

**2009 OECD ROUNDTABLE
ON CORPORATE RESPONSIBILITY**

***“Consumer Empowerment
and Responsible Business Conduct”***

PARIS, 15 June 2009

**Opening Remarks by
OECD Deputy-Secretary General Aart de Geus**

Commissioner Kuneva, Commissioner Nord and President Oschieng, distinguished speakers and participants, good morning.

I am delighted to open the 9th edition of the OECD Roundtable on Corporate Responsibility, a flagship event we organise every year on the occasion of the annual review of the implementation of the OECD Guidelines for Multinational Enterprises. The timing could not be better. The financial and economic crisis has made us acutely aware, perhaps more than ever before, of the critical role of business ethics in our economies. Restoring trust and confidence in global business is essential to ongoing efforts for bringing the world economy back onto a sustainable economic growth path. Furthermore, the Roundtable is being held in the run-up to major international gatherings -- the OECD Ministerial Meeting of 24-25 June 2009 and the G8 Leaders Summit in L'Aquila on 8-10 July 2009 -- both are expected to give special attention to the issue of "global ethical standards" -- and the 15th Conference of the Parties on Climate Change in Copenhagen in December 2009. Be assured that the ideas and proposals you offer today will be heard and can make a difference.

The general theme of the Conference, "Consumer Empowerment and Responsible Business Conduct" is well chosen and the programme raises very pertinent issues.

- Although consumers are one of the critical drivers of the market economy, as a constituency they still appear to be the "poor child" or "forgotten variable" in the corporate responsibility debate. Surveys suggest that consumers do not realize the huge power they have in influencing corporate behaviour. And even or when they are aware of it, they don't quite know how to exercise it effectively.
- **Supply chains** are probably one of the most difficult challenges in ensuring the safety and quality of goods and services produced for the general public. Globalisation has made it harder for consumers to cope with deceptive or fraudulent practices on products outsourced from far away under different, and sometimes sub-optimal, regulatory regimes.
- Consumers have tremendous potential to contribute to resolving social problem at home and globally. For example, through their purchasing behaviour, they can make a strong

contribution to the fight against **global warming and climate change**, but a great deal of effort is needed to mobilise them around this live-threatening issue and convince them to change their consumption habits. Companies have an important role in encouraging consumers to behave more responsibly towards society. Yet, for example, only a small minority of companies currently put on the market “green” and “ethical” goods and services, although I should note, the proportion is growing.

- The financial crisis also gives a painful illustration that consumers need to be better informed of the risks attached to different kinds of investments. The OECD has a leading edge in **financial education** and I am happy that this issue will be discussed.

But the most important objective we have today is to find out from you how the OECD Guidelines for Multinational Enterprises can best promote the interests of consumers and clarify international corporate responsibilities.

The OECD Guidelines are the sole multilateral government-agreed instrument that defines business responsibilities towards consumers. They state that enterprises should respect health and safety regulatory standards, provide accurate and clear information regarding their products and not engage in deceptive, misleading or fraudulent practices, protect consumer privacy. They also invite MNEs to co-operate fully with public authorities in the prevention or removal of serious threats to public health and safety.

These recommendations apply to enterprises originating from or operating in any one of the 41 countries adhering to the Guidelines, including 11 non –OECD countries. National Contact Points have the obligation to actively promote the Guidelines and offer their good offices in case of alleged misconduct on the part of foreign investors. In 2007 the OECD adopted a complementary Recommendation on consumer dispute resolution and redress. To my knowledge, **no other official international mechanism apart from the OECD Guidelines provides a government-based mechanism to resolve cross-border disputes between consumers and enterprises.**

It is not a coincidence that the OECD Guidelines have received high level political recognition, including by the UN and the G8, as a leading benchmark for responsible business conduct. But with this recognition also comes with responsibilities. Next year will mark the tenth anniversary of the last review of the OECD Guidelines. Adhering

countries have agreed to explore the merits of updating the Guidelines in close consultations with social partners and other interested countries in order to increase their global relevance.

Of course, it would not have been possible to submit for your consideration such a vast array of issues, without the presence of such knowledgeable speakers and discussants. I would also like to thank the officers of the OECD Investment Committee, the Committee of Consumer Policy, the Environment Policy Committee and the Committee on Financial Markets, some of whom are present, for giving us such an exemplary demonstration of cross-committee collaboration within the Organisation.

In conclusion, we very much hope this event will “empower” consumers and enterprises to become more responsible economic actors in the future. As I have just said, we will be listening very carefully to your suggestions. Let me warmly thank you for being here and for your contribution.

Thank you very much for your attention.