

Report National Contact Point, The Netherlands 2002

#### A. Institutional Arrangements

The Ministry of Economic Affairs chairs the National Contact Point (NCP).

Ministry of Economic Affairs

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The NCP is an interdepartmental committee. All ministries of The Netherlands are free to attend the meetings of the NCP. Most involved are the ministries of Economic Affairs, Social Affairs and Employment and Development Co-operation. Other ministries may be involved when a specific subject is in their interest. The NCP holds quarterly meetings with the social partners (business community and employee organisations) and NGO's. These meetings provide input for the position of The Netherlands in the CIME and WPD. During the meetings questions regarding the guidelines are discussed as well as possibilities to promote the guidelines.

#### B. Information and Promotion

Last years annual report was sent to parliament in addition to the plans for 2001/2002.

The translation of the guidelines was finished last year. At the moment we're working on the translation of the commentary and guidance for the NCP's.

To promote the guidelines the ministry of economic affairs hosts a website, which has been updated this month ([www.oesorichtlijnen.nl](http://www.oesorichtlijnen.nl))

Regarding promotion the following activities have been arranged;

- The yearly meeting of the ambassadors of the Netherlands has been informed about the guidelines with special focus on corruption. All our Embassies have been informed in writing about the Guidelines and the NCP procedure.
- The guidelines have been linked to some of the foreign investment promotion programmes and export credit insurance facilities. Applicants for these programmes or facilities receive the Guidelines. Companies must

acknowledge the fact that they are aware of the guidelines and will try to comply with the guidelines within the limits of their possibilities if they want to make use of such a programme or facility. Agencies in the Netherlands implementing these instruments are more specifically informed about the guidelines.

- A glossy leaflet has been developed to inform companies about the spirit and issues of the guidelines.
- The OECD guidelines are also part of a lively debate on Corporate Social Responsibility in general. This debate has a wider range than the guidelines. This year our Knowledge centre on CSR will start and will refer to the NCP in case of questions about the guidelines.
- The Ministers for Foreign Trade, has included the guidelines in several speeches.
- NCP members have participated in meetings with business groups and seminars, several articles and interviews were published.
- The University of Nyenrode has developed a program for future and young managers on CSR and the OECD-guidelines. The NCP supports CSR in education programs and has been involved in some workshops at Nyenrode.

#### Future

Focus in 2002 will be on SME's, how can they deal with the guidelines.

- A seminar will be arranged in the last quarter of this year.
- We expect to release a CD-ROM (Dutch only) on the guidelines focussing on the use for SME's in September.
- Information activities with organisations of business sectors will be organised.

#### C. Implementation in specific instances

##### Procedures

The NCP has not put in place any specific procedures other than those mentioned in the guidelines. In one meeting with the Social Partners and NGO's the procedural guidance has been discussed. There is a difference of opinion on the issue whether or not a party concerned (NGO or social partner) can publicly announce that it has brought a case before the NCP (even mentioning the name of the company involved). The NCP of the Netherlands believes that it is not within the spirit of the guidelines and the NCP procedure to make such a public announcement. It is likely that businesses are less willing to participate in the NCP procedure if their name has already been mentioned in the press. The NCP has informed parties concerned about its position, recognising that it can not prevent any such action.

Within the NCP internal procedures are being discussed. Main issues are:

#### Institutional arrangements

- how are decisions taken by the NCP?
- should the members be appointed by their ministers?

#### Accessibility

- a format to raise issues?
- who can raise an issue before the NCP?
- which procedural steps to handle a case?

#### Transparency

- how to publish?
- what is published?

#### Confidentiality;

- how to deal with public announcements by a party concerned that it raised an issue at the NCP?

#### General comments on specific instances

Three cases have been brought to the attention of the NCP and several general questions. The cases come from Trade Unions as well as NGO's. In general there has been a good atmosphere during the meetings with parties involved.

Information is exchanged, positions are explained. The fact that the NCP convenes the meetings stimulates the willingness of parties to talk with each other. The procedural guidance is observed, no information is given to others by any of the parties involved in the procedure.

Most of the cases are in their final stages, the NCP is discussing with the parties involved how best to publish the results of the procedures, information and possible outcome documents. At this moment it seems possible that in all cases the parties involved will reach an agreement.

There has been some discussion whether or not pre-announcements in the press are effective / allowed. Stakeholders agreed that the procedural guidance gives no information on pre-announcements. The NCP considers a pre-announcement not within the spirit of the guidelines and questions the effectiveness for the upcoming procedure.

#### Specific cases

1. Involves chapter 4 (employment and industrial relations). Abolition of child labour and fair wages in the supply chain. This concerned two companies in the Netherlands, a multinational company and a Dutch importer in the SME sector.

The main questions raised concerns:

- the difference between a major company that has an investment like relation with its supplier and an importer who has a pure trade relation,
  - the extent of the responsibility in the supply chain.
2. Involves chapter 2 (general policies) and chapter 4 (employment and industrial relations), respect the human rights of those affected by business activities, more specifically forced or compulsory labour.  
The main question raised concerned:
- how can a company contribute to the elimination of all forms of forced or compulsory labour in a country where these core labour rights are violated on a large scale?
3. Involves chapter 2 (general policies) and chapter 4 (employment and industrial relations). This case involves the closure of a company.  
The main questions raised concerned:
- is the closure of the company consistent with the idea of sustainable development for the region
  - the term “give notice prior to the final decision”. In this case specifically the commentary on chapter 4 should be considered. The paragraph recommends that enterprises provide reasonable notice to the representatives of employees and relevant government authorities, of changes in their operations which would have major effects upon the livelihood of their employees. The purpose of this provision is to afford an opportunity for co-operation to mitigate the effects of such changes.
  - the term “provide information to employees to obtain a true and fair view of the company”.
- Both questions were raised concerning giving information to employees and their representatives and discuss the changes in the situation with them. The first question was also raised concerning information given to public authorities. The issue of informing employee representatives was successfully used as a negotiation instrument by the trade unions in their discussions with the management of the company concerned. As part of the negotiation results the part of the case on the representatives of employees was withdrawn.
- the question concerning information to the public authorities and the question on sustainable development still needs to be addressed. Were public authorities informed timely enough to give them an opportunity for meaningful co-operation to mitigate the effects? How does the decision relate to sustainable development for the region?

### General questions

1. Involves chapter 4 (employment and industrial relations) to provide facilities to employee representatives. It was asked by a party to send a letter to the NCP handling the case. This has been done.
2. Involves chapter 4 (employment and industrial relations) on the term “representatives of management who are authorised to take decisions”. Which management would that be if the current owner is in negotiations about a take-over by another company?

#### D. Other

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| Visibility     | - Promotion can never be enough. Reaching all, and particularly small and medium sized enterprises remains a challenging task.                                  |
| Accessibility  | - The website, brochures, an e-mail address and the secretariat within the Ministry of Economic Affairs provide the necessary accessibility.                    |
| Transparency   | - All relevant information will be made public on the website. In the case of specific instances, information will be given after finalising the NCP procedure. |
| Accountability | - The Minister for Foreign Trade informs parliament about the progress made to promote the guidelines. This annual report will also be presented to parliament. |