

OECD TÜRKİYE NATIONAL CONTACT POINT for RESPONSIBLE BUSINESS CONDUCT



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Overview

The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct are recommendations addressed by governments to multinational enterprises. They aim to encourage positive contributions enterprises can make to economic, environmental and social progress, and to minimize adverse impacts on matters covered by the Guidelines that may be associated with an enterprise's operations, products and services. The Guidelines cover all key areas of business responsibility, including human rights, labor rights, environment, bribery, consumer interests, disclosure, science and technology, competition, and taxation.

The 2023 edition of the Guidelines provides updated recommendations for responsible business conduct across key areas, such as climate change, biodiversity, technology, business integrity and supply chain due diligence, as well as updated implementation procedures for the National Contact Points for Responsible Business Conduct.

Guidelines: Turkish/Türkçe English (Official) French/Français (Official)

Responsible Business Conduct

Responsible Business Conduct (RBC) is about integrating within the core of businesses the management of risks to the environment, people and society.

RBC principles and standards set out the expectation that businesses – regardless of their legal status, size, ownership or sector – contribute to sustainable development, while avoiding and addressing adverse impacts of their operations including throughout their supply chains and business relationships.

What is National Contact Point?

OECD adopted the Guidelines for Multinational Enterprises ("the Guidelines") in 1976, which is one part of a broader OECD investment instrument called the Declaration on International Investment and Multinational Enterprises. The Guidelines comprise a set of recommendations by Governments to multinational enterprises (MNEs) to voluntarily adopt to promote positive contributions to economic, social and environmental progress. The Guidelines has comprehensive chapters on human rights, environment, labor, anti-bribery, corporate governance, disclosure, supply chain management, and taxation.

National Contact Points for Responsible Business Conduct (NCPs for RBC) are agencies established by governments to promote the OECD Guidelines for Multinational Enterprises, and related due diligence guidance, and to handle "specific instances" as a non-judicial grievance mechanism. All 51 governments adhering to the OECD Guidelines have the legal obligation to set up an NCP.

List of NCPs

Who can access to the NCP?

Any natural or legal person may submit a notification of alleged breach of the OECD Guidelines by a multinational company to the NCP as a specific instance. A specific instance should be submitted to the NCP in the country where the alleged breach of the Guidelines has occurred.



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Specific Instance Review Procedure

Instance Submission

Specific instance notifications required to be submitted to Ministry of Economy (General Directorate of Incentives and Foreign Investment) with a written request or via regular e-mail that includes;

- The name of party, interest in the matter, and contact details,
- Chapters and specific parts of Guidelines that is alleged to be breached,
- Relevant facts and evidence.

Following the submission of the request, the NCP informs;

- The requesting party that the request has been received and it was under the review of the NCP,
- The company that is alleged to breach the Guidelines about the request,
- The related Turkish authorities in order to consult and ask their official comments to decide whether the alleged claim has occurred or not.
- The parties that the whole review process will be held in confidentiality.

Initial Assessment:

The NCP may conduct a research and request supporting information/document on alleged claims in accordance with the Guidelines' principles.

The NCP tries to find out whether the issue is bona fide or relevant to implementation of Guidelines, and merits further examination.

During the initial assessment process, the NCP takes into account;

- Identity of the and requesting party's interest in the issue,
- Documented information to evidence that the issue is material and substantiated,
- Any relevant information to prove existence of a link between the company's activities and the issue raised in the specific instance and their relevance with the specific principles of the Guidelines,
 - Applicable law and procedures / court rulings that is relevant with the specific instance.

The NCP accepts or rejects the submission depending on the outcome of its research and informs the parties about the decision of initial assessment.

Good Offices

If the NCP determines the issue raised further consideration and good office will contribute the resolution of the issue, then the NCP informs the parties about its decision about offering good offices.

This is a voluntary step that the parties involves upon their consent. If both parties agree to participate to the process in looking for a resolution, then the NCP offers a forum for discussion to the parties and facilitate the resolution of the issue through its good offices.

The NCP would provide its conciliation or mediation services during its good offices at no cost.

In order to encourage open discussions among the parties, the parties decide the confidentiality of the procedure and on how information to be disclosed to the public.

Conclusion of Assessment

At the end of the process, the NCP prepare a final statement report. The draft report will be shared with parties first and after receiving their feedback shared with OECD Secretariat and published on the NCP website.

Follow-up

The NCP may approach each party to request an update after a considerable amount of time following the final statement report.

Confidentiality

During the specific instance review process, in order to encourage open discussions among the parties, the parties decide on the terms of the confidentiality of the procedure and on how information to be disclosed to the public. But in principle, the Turkish NCP take necessary steps to keep sensitive information confidential in its process.

Database of Specific Instances





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Due Diligence

The OECD Due Diligence Guidance for Responsible Business Conduct provides practical support to enterprises on the implementation of the OECD Guidelines for Multinational Enterprises by providing plain language explanations of its due diligence recommendations and associated provisions.

Implementing these recommendations can help enterprises avoid and address adverse impacts related to workers, human rights, the environment, bribery, consumers and corporate governance that may be associated with their operations, supply chains and other business relationships. The Guidance includes additional explanations, tips and illustrative examples of due diligence.

Moreover, the OECD has developed sectoral guidance which helps enterprises identify and address risks to people, the environment and society associated with business operations, products or services in particular sectors.

- Financial Sector
- Agriculture
- Extractive

- <u>Minerals</u>
 - o Child Labor Risks in Minerals
- Garment and Footwear

In Türkiye, Borsa Istanbul (BIST) plays an important role in promoting OECD Due Diligence Guidance for mining sector. Partnered with OECD, BIST translated OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas into <u>Turkish</u> and distributed the translated version to its members. Additionally, BIST prepared a Responsible Gold Supply Chain Guide on the basis of the above-mentioned Guidance and recommends its Precious Metals Market members to create their own policies on the basis of the Guidance.

For Garment and Footwear, Istanbul Textile and Apparel Exporter Associations (ITKIB/IHKIB) is active in promoting OECD Due Diligence Guidance for Responsible Supply Chains in the Garment & Footwear Sector. The Guidance is translated into <u>Turkish</u> and distributed to its members.

Annual Reports

All NCPs report their activities on promoting the implementation of the Guidelines annually to the OECD Secretariat. The reports include:

- Activities of National Contact Points and specific instances
- Actions to strengthen the NCPs through peer reviews, capacity building and peer learning
- Due diligence initiatives and progress in the minerals, extractive, garment and footwear, agriculture and financial sectors
- Government policies in support of responsible business conduct
- Stakeholder engagement to promote RBC

Click here to access OECD Annual Reports.



OECD Türkiye National Contact Point

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