OECD Guidelines for Multinational Enterprises

This is to inform you that the ***OECD Guidelines for Multinational Enterprises*** was introduced during the G-20 Labour Ministerial Declaration 2011 held very recently. A number of nations proposed to implement it; however, due to stiff opposition from India, the reference was dropped from G-20 Labour Ministerial Declaration this year. Hence the developed countries are insisting on its incorporation in the next year Labour Ministerial Declaration.

The OECD Guidelines for Multinational Enterprises have been recommended by OECD Ministerial meeting in their Declaration on 25.5.2011. The OECD Ministers have recommended jointly to Multinational Enterprises for observance of these Guidelines. The Guidelines have various chapters on Human Rights, Environment, Employment and Industrial Relations, Bribery and Extortion, Consumer Interests, Corporate Affairs, Competition and other related areas as under:

1. Disclosure policies of enterprises
2. Specific recommendations concerning enterprises' respect for human rights.
3. Employment and Industrial Relations including the framework of applicable law, regulations and prevailing labour relations and employment practices and applicable international labour standards.
4. Environmental issues including the framework of law, regulations and administrative practices in the countries in which they operate, and in consideration of relevant international agreements, principles, objectives and standards.
5. Guidelines regarding combating bribery, bribe solicitation and extortion wherein enterprises should also resist the solicitation of bribes and extortion.
6. Fair business, marketing and advertising practices and all reasonable steps to ensure the quality and reliability of the goods and services, when dealing with consumers.
7. Efforts to ensure that their activities are compatible with the science and technology (S&T) policies and plans of the countries in which they operate and as appropriate contribute to the development of local and national innovative capacity.
8. Carrying out their activities in a manner consistent with all applicable competition laws and regulations, taking into account the competition laws of all jurisdictions in which the activities may have anticompetitive effects.
9. Contributing to the public finances of host countries by making timely payment of their tax liabilities. In particular, enterprises should comply with the tax laws and regulations of the countries in which they operate.

With this at the backdrop, we will be grateful if you could kindly send in your inputs and suggestions on this so that they can be recommended to the concerned authorities. The hard copy of this document is available with the Chamber and any body interested may consult that at any time.

You are requested to put forth your suggestions/inputs by January 10th 2012 at malini@phdcci.in