

The OECD Guidelines on Multinational Enterprises, the UN Guiding Principles on Business & Human Rights and other Responsible Business Conduct standards

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RESPONSIBLE BUSINESS CONDUCT
& THE OECD GUIDELINES FOR MULTINATIONAL
ENTERPRISES

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What is Responsible Business Conduct (RBC) About?

☐ It starts in small places that people care about ...

"Where, after all, do universal human rights begin? In small places, close to home - so close and so small that they cannot be seen on any maps of the world. Yet they are the world of the individual person; the neighbourhood he lives in; the school or college she attends; the factory, farm, or office where he works. Such are the places where every man, woman, and child seeks equal justice, equal opportunity, equal dignity without discrimination."

Eleanor Roosevelt



But it is about big ideas that people care about







INTO WORKING?



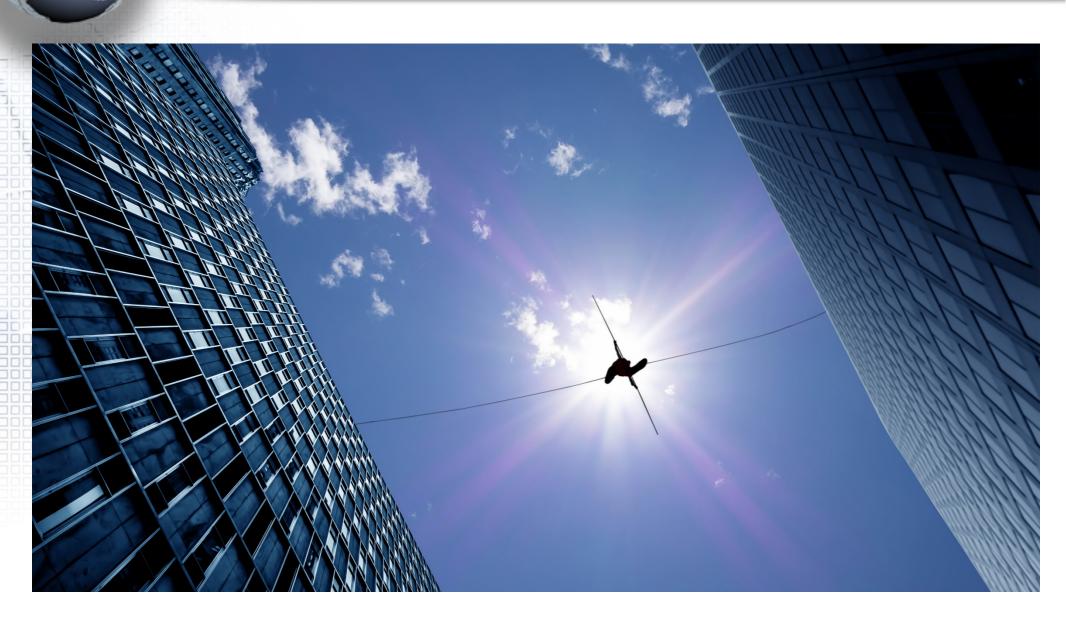
Respect



EDUCATION
IS THE MOST
POWERFUL WEAPON
WE CAN USE
TO CHANGE THE WORLD
- NELSON MANDELA



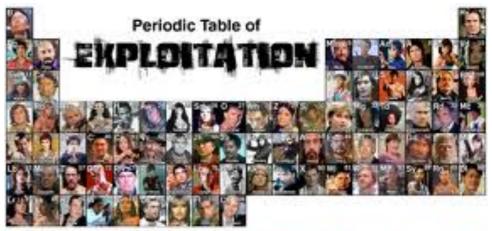
The Gap





What Is the Response from Society?











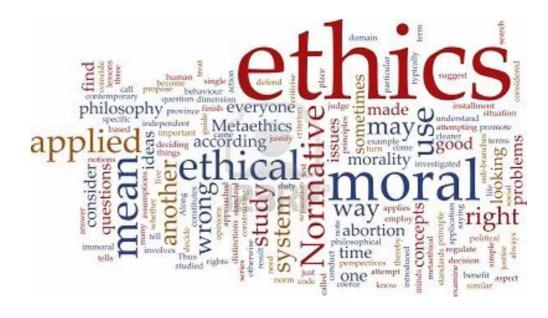




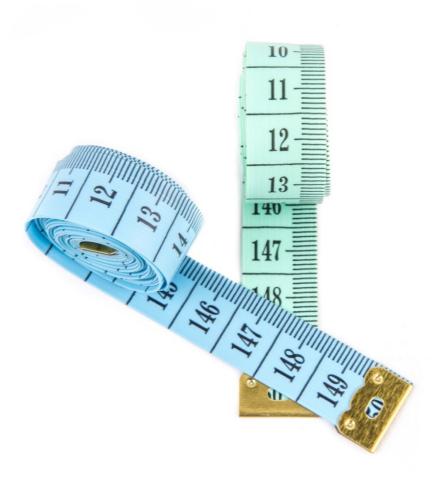


What is the Response from Business?





How to Respond?





International Standards through International Organisations





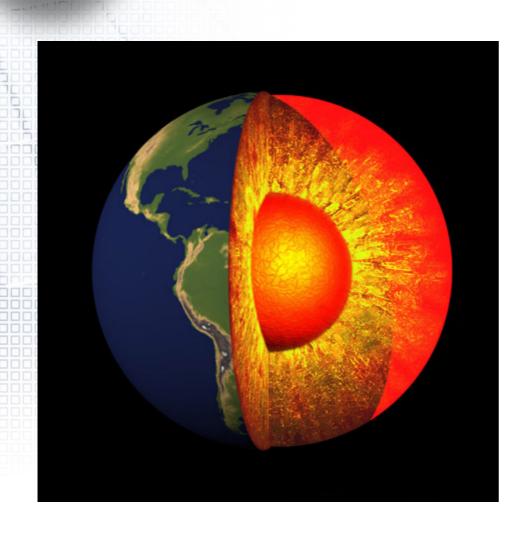








Core Concepts

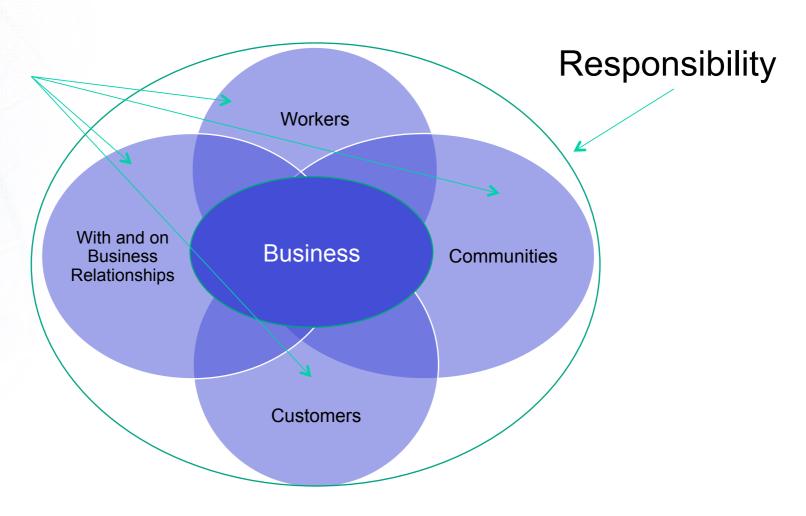


- ✓ Business operations have adverse impacts
- ✓ Businesses have responsibility for those adverse impacts
- ✓ Whether or not there is domestic law requiring them to do so



Core Concepts: Impacts = Responsibility Do No Harm

Impacts





Core Concepts: Responsibility = Action

Do No Harm ≠ Do Nothing



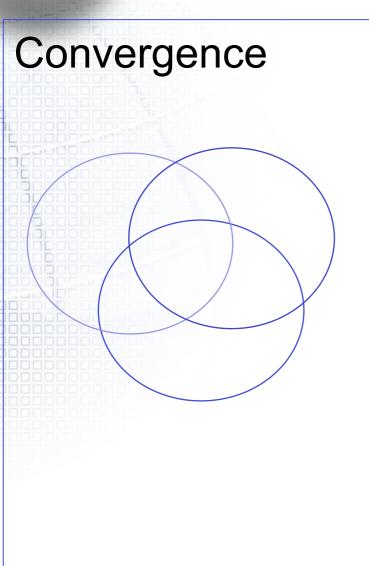


Not this approach

But this one



Core Concepts: Action = Both Process & Outcome



- Proactive & systematic due diligence to identify and manage adverse impacts through >> prevention, mitigation, remedy
- Covering: Business & its business relationships
- Using: international norms
 & standards to inform
 action



OECD Guidelines on Multinational Enterprises



- ✓ Businesses (large & small) -- all multinational enterprises (MNE) of all sizes, including SMEs
- ✓ Based in 35 OECD countries and 11 non-OECD countries adhering to the Guidelines includes Hungary
- ✓ All the entities within the MNE enterprise group parent and local entities, including subsidiaries
- ✓ All sectors
- ✓ Wherever the business operates in the world



OECD Guidelines on Multinational Enterprises



- ✓ Covers wide range of topics:
 - Disclosure, Human Rights, Employment & Industrial Relations, Environment, Bribery & Corruption, Consumer Interests, Science & Technology, Competition & Taxation
- ✓ Unique mediation process National Contact Point



UN Protect, Respect, Remedy Framework



& UN Guiding Principles on Business & Human Rights

Pillar I

State Duty to Protect Human Rights

Pillar II

Corporate
 Responsibility
 to Respect
 Human Rights

Pillar III

 Access to Remedy for those impacted



UN Guiding Principles on Business & Human Rights



- ✓ All businesses (large & small)
- ✓ All sectors

✓ All countries

✓ All human rights



ISO 26000 - Guidance on Social Responsibility



- □International Standards Organisation (ISO) guidance on social responsibility
- Helps clarify what social responsibility is, helps businesses and organizations translate principles into effective actions
 - Aimed at all types of organizations
 - ✓ All sizes
 - √ All sectors
 - ✓ All countries



ISO 26000





so Schematic ove of ISO 26000

Clause 1 Scope Guidance to all types of organizations, regardless of their size or location Clause 2 Terms and definitions Definition of key terms Clause 3 Understanding social responsibility History and characteristics; relationship between social responsibility and sustainable development Clause A Principles of social responsibility

Accountability

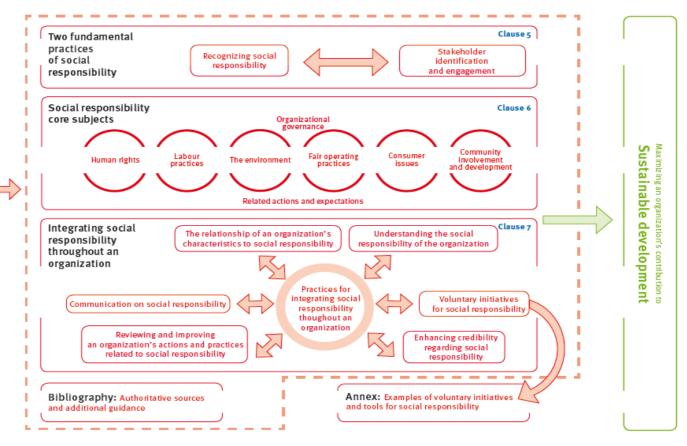
• Transparency

of behaviour Respect for human rights

· Ethical behaviour

· Respect for stakeholder interests

 Respect for the rule of law Respect for international norms





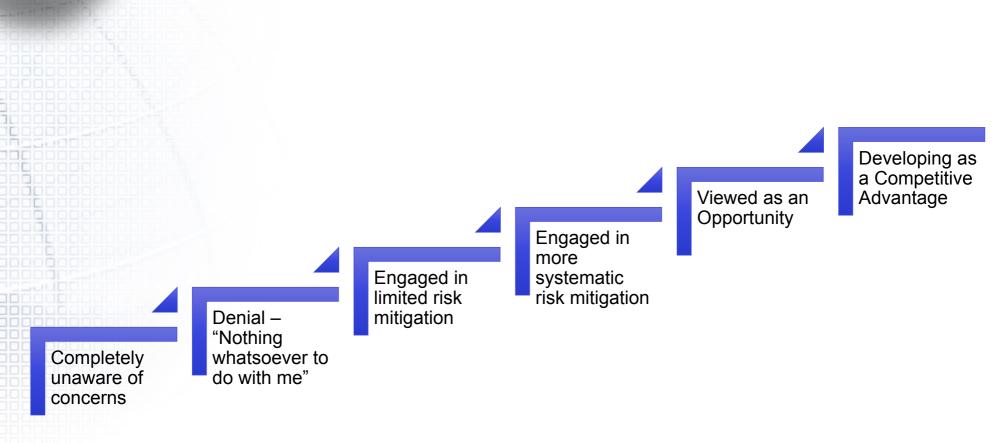
Key Messages

Consistent Messages:

- Responsibility & Accountability & Transparency
- Ethical behaviour based on
 - Respect for the rule of law
 - Respect for international norms of behaviour, including human rights
 - Respect for stakeholder interests



What is the Response from Business?





Are there businesses out there paying attention?











The global economy we want to create by 2030 - and how we can do it

FT SPECIAL REPORT

Responsible Business

