

# Terms of Reference for Norway's National Contact Point for **Responsible Business Conduct**

# The National Contact point follows up Norway's obligations under the **OECD** Guidelines for Multinational Enterprises and the ILO Tripartite **Declaration of Principles concerning Multinational Enterprises and Social** Policy

## BACKGROUND

All OECD countries have undertaken to promote the OECD Guidelines for Multinational Enterprises<sup>1</sup> (the 'Guidelines') and to establish national contact points charged with furthering the effectiveness of the Guidelines and promoting equality of opportunity and treatment. The Guidelines contain non-binding recommendations to multinational enterprises concerning responsible business conduct. The Norwegian authorities expect Norwegian businesses to be familiar with and use the Guidelines. The Guidelines specify the responsibilities of National Contact Points (NCPs) and the overall principles for their work, and provide procedural guidance.

In spring 2017, ILO adopted an updated version of its Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy<sup>2</sup> ('MNE Declaration'). According to the decision, countries that have adopted the MNE Declaration are to establish complaint mechanisms.

On this basis, the Ministry of Foreign Affairs and the Ministry of Trade, Industry and Fisheries, in consultation with the Ministry of Finance and the Ministry of Labour and Social Affairs, have adopted the following mandate for Norway's National Contact Point for Responsible Business Conduct (Norway's NCP).

#### **MANDATE**

Norway's NCP is established as an impartial, independent public body that gives legally non-binding advice in accordance with the Guidelines.

Norway's NCP has three main tasks:

1) to assist the Norwegian authorities in promoting the Guidelines;

<sup>&</sup>lt;sup>1</sup> OECD Guidelines for Multinational Enterprises, <u>http://mneguidelines.oecd.org/guidelines/</u>

<sup>&</sup>lt;sup>2</sup> <u>https://www.ilo.org/empent/Publications/WCMS\_094386/lang-en/index.htm</u>

- 2) to deal with enquiries it receives and provide advice and guidance. If an enquiry constitutes a complaint under the Guidelines or the Declaration, the NCP will deal with it in accordance with the published rules of procedure<sup>3</sup>;
- play a part in ensuring that the OECD system of NCPs functions optimally, among other things through close cooperation with other NCPs and the OECD Secretariat, and through the participation of Norwegian authorities in the Investment Committee and its working groups.

Norway's NCP must function in a visible, accessible, transparent, and accountable manner, and deal with specific instances in an impartial, predictable and equitable manner. These core criteria are set out in the Guidelines and are intended to promote functional equivalence between different countries' NCPs.

## COMPOSITION AND APPOINTMENT OF MEMBERS

Norway's NCP has four members who are appointed on the basis of their professional expertise and experience. A gender balance is to be sought. The chair is appointed for four years, the remaining three members for three years at a time. Members may be re-elected once.

The social partners and civil society, represented by the Confederation of Norwegian Enterprise (NHO), the Confederation of Norwegian Trade Unions (LO) and the Norwegian Forum for Development and Environment (ForUM), will be invited to propose candidates. The chair and members of the NCP will be chosen jointly by the Ministry of Foreign Affairs and the Ministry of Trade, Industry and Fisheries, in consultation with the Ministry of Finance and the Ministry of Labour and Social Affairs. The Ministry of Foreign Affairs will make the formal appointments.

Before taking up their positions, the chair and the members must sign a declaration on the duty of confidentiality and impartiality.

# TASKS

1) Promoting the Guidelines

The Norwegian authorities have the main responsibility for promoting the Guidelines. The NCP will assist in this work, for example through independent activities to provide information on and raise awareness of the Guidelines.

The NCP is to attach particular importance to developing and maintaining good relations with the Norwegian business sector, especially enterprises operating in markets where there is a risk of becoming involved in undesirable conduct.

The NCP is also to develop and maintain relations with the social partners, civil society and other stakeholders that can help to raise awareness about the Guidelines as widely as possible and encourage their active use. When necessary, questions of principle concerning

<sup>&</sup>lt;sup>3</sup> <u>https://nettsteder.regjeringen.no/ansvarlignaringsliv2/files/2014/01/FINAL\_KPprosedyreregler\_eng\_godkj.pdf</u>

the Guidelines are to be resolved through participation by Norwegian authorities in the OECD Investment Committee and its working groups.

#### 2) Handling complaints

The NCP is to handle enquiries and provide advice and guidance on the Guidelines and their application.

Enquiries that constitute complaints are to be handled in accordance with the procedures set out in the Guidelines. <sup>4</sup> Grievances under the ILO Declaration are to be dealt with following the same procedures.

If the NCP finds that the issues raised merit further consideration, the NCP is to offer the parties involved the opportunity to participate in a process of dialogue and mediation with a view to reaching a mutually agreed solution. If an agreement is reached between the parties, the NCP is to make the result publicly available in a final statement. If one of the parties does not wish to participate in a mediation process, or if the process fails to reach a solution, the NCP is to issue a final statement on the matter.

Decisive weight is to be given to developing relations based on trust with the parties involved in specific instances/complaints. The NCP is to exercise due care when handling sensitive business information.

The NCP is also to seek to comply with the effectiveness criteria for non-judicial grievance mechanisms and dialogue-based mechanisms as set out in the UN Guiding Principles on Business and Human Rights (Principle 31).<sup>5</sup>

The NCP is to draw up its own concrete, detailed rules of procedures for handling complaints, which are to be publicly available and easily accessible. If complaints concern NCPs in several countries, the affected NCPs should seek to agree on how to coordinate the work and on which NCP should primarily deal with the matter concerned.

3) Help to ensure that the OECD system of NCPs works as well as possible (functional equivalence).

The NCP is to help ensure that the NCP system as a whole works as well as possible, based on the principle of functional equivalence. The NCP should maintain close contact with other countries' NCPs and the OECD, with a view to raising awareness about the Guidelines at the international level.

The NCP is to attend meetings in the network of OECD NCPs and any other OECD meetings to which it is invited.

The Ministry of Foreign Affairs decides the composition of the Norwegian delegation at multilateral OECD meetings. If the Norwegian NCP is included in the delegation, it is to register its participation at meetings via the Ministry of Foreign Affairs. The Norwegian

<sup>&</sup>lt;sup>4</sup> Part II of the Guidelines: Procedural Guidance, I: National Contact Points C: Implementation in Specific Instances, and commentary.

<sup>&</sup>lt;sup>5</sup> UN Guiding Principles on Business and Human Rights (UNGP) <u>https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR\_EN.pdf</u>

NCP may be invited to participate as an observer in the Norwegian delegation at meetings of the Investment Committee and its working groups.

# THE ACTIVITIES OF THE NCP

# 1) Independence

The NCP functions as an impartial and independent body.

## 2) Financial and administrative matters

The NCP reports to the Ministry of Foreign Affairs on financial and administrative matters. The Ministry of Foreign Affairs provides the NCP with a Secretariat comprising two members of staff. The NCP is to draw up an annual work plan and budget. The Ministry of Foreign Affairs uses these documents as the basis for making its budget allocation to the NCP.

The Ministry of Foreign Affairs and the NCP Secretariat have biannual meetings on administrative matters, and maintain a running dialogue on progress in promoting the Guidelines and on how the OECD system of NCPs can be strengthened. The NCP is to have its own archive, which is to be kept separate from that of the Ministry of Foreign Affairs.

# 3) Reporting and transparency

The NCP is to:

- comply with the Freedom of Information Act

- have its own website

- report on its activities annually to the public, to the OECD Investment Committee, and to the Ministry of Foreign Affairs, the Ministry of Trade, Industry and Fisheries, the Ministry of Finance, and the Ministry of Labour and Social Affairs.

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