Corporate Social Responsibility (CSR)
Acknowledgement and integration of social, labor, environmental, and respect of human rights concerns in the corporations’ management and operation.
CORPORATE SOCIAL RESPONSIBILITY

INSTRUMENTS

- Global Compact.
- Tripartite declaration of principles concerning multinational enterprises and social policy.
- ISO 26000 Guidance on Social Responsibility.
- Guidelines for Multinational Enterprises
CORPORATE SOCIAL RESPONSIBILITY
DISTINCTIVES

- Family Responsible Company.
- Socially Responsible Company.
- Great Place to Work.
OECD Guidelines for Multinational Enterprises (Guidelines)
CORPORATE SOCIAL RESPONSIBILITY

ORIGINS, DEFINITION, AND OBJECTIVE

OECD Guidelines for Multinational Enterprises

- **Origins.**
  - Last revision in 2011.

- **Definition.**
  - Recommendations, standards, and principles aimed at corporations regarding responsible business conducts.
  - Encourage MNEs to carry out their operations in harmony with public policies of the countries where they establish.
  - Promote positive contributions of MNEs in sustainable development of host economies.

- **Objective.**
  - Reinforce the confidence between investors and society.
  - Strengthen investment climate.
GUIDELINES FOR MULTINATIONAL ENTERPRISES

GENERAL PRINCIPLES

Obligation for enterprises:

Obeying domestic laws.

Enterprises are urged to:

- Contribute to economic, environmental and social progress with a view to achieving sustainable development.
- Respect the internationally recognized human rights.
- Encourage local capacity building through close co-operation with the local community.
- Encourage human capital formation.
- Refrain from seeking or accepting exemptions not contemplated in the statutory or regulatory framework.
- Carry out risk-based due diligence.
- Encourage that their business partners, including suppliers and sub-contractors, to apply principles of CSR.
GUIDELINES FOR MULTINATIONAL ENTERPRISES

SCOPE OF TOPICS

- Disclosure
- Human Rights
- Employment and Industrial Relations
- Environment
- Combating Bribery, Bribe Solicitation and Extortion
- Consumer Interests
- Science and Technology
- Competition
- Taxation
GUIDELINES FOR MULTINATIONAL ENTERPRISES

SCOPE OF TOPICS

Disclosure.

Invites enterprises to be transparent in their operations and responsive to the public’s increasingly sophisticated demands for information.

Human Rights.

Enterprises play a relevant role in respecting and promoting HR. Thus, this chapter urge enterprises to observe such responsibility, based on the efforts the UN has made in this matter.

Employment and Industrial Relations.

This chapter focuses on the role that the Guidelines have in promoting labor standards set forth by ILO, and the way in which multinational enterprises apply them.
GUIDELINES FOR MULTINATIONAL ENTERPRISES

SCOPE OF TOPICS

Environment.

Provides a series of recommendations for multinational enterprises in order to maximize their contribution to environmental protection. In particular, reflects the principles and objectives contained in the Rio Declaration on Environment and Development, and Agenda 21.

Combating Bribery, Bribe Solicitation and Extortion.

Enterprises play an important role in combating these practices that affect democratic institutions and government agencies. Therefore, the Guidelines continue with the efforts carried out by OECD in this issue.

 Consumer Interests.

Enterprises are urged to perform fair marketing and advertising practices, as well as in their activities in general, based on the work developed by OECD and several organizations like International Chamber of Commerce and the UN.
GUIDELINES FOR MULTINATIONAL ENTERPRISES

SCOPE OF TOPICS

Science and Technology.

Acknowledges the role of enterprises as conduits for technology transfer across borders. Encourages enterprises to contribute to technology transfer in host countries according to their innovative capacities.

Competition.

This chapter focuses in prompting competition laws and regulations for enterprises established both in domestic and international regulation. Invites enterprises to refrain from performing anti-competitive practices.

Taxation.

The Guidelines are the first international corporate instrument to address taxation issues. This chapter contains fundamental recommendations with regards to taxation matters.
January 2015 - 46 countries committed with the promotion and implementation of Guidelines.

- 34 OECD member countries.
- 12 adhering countries: Argentina, Brazil, Colombia, Costa Rica, Egypt, Jordan, Latvia, Lithuania, Morocco, Peru, Romania, and Tunisia.
National Contact Points (NCP)
Adhering countries to the Guidelines must set up National Contact Points.

- **Information and Promotion**
  - Promote the knowledge and adoption of the Guidelines for Multinational Enterprises.

- **Handling inquiries**
  - Provide advisory and responds to inquiries related to the Guidelines application.

- **Mediation**
  - Offer its good offices in order to solve conflicts that may arise from the existence of a conduct that allegedly do not observe or is against the principles and standards contained in the Guidelines.
The NCP of Mexico is located in the Directorate-General for Foreign Investment of the Secretariat of Economy.
The NCP will contribute to the solution of issues related to the implementation of the Guidelines that may arise through **Specific Instances**.

**Specific Instances** carry out before the NCP are designed to promote constructive dialogue and comprehension among the Parties in order to adjust, to the best extent possible, the conduct of the MNE to the principles and standards of the Guidelines.

In order to **promote constructive dialogue among the Parties**, and favor the voluntary adoption of the Guidelines, the NCP privileges an approach towards the friendly and agreed solution of the issues that gave rise to the Specific Instance.
### Good faith
- A behavior that facilitates the development of the specific instance and the adoption of agreements between the Parties shall be observed at all times.

### Equity and fairness
- The Parties shall be treated on an equal footing and therefore no unduly favor shall be given to any of them.

### Predictability
- The Parties shall be provided with clear, accurate and complete information about the development of the specific instance, and also on the scope of the function of the NCP and its possible role in monitoring the implementation of the agreements that the Parties had reached.

### Utility
- The NCP will only offer its good offices when this would generate a positive contribution to the resolution of the issues that gave rise to the specific instance and would not produce a serious detriment to any of the Parties involved therein.
The Procedural Guidance for the implementation of the Guidelines comprises three stages:

1st Stage: Initial Assessment
- Determine if the issue is substantiated, if it merits further examination, and if the parties are acting in good faith.

2nd Stage: Facilitation of dialogue
- If the case has been admitted, the NCP of Mexico offers its good offices and provides the parties with a neutral discussion forum to find a solution to the issue raised.

3rd Stage: Final Statement
- Once the mediation process is concluded, the NCP conveys the most relevant aspects of the specific instance and its results. If parties haven't reached an agreement up to this phase, the NCP may issue recommendations that the Enterprise should implement so as to adopt the Guidelines.

Ideal Timeline of the Procedure:
- 1st Stage: Three months, since the receipt of the application.
- 2nd Stage: As general rule, six months since the conclusion of the 1st stage.
- 3rd Stage: Three months after the conclusion of the 2nd stage.
National Contact Point of Mexico

Directorate General for Foreign Investment
Secretariat of Economy

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