



OECD **GUIDELINES**
FOR MULTINATIONAL ENTERPRISES

HUNGARIAN
NATIONAL CONTACT POINT

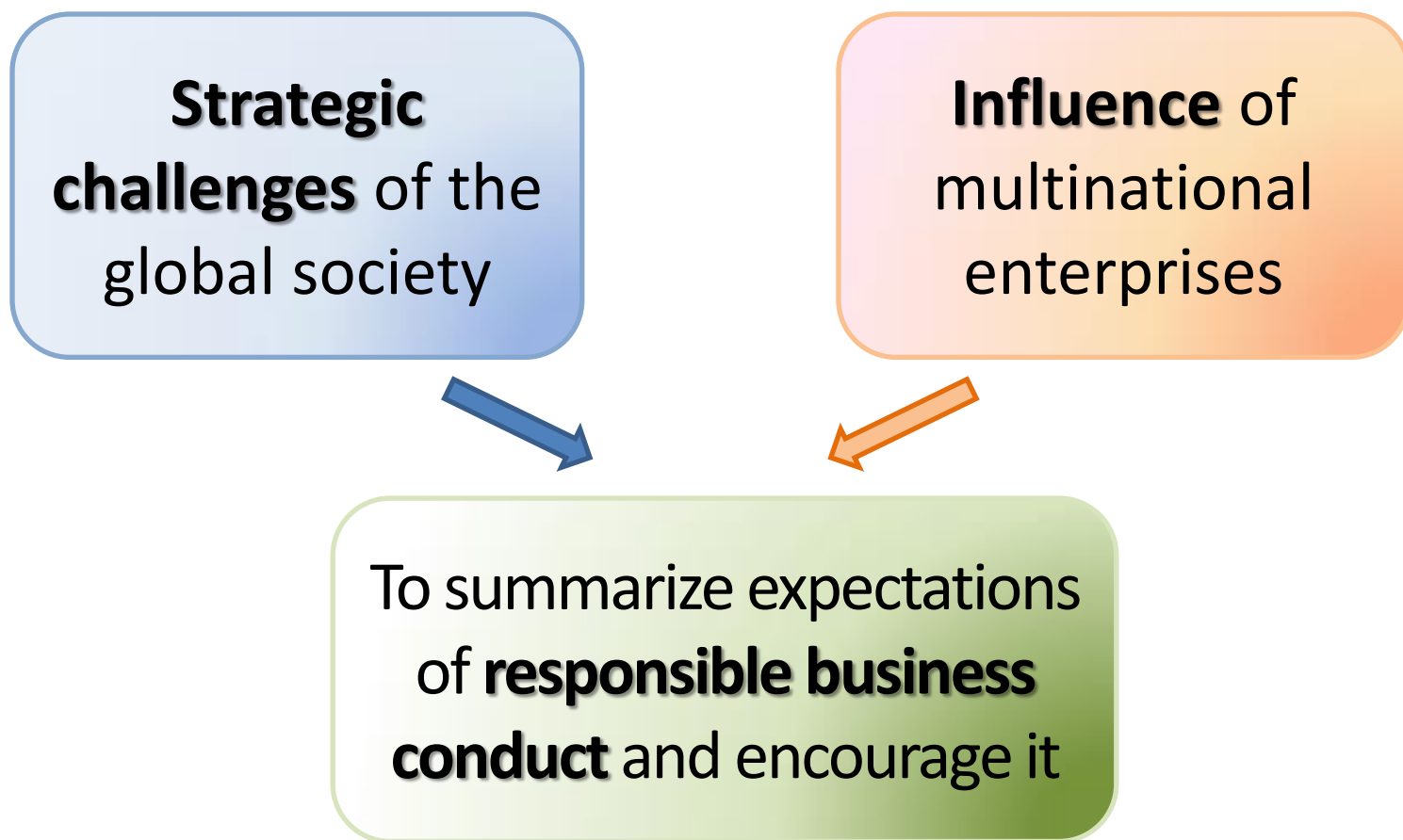
OECD Guidelines for Multinational Enterprises

Hungarian NCP perspective

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Bratislava, October 23. 2017

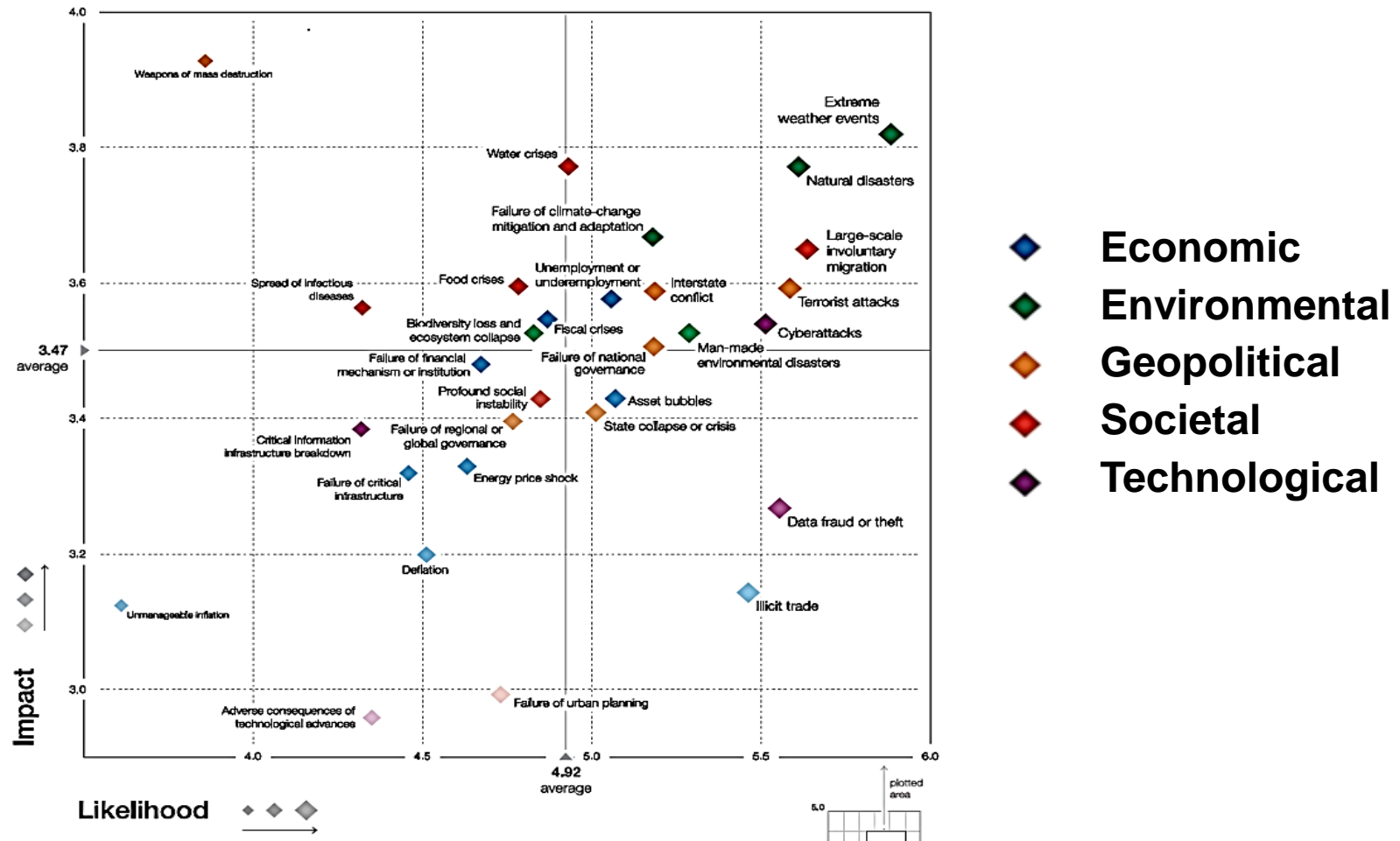
The OECD Guidelines - Why?



Strategic challenges of the global society

Figure 3: The Global Risks Landscape 2017

Source: World Economic Forum Global Risks Perception Survey 2016



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Strategic challenges of the global society

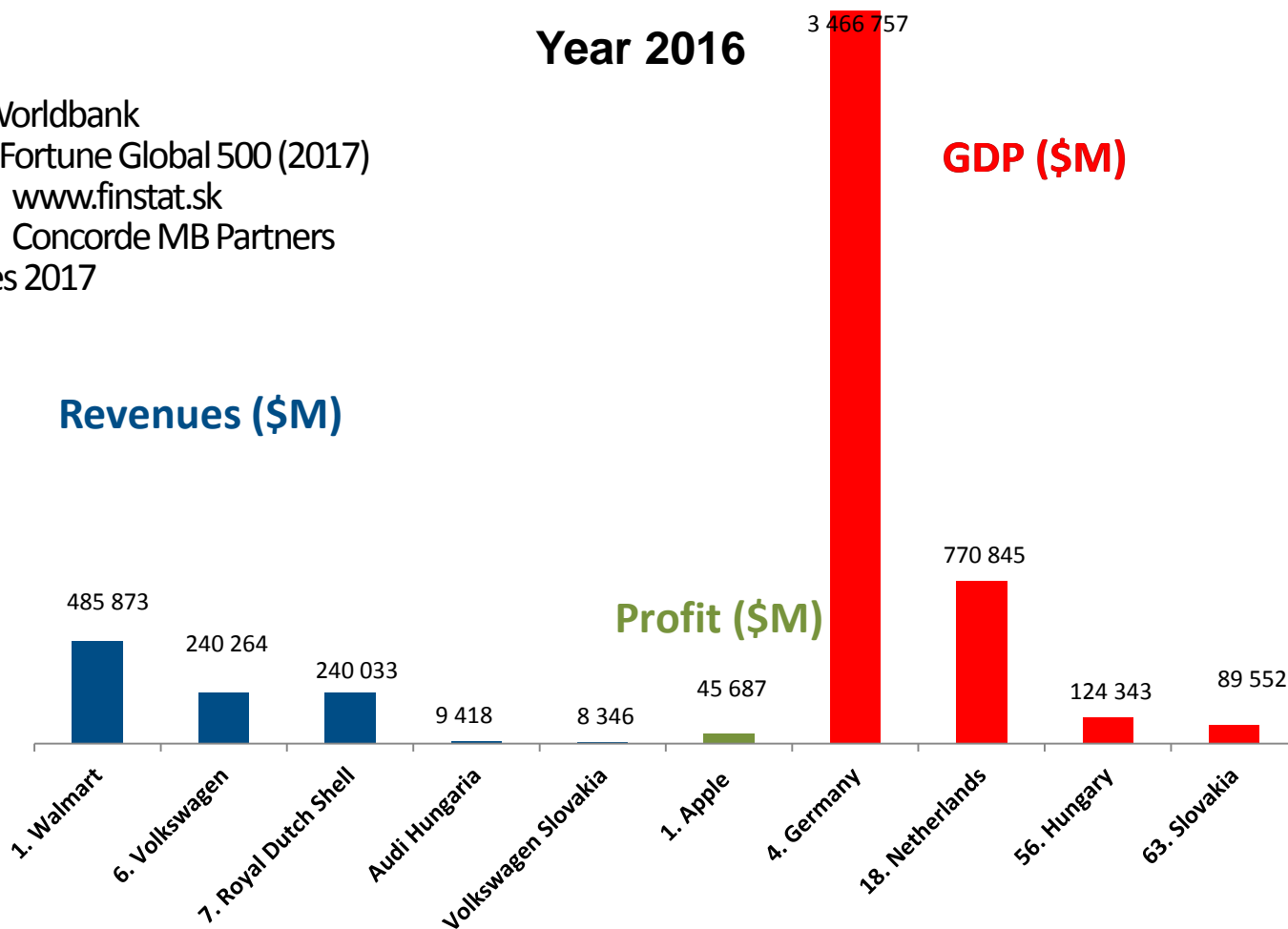
Source: World Economic Forum Global Risks Perception Survey 2016

Top 5 Trends that Determine Global Developments

- 1) Rising income and wealth disparity
- 2) Changing climate
- 3) Increasing polarization of societies
- 4) Rising cyber dependency
- 5) Ageing population

Influence of multinational enterprises

Sources:
GDP 2016 Worldbank
Revenues – Fortune Global 500 (2017)
www.finstat.sk
Concorde MB Partners
Profit: Forbes 2017



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Responsible business conduct - Benefits

For the **global society** by contributing to coping with global strategic challenges via

- Inclusive and sustainable development
- Prevention or mitigation of adverse impacts

For the **governments** via

- Fair competition and level playing field
- More attractive investment climate
- Stimulating innovation

As a result higher economic growth



Responsible business conduct - Benefits

For **MNEs** via

- Preventing risks, conflicts with workers and local inhabitants, financial and reputational damages
- Improved reputation & brand image
- More loyal employees
- Better operational efficiency
- Higher stock prices
- Easier, cheaper access to financing

As a result **increasing profit**

But: it is not enough to engage in RBC per se,
one must do it well!



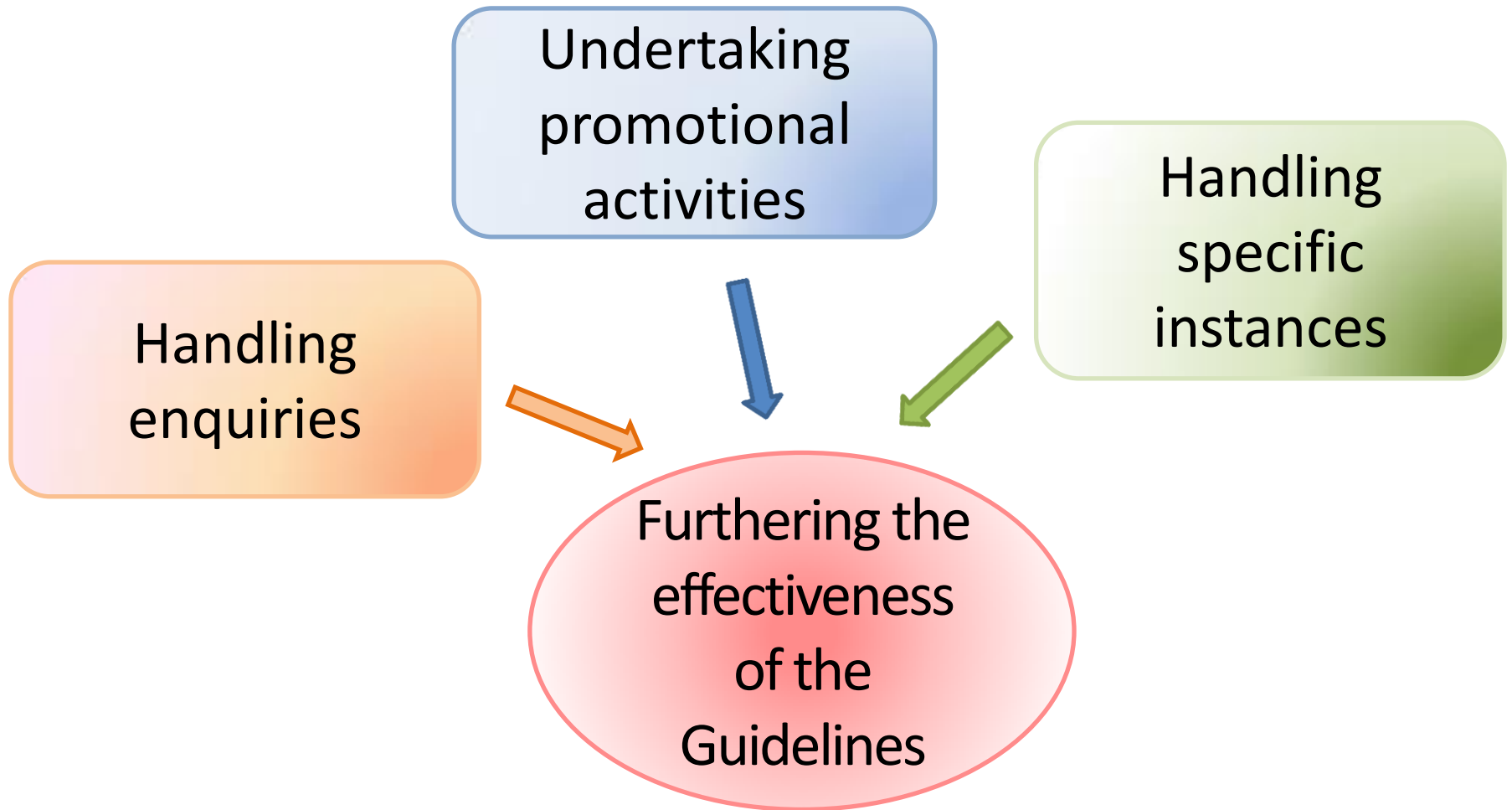
Responsible business conduct - Benefits

For **domestic enterprises**

- Mostly the same benefits as for MNEs (reputation, employees' loyalty, operational efficiency, financing)
- Ability to meet expectations arising from due diligence requirements towards MNE business partners



National Contact Points - Tasks



The Hungarian National Contact Point

- 1994: Hungary is an adherent to the Guidelines
- Since 2000: HNCP
- Since 2014: strengthening efforts, including a full time NCP staff
- Since September 2017: **Government Decree 245/2017 (VIII.29.)**



Government Decree

- Decision of the Council on the OECD Guidelines for Multinational Enterprises and Commentary on the Implementation Procedures is wholly incorporated
- The Chair is a Senior Government Official
- NCP members from several ministries
- Dedicated budget
- Reporting obligations

The Hungarian National Contact Point – Promotional activities

- Website - oecd.kormany.hu/oecd-nkp
- Visual elements
- Promotional events



➤ Promotional materials



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Thank you for your attention!

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