

**UK CONSULTATION ON THE  
TERMS OF REFERENCE FOR AN  
UPDATE OF THE OECD  
GUIDELINES FOR MULTINATIONAL  
ENTERPRISES**

October 2009

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## **1. Explanation and the aim of the Consultation**

The main aims of the consultation process in the UK is to collect the views of UK stakeholders on the priority areas for an update of the OECD Guidelines for multinational enterprises based on (but not limited to) the potential terms of reference listed in this document. This should assist the UK Government in identifying options for possible technical or more substantive updates of the text of the OECD Guidelines and Commentaries leading to the UK Government developing a position on the update of the Guidelines.

**Issued**                      **27 October 2009**

**Respond by**                In line with the consultation code of practice, this consultation will run for 12 weeks **(25 January 2010)**. However views received by the 30 November 2009 would be particularly valuable in view of the next OECD meetings in early December (2009).

### **Enquiries to**

UK National Contact Point for the OECD Guidelines for Multinational Enterprises  
Department for Business, Innovation and Skills (BIS)  
1-19 Victoria Street  
London SW1H 0ET  
Tel: 020 7215 5756 / 8682 / 6344  
E-mail: [uk.ncp@bis.gsi.gov.uk](mailto:uk.ncp@bis.gsi.gov.uk)

### **Who will be interested in this informal consultation?**

This consultation is relevant to a cross section of stakeholders, including:

- businesses
- business organisations
- trade unions
- non-government organisations
- UK human rights institutions
- trade bodies
- international bodies
- consumer bodies
- law firms and legal bodies
- Parliament, and
- Government organisations

## **2. Introduction**

1. The OECD Guidelines for Multinational Enterprises<sup>1</sup> provide voluntary principles and standards that governments adhering to the Guidelines encourage international businesses to comply with wherever they are trading and operating. The Guidelines cover all the major issues in business ethics including employment and industrial relations, human rights, environment, information disclosure, combating bribery, consumer interests, science and technology, competition, and taxation. Adhering governments also encourage suppliers and sub-contractors of multinational enterprises to observe these standards.

2. The UK Government is fully committed to the promotion and implementation of the Guidelines and encourage UK multinational enterprises, as well as their associate and subsidiary companies and business partners overseas, to take the lead in adopting high corporate standards involving all aspects of the Guidelines. The Guidelines provide a framework to guide multinational enterprises on how to operate more responsibly and what areas to focus on in order to achieve these high standards, thereby strengthening the basis for mutual confidence between businesses and the societies in which they operate.

3. Governments that have signed up to the Guidelines<sup>2</sup> are required to establish National Contact Points (NCPs). The role of the NCPs is to promote the Guidelines to the business community, employee organisations, non-governmental organisations (NGOs) and other stakeholders. In addition to promoting the Guidelines, it is the job of the NCPs to consider allegations that a multinational enterprise's behaviour is inconsistent with the Guidelines. Where the NCP takes on a case, it will seek to mediate an agreement between the parties, and, where this is not possible, it will examine the allegations in detail and will make a determination of whether the multinational enterprise has acted inconsistently with the Guidelines.

4. In the UK, the NCP is staffed by officials from the Department for Business, Innovation and Skills (BIS). Since 2007, a Steering Board has been established to monitor the work of the UK NCP and provide it with strategic guidance. The Steering Board meets regularly and is composed of representatives of relevant Government Departments and four external members nominated by the Trades Union Congress, the Confederation of British Industry, the All Party Parliamentary Group on the Great Lakes Region of Africa, and the NGO community. The UK NCP's complaint procedure (and related policies) and the terms of reference for the Steering Board are published on the UK NCP's website [www.bis.gov.uk/nationalcontactpoint](http://www.bis.gov.uk/nationalcontactpoint).

5. The UK NCP will be co-ordinating the UK Government's position on the proposed update of the Guidelines.

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<sup>1</sup> <http://www.oecd.org/dataoecd/56/36/1922428.pdf>

<sup>2</sup> The 30 member countries of the OECD are: Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, United Kingdom, United States. There are currently 11 so-called adhering countries, who have also signed up to the Guidelines are: Argentina, Brazil, Chile, Egypt, Israel, Estonia, Latvia, Lithuania, Peru, Romania & Slovenia.

### **3. Executive Summary**

6. Since the last review of the OECD Guidelines for multinational enterprises in 2000, the landscape for international investment and multinational enterprises has continued to change rapidly. The world economy has witnessed a greater integration of patterns of production and consumption. Non-OECD countries are attracting a larger share of world investment and multinational enterprises from non-adhering countries have grown in importance. At the same time, the financial and economic crisis and the loss of confidence in open markets, the need to address climate change and green growth, and reaffirmed international commitments to development goals have prompted renewed calls from governments and social partners for high standards of responsible business conduct.

7. Against this background, at their Annual Meeting on 16-17 June 2009, NCPs recommended that under the auspices of the OECD Investment Committee, adhering countries review the experience gained with the implementation of the Guidelines with a view to defining terms of reference for a possible update of the instrument. Shortly thereafter, at the June 2009 OECD Council Meeting at Ministerial level, ministers welcomed “further consultation on the updating of the OECD Guidelines to increase their relevance and clarify private sector responsibilities”. In line with this commitment, the UK Government broadly support an update of the Guidelines.

8. We believe that active UK support for an update would provide an opportunity to exploit the UK’s strong reputation as an effective NCP to influence the outcome of the OECD consultations. Potential benefits include promoting a level-playing field for UK multinationals; improving the Guidelines’ contribution towards sustainable development; and potentially raising the standard of operation of NCPs in other OECD countries.

9. The purpose of this document is to consult UK stakeholders on the terms of reference for the OECD Guidelines’ update. The outcome of the consultation process will contribute to a UK position, in good time for negotiations at the OECD to agree the terms of reference for updating the Guidelines.

10. The OECD Secretariat has suggested that the terms of reference might cover the following issues: technical updates; supply chain issues; human rights; disclosure issues; environmental issues; consumer interests; taxation; the OECD “Risk Awareness Tool for Multinational Enterprises in Weak Governance Zones”; and improving the operation of NCPs. OECD members will be discussing over the coming months the content to which these and other issues should form part of the terms of reference for updating the Guidelines. Views therefore are requested from UK stakeholders on these and other issues that they would like included to update the Guidelines.

11. In line with Government’s code of practice on consultation views are invited within 12 weeks (i.e. by 25 January 2010). However, views received by 30 November 2009 would be particularly valuable in view of the next OECD meeting in early December. This meeting represents a major opportunity for the UK to influence the terms of reference of the update. Comments received after 30 November will still be considered and, where appropriate, put forward in writing. They will still have a

chance of influencing the terms of reference but it may be more difficult at this stage to obtain the necessary consensus between adhering countries. To ensure consultation is as effective as possible, a UK NCP's stakeholder event (9 November 2009) has been arranged, where we will also gather stakeholder views.

#### **4. How to respond**

12. When responding please state whether you are responding as an individual or representing the views of an organisation. If responding on behalf of an organisation, please make it clear who the organisation represents and, where applicable, how the views of members were assembled.

13. A response can be submitted by letter or email to:

UK National Contact Point OECD Guidelines for Multinational Enterprises  
Department for Business, Innovation and Skills (BIS)  
1-19 Victoria Street  
London SW1H 0ET  
Tel: 020 7215 5756 / 8682 / 6344  
E-mail: [uk.ncp@bis.gsi.gov.uk](mailto:uk.ncp@bis.gsi.gov.uk)

14. A list of those organisations and individuals consulted is in **Annex A**. We would welcome suggestions of others who may wish to be involved in this consultation process.

#### **5. Additional copies**

15. You may make copies of this document without seeking permission. Further printed copies of this document can be obtained from:

BERR Publications Orderline  
ADMAIL 528  
London SW1W 8YT  
Tel: 0845-015 0010  
Fax: 0845-015 0020  
Minicom: 0845-015 0030  
[www.berr.gov.uk/publications](http://www.berr.gov.uk/publications)

16. An electronic version of this document can also be found on the UK NCP website: [www.bis.gov.uk/nationalcontactpoint](http://www.bis.gov.uk/nationalcontactpoint).

17. Other versions of the document in other formats e.g. Braille, other languages or audio-cassette, are available on request.

#### **6. Confidentiality & Data Protection**

18. Information provided in response to this consultation, including personal

information, may be subject to publication or release to other parties or to disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004). If you want information, including personal data that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence.

19. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

## **7. Help with queries**

20. Questions about the policy issues raised in the document can be addressed to:

UK National Contact Point for the OECD Guidelines for Multinational Enterprises  
Department for Business, Innovation and Skills (BIS)  
1-19 Victoria Street  
London SW1H 0ET  
Tel: 020 7215 5756 / 8682 / 6344  
E-mail: [uk.ncp@bis.gsi.gov.uk](mailto:uk.ncp@bis.gsi.gov.uk)

21. If you have comments or complaints about the way this consultation has been conducted, these should be sent to:

Tunde Idowu,  
Consultation Co-ordinator  
Department for Business, Innovation and Skills (BIS)  
1-19 Victoria Street  
London SW1H 0ET  
E-mail: [Babatunde.idowu@bis.gsi.gov.uk](mailto:Babatunde.idowu@bis.gsi.gov.uk)  
Tel: 020 7215 0412  
Fax: 020 7215 0235

22. A copy of the Code of Practice on Consultation is in **Annex B**.

## **8. Consultation questions**

<b>NO.</b>	<b>QUESTIONS</b>
<b>1</b>	Are technical updates of the OECD Guidelines needed, and if so what aspects?
<b>2</b>	Is clearer guidance required regarding the application of the Guidelines to supply chains, and if so, what should this include?
<b>3</b>	Should the human rights section of the current Guidelines be updated, and if so, what should it include?
<b>4</b>	Should the disclosure chapter of the Guidelines be updated, and if so, what should this include?
<b>5</b>	Is there a need to clarify the application of Chapter V on Environment to climate change and green growth issues, and if so what should the chapter cover?
<b>6</b>	Should the consumer chapter of the Guidelines be expanded, and if so, what should it include/cover?
<b>7</b>	Should the taxation chapter of the Guidelines be updated, and if so, what should it include/cover?
<b>8</b>	How can the Risk Awareness Tool be more closely associated with the implementation of the Guidelines?
<b>9</b>	Does the procedural guidance need to be updated to give greater direction to institutional structure and functioning of NCPs, and if so, how?
<b>10</b>	How can the complaints procedures of the current Guidelines be improved?
<b>11</b>	Would there be merit in developing further guidance on parallel proceedings and building it in the Procedural Guidance or Commentary, and if so, what type of guidance?
<b>12</b>	Is there scope for adding references to the NCP following-up on the publication of a Specific Instance by building it in the Procedural Guidance or Commentary, and if so, what type of follow up?
<b>13</b>	Would there be merit in further developing guidance on retrospective guidance on new cases and building it in the Procedural Guidance or Commentary, and if so, what type of guidance?
<b>14</b>	Is clarification needed on the circumstances under which NCPs could accept a complaint against a financial institution, and if so, what type of clarification is needed?
<b>15</b>	Should a more structured peer review process be considered and built into the Procedural Guidance or Commentary of the Guidelines, and if so what type of review process?
<b>16</b>	Apart from the possible issues listed above, are there any other specific issues or parts of the OECD Guidelines that need updating, and if so, what should this include/cover ?

## **9. Potential terms of reference for the update of the Guidelines**

23. In order to assist stakeholders in determining the areas deserving special attention in the context of consultations on an update of the Guidelines, the OECD Secretariat has provided a number of issues that have been identified since the 2000 review. These are listed below for stakeholders views.

24. The OECD has based these issues on past discussions with NCPs, the OECD Investment Committee and its Working Party, during consultations with BIAC<sup>3</sup>, TUAC<sup>4</sup> and OECD Watch<sup>5</sup>, and discussions of the OECD Secretary-General with leading business organisations, as well as recent communications by John Ruggie, the UN Secretary-General's Special Representative for Business and Human Rights, on the merits of updating the Guidelines' recommendations and/or the Commentaries. The OECD will seek views from these stakeholders as part of their consultation at international level.

### **Issues related to the substantive provisions of the Guidelines**

#### ***Technical updates.***

25. Technical updates are amendments to the Guidelines or the Commentaries aimed at ensuring that the instruments cited are accurate and up-to-date. The OECD has selected the following examples: the *OECD Principles of Corporate Governance* have been revised in 2004; a new *Recommendation on Tax Measures for further Combating Bribery of Foreign Officials in International Business Transactions* entered into force in 2009; and the United Nations adopted the *Convention against Corruption* in 2003. Other international organisations and OECD bodies would need to be consulted to ensure that the references to their instruments are appropriate.

<p><b>Question 1: Are technical updates of the OECD Guidelines needed, and if so what aspects?</b></p>
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#### ***Supply chain***

26. It has been identified by a number of stakeholders that it would be important to give clearer guidance regarding the application of the Guidelines to supply chains. Some stakeholders are also keen to explore the possibility of enhancing the supply chain aspects of the Guidelines by, for example, setting out more detailed (and practical) recommendations for multinational enterprises to encourage the enterprises' sub-contractors and suppliers to apply corporate social responsibility principles in line with the Guidelines.

27. The discussion within the Investment Committee in 2003 focused on defining the ability of multinational enterprises to influence the conduct of their business partners, through an investment-like relationship. Recent discussions, including by Professor Ruggie, have instead focussed on due diligence steps that companies are expected to adopt along their supply chains depending on their own circumstances and respective influence.

<sup>3</sup> Business and Industry Advisory Committee to the OECD - <http://www.biac.org/>

<sup>4</sup> Trade Union Advisory Committee to the OECD - <http://www.tuac.org/en/public/index.phtml>

<sup>5</sup> OECD Watch - <http://oecdwatch.org/>

**Question 2: Is clearer guidance required regarding the application of the Guidelines to supply chains, and if so, what should this include?**

***Human rights***

28. Human rights are specifically covered in Chapter II(2) of the Guidelines which states that: "[Enterprises should] respect the human rights of those affected by their activities consistent with the host government's international obligations and commitments". Since the Guidelines were last revised and the NCP was established the business and human rights debate has advanced considerably. In light of recent UK NCP's cases where the NCP has found failures to meet the human rights provisions of the Guidelines, an elaboration of the human rights provisions and their scope might give a clearer idea to business as to what is expected from them. Some stakeholders have expressed concerns about what they perceive as a lack of clarity in the human rights provisions within the Guidelines.

29. Leading business organisations and commentators, including Professor Ruggie, have considered that the reference to respecting human rights "consistent with the host government's international obligations and commitments" does not appear to provide sufficient guidance to companies in the event of supposed conflicting requirements between internationally recognised standards on human rights and host country policies, including situations where the host country has not ratified a specific human rights instrument.

**Question 3: Should the human rights section of the current Guidelines be updated, and if so, what should it include?**

***Disclosure***

30. Since the 2000 Review, disclosure standards have evolved. The disclosure provisions of the OECD Principles of Corporate Governance have been revised in 2004. Recently, against the background of the current economic crisis, transparency gained even greater prominence in international organisations' work on the financial sector, including in the recently adopted OECD Guidelines for Pension Fund Governance which includes disclosure provisions in relation to environmental, social and governance considerations.

**Question 4: Should the disclosure chapter of the Guidelines be updated, and if so, what should this include?**

***Environment***

31. With growing concerns over climate change and greater public engagement in this field including political leaders' calls for greater attention to green growth, the question has been raised as to whether there is a need to clarify the application of Chapter V on Environment to climate change and green growth issues. Climate change is currently absent, and some stakeholders have suggested that the environmental elements of the Guidelines could be strengthened in this regard.

**Question 5: Is there a need to clarify the application of Chapter V on Environment to climate change and green growth issues, and if so what should the chapter cover?**

***Consumer interests***

32. A number of participants at the 2009 OECD Corporate Responsibility Roundtable expressed the view that Chapter VII on Consumer Interests could usefully expand from traditional health and safety concerns to financial education in light of recent recommendations developed by such bodies as the OECD Committee on Financial Markets and to the effects on consumers of climate change and green growth and supply chains. However, this is a chapter of the Guidelines that has not been used that frequently by the complainants or the UK NCP.

**Question 6: Should the consumer chapter of the Guidelines be expanded, and if so, what should it include/cover?**

***Taxation***

33. Chapter X on Taxation contains guidance to enterprises on how they should fulfil their tax obligations and provide information to the tax authorities. The question has arisen as to whether this chapter should include provisions on the disclosure of revenues to host governments consistent with guidance already provided by such initiatives as the EITI and the OECD Risk Awareness Tool for Multinational Enterprises in Weak Governance Zones. It has also been mentioned by some stakeholders that the tax and corruption guidance is currently insufficient and that the financial chapter of the Guidelines needs updating.

**Question 7: Should the taxation chapter of the Guidelines be updated, and if so, what should it include/cover?**

***OECD Risk Awareness Tool for Multinational Enterprises in Weak Governance Zones<sup>6</sup> (the Risk Awareness Tool).***

34. The question arises as to how the Risk Awareness Tool could be more closely associated with the implementation of the Guidelines. At the time of the adoption of the Risk Awareness Tool by the Council in 2006, “adhering governments were invited to take due account, in the context of their policies involving interaction with multinational enterprises in weak governance zones, of the OECD Risk Awareness Tool”. This tool aims to assist companies in these zones in exercising “heightened care”, a concept equivalent to that of “due diligence” used by Professor Ruggie.

**Question 8: How can the Risk Awareness Tool be more closely associated with the implementation of the Guidelines?**

**Issues related to the Procedural Guidance**

35. NCP performance, including significant differences in institutional arrangements and the operation of specific instance facilities, has been a recurrent theme at past OECD Annual NCP Meetings but has gained prominence in the last two years as a result of growing interest by business, trade unions and non-

<sup>6</sup> [www.oecd.org/dataoecd/26/21/36885821.pdf](http://www.oecd.org/dataoecd/26/21/36885821.pdf)

governmental organisations, and in the work of Professor Ruggie. The following list of issues have drawn particular attention so far, which Stakeholders may therefore wish to consider.

### ***Functional equivalence***

36. A question is whether the Procedural Guidance would need to be clarified or supplemented by new Commentaries or other means to give greater direction to the institutional structure and functioning of NCPs while maintaining the rights of adhering countries to adopt the most appropriate NCP structure that best fits their individual systems. Guidance therefore needs to be clearer but at the same time achieve a balance between functional equivalence and the processes of individual NCPs.

**Question 9: Does the procedural guidance need to be updated to give greater direction to institutional structure and functioning of NCPs, and if so, how?**

### ***Ensuring credibility and efficiency in the implementation of the Specific Instance procedure***

37. Specific Instance means a complaint that is submitted to an NCP concerning a multinational's alleged breach of the Guidelines. The UK NCP has developed a complaints procedures with the Steering Board, and BIAC<sup>7</sup>, TUAC<sup>8</sup> and OECD Watch<sup>9</sup> have already made a number of suggestions for improving the complaint procedure.

**Question 10: How can the complaints procedures of the current Guidelines be improved?**

### ***Parallel proceedings***

38. Parallel proceedings are reported to be one of the main reasons for not taking up or concluding Specific Instances, at the dissatisfaction of the parties bringing the instances in question. Building on past NCP and Working Party work on this matter, it maybe worth considering developing further guidance and building it in the Procedural Guidance or Commentary. In fact in September 2009, in order to take forward a number of specific instances, the UK NCP published guidance<sup>10</sup> for complainants and companies on how it will handle the issue of parallel proceedings within the OECD Guidelines complaints process.

**Question11: Would there be merit in developing further guidance on parallel proceedings and building it in the Procedural Guidance or Commentary?**

### ***Follow-up to the publication of a Specific Instance***

39. There has been some criticism on the lack of follow-up to Final Statements that the UK NCP has published where a business has breached the Guidelines. To address this issue the UK NCP procedural guidance was updated<sup>11</sup> (following agreement from the Steering Board) in September 2009. Henceforth, where the Final

<sup>7</sup> Business and Industry Advisory Committee to the OECD.

<sup>8</sup> Trade Union Advisory Committee to the OECD.

<sup>9</sup> International network of NGOs monitoring the effectiveness of the Guidelines.

<sup>10</sup> UK NCP Guidance on parallel proceedings - <http://www.berr.gov.uk/files/file53069.pdf>

<sup>11</sup> UK NCP procedural guidance (section 5) - <http://www.berr.gov.uk/files/file53070.pdf>

Statement includes recommendations, it will also specify a date by which both parties are asked to update the UK NCP on the multinational enterprise's progress towards meeting these recommendations. The UK NCP will then publish a further statement reflecting the parties' responses.

**Question 12: Is there scope for adding references to the NCP following-up on the publication of a Specific Instance by building it in the Procedural Guidance or Commentary?**

***Retrospective Guidance on new complaints***

40. In order to take forward a number of Specific Instances in 2008, the UK NCP published (following agreement from the Steering Board) guidance<sup>12</sup> on how the UK NCP will handle any new complaints it receives after 18 June 2008 that allege breaches of the OECD Guidelines in relation to activities prior to 2000, when the latest revision of the Guidelines was published. This is an issue that will become relevant again if the Guidelines are updated.

**Question 13: Would there be merit in further developing guidance on retrospective guidance on new cases and building it in the Procedural Guidance or Commentary?**

***Specific Instances in the financial sector***

41. Some stakeholders think that it may be helpful to get clarification on what circumstances NCPs could accept a complaint against a financial multinational enterprise and the factors that could help NCPs assess whether a financial institution failed to observe the Guidelines in the context of their lending and investing activities.

**Question 14: Is clarification needed on the circumstances under which NCPs could accept a complaint against a financial institution?**

***Peer review***

42. Peer review is a traditional and well tested working method at the OECD. A variant of peer review - "peer learning" - has been used in an informal and ad hoc way in NCP and Working Party meetings. Therefore the question is whether there should be a more structured process built in the Procedural Guidance or Commentary. The UK NCP is currently participating in the volunteer peer review of the Dutch NCP.

**Question 15: Should a more structured peer review process be considered and built into the Procedural Guidance or Commentary of the Guidelines?**

***Other issues***

43. The narrative and the questions listed above is not an exhaustive list, nor is it a list of areas where the Government necessarily wishes to make updates to the OECD Guidelines. It is however, a list of possible issues that may assist stakeholders in determining the areas deserving special attention in the context of consultations on an update of the Guidelines. Stakeholders are therefore able to suggest other possible updates not covered in the list of issues above.

<sup>12</sup> UK NCP Retrospective Guidance on the OECD Guidelines - <http://www.berr.gov.uk/files/file47556.pdf>

**Question 17: Apart from the possible issues listed above, are there any other specific issues or parts of the OECD Guidelines that need updating, and if so, what should this include/cover ?**

## **10. What happens next**

44. The next steps will be HMG taking note of the informal consultations as part of our negotiations, leading to the UK Government developing a position on the update of the Guidelines. Views will still be considered throughout the consultation process after this period.

45. The provisional timetable for the update of the Guidelines is:

- **26 October 2009** – UK NCP to circulate a document to stakeholders on the UK consultation on the potential terms of reference for an update of the Guidelines for multinational. This will feed into the December OECD Working Party meetings which the UK NCP will be attending.
- **9 November 2009** – UK NCP Stakeholder event to discuss the proposed update of the Guidelines.
- **7-9 December 2009** - OECD consultation with stakeholders (which the UK NCP will be attending).
- **March 2010**- OECD Working Party of the Investment Committee agrees the terms of reference for an update of the Guidelines.
- **April 2010** – OECD Investment Committee formally approves the terms of reference for an update of the Guidelines.
- **June 2010** – OECD Annual Meeting of the NCPs formally announces and possibly launches the update of the Guidelines (marking 10th Anniversary of the 2000 review of the Guidelines).

46. A government response will also be produced within 12 weeks of the consultation close. The Government response to the consultation will provide an overview of responses received from UK Stakeholders and these will help formulate the UK's negotiating position. As negotiations on the terms of reference will still be at an early stage, the Government's response will not set out the decisions it has made as to its negotiating stance in light of stakeholder responses. Agreeing the OECD terms of reference for the proposed update of the Guidelines will require full consensus among adhering countries, so it is important for the UK to maintain flexibility in order to influence the outcome of the OECD consultations. Updates on the negotiation process will be made at regular intervals on the BIS website.

## **Annex A: List of individuals/Organisations consulted**

<b>BUSINESS ORGANISATIONS</b>
Africa Matters Limited
Article 13
British Chamber of Commerce (BCC)
BSI British Standards
Business for New Europe
Business in the Community
CBI*
Corporate Responsibility Group
Federation of Small Businesses (FSB)
Forum of Private Business
Institute of Business Ethics
International Business Leaders Forum
International Chamber of Commerce
IOD
UK network of the UN Global Compact
<b>BUSINESS</b>
Afrimex
Airbus
AMC
Anglo American
BAE Systems plc
British American Tobacco plc
BP
BT
Coats plc
De Beers
Diageo
EDF Energy
F&C Investments
GlaxoSmithKline
G4S
Rio Tinto
Roll Royce plc
Unilever
Vedanta
<b>TRADE UNIONS</b>
ITGLWF
IUF
Malaysian Trades Union Congress
Prospect
TUC*
UNITE

<b>NGOs</b>
Action Aid
Amnesty International (International Secretariat)
Amnesty International UK
Anti-Slavery International
British Institute of Human Rights
Business and Human Rights Resource Centre
Business Leaders Initiative on Human Rights
CAFOD
Christian Aid
CORE COALITION
Equality and Diversity Forum
Friends of the Earth
Global Witness
Greenpeace
Human Rights Watch
Institute for Human Rights and Business
International Alert
London Mining Network
Oxfam
Peru Support Group
RAID*
Stakeholder Democracy Network
Survival International
The Corner House
TI-UK
<b>UK HUMAN RIGHTS INSTITUTIONS</b>
Equality and Human Rights Commission
Equality Commission for Human Rights
NI Human Rights Commission
Scottish Human Rights Commission
<b>TRADE BODIES</b>
British Retail Consortium
Carbon Markets and Investors Association
UK Petroleum Industry Association (PIA)
<b>MINING BODIES</b>
Institute of Materials, Minerals and Mining (IOM3)
International Council on Mining and Metals (ICMM)
ITRI
<b>CONSUMER ORGANISATIONS</b>
Consumer Focus
Office of Fair Trading

<b>LEGAL</b>
Clifford Chance*
Doughty Street*
Herbert Smith
Leigh Day
The Law Society
The Bar Council
International Bar Association
<b>PARLIAMENT</b>
APPG on the Great Lakes region of Africa*
House of Lords (Lord Mance)
JCHR (Joint Committee on Human Rights)
<b>OTHERS</b>
Corporate Social Responsibility Initiative (Harvard Kennedy School)
Chatham House (The Royal Institute of International Affairs)
John Mulholland (mediator for a number of UK NCP cases)
ORC Worldwide
The Charter Group
Tomorrow's Company
V W Consulting
<b>GOVERNMENT</b>
BIS* (Department for Business, Innovation and Skills)
DFID* (Department for International Development)
DWP* (Department for Works and Pensions)
ECGD* (Export Credits Guarantee Department)
FCO* (Foreign and Commonwealth Office)
MoJ (Ministry of Justice)
UKTI (UK Trade and Investment)

\* UK NCP Steering Board member.

## **Annex B: The Consultation Code of Practice Criteria**

1. Formal consultation should take place at a stage when there is scope to influence policy outcome.
2. Consultation should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.
3. Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals.
4. Consultation exercise should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach.
5. Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained.
6. Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.
7. Officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.

The complete code is available on the Better Regulation Executive's web site, address <http://bre.berr.gov.uk/regulation/consultation/code/>