



Trade Union  
Advisory Committee  
to the OECD  
*Commission  
syndicale consultative  
auprès de l'OCDE*

## **TUAC Annual Report on Responsible Business**

Paris, 1 March 2020

This report summarizes responsible business conduct (RBC) activities related to multinational enterprises, national contact points for the OECD (NCPs), supply chain due diligence, and the agenda set by the Investment Committee for the RBC Centre.

The Trade Union Advisory Committee is the voice of unions and workers at the OECD. TUAC's responsible business conduct (RBC) agenda connects workers as central stakeholders in policy approaches discussed by the Investment Committee.

TUAC activities cover three main areas of work: Trade Union NCP Proceedings, Policy Initiatives, and Trade Union Implementation.

### **Trade Union NCP Proceedings**

Trade union proceedings at the NCPs for the OECD have been on a downward trend since peaking at 18 new proceedings filed in 2004. As of 31 December 2019, ten (10) trade union NCP proceedings remained in progress without resolution.

#### **2019 Trade Union Cases**

IUF v ABImbev, Belgium NCP  
BWI, SENTRO, DAHEWU v. Lafarge Holcim, Switzerland NCP  
Unilever PLC Chile v CUT Chile, Chile NCP  
IUF v Coca Cola Ireland, Ireland NCP  
IKEA and UNI Global Union, Netherlands NCP  
Moroccan company and Democratic Confederation of Labour, Morocco NCP  
Teck-Quebrada Blanca Mining Company and Mineworkers Union, Chile NCP  
VEON V UNI Global Union, Netherlands NCP<sup>1</sup>  
Mine Closure in Peru, Peru NCP<sup>2</sup>  
IndustriALL v Tenaris in the Luxembourg NCP<sup>3</sup>

---

<sup>1</sup> Concluded in February 2020.

<sup>2</sup> Suspended due to parallel proceedings.

<sup>3</sup> Suspended by mutual agreement between the Parties.

### *New TRADE UNION NCP Filings*

There were five new trade union filed specific instances in 2019. Of these, NCPs accepted four and rejected two. The number of trade union filings continues what has been a downward trend in trade union filings since a high of 18 filings in 2004.

By Geography, trade union filings involved British, Swiss and Belgian multinational enterprises in manufacturing industries. Alleged violations occurred in Chile, Indonesia and India. NCPs include Chile, Netherlands, Switzerland and Belgium.

**CUT Chile** filed a complaint against food manufacturer, **Unilever**, related to operations in Chile. The case has been accepted and mediation offered to the parties. This is the second complaint against Unilever in Chile and the tenth known Guidelines complaint against Unilever since 2003.

**IUF** brought three cases against multinational enterprises in 2019. An IUF complaint against **AB Imbev (Belgium)** was accepted by the Belgian NCP for further examination of Human Rights (IV) and Employment & Industrial Relations (V) issues identified in an Indian beverage bottling facility.<sup>i</sup> An IUF complaint was accepted by the Netherlands NCP against food manufacturer, **Perfetti van Melle**, related to its operations in Bangladesh. A complaint filed by the IUF against **Coca Cola** in the Australian NCP was not accepted.

At the end of 2019, **BWI** submitted a case against **Lafarge Holcim** (Switzerland) for alleged violations of collective bargaining and minimum area employment standards (I and V) observed at cement manufacturing operations in the Philippines. This marks the fourth OECD complaint filed against Lafarge Holcim. The BWI-Philippines proceeding is the third trade union complaint against Lafarge Holcim and the second complaint involving the Switzerland NCP. A fourth case against **Lafarge Holcim** was filed at the Argentina NCP by a group of individuals in 2016.

### *Final Assessments*

Two proceedings concluded with Final Assessments at the end of 2019: **IUF & FLOC v. British American Tobacco** at the UK NCP; and **BWI, IndustriALL & CUT Brazil v. BHP Vale** at the Brazil NCP. NCPs accepted both cases for further examination but multinational respondents refused to participate, triggering final assessments.

Each NCP offered recommendations for the multinational to participate in regional multistakeholder activities as a way to conduct due diligence. Unions are concerned that the UK NCP recommendation may prejudice workers' rights in American tobacco farming.

The Brazil NCP adopted the union suggestion for the MNE to enter into a due diligence validation agreement. This approach could provide precedent for NCP's handling of due diligence cases, offering a way to verify desired outcomes and strengthen NCP follow up.

## **Policy Initiatives**

TUAC engages in OECD and other RBC policy work through an Investment Committee that governs RBC Policy work at the OECD. The Committee directs work of two subcommittees: the NCP Network and RBC Working Party.

### *NCP Network*

TUAC and its affiliates reviewed NCPs in *Argentina and Korea* and participated in the Uruguay and Kazakhstan Adherence review process.

### *RBC Working Party*

TUAC provided input for three issues papers in 2019, covering NCP Initial Assessments, Substantiated Submissions, and NCP Follow up in Specific Instances.

## **Trade Union Implementation**

A training on the OECD Guidelines and supply chain due diligence was delivered in the Middle East and North African (MENA) Region with support from Friedrich Ebert Stiftung (FES). The two-day event involved twenty-one union leaders from Bahrain, Egypt, Jordan, Tunisia and Morocco.

---

<sup>i</sup> A 2006 complaint against InBev was withdrawn by the filing union, IUF.