

National Contact Point, The Netherlands
Report 2005 (June 2004- June 2005)

A. Institutional Arrangements

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

Ministry of Economic Affairs
P.O. Box 20102
2500 EC The Hague
T: +31 70 379 6485
F: +31 70 3797221
E: ncp@minez.nl
www.oesorichtlijnen.nl

Acting chair: Willem van der Leeuw;
Secretariat: Irina van der Sluijs

The NCP is an interdepartmental committee. All ministries are invited to attend the meetings of the NCP. 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.

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.

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. A more structured promotion plan for the guidelines will be finalised this year. This plan will be integrated in a broader communication plan for International CSR.

These plans will take into account the results of an evaluation of the functioning of the Dutch NCP and of Dutch policies on CSR standards in general, which will take place in the coming months.

The following activities in 2004-2005 are highlighted:

- Promotion of CSR and the guidelines during the *European Conference on Corporate Social Responsibility, Competing for a sustainable future*, hosted by Karien van Gennip, coordinating minister for CSR in the Netherlands.
- During this conference, held under the Dutch EU presidency, ministers from several departments (Economic Affairs, Development Co-operation,

Environment, Social Affairs and Employment) expressed their commitment to CSR initiatives and guidelines.

- One parallel session was entirely devoted to the role of NCPs in promoting and implementing the guidelines. Reports from the parallel and plenary sessions have been circulated among the 700 participants of the conference (see also section D. Other).

Participation by the NCP Chair in a few national and international gatherings. Due to the change of chairs in 2004, it took some time for the new chair to build an own network and expertise. Invitation to participate at the OECD Watch event in Brussels on April 1st was gladly accepted.

A CSR Knowledge and Information Centre (MVO Nederland/ www.mvonderland.nl) was launched last November, supported by the Ministry of Economic Affairs. Apart from providing information on general CSR policies and guidelines, MVO Nederland will collect and distribute CSR specific country information, with emphasis on emerging markets.

A brochure on the guidelines was distributed among businesses accompanying the Minister for Foreign Trade on trade missions.

A project proposal for collecting and distributing CSR information by the Agency for International Business and Cooperation (the EVD/ www.evd.nl) of the Ministry of Economic Affairs was submitted and approved. Concrete results are expected by the end of 2005.

The annual study tour of the “young policy advisors” of the Ministry of Economic Affairs took place in Brazil this year. CSR was part of the preparation; CSR-related issues were discussed during visits with multinational and national companies in Brazil.

The minister for Development Cooperation granted a subsidy to IRENE Foundation in order to strengthen the capacity of Non-Governmental Organisations (NGOs) in developing countries. These NGO's are partners in OECD Watch. Main goal of the project is to stimulate the CSR debate in non-OECD countries.

C. Implementation in specific instances

Since the revision of the guidelines in May 2000, the NCP has discussed 14 specific instances, of which 4 have been concluded with a statement and 6 concluded without a statement from the Dutch NCP. 4 new instances were raised during this reporting period. Three instances are still under consideration of the NCP.

Finalised through legal proceedings (1)

1. A Dutch trade union informed the NCP about the possible introduction of a 40-hour workweek within an affiliate of an American multinational. This instance has not been taken on by the NCP, because it was finalised through legal proceedings– with a positive outcome for the

employees. The NCP is considering mentioning court rulings on Guideline-related issues which were brought to its attention by stakeholders in future NCP annual reports, but only if the company involved does not object.

Pending instances (3)

2. This instance concerns the treatment of employees of an affiliate of an American company in the process of financial closure (August 2002). A Dutch trade union has been heard and the NCP has contacted a legal representative for more information. As the affiliate company no longer exists it has been difficult to obtain all the necessary information. The NCP expects to be able to finalise this specific instance in the coming months.
3. The NCP is in the process of determining whether to take on this specific instance raised by a Dutch trade union about social rights within a multinational company from another OECD country. To this end contacts have been established with other NCPs in OECD countries where similar questions have been raised. Parallel legal proceedings are taking place in another OECD country.
4. The NCP is in the process of determining whether the Dutch NCP can play a role in an instance raised by a trade union in another OECD country about social rights within a local company. A Dutch financial institution, through a local subsidiary, allegedly co-finances the company. The Dutch NCP will soon enter into consultations with a representative of the financial institution.

An overview of the Dutch NCP statements can be found on www.oesrichtlijnen.nl, under *nationaal contactpunt – verklaringen*.

D. Other/ CSR in the Netherlands

European Conference on Corporate Social Responsibility, *Competing for a Sustainable Future*, 7, 8 and 9 November 2004 in Maastricht, the Netherlands

Every autumn since 2001 the member state holding the EU presidency has organised a European conference on corporate social responsibility (CSR). Previous conferences were held in Belgium, Denmark and Italy. Because the Dutch government attaches great importance to CSR, it continued this sequence and took the opportunity of the conference to focus on the importance of CSR in a European and even a global context and to draw attention to the Dutch government's views on CSR policy.

The Dutch presidency's ambition to use this conference to broaden the debate on CSR has been realised:

- ✚ the issue of CSR was considered substantively across the whole spectrum of "people, profit and planet";

- ✚ a wide range of stakeholders were represented: not only NGOs and governments, but also businesses, which participated actively in the many workshops;
- ✚ the more than 700 participants and speakers came from 55 countries from all continents, so that the debate on CSR within the EU has been broadened to CSR in the world.

A DVD with the report of the conference, the E-conference and the final conclusions can be ordered through the Dutch NCP secretariat.

CSR and Trade

The OECD guidelines for multinational enterprises and the related procedures for the handling of specific instances by NCPs only apply to investment-related issues.

Nevertheless, the Netherlands is of the opinion that it is important to promote the application of CSR in trade relations as well. Therefore, in March 2005, during a meeting of the OECD Trade Committee with BIAC, the Netherlands presented a discussion paper on the question whether the OECD could start with work in order to stimulate trade-related CSR initiatives. Following-up on the discussions in March, the Netherlands is working on a revised discussion paper, which it intends to present at the July meeting of the Working Party of the Trade Committee.

Chains of production and distribution are becoming more lengthy and complex. A growing number of countries is acquiring a place within these chains. In a number of countries, production standards in the area of environment and labour are not always at the level consumers expect. Accordingly, there is a growing demand for information on conditions under which products are made. If such information is not available, resistance against import of several overseas products may rise, thus weakening support for further trade liberalisation. Therefore, the Netherlands is of the opinion that trade policy makers have a contribution to make in the search for new initiatives to cope with consumer concerns. In particular, the following question would seem to deserve their attention: What new or intensified forms of co-operation among the different actors (business, government, civil society, consumer organisations) would make it feasible to inform consumers to the fullest extent and simply on circumstances and methods of production?

CSR and government support for international commercial activities

Since 2002, companies requesting government support for their international commercial activities have to fulfil certain CSR-related conditions. They have to sign a declaration stating that they will do their utmost to live up to the OECD Guidelines for Multinational Enterprises. In addition, if they request government support for projects, these projects have to meet certain environmental and social standards. Furthermore, if bribery is involved in the acquisition of a project, support will be denied (or later reclaimed).

Recently, there has been an evaluation of the manner in which the agencies responsible for the implementation of the support instruments are applying this framework in practice. This evaluation included a stock-taking of the experiences of companies and civil society organisations.

In general, the framework works quite satisfactorily, but some practical aspects (related to the clarity and transparency of the framework) have to be improved.

In two years time, the effects of this framework on CSR performance (related to supported projects outside the OECD area) will be examined more thoroughly.

Dutch National Research Network on Corporate Social Responsibility

This is a collective initiative of research groups of the Erasmus University Rotterdam, University of Nijmegen, University of Tilburg, University of Amsterdam, Free University Amsterdam, University of Nijmegen and the University of Twente sponsored by the Ministry of Economic Affairs.

The results of this programme were presented in a booklet, named: "Making a Difference", that can be ordered through <http://apps.ez.nl/bestel/search.asp>.

Transparency

A "Guide to Sustainability Reporting" was developed by the Ministry of Economic Affairs and can be ordered through <http://apps.ez.nl/bestel/search.asp>.

In the Transparency Benchmark 2004, the consultancy firm Berenschot and EIBE/ University Nijmegen were commissioned by the Ministry of Economic Affairs to examine the annual reports of 100 listed and 75 non-listed companies for transparency as regards CSR. The objective of this first Transparency Benchmark is to obtain an insight into the extent to which Dutch companies render account of their CSR policy.

The same was done for 25 not-for-profit organisations.

A summary of the results is available in English and can be ordered through: <http://apps.ez.nl/bestel/search.asp>.