

THE ROAD TO A MORE EFFECTIVE NORWEGIAN NCP

The reformed Norwegian NCP became operational as of 1 March 2011. Changes made to its composition, administration and budget were based on Report no. 10 (2008-2009) to the Storting, “Corporate social responsibility in a global economy”¹ and a broad stakeholder consultation process.

The former NCP had a tripartite structure and consisted of members from the Ministry of Foreign Affairs, the Ministry of Trade and Industry, the Confederation of Norwegian Enterprise (NHO), and the Norwegian Confederation of Trade Unions (LO). Some saw this as an effective model reflective of Norwegian tradition while others identified weaknesses such as:

- Domination of government interests;
- No civil society representation;
- A lack of financial resources;
- Appointment on the basis of position;
- A high degree of staff turnover.

Civil society organisations advocated for the establishment of an ombudsman institute for corporate responsibility that would assess Norwegian companies’ compliance with binding guidelines for corporate responsibility. The same organisations urged the restructuring of the NCP to make it more independent and effective. Rather than establishing a new grievance mechanism and guidelines, the Norwegian government set forth the intention to consider different models for organising the NCP in Report no. 10 to the Storting.

During the consultation process that formed the basis for the current NCP model, the Ministry of Foreign Affairs gathered information about NCP organisation in other OECD countries and held consultations with:

- The NCPs in the UK and the Netherlands;
- OECD Watch;
- The UN Special Representative for Business and Human Rights;
- The secretariat of the Council on Ethics for the Government Pension Fund - Global.

The effectiveness criteria for non-judicial grievance mechanisms set forth in the UN framework for business and human rights “Protect, Respect, Remedy” provided the guiding principles for the reorganisation.² The Model National Contact Point promoted by OECD Watch³ and a report commissioned from FAFO on “Non-Judicial Remedies in Norway for Corporate Social Responsibility Abroad”⁴ were also considered. Labour organisations, civil society, business, academia and government offices were invited to provide feedback on two alternative models for the NCP proposed by the Ministry of Foreign Affairs in a public hearing.⁵ On this basis, the

¹ Available online: http://www.regjeringen.no/pages/2203320/PDFS/STM200820090010000EN_PDFS.pdf

² The effectiveness criteria for non-judicial grievance mechanisms are: legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning and based on engagement and dialogue.

³ http://oecdwatch.org/publications-en/Publication_2223

⁴ <http://www.faf.no/pub/rapp/10088/10088.pdf>

⁵ Among the respondents were Amnesty International, ForUM for Environment and Development, the World Wildlife Fund for Nature, the Ethical Trading Initiative, the Ministry of Justice, employers and labour organisations and several companies. See http://www.regjeringen.no/nb/dep/ud/tema/naeringslivssamarbeid_samfunnsansvar/naeringslivssamarbeid/modeller_kommeutarer.html?id=573492.

Government made a proposal for a reorganised NCP that was approved by Parliament on 18 April 2010.

The reformed NCP was made independent of the Government while the Ministry of Foreign Affairs retained administrative responsibilities. The NCP is comprised of a four-person Expert Panel and a two person full-time Secretariat. The Ministry of Foreign Affairs in consultations with the Ministry of Trade and Industry appointed the Expert Panel based on proposals from the Norwegian Confederation of Trade Unions (LO), the Confederation of Norwegian Enterprise (NHO), and Forum for Environment and Development (ForUM) on behalf of civil society. The chair of the NCP is the dean of the law faculty of the University of Oslo while the other three members have labour and corporate backgrounds. The secretariat reports to the Expert Panel, prepares draft statements for approval, and actively promotes the Guidelines. The NCP has been allocated an annual budget of NOK 4 million by the Ministry of Foreign Affairs after the reorganisation process.

As an agency executing public authority, the NCP follows Norwegian legislation, including the Public Administration Act and the Freedom of Information Act. As part of the public administration, the secretariat can draw on government resources where needed. The NCP has achieved significant visibility and legitimacy in Norwegian public debates and media due to the involvement of the Expert Panel, the initiative of the secretariat, and the resources available to the NCP.

