



OECD Guidelines for Multinational Enterprises

Annual Report 2008/2009 on Activities of the Swiss National Contact Point to the OECD Investment Committee

A. Institutional Arrangements

The Swiss National Contact Point (NCP) has a single department structure and is part of the International Investment and Multinational Enterprises Unit of the State Secretariat for Economic Affairs (SECO). In the view of SECO, international investment and Corporate Social Responsibility (CSR) go hand in hand. For that reason, the Swiss NCP and the task to protect Swiss businesses investing abroad have been assigned to the same governmental unit. In such a way, the support to businesses operating internationally can be combined with fostering responsible corporate behavior in an effective and flexible way.

The current structure of the Swiss NCP offers a flexible framework for cooperation with stakeholders. Based on the experiences in Switzerland since the revision of the Guidelines in 2000, no significant need for changing the organizational set-up has arisen to date. However, during 2008 additional human resources have been assigned to the NCP in order to address the increasing number of specific instances submitted to the NCP.

Relations to other government agencies

The Swiss NCP is maintaining regular contact with different other government agencies, which cover aspects of the OECD Guidelines. In the case of specific instances submitted to the NCP, ad-hoc committees are constituted in order to deliberate on the issue raised. These committees include persons from relevant other government agencies, taking into account the specific expertise needed (e.g. labour relations, environment) as well as the specific context of the country concerned.

Relations to social partners and other interested parties, including non-governmental organisations (NGOs)

The cooperation with stakeholders is associated by means of an open and comprehensive consultative group, which keeps up regular contact and meets at least once a year. The last meeting took place in May 2009. The group includes several representatives of social partners, employer organizations, NGOs as well as government units and will continue to meet on a regular basis. If necessary, extraordinary session may be convoked.

Relations with other major CSR initiatives

The Swiss NCP keeps close contact to the Swiss UN Global Compact Network, which is managed by the International Chamber of Commerce Switzerland, as well as to the UN Global

Compact “Learning Platform” for small and medium-sized enterprises¹, which is supported financially by the Swiss Government. At times, the NCP is elaborating on specific subjects (e.g. corruption) during events organized by the UN Global Compact Network.

Furthermore, the development of the ISO 26000 initiative is closely followed. The Swiss NCP contributed to the input to the Swiss mirror committee and tried to include the perspective of the OECD Guidelines.

The NCP is in close contact with the ILO and follows its activities in the fields of CSR in order to allow responding to the variety of issues in relation to labour conflicts submitted to the NCP.

The NCP is following closely the activities of the UN Special Representative of the Secretary-General, John Ruggie, regarding the issue of human rights and transnational corporations and other business enterprises. In this context, the NCP participated during the period of review in several meetings with Swiss NGOs in order to discuss a possible future approach. The experiences with the OECD Guidelines as well as the need of a revision were addressed

In addition, the Swiss NCP follows different other CSR initiatives and takes the occasion to link them with the OECD Guidelines in order to benefit from synergies. Moreover, any new developments are followed carefully since they allow the NCP to keep up with the debate of CSR and to be consistent when treating specific instances.

B. Information and Promotion

During the period of review, SECO has extended the information on its internet page concerning the Guidelines². Moreover, the NCP of Switzerland published its own internet page during July 2008 providing all necessary information related to the Guidelines and the functioning of the NCP³. The Guidelines are available in the three official languages of Switzerland (German, French and Italian) as well as in English.

Cooperation with the business community, trade unions, NGOs and the interested public carried out

During 2008/2009, contacts and exchange between the NCP of Switzerland and its stakeholders have been maintained on a good level. The Guidelines and the functioning of the NCP were presented at several public events. The regular meeting with the consultative group, which was held in May 2009, was mainly dedicated to the subject “Consumer Empowerment and Responsible Business Conduct”, which is also treated during the 2009 OECD Roundtable on Corporate Responsibility. Furthermore, the annual report of the Swiss NCP as well as other developments were presented and discussed.

Other information and promotion activities

The Guidelines and the role of the NCP were given attention to at different opportunities. High level representatives of the Swiss Government referred to the Guidelines at several occasions in Switzerland as well as during missions abroad such as economic missions to developing countries. In addition, different government agencies as well as Swiss embassies

¹ <http://www.sustainability-zurich.org/en/p67000106.html>, 14.04.2009

² <http://www.seco.admin.ch/themen/00513/00527/01213/index.html?lang=en>, 14.04.2009

³ <http://www.seco.admin.ch/themen/00513/00527/02584/index.html?lang=en>, 14.04.2009

abroad continued to be involved in the promotion of the Guidelines as well as responsible business conduct in general.

Furthermore, specific attention was given to the prevention of corruption. During several events, members of the Swiss NCP had the occasion to make respective presentations.

As mentioned before, the Swiss NCP published in July 2008 its own internet page providing all necessary information related to the Guidelines and the functioning of the NCP.⁴

OECD Risk Awareness Tool for Multinational Enterprises in Weak Governance Zones

The NCP of Switzerland extended its internet page during July 2008 providing all necessary information related to the Guidelines and the functioning of the NCP. It also contains information on the OECD Risk Awareness Tool for Multinational Enterprises in Weak Governance Zones. Furthermore, the NCP took different opportunities during discussions with Swiss multinational enterprises to refer to the mentioned tool.

Enquiries of different stakeholders

During the period of review, the Swiss NCP has been in close contact with several other NCPs in order to coordinate activities regarding specific instances raised. Moreover, the Swiss NCP assisted other NCPs with specific information and acted as intermediary between other NCPs and the headquarters of multinational enterprises in Switzerland.

In addition, the NCP continued to discuss and reply to requests concerning CSR, which are regularly received by the business community, trade unions, NGOs and the public. This occasions are taken to promote the expectation of the Swiss Government in relation to the OECD Guidelines.

C. Implementation in specific instances

The Swiss NCP accepted a specific instance raised in February 2008 by the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Association (IUFA) concerning a labour conflict in a factory plant of the Swiss multinational enterprise Nestlé in Russia. The case could be solved to the satisfaction of the parties concerned during the period of review. In September 2008, a final statement has been published on the internet site of the Swiss NCP.

In November 2008, a specific instance was raised by an international trade union with the Swiss NCP concerning a labour conflict in a subsidiary of a Swiss multinational enterprise in Indonesia. The NCP has offered its good services to solve the issue. The mediation process is going on.

During March 2009, an international trade union raised a specific instance concerning a labour conflict in a subsidiary of a Swiss multinational enterprises in Korea with the Korean as well as the Swiss NCP. Consulting with the Korean NCP, it was decided that the Korean NCP would function as the lead NCP and deal with priority with the issue. The Swiss NCP is at full disposition to assist with information or contacts here in Switzerland if need arise.

During May 2009, an international trade union raised a specific instance concerning a labour conflict in a subsidiary of a Swiss multinational enterprises in India with the Swiss NCP. The initial assessment is ongoing.

⁴ <http://www.seco.admin.ch/themen/00513/00527/01213/index.html?lang=en>, 14.04.2009

The Swiss NCP continued to be involved in the specific instance raised in 2007 by an Australian lawyer with the Australian NCP as well as by a Swiss NGO with the Swiss NCP concerning the coal mine “El Cerrejón” in Columbia partially owned by Anglo American, BHP Billiton and Xstrata. Although it was decided that the Australian NCP will lead the mediation process, the Swiss NCP is closely following up the developments and assists parties concerned.

In addition, the Swiss NCP has been collaborating closely at different occasions with other NCPs treating specific instances regarding subsidiaries of Swiss multinational enterprises in other adhering countries. The collaboration mainly consisted of exchanging information as well as acting in at least two cases as intermediary with headquarters of multinational enterprises in Switzerland.

D. Other

In Switzerland the support to businesses operating internationally is combined with fostering responsible corporate behavior. Consequently, the Swiss NCP and the task to protect Swiss businesses investing abroad have been assigned to the same governmental unit. This position allows the NCP to act beyond its strict mandate and to appear as focal point for questions in broader relation with the Guidelines. The NCP elaborated on several occasions with multinational enterprises as well as different other stakeholders on how to best implement responsible business conduct.

During the period of review, the NCP was on several occasions participating in discussions regarding development projects of SECO (Economic Cooperation and Development Department) as CSR and therewith the substance of the OECD Guidelines are playing an important role in this context. The promotion of the Guidelines in relation with other governmental activities (e.g. fight against corruption and export credits insurance) have continued. Furthermore, the cooperation with other governmental agencies as well as Swiss embassies regarding the promotion of CSR has been enhanced.

The NCP also continued to contribute to position papers of the Swiss Government to the subject of CSR in general and the Guidelines specifically.