

OECD Watch Statement on the 2017 G7 Summit:

Calling for a Renewed Commitment toward Responsible Business Conduct

Ahead of the 2017 G7 Summit to be held from 26-27 May in Taormina, Italy, OECD Watch urges G7 leaders to build on prior commitments to promote responsible business conduct.

Although the [2015 G7 Leaders' Declaration](#), issued following the G7 Summit in Germany, included positive commitments on responsible supply chains and access to remedy, leaders at the [2016 G7 Summit in Japan failed to address](#) these commitments. This year's summit provides an opportunity to fulfil the 2015 commitments, in which the G7 leaders recognized "the joint responsibility of governments and business to foster sustainable supply chains and encourage best practices," including strengthening mechanisms for remedy for victims of corporate misconduct by ensuring that its own National Contact Points (NCPs) would "be effective" and "lead by example."

The Italian government has positively identified sustainable development as a [priority](#) for the Italian G7 presidency. Responsible business conduct is requisite for any meaningful progress toward this priority and sustainability is only possible when strong accountability systems are in place to provide remediation when negative impacts occur.

The G7 must use the 2017 summit to refocus attention and elaborate on how they will fulfil their commitments towards ensuring responsible supply chains, better applying internationally-recognized labour, social, environmental, and anti-corruption standards, while promoting accountability and access to remedy.

OECD Watch accordingly calls on the G7 to take the following actions:

- Take significant steps towards the full implementation of the commitments that were made in Germany in June 2015.
- Strengthen mechanisms for providing access to remedy for victims of corporate abuse, including the National Contact Points (NCPs) of the OECD Guidelines for Multinational Enterprises. NCPs should be sufficiently resourced, committing to peer reviews, strengthening the Procedural Guidance that governs how NCPs handle complaints, and introducing material consequences on companies that are found to be non-compliant with the OECD Guidelines;
- Improve the performance and effectiveness of NCP system by urging OECD adhering countries to revise the Procedural Guidance for NCPs.
- Promote the [OECD Due Diligence Guidance for the Responsible Supply Chains in the Garment and Footwear Sector](#), the OECD guidance on [Responsible Business Conduct for Institutional Investors](#), the [OECD-FAO Guidance for Responsible Agricultural Supply Chains](#), and the [OECD Due Diligence Guidance for Responsible Supply Chains from Conflict-Affected and High Risk Areas](#).

- Require that companies conduct risk-based due diligence, which includes implementing measures to ensure transparency in supply chains in order to facilitate the respect and protection of human rights, the prevention of corruption, and the avoidance of adverse environmental impacts.
- Counter the erosion of social protection of all workers and the risk of child labour in global supply chains.
- Effectuate the UN Guiding Principles on Business and Human Rights by developing and fully implementing substantive National Action Plans on the basis of meaningful consultations with all stakeholders.
- Release a progress report on the G7's efforts to fulfill its commitments towards achieving responsible supply chains and access to remedy.

By implementing the above recommendations, the G7 can more effectively advance an agenda of responsible business conduct and ensure that access to remedy is available to all.

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