

Unlocking the potential of the OECD Guidelines- a civil society perspective

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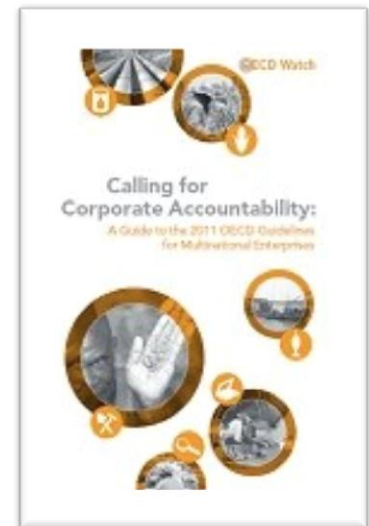


OECD Watch at a glance

- Global network of over 100 CSOs in 51 countries.
- Secretariat hosted by SOMO in Amsterdam
- Recognized stakeholder of the OECD's Investment Committee

Mission

Ensure that victims of corporate misconduct have access to remedy, that business activity contributes to sustainable development and poverty eradication, and that corporations are held accountable for their actions around the globe



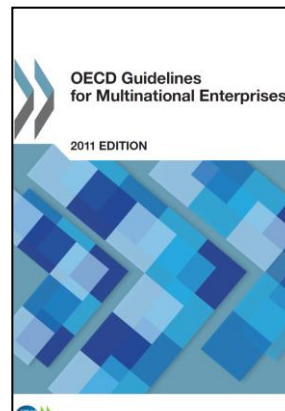
The OECD Guidelines on Multinational Enterprises

- **Internationally accepted frame of reference for responsible business conduct:** endorsed by governments, business, unions and, to some extent, NGOs.
 - “The OECD Guidelines are currently the most widely applicable set of government-endorsed standards related to corporate responsibility and human rights” (Ruggie 2008)



The Role of the OECD Guidelines in Promoting Responsible Business Conduct

- State-backed;
- Business responsibilities extend across borders;
- They encompass expectations from a wide range of RBC issues;
 - The Guidelines covers many issues, such as human rights and taxation, and are derived from other international instruments such as the UN Declaration on Human Rights
- They have a state-based complaints mechanism, National Contact Points.



Why do CSO's use the NCP system?

- Remedy harm
- Prevent harm
- Mediation
- Formal dialogue
- Disclosure of documents
- Campaigning
- Public awareness
- Multiple strategies



[www.oecdwatch.org/
remedy-remains-rare](http://www.oecdwatch.org/remedy-remains-rare)

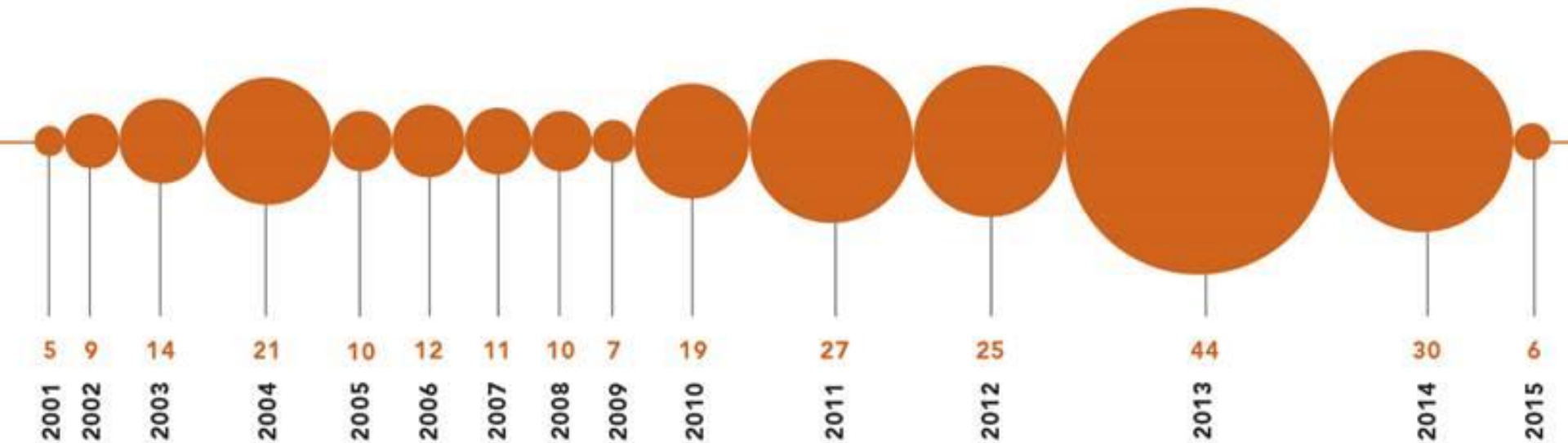


Remedy Remains Rare

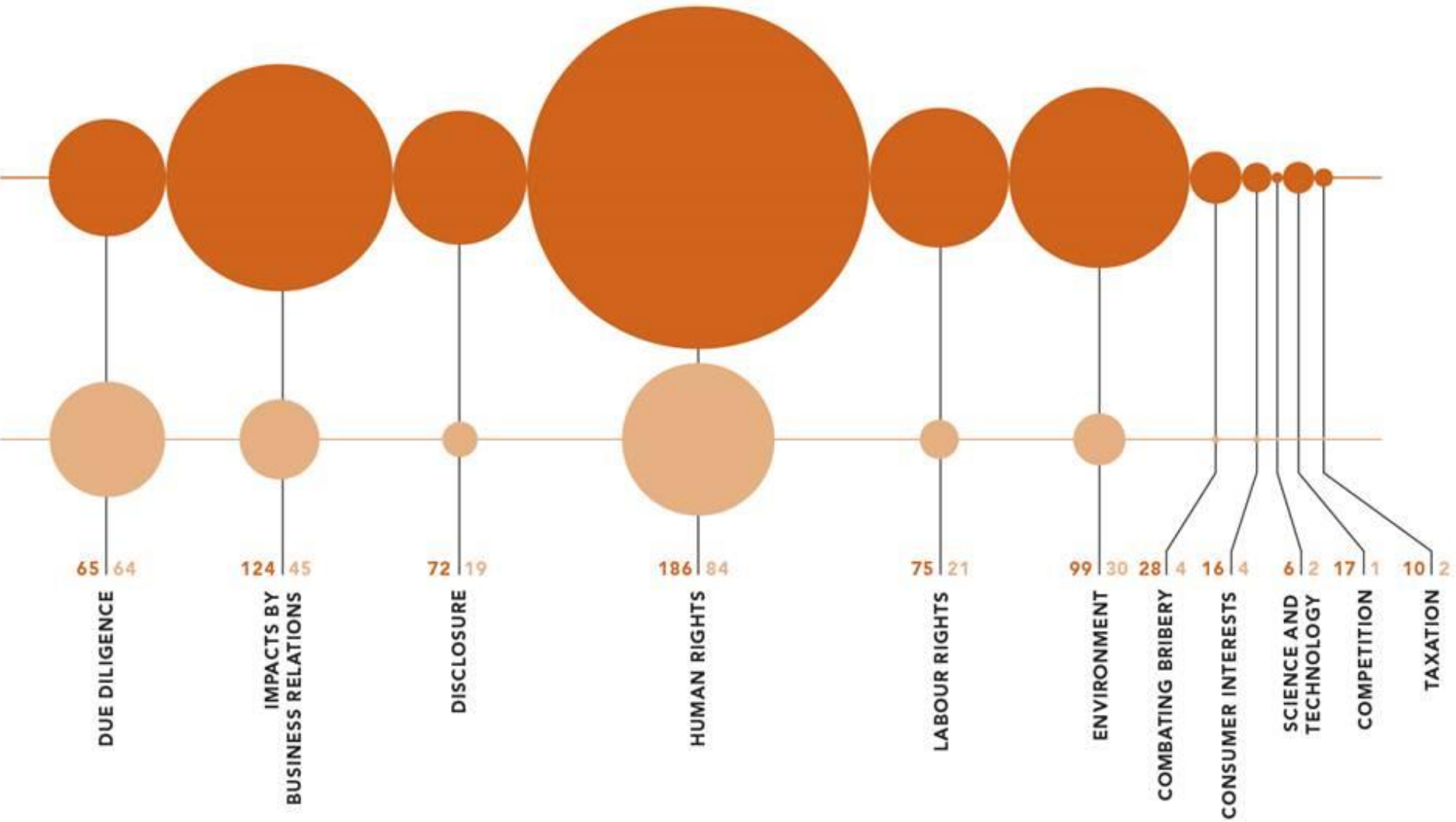
An analysis of 15 years of NCP cases and their contribution to
improve access to remedy for victims of corporate misconduct



CSO complaints by year



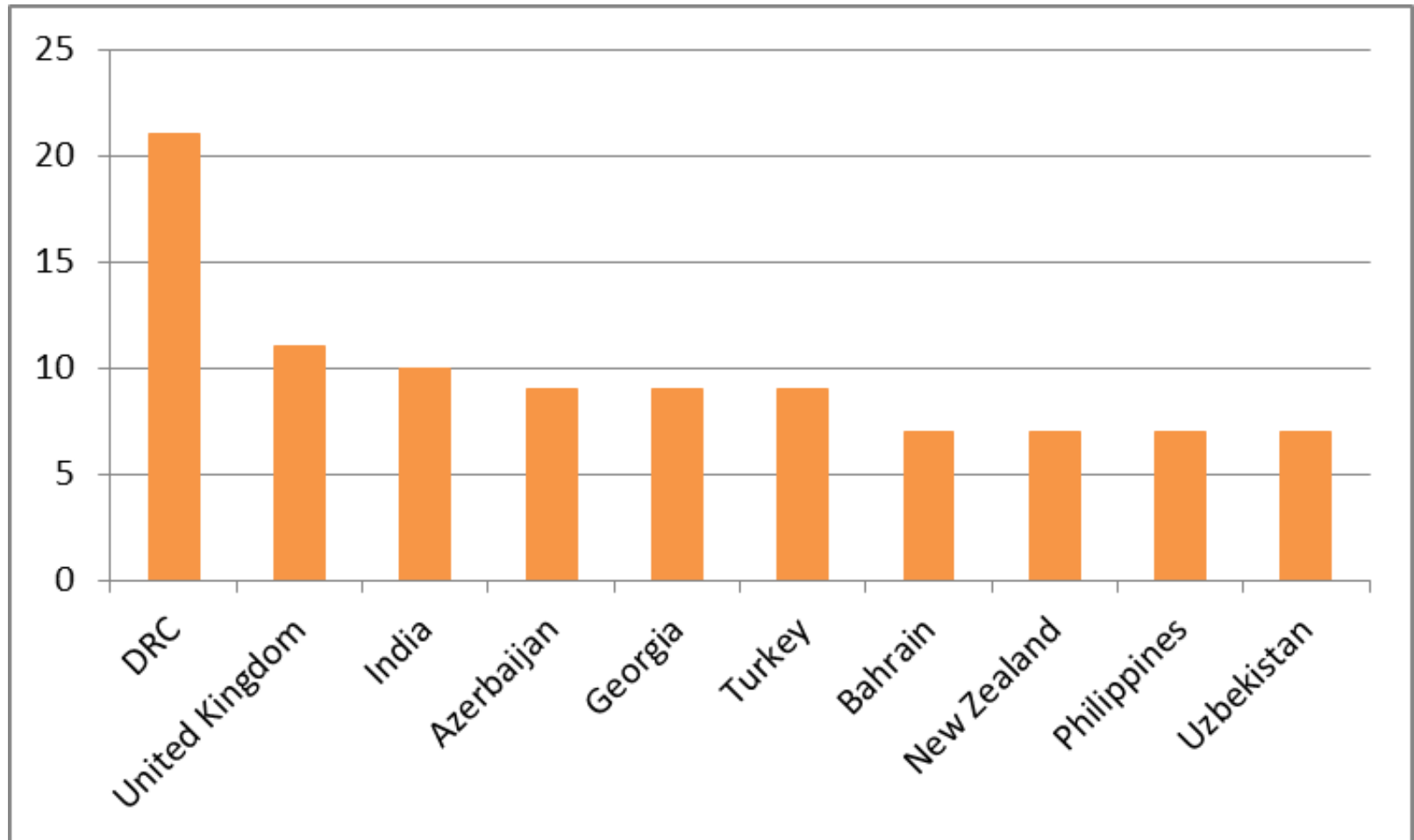
Complaints by Issue



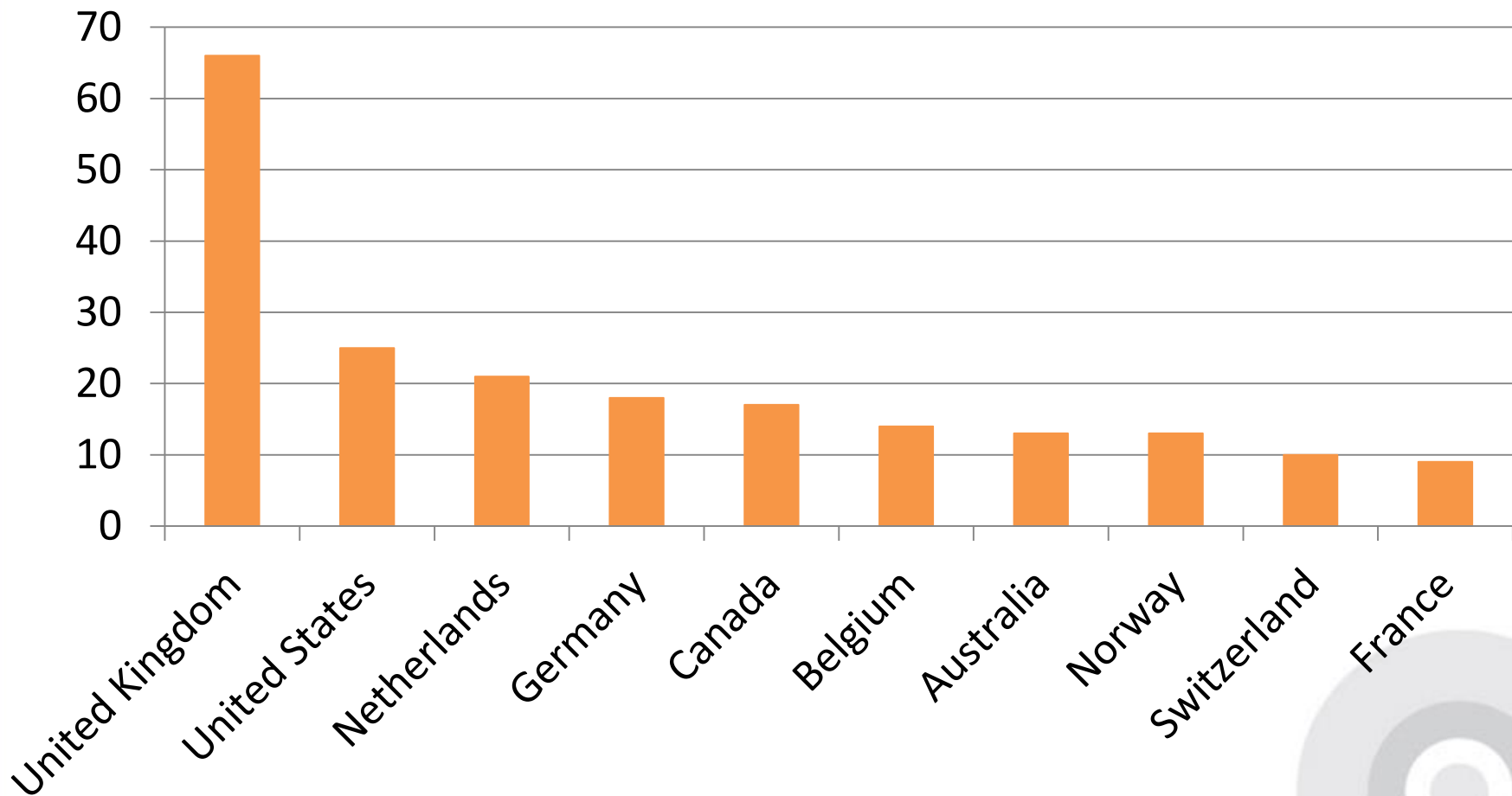
Complaints by Sector



Geographical location of alleged violations



NCPs handling Guidelines complaints by CSOs



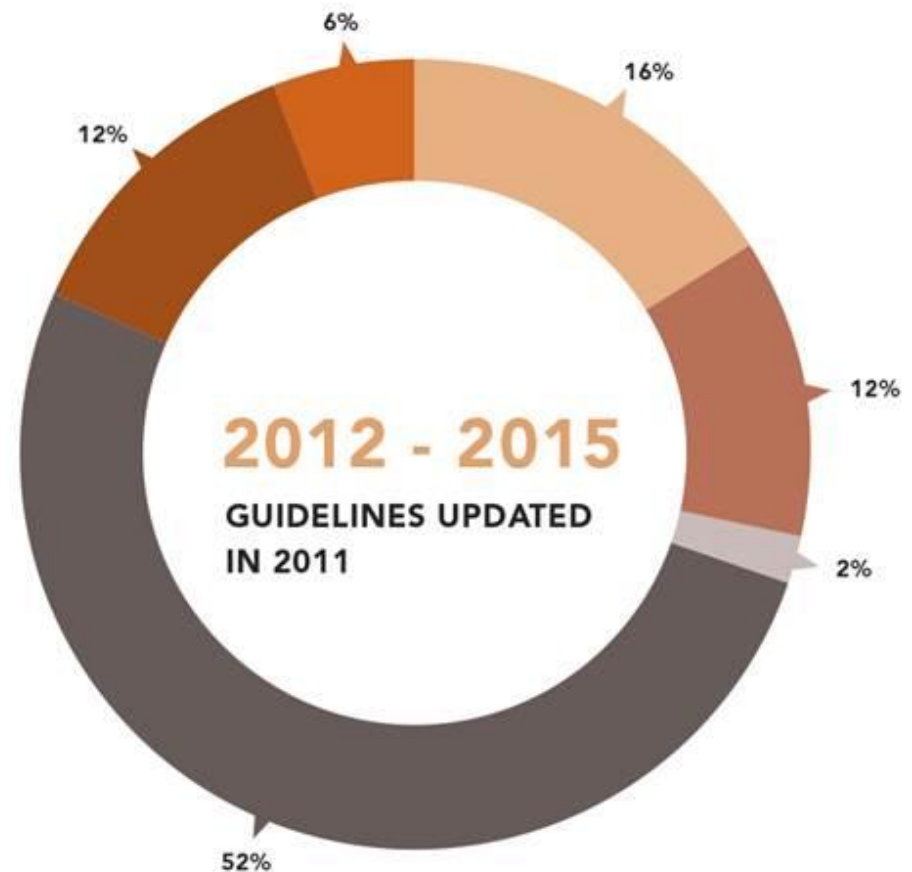
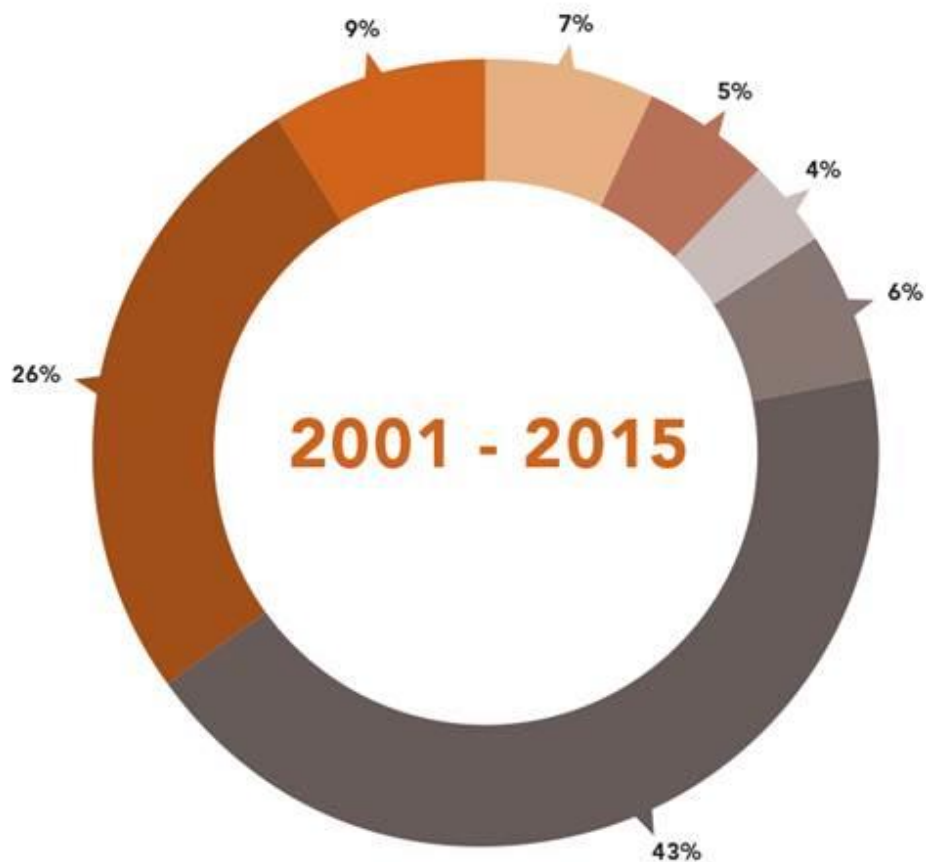
How does Central and Eastern Europe NCPs rank?

9 NCPs Exist:

- 11 complaints known, but none filed by NGOs:
 - 5 in Czech Republic;
 - 4 in Poland;
 - 1 in Hungary;
 - 1 in Romania.



Case Status



Effective?

Positive outcomes of NCP cases



CASES

CEDHA vs. Nidera



**Nidera corn seed
harvesting in
Argentina & their
human rights
policies**

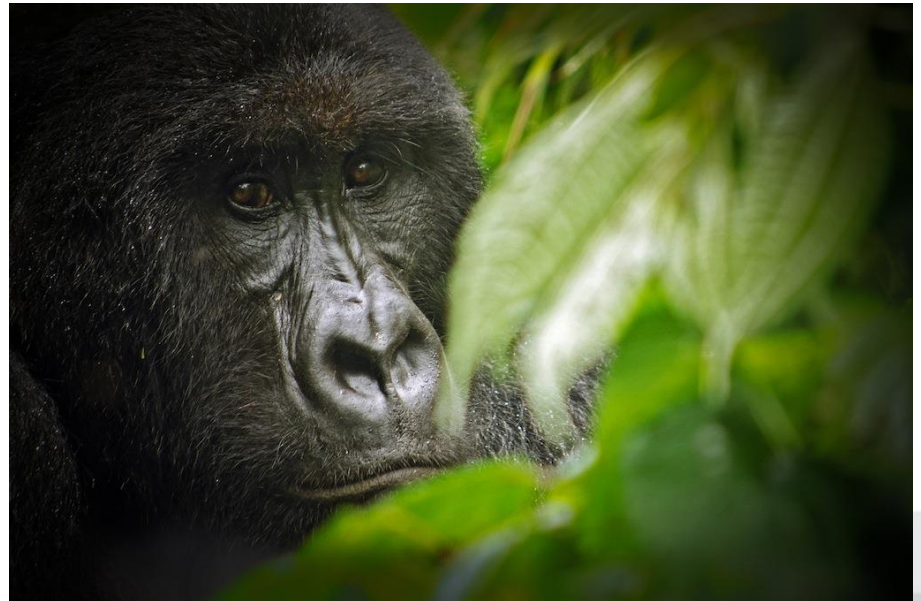


CASES




Oil Exploration in Virunga National Park


WWF vs SOCO



Remedy within the context of the Guidelines?

- The Guidelines function as soft law and as a non-legal instrument, but non-compliance can come with hard consequences
 - Specific instances may lead to reputational damage and exclusion from grants, trade missions, export credit facilities or investment guarantees
 - NCPs can contribute to a variety of forms of remedy
 - Compliant processes rarely exist in a vacuum and can have an impact through other means
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What leads to positive outcomes?

- Independent or multi-stakeholder structures improve stakeholder confidence;
 - Not all NCPs currently make determinations, but doing so is permitted under the Procedural Guidance. OECD Watch found that 77 per cent of the specific instances that resulted in a positive remedy-related outcome were made by NCPs that have either a stated policy or track record of making determinations when mediation is impossible or fails;
 - Material consequences further the Guidelines effectiveness;
 - More follow-up on agreements is needed.
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Stepping up NCP Performance?

- In 2015 G7 Leaders Declaration committed to strengthening and improving NCPs;
- OECD's 2015 Ministerial Council Statement, 38 ministers highlighted the need to “further strengthen the performance” of the NCPs;
- NCP peer review processes;
- Many of the obstacles facing NCP effectiveness can easily be addressed by adhering governments, the OECD, and NCPs themselves;
- **Procedural Guidance sets out responsibilities on how NCPs need to perform, but not always measures- is it time for Reform?**

**THANK YOU FOR YOUR
ATTENTION!**

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