

'Implementing the UN Guiding Principles on Business and Human Rights'  
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**Speaking points:**

- I have been asked to talk about the reform and experience of the Norwegian National Contact Point (NCP). First a few general words about the NCPs. OECD members are required to establish NCPs to provide information about the OECD Guidelines for Multinational Enterprises (GL) and to handle complaints regarding possible breaches of the GL. There are several international standards and guidelines for responsible business but no other guidelines have this type of grievance mechanism as a NCP. A NCP is no legal entity, but can facilitate dialogue, offer mediation and assess whether a company has breached the GL.
- The Norwegian NCP was reformed in 2011 as a result of the first Government policy platform for *Corporate Social Responsibility*. The former NCP had a tripartite structure and consisted of members of government, industry and trade unions. Over the years the Heads of the NCP and the secretariat were placed in (several different sections of) the Ministry of Foreign Affairs.
- The former NCP experienced a lack of trust from some stakeholders, and therefore, on its own initiative opened up a broad consultation process with a view to revise the structure of the NCP. Preliminary findings were:
  - Some stakeholders found the NCP too closely tied to the government. For instance dealing with complaints about state-owned enterprises was seen as a challenge. It was criticized for not having any civil society representation.
  - Discussions of complaints could be difficult to close because NCP member's represented their respective organizations. As a consequence complaints were difficult to handle and to settle.
  - Business also found that the cases took long time to conclude and sought better clarity on procedures. Predictability and efficiency were key points in feedback from business.
  - The NCP also lacked its own budget and had a high degree of staff turnover.
- The Ministry of Foreign Affairs finalized in 2009 a white paper on CSR where we identified and discussed various challenges in implementing international standards, including non-judicial remedies, hereunder the NCP. The white paper formally opened up for reforming the NCP.
- To obtain broad support, all key stakeholders were consulted in an open hearing organized by the Ministry of Foreign Affairs

- To ensure that the model would be based on best practice for grievance mechanisms, consultations were also held with other NCPs, OECD Watch, the UN special representative for business and human rights. The Ministry also commissioned a report from an independent research institution.

The process resulted in:

- ✓ The NCP was made more independent of the Government. The four members of the NCP were appointed by the Ministry of Foreign Affairs and the Ministry of Trade and Industry based on recommendations from business, trade unions and civil society. The selection of the members is based on their individual capacity - not on position or organizational affiliation.
- ✓ A full-time secretariat of two persons prepares complaints for the NCP and promotes information about the OECD Guidelines through a comprehensive media strategy. The NCP got its own budget.

The revised Norwegian NCP:

- The new NCP was established in March 2011.
- This was timely, because the Norwegian NCP was thus brought in line with the updated OECD Guidelines adopted in June 2011. A new chapter on Human Rights was incorporated drawing heavily on the UN Guiding Principles on Business and Human Rights.
- Before 2011 the Norwegian NCP had concluded three complaint cases or specific instances as they are called in OECD language.
- The revised NCP has since 2011 handled seven complaints (three ongoing). Some cases have been politically sensitive both thematically and because they involve state-owned enterprises. The independent structure of the Norwegian NCP has facilitated the conclusion of such cases. Especially the successful joint statement after mediation of the Cermaq case showed the benefit of having a NCP with sufficient expertise and which is functionally independent not only of the government, but also of the various members' organizations. Cermaq is a state-owned salmon farming company.

The NCP secretariat belongs administratively to the Ministry of Foreign Affairs. The secretariat thus follows all relevant administrative rules and regulations pertaining to public offices, such as the Freedom of Information Act and the Public Act. The Ministry of Foreign Affairs funds the Norwegian NCP.

- We find that the new Norwegian model is **resource efficient**. In handling complaints and in raising awareness about the Guidelines, the members' *standing* in their respective spheres of society and their networks has proven invaluable. Having a University law professor and dean as Chair, gives access to academic research and knowledge, besides lending credibility and competency to the role as well. We believe that, while the NCP, especially the secretariat, should continue to be closely related to the government, since the NCP arises out of the international obligation all OECD members have to the OECD, the independence of the members of the NCP is key to obtain trust from stakeholders. Some NCPs have solved the relationship to the government in other ways having multi-stakeholder advisory boards to enhance trust from stakeholders in the NCP.

- To increase predictability and trust in the NCP institution, you need transparency. This is why the Norwegian NCP has made a considerable effort to inform about its activities and how a case is processed. So, we do not only inform about the Guidelines, but also details about how the NCP functions. Relevant information is made accessible on our web-site in Norwegian and English and in some cases also in Spanish, Mandarin and in the language of Norway's indigenous people, the Sámi.
- The secretariat of the NCP conducted in 2011 a survey among 500 Norwegian companies about the knowledge of the OECD guidelines and the NCP. Only 1 out of 10 knew about the NCP and the Guidelines. The survey was repeated in 2012 and the findings indicate that after only one year 6 out of 10 have such knowledge. This is an indication that tax payers money is well spent to encourage responsible business in Norway. We believe that a responsible and ethic business sector will enhance not only the reputation of Norwegian businesses abroad, but also the general impression that Norway strives to do things properly when we have taken on a commitment, as we have done by signing up to the OECD Guidelines.
- In sum, our experience is that transparency and stakeholder engagement are keys to increase trust in the NCP and for the effective handling of complaints.
- At the NCP new website, which I highly recommend, you will find information on internal meetings of the NCP as well as procedures for handling complaints, all documents released in cases (complaints, initial assessments explaining why a case will be handled or not, final statements – mediated solutions and examinations, press releases), annual reports to the OECD, and the brochure version about the NCP that you should have received.
- The Norwegian NCP has also made a short video that I would now like to show you.