelines been made available in your country (translation, creation of a webpage or website, etc.)?*

A link to the OECD website has been created on Directorate General for Trade website : <http://europa.eu.int/comm/trade/miti/invest/oecd.htm>

Links to the other languages of the European Union (and relevant Member States NCPs websites) should be processed in the future.

- *How is co-operation with the Business community, Trade unions, Non-Governmental Organisations and the interested public carried out, with respect to information on, and promotion of, the Guidelines?*

Directorate General for Trade has an ongoing dialogue with civil society on the areas it deals with. Non-governmental organisations, Trade unions, enterprises and business federations attend these meetings. Member States representatives can attend these meetings as well. A

specific Issues Group on investment resumed its work since end 2000 and during 2001, and addressed the Guidelines on several occasions.

- *Have other information and promotion activities been held or planned (seminars and/or conferences on the Guidelines in general or on specific subjects, informative publications, co-operation with investment promotion agencies, departments of education, business schools, etc.)?*

- a) The “Commission Green Paper on Promoting a European framework for Corporate Social Responsibility” issued by the Commission in July 2001 (COM(2001) 366) makes clear references to the Guidelines.

Following the Green Paper, and after a wide public consultation of all stakeholders on its content and proposals, the Commission is now engaged in the process of writing a Communication on CSR, which should be ready in July 2002. DG Trade will ensure that this future Communication contains due and clear references to the Guidelines.

- b) The Commission adopts a coherent and broad approach of CSR issues and has inserted references to the OECD Guidelines in several Communications on related topics:

- Communication from the Commission on « Conflict prevention », COM (2001) 211 final, 11 April 2001: http://europa.eu.int/comm/external_relations/cpcm/cp.htm
- Communication from the Commission to the Council and the European Parliament : "The European Union role in promoting human rights and democratisation in third countries", COM (2001) 252 final, 8 May 2001: http://europa.eu.int/comm/external_relations/human_rights/intro/index.htm
- Communication from the Commission : « A sustainable Europe for a better world : a European Union strategy for sustainable development », COM (2001) 264 final, 15 May 2001: http://europa.eu.int/eur-lex/en/com/cnc/2001/com2001_0264en01.pdf
- Communication from the Commission to the Council and the European Parliament : "Promoting core labour standards and improving social governance in the context of globalisation » , COM (2001) 416 final, 18 July 2001: <http://europa.eu.int/comm/trade/>

- c) After the major Conference that DG Trade organised on ‘Best business practices for Corporate Social Responsibility : Management tools for implementing the OECD Guidelines for Multinational Enterprises’, 10-11 May 2001, DG Trade will conduct an other event (24-25 June 2002), aimed at deepening the reflection on these issues. This “Trade, global governance and sustainable development” seminar will constitute a follow-up activity to the European Commission White Paper on Governance (COM (2001) 428 Final du 25.07.01).

One of its three workshops will address CSR and Development through the OECD Guidelines.

- d) DG Trade participated as a speaker in three international training seminars on issues related to international investment organised by UNCTAD (the last one co-organised

¹ You can find all the relevant documentation and papers on this conference on our website at : <http://europa.eu.int/comm/trade/miti/invest/oecd.htm>

with the WTO in the framework of the Doha Development Agenda and its related capacity-building programme), in Egypt in May 2001, India in November 2001, and Egypt again in end May 2002. These seminars gathered Government officials from between 15 to 20 different African and Asian developing countries. DG Trade made comprehensive presentations on the OECD Guidelines, which gave rise to lot of interest and interesting questions and exchanges among participants.

- *Have enquiries been received from (a) other NCPs; (b) the business community, employee organisations, other non-governmental organisations, or the public; or (c) governments of non-adhering countries?*

The Commission has answered questions from Members of the European Parliament (MEPs) related to the implementation and follow-up of the Guidelines (for the most recent: QE E-0937/02 and H-0307/02).

It has also answered several questions from the public and civil society on the Guidelines (students, researchers, NGOs...).

C. *External Trade and co-operation relations of the EU with Third countries*

On the external relations' side, DG Trade tries to promote the OECD Guidelines whenever and wherever possible.

- a) The Association Agreement between the EU and Chile, concluded during the second EU-Latin America & Caribbean Summit held in Madrid on 16, 17 and 18 May 2002, refers to the Guidelines. A "Joint Declaration" will indicate that:

"The Community and its Member States and Chile jointly remind their multinational enterprises of their recommendation to observe the OECD Guidelines for Multinational Enterprises, wherever they operate."

In the near future, we plan to insert CSR issues and the promotion of OECD Guidelines in our external co-operation programmes (such as the review of Asia-Invest...) and our dialogue with ACP countries in the framework of the Cotonou co-operation.

- b) Moreover, the Commission will involve its Delegations in third countries in the promotion of the Guidelines, by establishing "CSR correspondents" in each Delegation. In a first time, DG Trade will inform on the OECD Guidelines the Trade representatives in our main Delegations, at the occasion of their annual training meeting in July. We would like to extend this network in the future to all Delegations. These "correspondents" should then relay the information on the OECD Guidelines to their host country governments and stakeholders, their enterprises, civil society and local population, as well as to EU enterprises that are investing there.

Appendix - TUAC REPORT ON THE GUIDELINES

108th Plenary Session, Paris, 13-14 May 2002

Item 8 of the provisional agenda:

Corporate accountability (ii) Implementing the OECD Guidelines for Multinational Enterprises

Background

The TUAC project on the implementation of the OECD Guidelines has been running for one year (since March 5, 2001). It has been funded through direct contributions, rather than the TUAC budget and a separate report has been included in the TUAC Accounts for 2001 (agenda item 10). The staff costs of the first year were primarily covered through a grant from the Ford Foundation as part of the ICFTU-led Millennium Project. ILO-ACTRAV has assisted with publication costs. The project will at least continue for another year thanks to contributions from the ITF, the TCO, LO-Denmark, Rengo, the TUC, the Friedrich Ebert Stiftung (FES) and others.

Objectives

The project has primarily focused on four objectives:

- Working with affiliates to ensure functioning National Contact Points (NCPs)
- Raising awareness of the Guidelines both in adhering and non-adhering countries
- Helping affiliates and other trade union organisations to raise and process cases
- Promoting linkages to other policy areas where the Guidelines are relevant and promote them as a benchmark for corporate social accountability initiatives.

Report on Activities

In line with these objectives:- the User's Guide was published in English last autumn and has been distributed to both TUAC and ICFTU affiliates as well as posted on the TUAC website. It has been translated into French, Spanish (ICFTU-ORIT) and Portuguese and is about to be printed in the same format as the English version. It has also been translated into Italian, Korean, Hungarian, Russian, Estonian, Latvian and Czech. The DGB is planning a German version of the Guide. The ICFTU is translating it into Georgian and Romanian. They will launch the Guide in conjunction with a campaign on core labour standards in Georgia and Romania before the summer. The ICFTU-APRO will translate it into Thai. The Guide might also be translated into Malay and Chinese. The translations have been useful in raising the awareness of the Guidelines, especially in connection with seminars and workshops and bringing forth potential cases.

TUAC has participated in a number of seminars to disseminate the User's Guide and help trade unions world-wide to use the Guidelines in order to resolve specific issues and facilitate a social dialogue with multinational enterprises. These seminars have covered principally Europe, North America, South America and Asia. TUAC organised at the end of February with the NFS two seminars in the Baltic countries, as Estonia and Lithuania have recently adhered to the Guidelines. Altogether the seminars had about 80 participants from trade unions, business organisations and governments in Estonia, Latvia and Lithuania. TUAC has also briefed a number of Global Union Federations (GUFs) on the Guidelines.

Some fifteen cases have been raised by national trade unions and GUFs under the revised Guidelines (table attached). There have also been some cases raised by NGOs. TUAC has been involved in a number of cases and raised Burma as a general issue in the OECD Committee on International Investment and Multinational Enterprises (CIME) last year. Three of the cases raised, Marks and Spencer, French companies operating in Burma and Siemens, have led to conclusions by NCPs. A majority of the cases refer to corporate conduct in non-adhering countries and/or violation of trade union rights. Another common issue is closures or transfers of companies.

Since the revised Guidelines were adopted in 2000 Estonia, Lithuania and Slovenia have become new adherents. Other countries are also in the process of adhering.

Future activities

TUAC will continue to participate in and hold seminars to make the Guidelines better known as an instrument to protect workers' rights. As there have not been any activities in Africa it is urgent to arrange a first seminar in South Africa this autumn and activities in francophone Africa. Together with the FES, TUAC are planning further seminars in South America. Problems with multinational enterprises operating in Latin American "maquiladoras" are common and the fact that the User's Guide will soon be available in Spanish and Portuguese makes it a good moment to raise awareness with trade unions in South America. A seminar is also being planned to increase co-operation with NGOs.

In connection with the OECD Annual Meeting of National Contact Points and OECD Round Table on Supply Chain Issues on 18-19 June, TUAC is organising a meeting within the OECD Labour/Management Programme on the Guidelines on 17 June. It aims to bring together trade union and other experts to discuss experiences with the implementation of the Guidelines and the functioning of NCPs since the review in 2000. The meeting will help allow trade union and civil society actors to discuss their experiences in advance of consultations with the OECD Annual Meeting of National Contact Points. It will also provide the opportunity to exchange experiences with cases raised in NCPs. Furthermore, the meeting will raise some of the problems facing new adherents and the issue of the increasing use of the Guidelines as a benchmark for other public and private initiatives in the field of corporate social accountability.

In preparation of the consultations with the Annual Meeting of NCPs, TUAC will survey trade union experiences with NCPs as was done in 2001. A questionnaire will be sent to all TUAC affiliates and national centres in Argentina, Brazil, Chile, Estonia, Lithuania and Slovenia. The result will be an important input to the meeting and will in a certain way contribute to the monitoring of the NCPs.

To be able to extend the awareness of the Guidelines amongst European Works Council representatives, TUAC has, with ETUC's trade union college (ETUCO) as a partner organisation, submitted an application for a project to the European Commission. The project is called European Development Awareness through Corporate Accountability (EDACA). The overall objective is to raise the awareness of trade unionists of the issues facing workers in developing countries as employees of multinationals and their supply chains. The main target groups are trade union officials responsible for training of European Works Council representatives, trade union officials dealing with multinationals and trade union officials working on development in four European countries (the UK, Germany, France and Sweden) which are major sources of overseas investment. The central issue addressed would be how to increase the practical use of key instruments of corporate social responsibility particularly focusing on the Guidelines and European Works Councils. We will not know until the end of the summer if the application has been approved.

Conclusion

The Plenary Session is invited to discuss and approve this report.