

Chapter 3

Strengthening co-operation with non-adhering countries

Non-adhering countries, particularly in Asia, are attracting a growing share of international investment and a larger number of specific instances are arising in these countries. Outreach has become an essential component of the work on the Guidelines. This chapter reviews the activities undertaken to enhance relations with non-Members during the June 2013-June 2014 reporting period.

Relations with non-adherent Members continued to intensify during the reporting period. It translated in the development of new partnerships on RBC with countries in Central Asia and South Caucasus, and the strengthening of relations with countries in the Asia-Pacific region, notably Myanmar and China.

Asia-Pacific

A one-day high level conference “Regional Co-operation in Advancing Responsible Business Practices” was organised with the UN Economic Commission for Asia and the Pacific (UN ESCAP) on the occasion of the 2013 Asia-Pacific Trade and Investment Week in Bangkok (Thailand) on 18-22 November 2013. This event focused on the role of governments in supporting and facilitating more sustainable and inclusive business practices. The discussion was an opportunity to look at emerging issues of mutual interest to advanced, emerging and developing economies, and provided a strong base for exploiting existing and potential synergies between the OECD and UN ESCAP. In particular, the discussion was divided as follows: 1) national approaches to RBC; 2) multilateral and sectoral approaches to RBC; and 3) ways of advancing collaborative efforts.

OECD Deputy Secretary-General, Rintaro Tamaki, and UN ESCAP's Deputy Executive Secretary, Shun-ichi Murata, delivered the opening addresses while the Chair of the OECD WPRBC, Roel Nieuwenkamp, and UN ESCAP Director of the Trade and Investment Division, Ravi Ratnayake, presented the conclusions of the discussions. During the conference the OECD and UN ESCAP signed a Memorandum of Understanding (MoU) designed to reinforce the OECD/UN ESCAP partnership with a focus on promoting corporate responsibility and responsible business practices.¹

The OECD was also invited to speak at the UN ESCAP Committee on Trade and Investment held on 20-22 November 2013 in Bangkok. In his remarks, the Chair of the OECD WPRBC, Roel Nieuwenkamp, highlighted the positive outcomes of the conference, particularly the relevance of RBC for the South East Asia (SEA) Regional Programme, which was launched at the 2013 OECD Ministerial Council Meeting. While the current level of involvement of government in promoting RBC in some countries does not always allow the immediate creation of a policy network, it is important for the OECD to continue to engage towards the creation of such formal policy network at a

later stage. Furthermore, it was highlighted that the MoU attests to the strong synergies between the two organisations and their desire to strengthen co-operation. Several South-East Asian countries welcomed these developments as a means of avoiding duplication of efforts and of using resources more efficiently.

As a result of this conference, the OECD has been invited to organise a side event on the Guidelines and the *OECD Policy Framework for Investment* at the Asia-Pacific Business Forum 2014 which will be held in Sri Lanka on 24-26 November 2014 and the next Trade and Investment Week during the Trade and Investment Week in February 2015.

Myanmar

More investors from countries adhering to the *Guidelines* are investing in Myanmar. It is therefore important to promote the principles and operational modalities recommended in the Guidelines with regional investors (i.e. China, Malaysia, Thailand and Singapore). Local businesses can also contribute to levelling the playing field. In March 2014, the OECD organised and participated in the first official meetings on RBC and the *Guidelines* with Myanmar government officials and parliamentarians as well as the first awareness raising events with the Myanmar business community and other relevant stakeholders.²

On 1 March 2014, a working session was organised in Nay Pyi Taw between the OECD, the NCPs for Italy, Norway and the UK, and the Minister for National Planning and Economic Development of Myanmar, along with participation of 21 ministries, Members of Parliament, ASEAN ambassadors, International Finance Corporation and OECD country government representatives. The discussion centred on the unique implementation of the Guidelines and areas of future co-operation.

Additionally, a special event to raise awareness about the *Guidelines* among the domestic and foreign business community was held in Yangon on 4 March 2014 at the initiative of the Italian government. This event was part of a one-day conference “Promoting Responsible Investment in Myanmar: Domestic and International Responses” organised in co-operation with the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) on the occasion of the launch of the OECD Investment Policy Review of Myanmar. The Member of the Myanmar Investment Commission and Joint-Secretary of UMFCCI, Khine Khine Nwe, and the Chair of the Italian NCP, Benedetta Franchesconi, delivered the opening addresses for this event.

A special event focusing on why responsible investment is essential for Myanmar’s continued development was held on 26 June 2014 during the Global Forum on RBC. It included a keynote address by the Director General of

the Directorate of Investment and Company Administration in Myanmar, Aung Naing Oo. This special event was an opportunity to present the findings of the new OECD Investment Policy Review and the recent RBC-specific initiatives in Myanmar.

China

China is taking an increasingly proactive role in the promotion of RBC, providing new opportunities for collaboration between the WPRBC and China. On 19 February 2014, the OECD participated in a workshop “Relevance of CSR Guidelines for Companies Operating and Investing Abroad” co-hosted by the China Enterprises Confederation and *Deutsche Gesellschaft für Internationale Zusammenarbeit* (GIZ). The workshop was attended by officials from the Ministry of Commerce of the government of the People's Republic of China, the National Reform and Development Council, Chinese business groups, chambers of commerce and enterprises, as well as international guests including international organisations, OECD-country government representatives in China and bilateral aid agencies. A total of 55 attendees were part of the half day workshop. It offered a unique opportunity for the OECD to provide Chinese companies with an overview of the Guidelines and the Due Diligence Guidance and its implementation programme.

Furthermore, several bilateral meetings were organised to discuss opportunities for collaboration between the OECD and Chinese organisations, notably with the China Council for International Co-operation on Environment and Development, the Chinese Textiles and Apparel Group, the State-owned Assets Supervision and Administration, the China Council for the Promotion of International Trade, the China Chamber of Commerce of Metals, Minerals, and Chemicals Importers & Exporters, the Beijing New-century Academy on Transnational Corporations, and the CSR Center of China Academy of Social Sciences.

Central Asia and South Caucasus

The RBC in Central Asia and South Caucasus Project was launched in February 2013 with the support of a voluntary contribution by the government of Austria. This project examines the role of RBC in building healthy business environments in Central Asia and South Caucasus. Furthermore, Kazakhstan has recently been invited to adhere to the OECD Declaration on International Investment and Multinational Enterprises, which will include the creation of an NCP and the promotion of principles and standards for RBC set out in the Guidelines.

A key end-project output was the development of a new OECD “RBC in ...” publication, a concise collection of basic RBC-related information in a specific

context, intended to be used primarily by investors, business partners, and supply chains as a resource document. Government agencies, domestic enterprises, and civil society might also find it helpful and could use it for their own activities. The objective of the publication series, which is first featuring Kazakhstan and Georgia, is to provide information on the existing expectations on RBC and on resources that could help enterprises overcome challenges in translating standards and principles into practice. The Guidelines are used as the primary framework for highlighting some of the more significant challenges businesses can face in the featured countries.

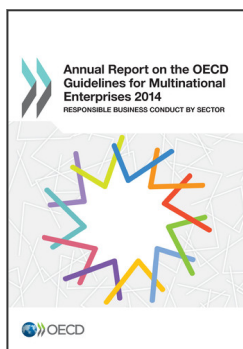
The project was also used as a basis for increased co-operation with the Central Asia and South Caucasus regions through numerous contacts with various stakeholders involved in the regions, missions to Kazakhstan and Georgia in September 2013 and March 2014, and participation in or preparation of special events in Austria, Kazakhstan and Paris in 2014.

Responsible Business Conduct in Kazakhstan was launched in May 2014 at the occasion of the Astana Economic Forum. At a press conference the OECD, the Chair of the WPRBC, Roel Nieuwenkamp and the Ambassador of Austria to Kazakhstan, Kyrgyzstan, Tajikistan and Turkmenistan, Dr. Wolfgang Bányai, discussed the relevance of the Guidelines in Kazakhstan and presented the main findings of the publication. Bilateral meetings with the government, businesses and civil society organisations were organised in parallel.

In addition, a special event on RBC in Central Asia and South Caucasus was held on 26 June 2014 during the Global Forum on RBC. The Vice Minister of Industry and New Technologies of Kazakhstan, Yerlan Sagadiyev, and the Deputy Minister of Economy and Sustainable Development of Georgia, Ketevan Bochorishvili, delivered the opening addresses. This well attended event focused on the RBC-related challenges and opportunities that enterprises in Kazakhstan and Georgia can face in their operations, and offered an opportunity to present the main findings of the *Responsible Business Conduct in Kazakhstan* publication and the draft RBC in Georgia publication.³

Notes

1. See <http://mneguidelines.oecd.org/2013-oecd-unescap-rbc-conference.htm> and www.unescap.org/news/trade-and-investment-week-kicks-responsible-business-practice-conference.
2. See <http://mneguidelines.oecd.org/2014-conference-promoting-responsible-investment-myanmar.htm>.
3. See <http://mneguidelines.oecd.org/rbc-central-asia-south-caucasus.htm>.



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