



The
Federal Government



OECD **GUIDELINES**
FOR MULTINATIONAL ENTERPRISES

NATIONAL CONTACT POINT
GERMANY

**National Contact Point for the
OECD Guidelines for Multinational Enterprises
at the Federal Ministry for Economic Affairs and Energy**

**Report by the Federal Government to the German Bundestag
concerning the work undertaken by the National Contact Point for the
OECD Guidelines for Multinational Enterprises
in 2017**

See also the Report by the Federal Government to the German Bundestag concerning the work undertaken by the National Contact Point for the OECD Guidelines for Multinational Enterprises in 2016 (transmitted on 21 March 2017)

Contents

A. SUMMARY	3
B. MAIN REPORT	4
I. The OECD Guidelines for Multinational Enterprises.....	4
1. Content and nature of the OECD Guidelines.....	4
2. Further specification of the OECD Guidelines	4
II. The German National Contact Point	5
1. Restructuring of the NCP at the Federal Ministry for Economic Affairs and Energy ..	6
2. Cooperation between the NCP and government ministries/stakeholders.....	6
a) Interministerial Steering Group on the OECD Guidelines.....	6
b) Working Group on OECD Guidelines.....	7
c) Structure of cooperation.....	7
3. Peer Review of the work of the NCP	8
a) Aims and conducting of Peer Reviews.....	8
b) Evaluation and findings of the Peer Review process	9
III. Activities of the German NCP in the 2017 reporting period	10
1. Complaints procedure	11
2. Fostering the implementation of the Guidelines.....	12
a) Public relations	12
b) Proactive Agenda	13
3. Cooperation with National Contact Points in other countries	15
4. Involvement in OECD events and relevant committees	15
5. Activities of the NCP beyond the OECD Guidelines	17
C. OUTLOOK	18

A. SUMMARY

- 1 The OECD Guidelines for Multinational Enterprises are one of the most important and comprehensive international instruments for the promotion of responsible corporate governance.
- 2 In order to fulfil the associated obligations that the Federal Republic of Germany has as an OECD member state, a National Contact Point for the OECD Guidelines for Multinational Enterprises (NCP) was set up in the Federal Ministry for Economic Affairs and Energy. The NCP is tasked with raising the awareness of companies, trade unions, and civil society about the OECD Guidelines. It also acts as the central point of contact for the out-of-court complaints mechanism triggered in the case of a complaint about an alleged breach of the Guidelines.
- 3 In the following report, the National Contact Point informs the German Bundestag about the activities it has undertaken between January and December 2017 in order to fulfil this task. It also provides information on the new thrust of its activities since the restructuring of the NCP in December 2016. Linked to these changes, additional staff have been recruited in order to expand the NCP's public relations work, as well as to broaden dialogue with relevant players. In addition, the NCP has also been undertaking work relating to two complaints procedures pending. This report also considers the Peer Review of the work of the German NCP that was carried out by the OECD during the reporting period.
- 4 This report has been coordinated with the federal ministries represented in the Inter-ministerial Steering Group on the OECD Guidelines. Following its transmission to the German Bundestag, it will be published on the NCP website.¹

¹ URL: <http://www.oecd-nks.de>.

B. MAIN REPORT

I. The OECD Guidelines for Multinational Enterprises

1. Content and nature of the OECD Guidelines

- 5 The OECD Guidelines for Multinational Enterprises are one of the most important and comprehensive international instruments for the promotion of responsible corporate governance. They contain accepted principles for responsible corporate conduct in an international context across a broad range of areas. These include human rights, employment, the environment, anti-corruption, tax, consumer interests, reporting, research, and competition as well as all the associated duties of care.
- 6 The OECD Guidelines reflect the political consensus between countries that adhere to them as to what can be seen as appropriate and fair corporate conduct/what can kind of conduct can be expected. They are recommendations issued by the governments of the 35 OECD member states and thirteen other participating states². The Guidelines are geared towards multinational enterprises that operate commercial activities in or from one of the participating countries. A company is considered as multinational if it engages in foreign activities linked to trade or investment. This applies irrespective of its size, meaning that small and medium-sized companies can also be considered multinational enterprises within the meaning of the OECD Guidelines.
- 7 As the OECD Guidelines constitute recommendations that participating countries have issued to companies, they are not legally binding. At the same time, the Federal Government expects the multinational enterprises operating in or from Germany to comply with the standards set down in these Guidelines.

2. Further specification of the OECD Guidelines

- 8 The OECD has set itself the goal of amending certain points within the OECD Guidelines in order to make these more specific. The aim in this is to support companies in implementing the requirements.
- 9 To this end, a number of sector-specific guidelines (known as guidances) have been developed. These currently exist for the following areas:

² The thirteen non-member countries are Argentina, Brazil, Colombia, Costa Rica, Egypt, Jordan, Kazakhstan, Lithuania, Morocco, Peru, Romania, Tunisia and Ukraine.

- Minerals from conflict areas (OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas)
 - Extractive industries (OECD Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractive Sector)
 - Textiles and shoes (OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector)
 - Agriculture (OECD-FAO Guidance for Responsible Agricultural Supply Chains)
 - Institutional investors (Responsible business conduct for institutional investors).
- 10 Alongside the sector-specific guidelines on minerals from conflict areas, the OECD has also produced a guide on the prevention of child labour (Practical actions for companies to identify and address the worst forms of child labour in mineral supply chains). This was presented in May 2017 as part of the 11th Forum on Responsible Mineral Supply Chains.
- 11 In order to address due diligence issues not only for each individual sector but also in a generalised manner for all, in 2017, the OECD continued its work on a general set of guidelines, entitled OECD Due Diligence Guidance for Responsible Business Conduct: Implementing the due diligence recommendations of the OECD Guidelines for Multinational Enterprises. Representatives from the employers' side (BIAC – Business and Industry Advisory Committee), from the unions (TUAC – Trade Union Advisory Committee) and from NGOs (OECD Watch) were also involved in the work. These guidelines are due to be published shortly.

II. The German National Contact Point

- 12 In order to fulfil their obligations under the OECD Guidelines, the governments of the participating countries make use of National Contact Points (NCPs).
- 13 The National Contact Point is tasked with fostering effective application of the Guidelines. This particularly involves public relations work with companies, trade unions, and civil society to raise awareness about the OECD Guidelines. The NCP is also an extrajudicial complaints mechanism. Anyone who can show that he/she has a legitimate interest that may have been violated by a multinational enterprise in breach of the OECD Guidelines can lodge a complaint with the NCP. The NCP receiving the complaints examines these and, if it decides to accept them for consideration, offers its support to

the parties to the complaint to help them reach an agreement on contentious issues. In this way, the NCP also fosters compliance with and future implementation of the Guidelines.

1. Restructuring of the NCP at the Federal Ministry for Economic Affairs and Energy

- 14 Right from its inception, the German NCP has been based at the Federal Ministry for Economic Affairs and Energy.
- 15 Just before the start of the reporting period in December 2016, the NCP was restructured and consolidated. This was to fulfil a pledge made in the G7 Leaders' Declaration signed at Schloss Elmau in 2015, which was also included in the National Action Plan for Business and Human Rights (NAP).³ Up until this point, the tasks of the NCP had been undertaken by the Division responsible for foreign investment, but they are now undertaken by an independent unit that has been established at the Ministry. The NCP is now no longer part of the Ministry's general organisational structure but is directly assigned to the Director-General for External Economic Policy. This is a clear sign of the increased level of importance being attached the work of the NCP.
- 16 As part of the restructuring, the staffing of the unit was also improved – with the NCP reaching its full staffing level of five employees within the reporting period. This includes three members of staff in the higher grade of the civil service (including the head of the unit), and one in the upper and middle grades respectively. The extra staff means that the NCP has been able to greatly expand its public relations work (cf. paragraph 39 ff.).
- 17 As part of the restructuring, the NCP has also been assigned its own budget, disposing of its own finances for the first time during the reporting period. These have been used, for example, to commission translations of several sector-specific guidelines (cf. paragraph 9) that have hitherto only been available in German.

2. Cooperation between the NCP and government ministries/stakeholders

a) Interministerial Steering Group on the OECD Guidelines

- 18 The NCP at the Federal Ministry for Economic Affairs and Energy coordinates on its activities and decisions with the Interministerial Steering Group on the OECD Guide-

³ National Action Plan for Business and Human Rights, p.26.

lines. This steering group includes representatives from seven other federal ministries.⁴ This ensures that the technical expertise at these ministries feeds into the work of the NCP. This is especially important as the OECD Guidelines cover a broad range of aspects of responsible corporate governance. When considering the questions put to the NCP, it is therefore useful to draw upon the different perspectives of the various ministries involved.

- 19 The steering group meets several times per year, whenever it is necessary. In addition, members of the group remain in close cooperation with one another on individual issues.

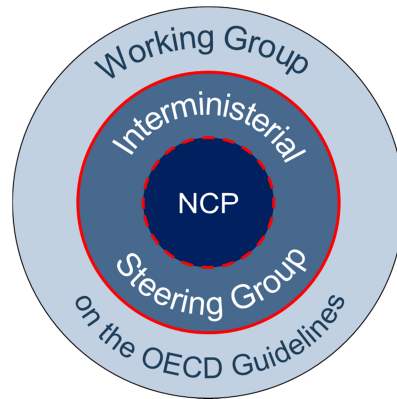
b) Working Group on OECD Guidelines

- 20 The Working Group on OECD Guidelines is an additional forum for exchange. It involves representatives of all federal ministries within the Interministerial Steering Group on OECD Guidelines, as well as representatives from business associations, trade unions, and non-governmental organisations. The NCP uses this group to discuss current issues relating to the OECD Guidelines, as well as the work of the NCP. At the same time, members of the working group can also provide valuable support with the NCP's public relations work.
- 21 The working group normally meets twice a year. In addition to this, the NCP also updates working group members about ongoing complaints procedures and other activities within the NCP.

c) Structure of cooperation

- 22 Cooperation between the NCP and other groups can be depicted as a system of concentric circles, as below.

⁴ Federal Ministry of Finance, Federal Foreign Office, Federal Ministry of Justice and Consumer Protection, Federal Ministry of Labour and Social Affairs, Federal Ministry of Food and Agriculture, Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety, Federal Ministry for Economic Co-operation and Development.



While each of the groups represented remains in dialogue with the others, the ability to make decisions – particularly those relating to ongoing complaints procedures – is reserved to the NCP and the Interministerial Steering Group.

3. Peer Review of the work of the NCP

- 23 During the reporting period, the work of the German NCP was assessed by means of a Peer Review. This was to fulfil a pledge made by the Federal Government in the G7 Leaders' Declaration signed at Schloss Elmau in 2015, and which it also affirmed in its National Action Plan for Business and Human Rights (NAP)⁵ in 2016.

a) Aims and conducting of Peer Reviews

- 24 Peer Reviews serve the purpose of examining the work undertaken by the National Contact Points. During the last revision of the OECD Guidelines in 2011, the National Contact Points agreed to being peer-reviewed on a voluntary basis. The aim is both to identify the strengths of the National Contact Points and the areas in which they can further develop and improve their work. In line with the Procedural Guidance for the OECD Guidelines, the reviews are based on the key criteria of visibility, accessibility, transparency and accountability.⁶
- 25 The reviews are conducted by Peer Review teams which are made up of representatives from two to four other National Contact Points (known as 'peers'). As they conduct the reviews, the teams work in cooperation with representatives from the OECD Secretariat. The German NCP was peer-reviewed by representatives of the NCPs in Brazil,

⁵ National Action Plan for Business and Human Rights, p.26.

⁶ Procedural Guidance for the OECD Guidelines, number I.

the Netherlands, the USA and the OECD Secretariat. A member of the Austrian National Contact Point also took part as an observer.

- 26 The Peer Review process was divided into several stages. During the initial phase, the German NCP was asked to supply the Peer Review team with background on its structure, role and working methods by filling in various questionnaires and submitting relevant supporting documents. This information was used as a basis for the Peer Review team's visit to the coordinating office of the German NCP at the headquarters of the Federal Ministry for Economic Affairs and Energy in Berlin from 22-23 June 2017. Over this period, the Peer Review team held a number of talks with internal and external stakeholders from federal ministries, business associations, trade unions, non-governmental organisations, and parties involved in previous complaints procedures. Based on the information gathered, the representatives of the Brazilian, Netherlands, and U.S. National Contact Points worked with the OECD Secretariat to draft a joint report summarising the findings of the review and also providing recommendations of improvements that could be undertaken by the German NCP to improve their work further.
- 27 The Peer Review Report has now been completed and was sent to the Federal Minister for Economic Affairs and Energy by the OECD Secretary-General in April 2018. The report will be published on the OECD website and be available for download on the website of the German NCP⁷.

b) Evaluation and findings of the Peer Review process

- 28 The German NCP sees the Peer Review process as a valuable experience. It not only offered an opportunity for the NCP to take stock of its existing structures and processes, but also enabled it to undertake measures to further improve its work.
- 29 The overall findings of the Peer Review on the German NCP are positive. This is also reflected in the above-mentioned letter from the Secretary-General of the OECD to the Federal Minister for Economic Affairs and Energy. It is to be welcomed that the report specifically recognises the developments that have taken place since the restructuring of the NCP in December 2016 (cf. paragraph 14 ff.).
- 30 The main recommendations made to the German NCP for boosting progress can be summarised as follows:

⁷ URL: <http://www.oecd-nks.de>

- Clarification and external communication of the role and function of the NCP in foreign trade promotion projects
- Introduction of internal mechanisms ('handover processes') to improve the transfer of knowledge whenever there are personnel changes in order to maintain existing high performance standards
- Clear definition and communication of the role and task of interministerial and working groups
- Diversification of the public relations work among multipliers (associations) and establishment of direct relations to individual companies and trade unions
- Public relations work also in countries that have not subscribed to the OECD Guidelines and in which German companies operate
- Review of the procedural rules for complaints brought to the German NCP in conjunction with a strengthening of the principle of transparency over confidentiality

More detailed information regarding these points can be found in the Peer Review Report.⁸

- 31 The German NCP, together with the Interministerial Steering Group and the Working Group on OECD Guidelines, has begun work to implement the recommendations made in the Peer Review report. It will report to the OECD and the German Bundestag on the progress of this work over the course of the coming year.

III. Activities of the German NCP in the 2017 reporting period

- 32 Looking beyond the Peer Review, the activities of the German NCP were mainly oriented to requirements for the tasks and functions of National Contact Points as set out in the revised version of the decision by the OECD Council regarding the OECD Guidelines for Multinational Enterprises. This includes the following passages:

“1. Adhering countries shall set up National Contact Points to further the effectiveness of the Guidelines by undertaking promotional activities, handling enquiries and contributing to the resolution of issues that arise relating to the implementation of the Guidelines in specific instances...

⁸ URL: <http://www.oecd-nks.de>

2. National Contact Points in different countries shall co-operate if such need arises, on any matter related to the Guidelines relevant to their activities. ...

3. National Contact Points shall meet regularly to share experiences and report to the Investment Committee.”

As they undertake these activities, the work of the National Contact Points is guided by key criteria already alluded to in paragraph 24 of visibility, accessibility, transparency and accountability.

1. Complaints procedure

- 33 The “implementation of the Guidelines in specific instances” alluded to in the previous paragraph refers to the possibility for ‘interested parties’ to submit complaints to the relevant NCP about possible breaches of the OECD Guidelines by a multinational enterprise (cf. paragraph 13 above). During the reporting period, there were two complaints procedures pending with the German NCP.
- 34 The NCP completed its work on the complaint made by a private individual against Robert Bosch GmbH and Bosch Limited (India) about possible breaches of the OECD guidelines in a factory located in Bangalore, India. The complaints procedure at the NCP helped lead to an agreement being reached between the parties at local level. The Respondents also announced that they would make a certain change with regard to future conduct. In its Final Statement, the German NCP welcomed the announcement of this change and made a specific recommendation on this.
- 35 In the other complaints procedure, the NCP worked extensively to assist the parties in finding a joint solution. As the procedure is still open, the object of the complaint cannot be indicated for reasons of confidentiality.
- 36 Overall, most cases brought before the German NCP are based on alleged breaches of human rights aspects covered in Chapter IV of the OECD Guidelines and of guidelines on employment and industrial relations in Chapter V. The events underlying complaints procedures have often occurred outside Germany, in countries that have not subscribed to the OECD Guidelines (see paragraph 6). As there are no National Contact Points in the countries in question, the German NCP can be involved if the company against which the complaint is made operates from Germany.

- 37 The German NCP publishes its Final Statements both for cases in which it accepts a complaint for further consideration, as well as for cases in which it does not. The Final Statements are available for download on the NCP website.⁹

2. Fostering the implementation of the Guidelines

- 38 As the NCP undertakes its central task of fostering implementation of the Guidelines (cf. paragraph 32 above), it engages in extensive dialogue with relevant players. During the reporting period, it therefore greatly expanded its public relations work and sought to enter into active dialogue with companies, in line with the OECD's 'proactive agenda'.

a) Public relations

- 39 Thanks to the increase in staffing, over the past year, the German NCP has been able to expand its public relations work and provide greater information on the OECD Guidelines and on the tasks that it undertakes. The NCP made use of these capacities at a multitude of events.
- 40 As the recommendations made in the OECD Guidelines are primarily aimed at companies, the NCP focused on having a presence at events attended by representatives of businesses and business associations. This included holding presentations at a conference held by the regional committees of the German Chambers of Industry and Commerce in Berlin, as well as at meetings of the Chambers of Industry and Commerce foreign trade committees in Erfurt, Hamburg and Hanover. It also gave presentations at various business association meetings. Examples include a seminar organised by the North Rhine-Westphalia regional union of business associations entitled 'Corporate social responsibility: CSR in practice' held in Düsseldorf on 27 September, and at a meeting held by the working group on sustainability at the Federal Employers Association of the Chemical Industry in Wiesbaden on 15 December. The NCP was invited to some of these events following kind liaison work undertaken by representatives of the main associations of German business from the Working Group for the OECD Guidelines. This also included an invitation for the NCP to give presentations at econsense, both at a meeting of the forum's Steering Group meeting, as well as at sessions held by its project groups on Human Rights and Sustainability in the Supply Chain.

⁹ URL: <http://www.oecd-nks.de>

- 41 During the expansion of public relations work, it became clear just how valuable cooperation and joint presentations can be. A member of the NCP joined together with a representative of the Working Group on OECD Guidelines from the German Trade Union Federation to give a presentation on the OECD Guidelines at the Böckler Conference for Supervisory Boards held in Berlin. The NCP also took advantage of an invitation to report on its work at a number of sessions held by the Federal Ministry for Economic Cooperation and Development and the Federation of German Industries within their joint ‘Sustainable success: Business and SDGs’ workshop series.
- 42 Special mention should be made of the cooperation in the field of public relations with Division 401 (Business and Human Rights) at the Federal Foreign Office. This division is responsible for the National Action Plan for Business and Human Rights, which is closely connected to the work of the NCP relating to the OECD Guidelines (cf. paragraph 59 below). In order to ensure that the Federal Government is represented in these issues in a coherent fashion and that all relevant information is shared, a representative of Division 401 and a member of staff from the NCP joined together to present the OECD Guidelines and the NAP at a number of different events. These joint presentations offered the opportunity to talk about a broader range of relevant issues.
- 43 While the above events were primarily aimed at company representatives, the NCP also had the opportunity to report on its activities at the conference of economic affairs officers at the German embassies, and at their pre-posting training seminars at the Federal Foreign Office. In March and June, it also had the opportunity to inform colleagues from the ministries of the Länder about the OECD Guidelines at the meetings of the Federal-Länder Committee on Foreign Trade.
- 44 On 8 June 2017, the NCP held a meeting with staff from several of the non-governmental organisations represented in the Working Group on OECD Guidelines, who welcomed the fact that the NCP had expanded its public relations work with business. They also expressed their support for cooperation to be expanded with the Federal Foreign Office. At the same meeting, the NCP also made known its readiness to cooperate on these issues with civil society as well.

b) Proactive Agenda

- 45 The presentations described above not only gave the NCP the opportunity to talk about its own work and the OECD Guidelines, but also provided a forum for valuable dialogue with business representatives. In addition to hearing about relevant successes, the

NCP was also able to gain important insights into the problems companies face as they seek to implement the standards presented in the OECD Guidelines.

- 46 The OECD sets out the importance of dialogue of this kind in its ‘Commentary on the Procedural Guidance for NCPs’:

“In accordance with the Investment Committee’s proactive agenda, NCPs should maintain regular contact, including meetings, with social partners and other stakeholders in order to:

- a) consider new developments and emerging practices concerning responsible business conduct;
- b) support the positive contributions enterprises can make to economic, social and environmental progress;

...”

- 47 During the reporting period, the NCP encountered a great willingness for dialogue, particularly among representatives of business, business associations and trade unions. The insights gained not only are useful for the future of the NCP’s public relations work, but also provide valuable knowledge that enables the NCP to better contextualise and assess the events described in the complaints that they receive.
- 48 The NCP therefore sought to develop this exchange beyond the opportunities provided by presentations at events. Talks were held, for example, at Bayer AG, Primark Mode Ltd. & Co. KG and Wirtschaftsvereinigung Metalle e.V. KiK Textilien & Non-Food GmbH – a company which had been involved in a NCP complaints procedure that was closed in 2014 – visited the NCP to report about the efforts it had made in the area of CSR since this time; it also presented its fourth sustainability report, which had recently been published. The NCP also engaged with the Federal Ministry for Economic Cooperation and Development about sustainable supply chains in the textile sector, particularly on issues linked to the Federal Government’s roadmap for Germany’s Textile Alliance.
- 49 Finally, special mention should be made of the willingness of the staff responsible for sustainability in the supplier network at BMW Group, who were invited by the NCP to report about their activities. The meeting, which lasted for several hours, involved presentations and a group discussion and was attended by representatives from various divisions at the Federal Ministry for Economic Affairs and Energy, as well as colleagues from the Federal Foreign Office, the Federal Ministry of Food and Agriculture,

the Federal Ministry of Finance, and the Federal Ministry for Economic Cooperation and Development.

3. Cooperation with National Contact Points in other countries

50 As already mentioned in paragraph 32, the German NCP also places importance on developing cooperation with National Contact Points in other countries and indeed had several opportunities to do so during the reporting period.

51 This included a representative of the German NCP joining together with a member of staff from the Secretariat at the German Textile Alliance to give a presentation at a seminar held by the Czech National Contact Point in Prague in May 2017, entitled 'Responsible business conduct focusing on supply chain in the garment and footwear sector'. The same representative also attended an information event on the OECD Guidelines held at the Slovak National Contact Point in Bratislava, at which presentations were given by colleagues from the Netherlands and Hungarian NCPs, as well as a representative of the OECD Secretariat.

52 In both cases, the public sessions were followed by 'peer learning events'. Representatives of the National Contact Points discussed current issues relating to the OECD Guidelines as well as fundamental aspects of the handling of complaints procedures. In April 2017, the German NCP hosted its French colleagues in Berlin for a similar event. This meeting included the discussion of issues relating to the conducting of Peer reviews, in which both National Contact Points were involved in the first half of the year. The head of the German NCP was also involved in a specialist event held by the U.S. National Contact Point in September 2017, dealing with individual aspects in mediation procedures.

53 At the end of the reporting period, a representative of the German NCP took up a place on the team responsible for peer-reviewing the Austrian NCP at short notice, following a request from the OECD Secretariat. The team was also made up of members of the Finnish and the Swedish National Contact Points. The Peer Review undertaken by this team will be published during the course of this year.

4. Involvement in OECD events and relevant committees

54 In addition to engaging in bilateral and multilateral cooperation with other National Contact Points as described above, the German NCP also took part in events organised by the OECD and sat on the relevant committees.

- 55 At the beginning of the reporting period, the OECD asked a representative from the German NCP as well as a colleague from the Danish team to each hold a presentation at the ‘OECD Roundtable on due diligence in the garment and footwear sector’ looking at complaints involving companies in the textile industry which had been handled by their respective NCPs. The event was held in February 2017 to coincide with the presentation of the new sector-specific guidance for the textile and shoe industry (cf. paragraph 9 above). This guidance was developed over the period of two years, in a process presided over by Germany, and involved government staff and representatives from business and civil society. The representative from the Federal Ministry for Economic Cooperation and Development in the Interministerial Steering Group was involved in presenting the guidance in Paris.
- 56 An important channel for exchange between the OECD Secretariat and the National Contact Points around the world is the committee meetings that are held by the OECD on Responsible Business Conduct (RBC). These include the ‘Working Party on Responsible Business Conduct’ (WPRBC), the ‘Meeting of NCPs’, and the ‘High Level Roundtable on RBC’. These events involve in-depth discussions on how the Guidelines should be applied and developed further, as well as looking at various case studies and exchanging best practices. The German NCP took part in all of these meetings that took place during the reporting period and actively made known Germany’s positions on the different items discussed. The latter is also true beyond the meetings that took place in Paris, and was especially so in the development of general guidance on due diligence issues (‘OECD Due Diligence Guidance for Responsible Business Conduct: Implementing the due diligence recommendations of the OECD Guidelines for Multinational Enterprises’, cf. paragraph 11 above). The German NCP actively took part in this process over the reporting period, working in close coordination with the Interministerial Steering Group on OECD Guidelines on the issues involved. The head of the German NCP also took on a role at the office of the Working Party on Responsible Business Conduct, which acted as the steering committee in this process.
- 57 The ‘OECD Global Forum on Responsible Business Conduct’, which took place at the OECD’s headquarters in Paris from 29-30 June 2017, provided a platform for discussion on this topic among a wide-ranging group of participants. It was attended by a large number of government representatives, as well as staff from companies, trade unions and organisations from civil society. Issues discussed at the Forum ranged from responsible corporate management in global procurement and value chains, to the role of the National Contact Points, through to the use of technical solutions in fulfilling due

diligence obligations. The head of the German NCP gave a presentation on ‘Policy coherence and economic diplomacy’ at a ‘Dialogue for Policy Makers’ which took place on the margins of the main events. A summary report of last year’s Global Forum is published on the OECD website.¹⁰

5. Activities of the NCP beyond the OECD Guidelines

58 The OECD Guidelines for Multinational Enterprises cover a very broad range of topics (cf. paragraph 5 ff. above). There are therefore many overlaps with other instruments that are also designed to ensure responsible corporate management. For this reason, the activities conducted by the NCP over the reporting period were not just limited to the OECD Guidelines, but went beyond this, as the following examples show.

59 It has already been mentioned that the NCP worked together closely with Division 401 at the Federal Foreign Office on issues relating to the National Action Plan for Business and Human Rights (see paragraph 42 above). This task is directly assigned to the NCP in the NAP:

“In future, the German NCP will raise awareness of the OECD Guidelines, promote compliance with them and raise the profile of the NCP and of its special role as an effective extrajudicial grievance mechanism in implementing the UN Guiding Principles on Business and Human Rights.”¹¹

60 Given the extensive overlaps between Chapter IV Human Rights of the OECD Guidelines and the NAP, which are both based on the UN Guiding Principles on Business and Human Rights, the NCP was also involved in the Interministerial Committee for Business and Human Rights and the Multistakeholder Platform linked to this, as well as being represented in the Working Group for Business and Human Rights of the National CSR Forum. Both bodies deal with implementation of the NAP.

61 Over the reporting period, the activities of the NCP beyond those relating to the OECD Guidelines were, however, manifold and did not stop at the NAP. For example, during the course of its public relations work, it became clear that increasing numbers of companies are taking account of the United Nations Sustainable Development Goals (SDGs) as they conduct their activities and CRM reporting. These also have major overlaps with the OECD Guidelines, as the first of the General Policies set out in Chapter II of the Guidelines shows. According to this, companies should

¹⁰ URL: <https://mneguidelines.oecd.org/global-forum/GFRBC-2017-Summary-Report.pdf>

¹¹ NAP, p.26.

“contribute to economic, environmental and social progress with a view to achieving sustainable development.”¹²

62 Against this background, the NCP engages in close exchange with the Office for inter-ministerial cooperation on sustainability at the Federal Ministry for Economic Affairs and Energy, which was set up last year to coordinate the Ministry’s efforts to implement Germany’s National Sustainable Development Strategy, which is based on the UN’s Agenda 2030. Over the reporting period, the NCP also sought dialogue with a multitude of other players who undertake activities beyond those relating to the OECD Guidelines.

C. OUTLOOK

63 In 2018, the NCP is building upon the activities undertaken during the 2017 reporting period and described within this report.

64 A key focus this year will be continuing its work to implement the recommendations set out in the Peer Review Report in cooperation with the Interministerial Steering Group and the Working Group on OECD Guidelines (cf. paragraph 31 above). Beyond this, the NCP is still paying special attention to bolstering its public relations work through which it seeks to foster compliance with the OECD Guidelines and raise awareness about the NCP and its special role as an effective out-of-court complaints mechanism. A further priority area is the dialogue and exchange with companies. The NCP’s work in the complaints procedures currently pending also serves the goal of fostering the implementation of the OECD Guidelines for Multinational Enterprises.

65 The National Contact Point for the OECD Guidelines for Multinational Enterprises will provide information on these activities in its upcoming report to the German Bundestag.

¹² OECD Guidelines, Chapter II, A.1.