

FROM : RREE/DIREMMULTILATERALES

PHONE NO. : 48197597

Aug. 09 2007 03:31AM P2

"2007 - Año de la Seguridad Vial"



Ministerio de Relaciones Exteriores,
Comercio Internacional y Culto

**ARGENTINE NATIONAL CONTACT POINT'S FINAL STATEMENT ON THE
SPECIFIC INSTANCE BETWEEN UNIÓN OBRERA MOLINERA ARGENTINA AND
CARGILL S.A.**

31 JULY 2007

On 29 November 2006, Unión Obrera Molinera Argentina, a association consisting of Workers and Employees of the Milling Industry, and its Annexes and/or Direct Divisions (hereinafter, "UOMA"), filed a submission with the Argentine National Contact Point (ANCP) concerning certain violations of the OECD Guidelines for Multinational Enterprises by CARGILL S.A. (hereinafter, "CARGILL") in Argentina.

On 29 November 2006, UOMA filed a submission with the ANCP, alleging certain violations by Cargill S.A. of the OECD Guidelines for Multinational Enterprises.

The submission filed by UOMA with the ANCP involved the following chapters of the Guidelines:

Chapter II – General Policies

Chapter III – Disclosure

Chapter IV – Employment and Industrial Relations

On 21 December 2006, the ANCP gave notice to Cargill through a Letter addressed to Hugo Krajnc, Director of Institutional Relations of Cargill, of the terms of UOMA's submission. Mr. Krajnc answered in writing on 9 January 2007, informing that a meeting with UOMA representatives had been scheduled for the purpose of discussing the aforesaid allegations.

In February, the ANCP contacted both parties by telephone to find out about the results of the meeting and any progress made. The parties reported that there was a principle of understanding between them and that they were working towards reaching a consensus solution. This was later ratified through a letter from UOMA, received on 5 March this year.

In March, the parties were contacted by telephone again, and it was reported that discussions were still underway with no agreement having been reached on the facts at issue.

In May, with a view to the ANCP's Annual Report, to be submitted at the ANCP's Annual Meeting of the Committee on International Investment and Multinational Enterprises (CIME), a meeting of the parties was called for the purpose of reviewing the state of events.

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On 9 May, the meeting was held at the Argentine Ministry of Foreign Affairs, International Trade and Worship for the purpose of reviewing the status of the discussions and the parties' stance on the future of the negotiations and the possible action to be taken by the ANCP. As a result, it was agreed that the existence of a specific instance (UOMA's claim against Cargill) would be informed, and that progress in it would be reported. It was further agreed that if an Agreement is reached, such agreement will be registered with the ANCP, and that the parties will see to its fulfilment and subsequent follow-up. Lastly, both UOMA and Cargill representatives have undertaken to continue working together towards finding a consensus solution.

Finally, on 22 June, the parties arrived at a satisfactory solution, and signed the attached Memorandum of Agreement.

The ANCP's Evaluation

The parties acted cooperatively, with UOMA acknowledging that its submission does not make any reference to any personal conduct by Cargill or its management and that it does not cast doubt on "the honourable character of any person on account of their stance on fundamental human rights."

The parties reached an agreement on the matters provided for in the Guidelines that were the subject of the negotiations and which appear in the Final Agreement attached.

The parties acknowledged that they had relied on the good offices of the ANCP, with whom they established a close and warm relationship that led to the amicable settlement of the disputes referred.

The ANCP kindly offers the parties collaboration for the follow-up of this agreement if they so request.

The ANCP will inform the OECD Investment Committee of the contents of this Final Report.