

Update on OECD Watch -
Multinational Enterprises and Investment

OECD Watch, which aims to help facilitate NGO activities around the OECD Guidelines and the work of the OECD's Committee on International Investment and Multinational Enterprises (CIME)– was established at a meeting in Amersfoort, the Netherlands on 20-22 March 2003. The 50 participants at this meeting agreed that the increasing work of NGOs worldwide on the OECD Guidelines calls for more cooperation among them. It was agreed that the OECD Guidelines, albeit a voluntary instrument, should be tested to assess their effectiveness in improving corporate accountability. They were also seen as a potential tool to increase North-South cooperation between NGOs based in MNE home countries and NGOs in countries where most of the problems related to MNE activities can be seen.

A preliminary steering committee was formed and mandated by the participants of the seminar to draft a proposal outlining the aims and structure of OECD Watch. The draft proposal was disseminated within the NGO community and existing NGO networks on Corporate Social Responsibility (CSR) and OECD related areas of work (i.e. ECA-Watch, Environment)

In December 2003, IRENE from the Netherlands took the initiative to host a meeting with the steering group members and several NGOs from various continents to discuss the proposed aims, structure, and activities of the network. The outcomes of this discussion are summarised here:

Aims

The participants agreed that the OECD Watch network should be set up to:

- Improve cooperation between NGOs worldwide working on corporate accountability and corporate social responsibility (CSR)
- Use the OECD Guidelines as the basis for this NGO cooperation, and test whether the voluntary OECD Guidelines for Multinational Enterprises are an effective instrument to improve corporate behaviour worldwide.
- Monitor the activities and policies of the OECD in relation to Multinational Enterprises and Investment.
- Inform the wider NGO community about the work of the CIME, and ensure that the views of the NGOs in the network are presented at regular CIME meetings.

Apart from that, some guiding principles were outlined as the basis of cooperation:

- The network would aim to strengthen North-South cooperation, in which the OECD Guidelines are used as a tool to establish information exchange and cooperation between NGOs in countries where most MNEs are headquartered and NGOs in countries where MNEs operate (or source from) and most violations of international standards take place.
- In its interaction with the OECD, OECD Watch would play a facilitation and not a representational role. Members taking part in discussions with the CIME represent their own organisation, as part of the OECD Watch network.
- OECD Watch will carry the subtitle “Multinational Enterprises and Investment”, to clarify the focus of the network, but aims to work in a cooperation with other, existing networks working with the OECD
- Although the focus may be on testing the OECD Guidelines, the network will also work on the broader emerging international framework for corporate accountability, such as the UN Human Rights Norms for Business, the ILO Conventions, the UN Global Compact and other relevant international standards and guidelines.

Activities

At the meeting, agreement was reached on the main activities that members of the network should undertake:

- 1) Overall coordination, networking and exchange of information (including writing newsletters, review of NCPs, organisation of meetings)
- 2) Training, support and capacity building on the use of OECD Guidelines among NGOs
- 3) Lobby and advocacy work on CIME and OECD
- 4) Database and documentation archive of cases, publications, policy documents
- 5) Research (i.e. on effectiveness of the Guidelines, links with other CSR initiatives, etc)

Structure and membership

It was decided that a declaration will be drafted outlining the aims and principles of the network. Organisations that want to become member of the network, can sign-on to this declaration. Furthermore, it was decided that the steering group would be changed into a Coordination Committee. Members that want to play an active role in one of the abovementioned activities of the network, can join the Coordination Committee. The members of the Coordination Committee will ensure that all relevant information for the network is shared with the rest of the members, on the basis of a division of tasks and responsibilities.

Action

In the coming months, the network will;

- Formulate a declaration of principles and aims
- Produce a leaflet explaining the aims of the network
- Seek sign on/ membership from NGOs
- Establish a website, including a 'membership only' area with includes a database of cases
- Produce newsletters, Updates of cases, review of NCPs and organise meetings