

## JOINT PRESS RELEASE

by OECD Watch, Mining Watch Canada and the Bruno Manser Fonds

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### **OECD faults Canada over handling of complaint related to Malaysian political family's real estate group**

*In a recently published decision, the OECD Investment Committee faults the Canadian government for its handling of a complaint brought by Swiss NGO Bruno Manser Fonds before Canada's National Contact Point for the OECD Guidelines on Multinational Enterprises (Guidelines). The complaint handled by Canada concerned Canadian-based Sakto, a real estate group of the daughter of Sarawak Governor Abdul Taib Mahmud.*

(Basel/Amsterdam/ Paris/Ottawa) In an important recent decision, the OECD Investment Committee finds that the Canadian government's handling of the Sakto complaint:

- Lacked transparency and limited its accountability
- Was not fully equitable
- Contributed towards a perception of lack of impartiality
- Lacked predictability
- Was not fully compatible with the Procedural Guidance set by the OECD Investment Committee

Significantly, the OECD Investment Committee took seriously OECD Watch's concern that Canada's biased handling of the Sakto complaint may have resulted in harm to Bruno Manser Fonds, the organization that had brought the complaint against the Sakto Group. The committee recommended that the Canadian Government address this concern by following up with the parties and taking "any appropriate measure within its mandate to mitigate the adverse effects, if any, of this specific instance [complaint]."

Upon request by OECD Watch, a global NGO network that represents civil society at the OECD Investment Committee, the committee had reviewed the Canadian government's handling of a complaint alleging Sakto's non-adherence to disclosure standards in the Guidelines. The complaint had been filed by the Bruno Manser Fonds, a Swiss NGO working in the Malaysian state of Sarawak.

After initially finding that the complaint was "material to the Guidelines and substantiated", the Canadian government's responsible agency, the National Contact Point (NCP), subsequently refused to mediate between the parties as requested by the complainant. The OECD Investment Committee's proceedings confirm that Sakto had aggressively lobbied the Canadian government and engaged a member of parliament of the governing party to interfere with the complaint's procedure.

OECD Watch, Mining Watch Canada and the Bruno Manser Fonds welcome this decision by the OECD Investment Committee regarding the Canadian NCP's mishandling of the Sakto complaint and call on the Canadian government to ensure that future complaints based on the OECD Guidelines are dealt with in a transparent, impartial and procedurally correct way.

- Ends -

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**Attachments:**

- Response by the Investment Committee to the substantiated submission by OECD Watch regarding the Canadian National Contact Point for Responsible Business Conduct, 9 September 2022
- Substantiated Submission to the OECD Investment Committee concerning the Canadian NCP's handling of the complaint Bruno Manser Fonds vs. Sakto, Canadian NCP's failure to fulfill its procedural responsibilities with regard to its handling of the specific instance Bruno Manser Fonds vs. Sakto, OECD Watch, 22 September 2021