

The way forward for the OECD Guidelines for MNEs on RBC

TUAC's recommendations for strengthening the implementation and effectiveness of the Guidelines

In the 50th Anniversary year of the OECD Guidelines for Multinational Enterprises (MNEs) on Responsible Business Conduct (RBC), the International Trade Union Confederation (ITUC) concludes in its 2026 ITUC Global Rights Index that the world is witnessing a “global erosion of democratic principles”¹. Violations of free speech and assembly, arrests and detentions of workers and their representatives were occurring in 50% of the 151 countries analysed signalling a significant increase in severely restricting workers and trade union activity to protect and act on their rights and interests. The right to strike was violated in 87% of countries. The right to collective bargaining was restricted in 80% of countries and workers had no or reduced access to justice in 72% of countries.

While democratic participation and respect for labour rights in the workplace is repressed, the triple planetary crisis accelerates, artificial intelligence (AI) remains largely unregulated, and inequality of income, wealth and power continue to increase. The recently published Global Justice Report² shows that it is possible and necessary to “reconcile planetary habitability and high well-being for all, but that this requires a major shift towards sufficiency (...), fast decarbonisation of energy systems requiring unprecedented climate investments, and most importantly a drastic reduction in inequality of income, wealth and power in order to ensure that these transformations are economically financed and politically sustained.”

¹ Available at: <https://www.ituc-csi.org/global-rights-index>

² Chancel, L., Mohren, C., Moshrif, R., Odersky, M., Piketty, T., Somanchi, A., et al. (2026), The Global Justice Report: A Plan for Equality & Prosperity Within Planetary Boundaries, World Inequality Lab, Available at: <https://globaljusticeproject.wid.world/>

These reports - alongside the experiences of TUAC members³ - illustrate the accumulating challenges for working people and their unions to protect their rights and interests against regressive government and business policies and practices.

According to the OECD Guidelines, enterprises are expected to respect international labour standards, avoid unlawful employment and industrial relations practices and act in line with due diligence expectations. The respect for labour rights and trade unions is enshrined in the OECD Guidelines from its adoption in 1976 recognising the significance of workers and unions for enterprises and their contribution to economic, environmental and social progress. According to the Guidelines, responsible trade and investment generate more and better jobs, skills development, provision of products and services that improve living standards, and access to finance and technology needed for the digital and green transitions.

Yet, progress for the respect of human and labour rights and for environmental standards has stalled, contributing to the negative figures of the ITUC report but also to growing global injustice as shown by the Global Justice Report. The 2026 Responsible Business Outlook report confirms the lack of progress: it underlines a stark discrepancy between commitment to the OECD Guidelines by business and governments and the implementation of the Guidelines.

Understanding that social and environmental progress needs appropriate incentives and consequences, some governments have developed and are developing Human Rights Due Diligence (HRDD) legislation and strong policy to integrate RBC into trade, investment, public procurement, export credits, development cooperation etc. To genuinely strengthen the implementation and effectiveness of the OECD Guidelines, they must be embedded in a broader framework of binding due diligence legislation, effective labour inspection, access to remedy and consequences for enterprises that refuse to engage in good faith or fail to implement NCP's recommendations and agreements facilitated by the NCP.

International standards and instruments must ensure that enterprises and governments respect and promote fundamental principles and rights at work enshrined in the 1998 ILO Declaration on Fundamental Principles and Rights at Work, including the right to freedom of association and collective bargaining. This means enterprises and governments, whether or not they have ratified ILO Conventions No. 87 and 98, must refrain from interfering with unionisation and engage with workers and trade unions on collective bargaining and the full due diligence process.

Regulation and policy ensure respect for human and labour rights, fair processes, accountability of enterprises and beneficial outcomes for communities. To better

³ TUAC has 59 affiliated national trade union centres from 32 OECD countries representing 60 million workers as well as five associated unions from OECD partner countries. For more information see [here](#).

implement labour rights, national enforcement plays a crucial role and must be strengthened.

Climate action will require significant shifts in supply chains, with potentially significant economic and social impacts on workers and communities. Social dialogue and collective bargaining are essential levers to navigate the green transition in a fair and responsible way, fostering a just transition and ensuring that enterprises “assess and address social impacts in the context of their environmental management and due diligence activities”.⁴

Social dialogue and meaningful stakeholder engagement particularly in due diligence processes is critical. The tripartite constituents - governments, employers and trade unions - adopted a resolution on social dialogue and tripartism at the 2026 International Labour Conference. All constituents reaffirm that “social dialogue has proven particularly valuable as both a preventive and response mechanism in periods of crisis, transition and major disruption. Social dialogue institutions helped identify risks early, prevented the occurrence and escalation of labour disputes, built trust between the parties, supported adaptability and inclusiveness, ensured balanced public policies and facilitated complex transitions in ways that protected workers, supported enterprise resilience, maintained economic and social continuity, and fostered sustainable development and peace.” Governments, employers and trade unions underline that social dialogue “must be grounded in respect for freedom of association and the effective recognition of the right to collective bargaining, representative and independent employers’ and workers’ organizations, legal certainty, mutual trust and good faith.”⁵

In view of these developments, TUAC calls on governments to support a coherent rights’-based approach to policy on RBC implementing the following concrete recommendations.

Governments must support a coherent rights’-based approach to policy on RBC

- Governments develop a collective work programme in the Working Party on RBC (WPRBC) to strengthen analysis, policy development and implementation of the Guidelines with a specific focus on Chapter V employment and industrial relations (not neglecting other crucial chapters on human rights, the environment or the contribution of collective bargaining to good governance and

⁴ OECD Guidelines, Commentary, para. 70.

⁵ Available at: <https://www.ilo.org/sites/default/files/2026-06/ILC114-Resolution%20IV-%5BRELMEETINGS-260525-003%5D-EN.pdf>

anti-corruption measures) and related due diligence requirements including meaningful stakeholder engagement.

- Governments support a coherent rights-based approach to RBC in trade and investment agreements, private sector development, public procurement, export credits, development cooperation, and governance to ensure greater equality, policy coherence, multi-lateral cooperation for a level playing field, based on fundamental principles and rights at work.
- To implement respect for labour rights, governments strengthen enforcement of domestic labour legislation through e.g. improved system of labour inspections and effective labour justice systems, which are adequately resourced and accessible.
- To support respect for and enforcement of labour rights governments ensure an enabling legal and institutional environment for social dialogue and collective bargaining.
- Governments make RBC (and the participation in NCP cases), a condition for receiving public contracts and other financial support such as export credits.
- Governments strengthen the NCP mechanism as a remedy for violations of the Guidelines.
 - Provide adequate human and financial resources and continuously contribute to improved capability.
 - Build NCP structures which involve external stakeholders including trade unions with adequate oversight to provide advice.
 - Incentivise and apply sanctions where enterprises refuse to participate in the NCP process, do not implement agreements with parties, or ignore recommendations of the NCP.

National Contact Points (NCPs) must develop and implement strategies to advance remedy for those who seek it

- NCPs strengthen their role in promoting the Guidelines and contributing to their effective implementation at home and abroad. NCPs in cooperation with social partners and civil society promote the Guidelines at embassies or other adequate foreign entities through presentations and workshops.
- NCPs recognise trade unions as legitimate representatives of workers in specific instances and ensure that they can participate effectively in proceedings, including in cross-border and supply-chain cases.

- NCPs work with trade unions and stakeholders to develop relevant, accessible and timely promotional activities such as workshops or webinars. These promotional activities can include targeted dispute resolution training which should be offered in particular prior to mediation facilitated by the NCP.
- If an NCP finds that an enterprise is not aligned with fundamental labour standards as outlined by the Guidelines, authorities in home and host countries are informed with the recommendation for labour inspections to take place where misalignment has been found.
- NCPs regularly and consistently share experiences and good practice to improve compliance with indicative timelines.
- NCPs apply a sufficiently low threshold for the acceptance of cases at the initial assessment phase. Unions are consulted for their advice especially on individual complaints.
- All NCPs include an anti-retaliation policy, in their procedural guidance.
- NCPs maintain transparency in specific instances with the only exception being during and about the good offices phase.
- NCPs support the participation of parties in mediation by providing funding for travel where in-person participation is seen as benefitting the process.
- All NCPs agree to having the ability to determine a specific instance if mediation is rejected or fails. This is important to improve the effectiveness of the NCP mechanism and especially vis-à-vis mandatory due diligence legislation.
- All NCPs agree to making recommendations and to following up in a structured way. A final report on implementing the recommendations will be published and shared with relevant government agencies to create incentives for enterprises to comply with implementing the recommendations.
- NCPs include agreements into their final statements to ensure transparency and continued accountability of the parties. Agreements should also be monitored by the NCP.
- NCPs pursue a collective and proactive agenda to strengthen the implementation of the Guidelines in collaboration with trade unions and other relevant stakeholders. This can include mapping and connecting cases across NCPs to particular supply chains, products, regions, or sectors to understand the obstacles to implementation and to develop solutions which can be tested in case studies before being rolled out for example.

OECD must balance its analysis by focussing on workers and communities

- The OECD undertakes analysis that also focusses on impacts and outcomes of RBC related policy for workers, unions and communities. For example, the OECD can add value by
 - Assessing how sourcing shifts, pricing negotiations, lead times and payment practices due to global crisis and disruptions (such as tariffs, energy prices, conflict etc.) affect workers' and trade union rights (including union representatives' rights as they are often among the first to be made redundant) e.g. through factory closure, large scale layoffs, restructuring or production transfer.
 - Developing guidance for governments (and investors) on public and private funding and support in the event of enterprises who do not comply with RBC.
 - Mapping national labour laws including freedom of association and collective bargaining rights against the requirements of the Guidelines and identify gaps and opportunities for governments to address those.
 - Developing a business case for enterprises and governments to promote enabling union rights for workers to support better implementation of the Guidelines, including in the context of the green transition.
 - Developing key performance indicators for enterprises on input, process and outcome indicators for social dialogue and meaningful stakeholder engagement. This exercise should be embedded into a study mapping policies on social dialogue, related measures, processes and their impact.
- A longer-term allocation of the budget to the OECD secretariat is approved, to support a programme of work aimed at strengthening analysis on outcomes and impacts for workers and unions, as well as strengthening NCPs.
- The OECD involves TUAC in all work related to RBC, whether at company, sectoral, country or international level.
- The OECD undertakes an analysis of rejected or failed cases to identify obstacles and challenges to complement the business case for participation in the NCP process with strategic and practical lessons learned.
- The OECD improves collaboration between the ILO and OECD to strengthen social dialogue and respect for fundamental labour rights.

Enterprises must respect labour law and engage with workers and their unions

Governments play a key role in ensuring that enterprises respect labour laws including social dialogue with and participation of workers and unions in enterprises. To comply with labour law, enterprises must take concrete measures to implement RBC. TUAC expects that

- Enterprises respect international standards and act in accordance with domestic labour law. This includes cooperating with labour inspectors where required.
- Disclose and provide full access of information (including ownership, control, business relationships and conditions of work information) to workers and their unions to enable participation in due diligence processes and collective bargaining.
- Enterprises involve workers and their unions in all steps of the due diligence process, including in the context of their adaptation and mitigation policies through the development of just transition plans.
- Be open and supportive of developing Global Framework Agreements (GFAs) and enterprise or sectoral Collective Agreements (CAs).
- Enterprises refrain from union busting and retaliation against workers and their unions. Workers and those who assist victims of labour rights violations such as worker representatives must be protected from retaliation. NCPs take specific instances violating trade union rights specifically serious (see recommendation above).

We, as society have benefitted and benefit from ensuring rights of workers are respected. These rights meant and mean healthier workers who are safe from accidents at work; better trained and educated workers with technical skills; workers who know the importance and effectiveness of democratic participation in their workplace; who have a fair income which supports looking after their families and free time to participate in their communities. Workers' rights have ensured that people are valued and treated with dignity and respect at work.

The Guidelines remain an important international instrument to realise workers' rights downstream and upstream of global supply and value chains. Resilient supply chains are responsible supply chains where economic certainty and stability go hand in hand with the creation and provision of decent work. TUAC is ready to meaningfully engage and enter genuine dialogue for better implementation and effectiveness of the Guidelines going forward.