

Subject: Stocktaking exercise on the OECD Guidelines for Multinational Enterprises

SLCP Contact: Tom Mason, tom@slconvergence.org

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Dear members of the OECD Working Party on Responsible Business Conduct,

SLCP (Social & Labor Convergence Program) welcomes this public consultation on gaps in the OECD Guidelines for Multinational Enterprises (Guidelines). We work with stakeholders throughout global supply chains (garments & beyond), including workers and suppliers who are adversely impacted by business activity.¹

Alongside other frameworks, the Guidelines encourage responsible business conduct (RBC) by corporations, advocate for improved RBC policies and norms by governments, and secure remedy for harm via the National Contact Point (NCP) complaint mechanisms.

[SLCP](#) was created in 2015 with the vision of improving working conditions in global supply chains which continue to be under threat. As a Multi-Stakeholder Initiative (MSI) supported by over 200 Signatories, SLCP aims to do this through collaborative action. SLCP has developed the Converged Assessment Framework (CAF) which can be used to collect & verify data on labor and social conditions and reduce audit fatigue on facilities in the supply chain. To achieve SLCP's broader goal of improving working conditions, strong RBC standards will complement the CAF and increase the value of SLCP in delivering comparable, credible & actionable verified data to drive remediation and improvements.

While the inclusion of a human rights chapter in 2011 has been a welcome improvement for vulnerable and marginalized workers in global supply chains, the current Guidelines have not kept pace in advancing RBC, particularly with respect to proper labor standards.

Under the current regulatory frameworks, unfair purchasing practices and improper due diligence efforts by corporations have continued to adversely impact working conditions in global supply chains.² While it is clear no one stakeholder can change these imbedded practices, the private sector through MSI's such as SLCP have an opportunity to support the adoption of international RBC norms in industry practice. However, this can only be accomplished with revised Guidelines.

Updates to the Guidelines would help clarify implementation of corporations' responsibility to respect labor rights. In particular, SLCP welcomes revision of Chapter V (Employment and industrial Relations) which could better reflect expectations for MNEs to promote labour rights and use their leverage to remediate violations over their whole value chain. In this sense, SLCP Verified Data could be used by MNEs to support their efforts to understand and prevent poor working conditions in their supply chain and subsequently be responsible in their business conduct.

In light of these concerns, we respectfully request that you ensure the final stocktaking report reflects the necessary improvements to ensure decent work conditions in global supply chains.

Thank you for your consideration.

Sincerely,

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¹ See, e.g. ILO, *Purchasing practices and working conditions in global supply chains: Global Survey results*, INWORK Issue Brief No. 10; Mark Anner (2020), *Abandoned: The Impact of Covid-19 on Workers and Businesses at the Bottom of Global Garment Supply Chains*, PennState Center for Global Workers' Rights.

² OECD Watch (2021), *Get Fit: Closing gaps in the OECD Guideline to make them fit for purposes*, 54. Available at: <https://www.oecdwatch.org/get-fit-closing-gaps-in-the-oecd-guidelines-to-make-them-fit-for-purpose/>