



**10<sup>TH</sup> OECD ROUNDTABLE  
ON CORPORATE RESPONSIBILITY**

***“Launching an Update of the OECD Guidelines for  
Multinational Enterprises”***

**PRELIMINARY PROGRAMME**

**30 June 2010 – 1 July (morning) 2010  
OECD Conference Centre  
2, Rue André Pascal  
75016 Paris, France**

## PRELIMINARY PROGRAMME

Every year the OECD holds a Roundtable on Corporate Responsibility in conjunction with the annual meeting of the National Contact Points (NCP) – the government assigned bodies responsible for the implementation of the OECD Guidelines for Multinational Enterprises. The purpose of this annual encounter is to assist NCPs in performing their tasks, taking into account emerging issues and relevant policy developments.

The 2010 OECD Corporate Responsibility Roundtable will mark the tenth anniversary of the 2000 Revision of the Guidelines and the launch of an update of this instrument. On 30 April 2010, the 42 governments adhering to the Guidelines agreed on the [terms of reference](#) (TORs) for an update of the Guidelines to ensure their continued role as a leading international instrument for the promotion of responsible business conduct. They also decided to start the work on the update on the occasion of the June 2010 Annual NCP Meeting.

The OECD Guidelines are the most comprehensive multilaterally-agreed corporate responsibility instrument in existence today. They provide detailed recommendations for responsible business conduct that multinational enterprises, operating in and from the 42 adherent countries<sup>1</sup>, should observe in ten major policy areas including human rights, supply chain management, labour relations, environment, anti-corruption, competition taxation and consumer interests. The OECD Guidelines also have a unique implementation mechanism: through their “specific instances” facility, NCPs offer their good offices for resolving disputes between companies and stakeholders arising from alleged non-observance of the Guidelines. These special attributes have enabled the OECD Guidelines to play a leading role in the world in encouraging responsible business conduct and building confidence and trust between international business and host societies.

The 10<sup>th</sup> OECD Corporate Responsibility Roundtable will be held at the OECD Conference Centre on 30 June - 1 July (morning) 2010. It will take the form of three “brainstorming” sessions on Supply Chains, Human Rights and Environment/Climate Change with a view to start the reflection and soliciting substantive inputs from business, labour, non-governmental organisations, international organisations, non-adhering governments and academia on ways of clarifying or providing further guidance on the application of the Guidelines in these three areas, as provided by the agreed TOR for the update.

More particularly:

- The session on Supply Chains will be based a discussion paper by the corporate responsibility research and consulting firm Business for Social Responsibility (BSR).
- The session on Human Rights will draw on a written contribution by the team of Professor John Ruggie, the Special Representative of the UN Secretary-General for Business and Human Rights (UNSGRG).
- The session on Environment/Climate Change will be organised in the framework of the joint project by the OECD Investment and Environment Policy Committees on “Engaging the private sector in support of a low carbon future”.

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<sup>1</sup> The 31 OECD Member countries and 11 non-OECD countries (Argentina, Brazil, Egypt, Estonia, Israel, Latvia, Lithuania, Morocco, Peru, Romania and Slovenia).

The discussions will be conducted under the *Chatham House Rule*<sup>2</sup> and a summary of the proceedings consistent with this Rule will be submitted to adhering governments and published by the OECD in the 2010 Annual Report on the OECD Guidelines for Multinational Enterprises.

Participation is upon invitation only. Requests for attendance at the Roundtable should be sent to [jennifer.macgillivray@oecd.org](mailto:jennifer.macgillivray@oecd.org); telephone +33 1 45 24 94 78 and [cecily.rawlinson@oecd.org](mailto:cecily.rawlinson@oecd.org) ; telephone +(33-1) 45 24 96 15 (with copy to [marie-france.houde@oecd.org](mailto:marie-france.houde@oecd.org); telephone +33 1 45 24 91 26); who will confirm registration.

Documents for the Roundtable and any other relevant information will be made available on the OECD web page [www.oecd.org/daf/investment/guidelines](http://www.oecd.org/daf/investment/guidelines).

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<sup>2</sup> Chatham House defines the Chatham House Rule as follows: *When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.*  
[www.riskythinking.com/glossary/chatham\\_house\\_rule.php](http://www.riskythinking.com/glossary/chatham_house_rule.php).

## DRAFT AGENDA

### 2010 OECD CONFERENCE ON CORPORATE RESPONSIBILITY

*“Launching an update of the OECD Guidelines for Multinational Enterprises”*

OECD Conference Centre

Paris, 30 June - 1 July (morning) 2010

**Wednesday 30 June**

<b>08:00-09:00</b>	<b>Registration and coffee</b>
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#### OPENING SESSION

<b>09:00-09:15</b>	<b>Welcoming remarks by OECD</b>
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**Room CC12**

#### SESSION ONE: SUPPLY CHAINS

With the opening of markets, increased capital mobility, advancements in information technology and expanded production facilities in the developing world, supply chains have become a more critical means for bringing products and services to markets. These more complex patterns of production and consumption have not only created new types of commercial risks but have also led stakeholders to demand a more effective oversight of MNEs' supply chain impacts.

Recommendation 10 of Chapter II (General Policies) of the Guidelines provides that MNEs should “encourage, where practicable, business partners, including suppliers and sub-contractors, to apply principles of corporate conduct compatible with the Guidelines”. In 2003, the Investment Committee issued a statement to the effect that this Recommendation and its commentary link their scope of application to the practical ability of enterprises to influence the conduct of their business partners "with whom they have an investment like relationship". It added that "in considering Recommendation II.10, a case-by-case approach is warranted that takes account of all factors relevant to the nature of the relationship and the degree of influence. The fact that the OECD Declaration does not provide precise definitions of international investment and multinational enterprises allows for flexibility of interpretation and adaptation to particular circumstances". Making the existence of an "investment like relationship" a condition for NCPs to accept specific instances raised under Recommendation II.10 has been challenged by trade unions and NGOs.

At the same time, Chapter II does not provide recommendations on due diligence steps that MNEs should

consider to identify and mitigate risks of negative impacts which could arise from their operations along the supply chain. While the due diligence approach applies to both trade and investment-like activities, risk mitigation steps include consideration of the merits of pro-actively engaging with business partners and, to this end, building business relationships which allow the MNE to influence its supply chain partners' behaviour.

The agreed terms of reference for the update (TORs) provides that the update should clarify or develop as appropriate further guidance on the application of the Guidelines to supply chains taking into account the considerations outlined in paragraph 7 of the TORs.

This session will discuss emerging corporate tools and practices for managing risks relating to supply chain relationships, and possible implications for the substantive provisions as well as the application of the "specific instances" facility of the Guidelines. In so doing, it seeks to clarify the concept and components of "due diligence" and their articulation with the exercise of influence on business partners and pro-active policies for responsible business conduct along the supply chain.

The discussion will be based on a background paper prepared by the corporate responsibility and consulting firm Business for Social Responsibility. An additional resource is the framework being developed by the OECD-hosted working group on due diligence guidance for responsible supply chain management of conflict minerals under five headings: strengthen company management systems; identify facts and assess risk in the supply chain; design and implement mitigation strategies, including establishing improvement plans or discontinuing engagement with suppliers; ensure independent third-party audit; report on supply chain due diligence and findings [COM/DAF/INV/DCD/DAC(2010)3].

<p><b>09:15-13:00</b> <b>Room CC12</b></p>	<p><b>Chairman: Roel Nieuwenkamp</b>, Director, Trade and Globalisation, Ministry of Economic Affairs, the Netherlands and Chair of the Investment Committee Working Party</p>
	<p><b>a) Corporate tools and practices for managing supply chain risks</b> <b>Presentation: Scott Chang</b>, Senior Manager, Beijing Office, Business for Social Responsibility, Beijing, China</p> <p><b>b) From emerging best corporate practices to principles and standards for responsible business conduct</b> <b>Introduction: Auret van Heerden</b>, President, Fair Labour Association</p> <p><b>Lead discussants</b> <b>Zoe McMahon</b>, Manager, Supply Chain Social and Environmental Responsibility <b>Sandy Merber</b>, Counsel, International Trade Regulation &amp; Sourcing, General Electric Company <b>Steve Grinter</b>, Education Secretary, International Textile, Garment &amp; Leather Workers' Federation (ITGLWF)</p> <p><b>c) Possible implications for the update of the Guidelines</b> <b>Introduction: Cody Sisco</b>, Manager of Advisory Services, Business for Social Responsibility, Paris, France</p> <p><b>Discussion</b></p>
<p><b>12:50-13:00</b></p>	<p><b>Summing up by the Chair</b></p>

## SESSION TWO: HUMAN RIGHTS

The growing importance of MNEs in the world economy and greater awareness of their human rights impacts have given rise in recent years to various calls for clarifying the scope of corporate responsibility. The “protect, respect and remedy” framework developed by the Special Representative of the UN Secretary-General on Business and Human Rights (UNSRSG) and supported by the Human Rights Council, describes attributes of the “corporate responsibility to respect human rights” and seeks to identify means for operationalising this responsibility.

In accordance with Chapter II on General Policies, “enterprises should respect the human rights of those affected by their activities consistent with the host government’s international obligations and commitments”. Internationally recognised labour rights as a component of human rights are covered by Chapter IV on Employment and Industrial Relations. The Guidelines’ companion tool – the OECD Risk Awareness Tool for Multinational Enterprises in Weak Governance Zones – provides specific guidance on how MNEs may cope with human rights challenges encountered in these more difficult environments, including management of security forces.

In a key note address to National Contact Points in June 2008, the UNSRSG has indicated that the human rights component of the Guidelines could be expanded in a number of areas. Paragraphs 9-10 of the agreed TORs for an update provide that more elaborated guidance on the application of the Guidelines to human rights should be developed, including if deemed appropriate, in a separate chapter of the Guidelines. This session will invite participants to discuss the possible content of such additional guidance drawing, in particular, on a written contribution by the team of the UNSRSG.

<b>15:00-18:00</b> <b>Room CC12</b>	<b>Chairman: Roel Nieuwenkamp</b> , Director, Trade and Globalisation, Ministry of Economic Affairs, the Netherlands and Chair of the Investment Committee Working Party
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	<p><b>a) Operationalising the corporate responsibility to respect human rights</b></p> <p><b>Keynote speaker: Gerald Pachoud</b>, Special Adviser of the Special Representative of the UN Secretary-General on Business and Human Rights</p> <p><b>Discussion</b></p> <p><b>b) Possible implications for the substantive provisions of the Guidelines</b></p> <p><b>Key note speaker: John Morrison</b>, Executive Director, Institute for Human Rights and Business</p> <p><b>Lead discussants:</b></p> <p><b>Matthew Smith</b>, Earth Rights International, Thailand</p> <p><b>Clifford Henry</b>, Director, Corporate Sustainable Development, Procter &amp; Gamble Company</p> <p><b>Hugh Elliot</b>, International Government Relations Manager, Anglo American plc</p> <p><b>Rapporteur: Richard Howitt</b>, Member of the European Parliament for the East of England</p> <p><b>Discussion</b></p>
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<b>17:45-18:00</b>	<b>Summing up by the Chair</b>
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Thursday 1 July

**SESSION THREE: CLIMATE CHANGE**

Effort to achieve a low carbon economy has gained particular momentum in the last few years, and especially, in the run up to the Copenhagen Conference in December 2009. Country commitments to address climate change are multiplying and the importance of “green growth” as the way forward has been highlighted in many forums, including the 2009 and 2010 OECD Ministerial Meetings

Transition to a low-carbon economy has already started and businesses have a major role to play in the process. In accordance with the agreed TORs, the update will consider whether there is a need to clarify or provide additional guidance on the application of the *Guidelines* to business engagement in addressing the growing concerns over climate change.

This session will invite participants to discuss the following three main issues:

- (a) Disclosure: what climate change-related information should companies be expected to report, and according to which standards?
- (b) Reducing greenhouse gas emissions: what are the key elements of a corporate plan?
- (c) Reaching out: how can companies effectively engage with suppliers to reduce emissions throughout the supply chain?

The discussion will build on a background document by the Secretariat on emerging business practices to reduce GHG emissions.

**9:00-12:45**

**Room CC12**

**Co-Chairs:**

**Christine Lagarenne**, Sous-directrice de l'Economie des Ressources Naturelles et des Risques, Ministère du Développement Durable, and Vice-Chair of the OECD Environment Policy Committee.

**Manfred Schekulin**, Director, Export and Investment Policy, Federal Ministry for Economics, Family and Youth and Chair, OECD Investment Committee and Austria's NCP

**“Emerging business practices to reduce GHG emissions”**

Presentation by **Céline Kauffmann** and **Cristina Tébar Less**, Investment Division, OECD

**a) Corporate disclosure of climate change related information**

**Keynote speaker: Paul Simpson**, Chief Operating Officer, Carbon Disclosure Project

**Discussion**

**b) Reducing greenhouse gas emissions**

**Keynote speaker: Georg Kell**, Executive Director, UN Global Compact

**Discussion**

**c) Engaging with suppliers**

**Keynote speaker: Dieter Horst**, Sustainable Value Chain Initiative Manager, World Business Council for Sustainable Development

**Discussion**

## REFERENCES

- Terms of Reference for an Update of the Guidelines for Multinational Enterprises ([www.oecd.org/daf/investment/guidelines](http://www.oecd.org/daf/investment/guidelines))
- OECD Guidelines for Multinational Enterprises ([www.oecd.org/daf/investment/guidelines](http://www.oecd.org/daf/investment/guidelines))
- OECD Risk Awareness Tool for Multinational in Weak Governance Zones ([www.oecd.org/daf/investment/guidelines](http://www.oecd.org/daf/investment/guidelines))
- OECD project on due diligence for responsible supply chain management of minerals from conflict-affected and high-risk areas (<http://www.oecd.org/daf/investment/mining>)
- 2002 Annual Report on the Guidelines for Multinational Enterprises – Responsible Supply Chain Management ([www.oecd.org/daf/investment/guidelines](http://www.oecd.org/daf/investment/guidelines))
- 2004 Annual Report on the Guidelines for Multinational Enterprises – Encouraging the Contribution of Business to the Environment ([www.oecd.org/daf/investment/guidelines](http://www.oecd.org/daf/investment/guidelines))
- 2005 Annual Report on the Guidelines for Multinational Enterprises – Corporate Responsibility in the Developing World ([www.oecd.org/daf/investment/guidelines](http://www.oecd.org/daf/investment/guidelines))
- Report by the UNSRSG “Protect, Respect and Remedy: A Framework for Business and Human Rights”, A/HR/8/5 (7 April 2008)
- Report of the UNSRSG “Business and Human Rights: Further steps towards the operationalization of the “protect, respect and remedy” framework”, A/HRC/14/27
- Report of the UNSRSG “Clarifying the Concepts of ‘Sphere of Influence’ and ‘Complicity’” A/HRC/8/16