

## THE OECD MNE GUIDELINES – 2011 EDITION

### OVERVIEW

- The OECD Guidelines for Multinational Enterprises (MNEs) are one of the most important and comprehensive international instruments for promoting responsible business conduct.
- 46 countries adhere to the MNE Guidelines, including all OECD members as well as Argentina, Brazil, Colombia, Costa Rica, Egypt, Jordan, Latvia, Lithuania, Morocco, Peru, Romania and Tunisia. These governments have committed to promote the implementation of the MNE Guidelines.
- The adhering countries encourage their MNEs to apply the Guidelines everywhere they do business. They are intended to stimulate fair behaviour, not to trigger legal disputes.
- The Guidelines are not only a demand on business, but also contribute to providing a more level playing field and protect business against unrealistic expectations.

### THE GUIDELINES IN CONTEXT

- The MNE Guidelines are part of the OECD *Declaration on International Investment and Multinational Enterprises*, which aims to balance the promotion of an open investment climate with responsible business conduct.
- Adopted in 1976, the OECD Declaration and Decisions on International Investment and Multinational Enterprises consist of four parts:
  - I. Guidelines for Multinational Enterprises,**
  - II. National Treatment,**
  - III. Conflicting Requirements, and**
  - IV. International Investment Incentives and Disincentives.**
- The Guidelines reflect a political understanding on what constitutes appropriate and fair business behaviour.

### WHAT WAS UPDATED IN 2011?

- New features include:
  - A new and comprehensive concept to avoid adverse impacts of business activities, including a related due diligence provision.
  - New provisions on how to promote observance of the Guidelines in the supply chain.
  - A new chapter on human rights consistent with the UN Guiding Principles on Business and Human Rights.
  - Amendments in the thematic chapters.
  - Amendments to the National Contact Point (NCP) procedure.
  - A pro-active implementation agenda designed to help enterprises to meet their responsibilities.

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- I. Concepts and Principles
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- III. Disclosure
- IV. Human Rights
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- VII. Combating Bribery, Bribe Solicitation and Extortion
- VIII. Consumer Interests
- IX. Science and Technology
- X. Competition
- XI. Taxation

### Part 2: Implementation Procedures

- Amendment of the Decision of the Council on the Guidelines
- Procedural Guidance
- Commentary on the Implementation Procedures

### THE GUIDELINES IN PRACTICE

- The Guidelines are supported by a unique implementation mechanism of National Contact Points, established by adhering governments to promote and implement the Guidelines.
- The NCP procedure allows interested parties to resolve disagreements over the implementation of the Guidelines and find a common solution that is of advantage to all parties.
- They are intended to provide a mediation and conciliation platform for resolving practical issues that may arise.
- BIAC supports an effective implementation of the Guidelines and is committed to constructively assist affiliated companies to follow the recommendations.

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[www.biac.org/mne\\_guidelines.htm](http://www.biac.org/mne_guidelines.htm)