

## **Written Ministerial Statement**

**Minister of State for Trade, Investment and Foreign Affairs:  
The Rt Hon Ian McCartney**

**13th July 2006**

### **OECD Guidelines for Multinational Enterprises**

The All Party Parliamentary Group on the Great Lakes Region and Genocide Prevention (APPG) reported in February 2005 on the effectiveness of the application of the OECD Guidelines for Multinational Enterprises (Guidelines) to the Democratic Republic of Congo.

It made a number of recommendations, and in response the Government committed to consult on possible improvements to the UK National Contact Point's (NCP) promotion and implementation of the Guidelines.

The Government received 10 written responses to the consultation document by the deadline of 6 January 2006. In addition, a Joint Working Group (JWG), established under the aegis of the APPG to explore the scope for common ground between businesses and non-governmental organisations on frameworks for business conduct in areas of conflict and weak governance, requested and was granted further time to submit a response. It did so on 23 June 2006.

The Government is grateful to all interested parties who took the time and effort to meet the NCP and/or submit written responses to the consultation document. It is particularly grateful to the members of the JWG for their willingness to discuss and make recommendations that commanded broad support from both the businesses and the NGOs involved. The Government believes that the similarities between its own, evolving considerations since the publication of the consultation document and the views expressed by businesses and NGOs reflects an emerging consensus over practical and effective steps that can be taken to improve the promotion and implementation of the Guidelines.

I have today published the Government's response to the consultation. A copy will be made available in the Libraries of the House and will be accessible on the DTI website. Among a number of commitments, the Government will:

- launch a refocused NCP by September 2006 to include officials from the Department for International Development and the Foreign and Commonwealth Office as well as the Department of Trade and Industry;
- establish a Steering Board to oversee the operation of the NCP. It will include representatives of all Government Departments with an interest in the Guidelines as well as independent members selected for their expertise in relevant issues; and
- tighten criteria and timescales and improve transparency when the NCP considers allegations that the Guidelines have not been followed.

The Government will review the effectiveness of the changes, in consultation with stakeholders, in a year's time.

The Government wants the new NCP to work with businesses, employees and other parties to deal with issues raised under the Guidelines. I believe that this approach, allied with the changes set out in the Government's response, will deliver a more open and transparent system in which all organisations can put their faith in encouraging responsible business activities overseas.