

National Contact Point, The Netherlands
Report 2003 (June 2002- June 2003)

A. Institutional Arrangements

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

Ministry of Economic Affairs
P.O.Box 20102
2500 EC The Hague
tel. 070-379 6378
www.oesorichtlijnen.nl
ncp@minez.nl

Chair: Marinus Sikkel; e-mail: M.W.Sikkel@minez.nl
Secretariat: Jeannette Baljeu; e-mail: J.N.Baljeu@minez.nl

The NCP is an interdepartmental committee. All ministries of The Netherlands are invited to attend the meetings of the NCP. 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

Parliament is informed about the activities of the NCP each year. Last year this was done at the end of the calendar year after the publication of the report of the chair of the annual NCP meeting. This year, the NCP report to the OECD will be sent to parliament at the same time as to the OECD. At the end of the year the NCP will report on progress (half-year report) to parliament including the report of the annual meeting.

To promote the guidelines the ministry of economic affairs hosts a website (www.oesorichtlijnen.nl). On the site the translation of the guidelines is available. Translation of the commentary and guidance for the NCP's has been delayed in 2002. This will be taken up in 2003 and will be published on the website.

Regarding promotion the following activities have been arranged;

- 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 (see for

specific information paragraph C). This year the start of our Knowledge centre on CSR has been delayed due to elections.

- Ministers of departments with specific interest in the guidelines, like Economic Affairs, Development Co-operation, Agriculture, Social Affairs and Environment, have included the guidelines in several promotion events.
- NCP members have participated in meetings with business groups and seminars, several articles and interviews were published.
- A seminar was planned in the last quarter of 2002 but has been postponed due to priority to handle specific instances. The political situation in the Netherlands (elections) also delayed activities in this field.
- A CD-ROM (Dutch only) on the guidelines focussing on the use for SME's has been presented in September. This CD-ROM has been handed out to all participants of the CSR-Europe conference in December '02 in the Netherlands.

The non-governmental organisations in the Netherlands have also been promoting the guidelines.

- The representatives of the business community (VNO-NCW, represented in BIAC) have given individual information to members who had questions on the guidelines and the procedures of the NCP. They attended several public meetings on the guidelines. They lobbied the EC not to draft new EU-guidelines, as all member states are already committed to promote the OECD-guidelines.
- Representatives of the Labour Union (specifically FNV, represented in TUAC) have been involved in several discussions on topics concerning the guidelines. They have showed interest in issues raised at NCP's (like the instance on labour union's in Guatemala) or asked questions on issues related to the guidelines (on the UN panel on Congo). On these issues they didn't start a specific instance, but to raise awareness of the NCP and others on how the guidelines are related to these issues. So far, the FNV has raised the most specific instances at the Dutch NCP and use this as an instrument to raise awareness of the guidelines.

With support of the Ministry of Economic Affairs, the labour unions are organising a CSR seminar for employee representatives in business. The seminar will be held in the second half of 2003.

- NGO's have been very active in the promotion of the CSR debate, including the OECD-guidelines. The Dutch Friends of the Earth (FOE (Milieudefensie)) developed a toolkit for NGO's (in OECD countries and developing countries) with information on the guidelines and explanation of the procedures at the NCP's. This project was supported by the Ministry of Foreign Affairs/ Development co-operation. FOE (Milieudefensie) has organised with IRENE (NGO) a seminar for NGO's and labour unions from developing countries. The chair of the Dutch NCP and representatives of business (VNO_NCW) participated in the panel discussion. The NGO community has also felt that a certain co-ordination from their side would make them more effective in putting forward their arguments in their contact with

government. They've set up a "CSR-platform", which is co-ordinated by SOMO and consists off most of the Dutch NGO's. Their first project has been a brochure on all kinds of CSR initiatives also mentioning the OECD-guidelines. (website CSR-platform www.mvo-platform.nl brochure, under publications and is available in English, French, Spanish and Portuguese). They also initiated the international initiative of the OECD-watch, a more co-ordinated approach of the international NGO community. One of the main purposes is to inform the wider NGO community about what is happening at the CIME, to ensure that a wide range of NGO views are represented in key debates at the regular CIME meetings and to assist NGO's who may wish to bring specific instances under the guidelines implementation procedure.

C. Implementation in specific instances

As mentioned in the previous paragraph, CSR has been high on the agenda of the civil society, media, and parliament in the Netherlands. The OECD-guidelines have been mentioned at three levels in the discussion on CSR;

1. CSR in general
2. Specific issues discussed in public
3. Specific issues discussed through the instrument of the NCP

Ad 1. CSR in general

The discussion on CSR in the Netherlands has been broad. Some of the following elements dominated the discussion.

- corruption;
- self-enrichment of managers/CEO's;
- accounting affairs;
- labour circumstances in developing countries.

Debates took place through the media and where often followed by questions by parliamentarians.

Ad 2. Specific issues discussed in public

Due to the interest that civil society has showed in the activities of companies in the field of CSR, a lot of specific issues where raised in public. Through the media or campaigns by consumers questions where asked about the behaviour of companies.

- Friends of the Earth (NL, Milieudefensie) has started a campaign on the "dirty five". Only in one instance, see under ad 3, they brought a specific instance to the NCP.
- The labour unions have also shown interest in the guidelines, but have not in all cases brought it to the NCP as a specific instance. For example, FNV has asked questions to the NCP on the report of the UN panel on the Democratic Republic of Congo and the alleged involvement in that region of a Dutch company. They also showed interest in the case of labour unions in Guatemala. The FNV has an interest because of their involvement in training program's of labour unions in Latin-America. The

FNV invited the president of the ITGLWF, Mr Kearny, to inform the Dutch government on the situation in Guatemala and referred to the OECD-guidelines. FNV wanted to raise the awareness of the Dutch government on these issues.

Ad 3. Specific issues at the NCP.

General comments on specific instances

Since the revision of the OECD-guidelines in May 2000, the NCP has taken up 10 specific instances of which 5 in this reporting period. The NCP considers the correct and careful fulfilment of the procedure at the NCP important for the trustworthiness of the NCP and the guidelines. The careful approach makes the procedure at an NCP a long process. The NCP concludes that it had no difficulty to get parties concerned around the table, nor was it difficult to make new appointments, exchange information/views through tripartite meetings. A lot of time was spent on reaching a common statement of all parties involved. The precise wording / finding common positions meant a lot of time spent by the NCP to negotiate between parties. Of the 10 specific instances put forward to the NCP, 4 have been finalised, 6 are still under consideration.

Overall view of specific instances raised at the NCP since May 2000.

Finalised instances under the NCP (in total 4):

- LIW and Adidas have reached agreement in their specific instance on labour issues in India. A common statement has been presented and published on the website. (common statement is attached in this annual report). LIW and Adidas agreed to continue the dialogue on monitoring systems of codes of conduct of Adidas. The instance was finalised in December 2002.
- Wärtzilä: The labour unions had put forward a question on the need to timely inform labour representatives on changes in the company that have consequences for their employees. In this case it concerned the closing of a company. The unions withdrew their question in the negotiations of a relief/ social plan. Local government authorities had no interest in the continuation of the instance at the NCP, as they have other ways to address these issues with companies. (This instance was finalised in 2001).
- After the initial assessment, the Dutch NCP has closed two instances due to the fact that these instances involved a situation in another adhering country.
 - One concerned the behaviour of an enterprise (part of a French group) in America (September '02)
 - One concerned the behaviour of Korean companies in Guatemala (March '02)

Specific instances still under NCP procedure (in total 6):

- Two instances have been raised by the Labour Unions on the behaviour of companies in Burma.

- In the first instance, the parties involved had a tripartite meeting. The Labour Unions and the company involved have been in contact since then to inform each other on the continuation of the procedure. Parties have agreed that they need to find a way for common understanding to close the case. (case was raised in July '01)
- The second instance has been raised in November '02. A question in the tourist section. Both parties have explained their position in a meeting with the NCP. A tripartite meeting will take place in July '03.
- Two instances have been put forward by the Labour Unions on timely information to labour representatives concerning the closure of a company.
 - The first instance concerned the closure of an affiliate of an American company and raised the question on who is in control of decision making, and at what point do you need to inform employees. (raised in September '02, The Labour Union withdrew their question in January '03, in relation to successful negotiations of a social plan. Unions also asked the government to act as an interested party. However government considers that it has other means to talk with companies. The case is not closed, as the NCP still has to make a statement on the issue).
 - The second instance concerned the treatment of employees in the process of financial closure of a company. The trade union has been heard. The NCP is now looking for the legal representative of the company, as the company no longer exists. (August '02).
- One instance on the supply chain provision. The question arose whether this provision is also applicable to trade relations. After consultations with the parties concerned this question has been put forward by the Dutch NCP to the CIME. With the confirmation on the intent of the guidelines of the CIME (April '03), the matter can be closed. The NCP will make a statement (raised in July '01).
- One instance concerned fish-farming activities in Chile (September '02). It was decided that this instance should not be considered by the Dutch NCP but by the NCP of Chile. Nevertheless, the Dutch NCP acts as a mediator/facilitator for the Chilean NCP due to the involvement of a Dutch NGO and a Dutch company.

Procedure of specific instances

The NCP noticed that parties involved in the CSR discussion were unsatisfied with the clarity of the procedures of the NCP. Although the NCP of the Netherlands considers the guidance for NCP's in the OECD-guidelines enough for internal decisions on the specific instances, the NCP felt that there was room for improvement on time-management of several steps during a procedure. The NCP still believes that you can not set a time limit to the procedure, as this depends on the willingness and ability of parties involved to make arrangements for meetings, etc. Taking this into consideration the NCP has developed a brochure with some explanation and some guidance on timing in matters that can be controlled by the NCP (for example, the time for draft minutes of a meeting to be

send to parties involved). This brochure has been discussed with consultation parties and will be published in the summer of 2003.

D. Other

Visibility;	The visibility of the NCP depends also on the possibility of Ministers to promote the NCP. Due to the fact that the Netherlands had two elections, in the last year this part of the promotion was not used to the maximum potential. Other promotion activities were also used. In line with previous actions, the NCP has made a communication plan for 2003.
Accessibility:	With the website, a NCP-e-mail address and telephone, fax and mailaddresses at the Ministry of Economic Affairs the NCP believes that there are adequate opportunities to contact the NCP. Further initiatives with e-mail links at relevant sites, for example export-sites, are being developed.
Transparency	With the consultations, publications on the website, publication of the yearly report, the NCP believes that there is adequate opportunity to be informed about the activities of the NCP. NGO's have commented that they believe that transparency can be improved especially in the field of feedback from the meetings of the CIME.
Accountability	The NCP reports annually to parliament.