



Final Statement of the Hungarian National Contact Point (HNCP) on the submitted specific instance registered on 26 March 2020

In February 2020 two individuals lodged a specific instance to the Hungarian National Contact Point (hereinafter: HNCP) against a subsidiary company of a multinational enterprise operating in Hungary. Following the response to the request for rectification, the specific instance was registered by HNCP on 26 March 2020.

The complaint is based on the OECD Guidelines for Multinational Enterprises (hereinafter: the Guidelines). According to the complainants, the company has infringed the provisions 1., 2., 5. and 6. of *Chapter 2. General Policies* of the Guidelines:

1. paragraph (2.): ‘Respect the internationally recognised human rights of those affected by their activities.’ The company did not respect the human rights of those affected by its activities, including the complainants, namely their personal rights. Personal data was breached and despite their demands, as a data controller, the company did not delete their personal data and account numbers from its register.
2. paragraph (1.) and (5.): ‘Contribute to economic, environmental and social progress with a view to achieving sustainable development.’ and ‘Refrain from seeking or accepting exemptions not contemplated in the statutory or regulatory framework related to human rights, environmental, health, safety, labour, taxation, financial incentives, or other issues.’ The company has not refrained from requesting or accepting environmental, health, safety, labour, or other material exceptions not regulated by law or regulations.
3. paragraph (6.): ‘Support and uphold good corporate governance principles and develop and apply good corporate governance practices, including throughout enterprise groups.’ The company did not provide a dispute resolution platform to

resolve any outstanding disagreements and did not respond either the complainants' inquiries, thereby supporting and adhering to good corporate governance.

Based on its specific instance procedure policy, HNCP evaluated the complaint during its preliminary assessment and reviewed the admissibility and possibility of handling the case. In accordance with the professional criteria set out in the Guidelines and on the basis of the preliminary assessment, HNCP concluded that further investigation of the specific instance was not justified and was therefore inadmissible.

As the described problems were not well established, HNCP did not consider the specific instance admissible. Main reasons for this were such as follows:

- Based on the information available to the HNCP, the 1. and 2. points of the specific instance apply to a case that is older than 5 years. The situation described in point 2. in fact no longer exists. According to the specific instance procedure policy of HNCP, limitation is a ground for exclusion. However, an exception can be made if handling the specific instance may enhance the enforcement of the Guidelines. Pursuant to the Hungarian National Contact Point, this was not the case, given that the activities of the company named in the specific instance did not have a direct impact on the objections mentioned. Therefore, a mediation procedure could not provide a solution to the complaint.
- Content of point 3. was not substantiated credibly by the complainants even after HNCP's request for rectification.

The Hungarian National Contact Point hereby declares the procedure closed.

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