

Terms of Reference of the Hungarian National Contact

Point Responsible Business Conduct of the OECD

Guidelines for Multinational Enterprises

In accordance with the provisions of the Council Decision C(2000)96/FINAL of 25 May 2011 on the promulgation of the Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD) and the Government Decree 245/2017 (VIII.29.) on the establishment of the Hungarian National Contact Point for **Responsible Business Conduct (hereinafter referred to as the "Hungarian National Contact Point for Responsible Business Conduct")**, the rules of procedure of the **OECD Hungarian National Contact Point for Responsible Business Conduct (hereinafter referred to as the "Hungarian National Contact Point for Responsible Business Conduct")** are as follows:

I.

The HNCP organization

1. The HNCP is headed by the Head of State appointed by the Minister responsible for international financial relations in the Organisation for Economic Cooperation and Development (hereinafter 'the Minister').
2. The composition of the HNCP will be designed to ensure that it has the professional competences needed to deal with the 11 themes and areas covered by the Guidelines. To this end, the members of the HNCP shall be members of a central public administration body in government service or employment and invited by the Head of the HNCP:
 - a) 7 delegated by the Ministry of National Economy;
 - b) 4 delegates from the Ministry of Justice;
 - c) 2 delegates from the Ministry of Agriculture;
 - d) 2 delegates from the Ministry of Foreign Affairs and Trade;
 - e) 1 person delegated by the Ministry of Energy;
 - f) 1 person delegated by the Prime Minister's Office;
 - g) 1 person delegated by the Ministry of the Interior;
 - h) 1 delegate from the Ministry of Culture and Innovation;
 - i) 1 person delegated by the Ministry of European Union Affairs;
 - j) 1 person delegated by the Ministry of Public Administration and Regional Development
3. The Secretariat of the HNCP is located in the Ministry of the Minister responsible for the Organisation for Economic Cooperation and Development (OECD). The Secretary (hereinafter referred to as the 'Secretary of the HNCP') shall be appointed by the Head of the HNCP to act as the Secretariat.
4. In the event that the chair of the HNCP is prevented from attending, he shall appoint a substitute from among the members of the HNCP.
5. The HNCP shall be represented by the HNCP chair or, in his/her absence, by his/her deputy or by an HNCP member appointed by the HNCP chair.

6. The members of the HNCP Secretariat and the delegated experts listed in point 2 are subject to the conflict of interest rules of Act CXCIX of 2011 on Civil Servants. In addition, HNCP members shall be required to sign a Conflict of Interest Declaration prior to joining the HNCP.

7. The procedure initiated by the complaint (hereinafter referred to as the procedure) shall involve the HNCP member or members designated by the head of the HNCP. In the event of a conflict of interest against an HNCP member, he/she may not participate in the procedure. The HNCP Secretariat shall examine the possibility of this on a case-by-case basis.

8. The HNCP will establish an Advisory Board (hereinafter referred to as "AB") representing a wider (mainly non-governmental) professional community.

9. The chair and members of the HNCP shall not receive any special remuneration for their work in the HNCP.

II.

The tasks of the HNCP

10. In the framework of the HNCP's domestic activities:

- a) promote the OECD Guidelines to a wide audience;
- b) keeps the HNCP website up to date, where all important documents, such as the HNCP Rules of Procedure and the HNCP Complaints Procedure, as well as news about HNCP activities, are available in Hungarian and English,
- c) ensure that the Guidelines and other key related documents, including sector-specific recommendations, are available in Hungarian and English,
- d) promoting the Guidelines and the principles of responsible business conduct to business stakeholders inside and outside government through presentations, exhibitions and events
- e) establish a structured dialogue with relevant civil society organizations and strengthen their presence and involvement in the HNCP's activities within the framework of the AB,
- f) inform the relevant co-decisions about developments concerning the OECD Guidelines and responsible business conduct.
- g) answers questions on the OECD Guidelines,
- h) contributes to government work to promote responsible business conduct and policy coherence,
- i) the HNCP, as an out-of-court complaint mechanism in cases within its jurisdiction, will investigate a complaint against a multinational company for alleged violations of the Guidelines and, if it considers it worthy of further investigation, will pursue the complaint after a preliminary assessment. The detailed rules of the HNCP Complaints Handling Procedure are set out in the HNCP Complaints Handling Procedure, which is available to anyone on the HNCP's official website at the following link:
- j) report annually to the Government on the work of the HNCP, the OECD National Contact Points Network and the OECD Working Party on Responsible Business Conduct.
- k) The HNCP discusses
 - the annual work plan of the HNCP,
 - the development concept for the work on the Guidelines,
 - answers to questions received on the Guidelines, seeking the technical advice of the OECD Working Party on Responsible Business Conduct where necessary,

- the documents produced by the OECD Working Party on Responsible Business Conduct and the tasks arising from them,
- the competence of the HNCP in relation to the complaint lodged with the HNCP, the admissibility of the complaint, the main professional issues and the possibility of recourse to an external mediator,
- a report or statement on the completion and follow-up of the MNE procedure,
- a mandatory annual report on the work of the HNCP to the OECD Investment Committee, OECD Secretariat and the OECD Working Party on Responsible Business Conduct.

11. In the framework of the international activities of the HNCP

11.1 participate, through the HNCP Secretariat, in the meetings and work of the OECD Network of National Contact Points,

11.2. participate through its representative in the meetings and work of the OECD Working Group on Responsible Business Conduct,

11.3. report annually on its work to the OECD Investment Committee,

11.4. cooperate with National Contact Points in other countries to promote the application of the Guidelines,

11.5 the HNCP shall be subject to periodic peer review by the OECD, the modalities of which shall be determined by the OECD Working Party on Responsible Business Conduct.

III.

Decision-making in the HNCP

12. Each member of the HNCP has 1 vote.

13. The documents are sent to the members of the HNCP in electronic form or on paper, subject to the condition that they are bound by confidentiality.

14. On issues within the competence of the HNCP, the HNCP shall seek to reach a decision by consensus. A simple majority is required for voting. In the event of a tied vote, the HNCP President shall decide on the issue concerned.

15. Only the HNCP has the power to decide on the cases complained of.

IV. Expectations of the HNCP

16. The MNFP strives to achieve functional equivalence as defined in the Guidelines, which include: visibility, accessibility, transparency, accountability, fairness and equity, and compatibility with the Guidelines.

17. The languages of the HNCP procedure are English and Hungarian.

18. The HNCP meets as necessary, but at least twice a year. Meetings of the HNCP shall be convened and chaired by the HNCP President and prepared by the HNCP Secretariat. An

extraordinary meeting may be convened at the initiative of any HNCP member by the President of the HNCP or the HNCP Secretariat. MLCP members shall be informed in detail of the matters to be discussed at the meeting at least 3 working days before the meeting. Minutes shall be taken of the meetings. The minutes shall contain the decisions taken at the meeting, except for matters requiring confidential treatment.

19. In order to ensure the proper dissemination of information and decisions relevant to the AB, the HNCP secretariat organises a meeting for the AB after the HNCP meeting, thus strengthening the role of the AB in the activities of the HNCP. The HNCP will ensure continuity in the event of any staff changes.

V.

Final provisions

20. The HNCP's Rules of Procedure are described in a separate document, which is published on the HNCP's website in Hungarian and English.

21. The rules and procedures of the HNCP shall be reviewed at least every 4 years in the light of experience. The rules of procedure of the HNCP shall enter into force on the day following its approval and shall apply to pending cases.

10 January 2025