

**National Contact Point, The Netherlands
Report 2007 (June 2006- June 2007)**

A. Institutional Arrangements

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

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The NCP is an interdepartmental committee co-ordinated by the Ministry of Economic Affairs. All other ministries are invited to attend the meetings of the NCP. In practice, there is active participation in the work of the NCP by the Ministry of Foreign Affairs, the Ministry of Housing, Spatial Planning and Environment and the Ministry of Social Affairs and Employment. The NCP holds regular consultations with social partners (i.e. business community and employee organisations) and NGOs. These meetings provide input for the position of the Netherlands in the IC and WP. During these meetings implementation and promotion of the OECD Guidelines for Multinational Enterprises (the guidelines) are discussed. During proceedings of specific instances, ministries that have an interest in the subject of the instance are involved in these proceedings.

As was announced in last year's report, the NCP is currently undergoing a complete revision of its set-up. In June 2007, an independent council consisting of a chairman and three members will form the NCP council. They will be appointed by the Dutch Minister for Foreign Trade, who will do so after consulting his colleagues from the Ministries mentioned above. Even though these four members do not formally represent different groups of stakeholders, the Minister will strive for a balanced composition of the NCP council. The Ministry of Economic Affairs will provide the NCP council with secretarial back-up and will, together with the other ministries, provide it with knowledge and advice when requested.

It will also act as the liaison between the OECD Investment Committee and the Dutch NCP.

If the NCP, after dealing with a specific instance, produces a statement, this statement will be presented to the Minister for Foreign Trade, who will either merely endorse it or, if he so wishes, add his comments, before the statement is made public.

B. Information and Promotion

The Ministry of Economic Affairs hosts a website (www.oesorichtlijnen.nl) to promote the guidelines. A translation of the guidelines is available on the site. Statements on specific instances are published on this site as well. The website will shortly be revised, giving information on the new NCP council and its activities.

Promotion of the guidelines has the constant attention of the Dutch NCP. NCP members will use any occasion to inform colleagues, stakeholders and others about the existence of the guidelines. The NCP will focus its promotion activities on small and medium-sized companies, using a sector-based approach. It will carry out this task in close co-operation with “MVO Nederland”, the Dutch semi-governmental knowledge centre on CSR.

In November 2006, the Dutch NCP, at the request of Transparency International, gave a presentation at the 12th International Anti-Corruption Conference (IACC) in Guatemala City on the possible role of the OECD Guidelines (and the NCPs) in the fight against corruption.

C. Implementation in specific instances

Since last year's report, six new cases have reached the Dutch NCP. Four of them are primarily being dealt with by other NCPs, two are pending at the Dutch NCP. Of those two instances, one is currently on hold because of legal proceedings in the host country.

- In July and again in December 2006, the US NCP requested the Dutch NCP to engage into a dialogue with a Dutch parent company of an American company. The US NCP was dealing with an instance concerning trade union rights brought against this American Company by an US Trade Union. The US NCP wanted to learn about the parent companys' view on the situation.
In March 2007, the Dutch NCP met with the Dutch parent company and sent a report of this meeting to the US NCP. In April 2007, the case was closed after a final deal was made between the American company and the local union.
- In July 2006, an instance was brought against a Dutch multinational company concerning a storage facility in the Philippines. The case is about alleged improper influencing of local decision making processes and alleged violations of environmental and safety requirements. Due to local legal proceedings, the handling of this instance has recently been put on hold, while the possible interference of the specific instance and those local procedures is being assessed.
- At the same time, an instance was brought against the same Dutch company and its American partner, concerning a joint storage facility in Brasil. The case is about alleged improper seeking of exceptions to local legislation and endangering the health of both employees and the surrounding community. The Dutch NCP has referred the notifying NGO

to the NCP in Brasil and has offered its assistance in the handling of the instance.

- In October 2006, an instance was brought to both the Dutch and the British NCP concerning an Indian subsidiary of a Dutch-British multinational company accused of violating fundamental labour rights, such as the right to collective bargaining and to join a union. Because the British branch of the company is primarily responsible for the subsidiary in question, the British NCP is taking the lead in dealing with this instance, whereas the Dutch NCP has offered to assist the British NCP if required.
- In October 2006, another instance concerning alleged violation of trade union rights in India was brought against a Dutch clothing company. After separate meetings with the parties involved, the Dutch NCP is currently exploring the possibilities for a mediated solution.
- In November 2006, the Dutch NCP was approached with a specific instance concerning a Dutch company because of its involvement in a Turkish clothing company that allegedly denied trade union rights at its facility. However, it appeared that the Dutch company no longer existed in the public registration system of the Dutch Chamber of Commerce. Therefore, there was no territorial link with the Netherlands and, hence, no formal role to play for the Dutch NCP. The NCP has been in contact with the Turkish NCP, which had also been asked to deal with the specific instance, but which is not doing so at present because of parallel legal proceedings.

D. Other/ CSR in the Netherlands

Review of the National Contact Point

During the previous reporting period the Ministry of Economic Affairs reviewed the role and functioning of the National Contact Point. A combination of a desk study, a benchmark in six capitals, interviews and round table sessions with various stakeholders in the Netherlands resulted in a number of recommendations.

The review focused mainly on the way the NCP functioned, the reasons for its diminishing case load and doubts about its legal structure. The review resulted in a decision by the Minister for Foreign Trade to establish a far more independent NCP, as mentioned above.

Promoting CSR in trade and investment

The following activities in 2006-2007 are highlighted:

The Agency for International Business and Cooperation (the EVD/ www.evd.nl) provides (potential) entrepreneurs with information on the government-endorsed OECD Guidelines (and why it is rewarding to use them) and with guidance on challenges that may occur when trying to implement the Guidelines in several emerging markets. Early October 2006, country-specific toolkits for Brazil, China,

India, Indonesia, Russia and South Africa were made available on the EVD website.

CSR has also been part of several trade missions to e.g. China, where NGOs were given the opportunity to provide input on specific CSR issues. Currently, the ministry of Economic Affairs is elaborating a framework for making CSR an element of all trade missions led by the Minister for Foreign Trade. Specific CSR activities will be tailored to the country or region of destination.

On September 26, 2006, a conference was held in Rotterdam on CSR and Trade with participation from international consumer organizations, multinational companies, national governments, IGOs and NGOs. During this conference, consisting of both plenary sessions and small group workshops, the OECD presented its report on how consumers are informed about the CSR aspects of international trade in four specific product groups.

Transparency

In December 2006, the annual Transparency Benchmark was published for the third time. The consultancy firm PricewaterhouseCoopers was commissioned by the Ministry of Economic Affairs to examine the annual reports of 98 listed and 76 non-listed companies for transparency as regards CSR.

This third Transparency Benchmark deepened the insight into the extent to which Dutch companies are transparent about the impact of their activities on the environment and on society in general and helped to identify best practices. A comparison of the scores on the benchmarks 2004 and 2005 with those from 2006 shows that the increasing demand for transparency is acknowledged by a growing number of companies.