

RULES OF PROCEDURE FOR HANDLING SPECIFIC INSTANCES


**IN ACCORDANCE WITH
OECD GUIDELINES
FOR MULTINATIONAL
ENTERPRISES ON
RESPONSIBLE BUSINESS
CONDUCT**



**CROATIAN NATIONAL
CONTACT POINT**

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PROCEDURES FOR SPECIFIC INSTANCES IN ACCORDANCE WITH OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES ON RESPONSIBLE BUSINESS CONDUCT



The Guidelines of the Organization for Economic Co-operation and Development (hereinafter referred to as ‘the OECD’) **for Multinational Enterprises on Responsible Business Conduct** (hereinafter referred to as ‘the Guidelines’) are recommendations by governments for businesses to align their activities with sustainable development and conduct due diligence to avoid adverse impacts on people, planet and society. The Guidelines serve as the leading international instrument for responsible business conduct.

The Guidelines cover the full range of sustainability impacts that enterprises may have on people, planet and society: human rights; employment and industrial relations; environment; bribery and other forms of corruption; consumer interests; science, technology and innovation; competition; and taxation.

The Guidelines are addressed to all the entities within the multinational enterprise (parent companies and/or local entities), and their application encompasses both business activities and activities related to the enterprise through business relationships.

The Guidelines principles and standards of good practice are consistent with applicable laws and internationally recognized standards. Observance of the Guidelines by enterprises is voluntary and not legally enforceable. Nevertheless, some matters covered by the Guidelines may also be regulated by domestic law or international commitments.

Obeying domestic laws is the first obligation of enterprises. The Guidelines are not a substitute for, nor should they be considered to, override domestic law and regulation. Failure of governments to uphold the principles and standards consistent with the Guidelines or their associated international commitments does not diminish the expectation that enterprises observe the Guidelines. While the Guidelines extend beyond the law in many cases, they should not and are not intended to place an enterprise in situations where it faces conflicting requirements. However, in countries where domestic laws and regulations conflict with the principles and standards of the Guidelines, enterprises should seek ways to honour such principles and standards to the fullest extent which does not place them in violation of domestic law.

To ensure effective implementation of the Guidelines, adhering countries are required to establish **National Contact Points for Responsible Business Conduct** to promote awareness and uptake of the Guidelines; serve as a non-judicial grievance mechanism for cases involving enterprises operating in or from their country; and where applicable provide support to the development, implementation, and coherence of government policies to promote responsible business conduct.

CROATIAN NATIONAL CONTACT POINT FOR RESPONSIBLE BUSINESS CONDUCT (NCP)

The Government of the Republic of Croatia established the **National Contact Point for Responsible Business Conduct** (hereinafter referred to as 'the NCP') by a Decision of May 23, 2019, as a permanent mechanism for promoting and implementing the Guidelines. A Decision of April 10, 2024, expanded the composition and responsibilities of the NCP in line with the amendments and additions to the Guidelines from June 2023.

4

5

The NCP is tasked with promoting awareness and uptake of the Guidelines, including by responding to enquiries; contributing to the resolution of issues that arise in relation to the implementation of the Guidelines in specific instances; and, where appropriate and in coordination with relevant government agencies, providing support to efforts by the Government to develop, implement, and foster coherence of policies to promote responsible business conduct.

Institutional setup of the NCP:

The NCP consists of a Secretariat and an External Body.

The **Secretariat** is responsible for coordinating the activities of the NCP, providing administrative support to the External Body, preparing annual reports on its activities for the Government of the Republic of Croatia and relevant OECD authorities, and promoting and raising awareness of the Guidelines, their implementation procedures, and the NCP itself. It also responds to inquiries about the Guidelines and the OECD due diligence guidances, collaborates with relevant public authorities, and engages with representatives from the business community, worker organisations, other non-governmental organisations and other interested parties that can contribute to the effective implementation of the Guidelines. Additionally, it works with National Contact Points from other countries and, if necessary, participates in the activities of national bodies responsible for policies on responsible business conduct, as well as in the activities of relevant OECD authorities and other international organizations. The Ministry of Foreign and European Affairs and the Ministry of Economy jointly participate in the work of the Secretariat.

The **External Body** is responsible for promoting the Guidelines and their uptake, addressing matters and providing guidance to enhance the NCP's effectiveness, handling specific instances raised before the NCP regarding implementation of the Guidelines, and carrying out other activities in coordination with the Secretariat.

The NCP operates according to the **core effectiveness criteria: VISIBILITY, ACCESSIBILITY, TRANSPARENCY, ACCOUNTABILITY, IMPARTIALITY AND EQUITABILITY, PREDICTABILITY, and COMPATIBILITY WITH THE GUIDELINES.**

SPECIFIC INSTANCES

6

One of the tasks of the NCP is to contribute to the resolution of issues that arise relating to the implementation of the Guidelines in specific instances in a manner that is consistent with the core effectiveness criteria. Specific instances are not legal cases, and NCP is not judicial body. NCP cannot impose sanctions, directly provide compensation nor compel parties to participate in a conciliation or mediation process. Dispute resolution through NCP is intended to be consensual and focused on identifying constructive solutions and mutual Guidelines-compatible agreement between parties. The NCP handles specific instances according to the **Rules of Procedure**.

RULES OF PROCEDURE

One of the key tasks of the NCP is to contribute to resolving issues related to the implementation of the Guidelines as a non-judicial grievance mechanism. The NCP will offer a forum for discussion and its expertise on the Guidelines to assist the business community, worker organisations, other non-governmental organisations, and other interested parties concerned to resolve the issues raised in an efficient and timely manner and in accordance with applicable law and the Guidelines. Depending on the characteristics of each case, this assistance may include supporting constructive dialogue, facilitating agreements between the parties and/or issuing recommendations.

The terms used in these Rules that have gender significance refer equally to all genders.

I. GENERAL PROVISIONS

1.1. The NCP acts as a non-judicial grievance mechanism for cases related to the implementation of the Guidelines, helping to address issues that arise in specific instances.

7

- 1.2. Engaging in the resolution of a specific instance is voluntary, and participation is free for all parties concerned.
- 1.3. All participants in the process are expected to act in good faith. Good faith engagement in this context means responding in a timely fashion, maintaining confidentiality where appropriate and consistent with the NCP's Rules of Procedure, refraining from misrepresenting the issues and the process, notably in public communications, and from threatening or taking reprisals against parties involved in the procedure, or against the NCP itself, and genuinely engaging in the proceedings with a view to finding a Guidelines-compatible solution to the issues raised, including giving serious consideration to any offer of good offices made by the NCP.
- 1.4. The NCP's Operating Rules apply to the work of the External Body in specific instances.
- 1.5. When considering and deciding on specific instances, members of the External Body make decisions by unanimous consensus. If a unanimous decision cannot be reached, decisions are made by a simple majority of the members.
- 1.6. Members of the External Body are authorized to conduct the process as they see fit, in line with these Rules, the NCP's Operating Rules, and the Guidelines, while considering the facts and circumstances of each specific instance, the expressed expectations of the parties, and the desire to resolve the issue among the parties swiftly and effectively.
- 1.7. Administrative tasks for the External Body in specific instances are handled by the Secretariat.

II. PRINCIPLES OF PROCEDURE FOR SPECIFIC INSTANCES

- 2.1. In addressing a specific instance, the NCP acts in good faith and adheres to the following principles:
 - ACCESSIBILITY – ensuring that submitters can initiate specific instances free of charge, under clear and simple conditions for filing a case and implementing the procedures, as well

as appropriate flexibility (e.g. the possibility of participating remotely).

- **TRANSPARENCY** – gaining the confidence of stakeholders, parties to specific instances and the general public. Thus, as a general principle and subject to applicable law, the activities of the NCP will be transparent. Nonetheless, the NCP may establish confidentiality of certain aspects of the proceedings, as outlined in Chapter IX of these Rules.
- **IMPARTIALITY** – ensuring impartiality in the resolution of specific instances, including by actively seeking to prevent and address potential or perceived conflicts of interests of any person playing a role on behalf of the NCP in assisting the parties with the resolution of issues raised in a specific instance.
- **PREDICTABILITY** – providing clear and publicly available information about the NCP's role in resolving specific instances, including information about the provision of good offices, the stages of the specific instance process including indicative timeframes and criteria for initial assessment, expectations of good faith and confidentiality, the nature of the process and its possible outcomes, and the role NCP can play in monitoring the implementation of agreements reached between the parties or recommendations made by the NCP.
- **EQUITABILITY** – ensuring that all parties can engage in the process on fair and equitable terms, with reasonable access to sources of information relevant to the procedure.
- **COMPATIBILITY WITH THE GUIDELINES** – ensuring that specific instance handling is carried out in line with the principles and standards referred to in the Guidelines.

III. CASE SUBMISSION

- 3.1. Any individual or organisation with a legitimate interest in the matter (hereinafter referred to as the Submitter) can submit a case to an NCP regarding a company, operating in or from the Republic of Croatia, which has not observed the Guidelines. The Submitter may act on behalf of identified third parties.
- 3.2. Case can be submitted in either Croatian or English.

- 3.3. A submission must include:
 - Information that identifies the parties involved and explains the Submitter's legitimate interest.
 - Sufficient details to determine whether the request falls within the scope of the Guidelines, which chapter it pertains to, and whether the NCP has competence.
 - An indication of the desired outcome in resolving the issues related to the application of the Guidelines, as well as the subject of the request.
 - An indication of whether any of the submitted information is confidential (for instance, due to legal restrictions or personal safety concerns).
- 3.4. The Submitter should also include any additional information or details they wish to bring to the NCP's attention.
- 3.5. Case should be submitted:
 - Electronically via email to the Secretariat at: **nkt-oecd@mvep.hr** and **oecd-nkt@mingo.hr**;
or
 - In paper form, either in person or by mail, to the address of the Secretariat:
Ministry of Foreign and European Affairs
Att: OECD – National Contact Point
Trg N.Š. Zrinskog 7–8, HR-10000 Zagreb
- 3.6. The Secretariat will confirm receipt of the request to the Submitter using the same method as the original submission, within three (3) working days of receipt.
- 3.7. Requests to initiate a procedure may be submitted using the form (Annex 1 – Case Submission Form).

IV. ADMINISTRATIVE CHECK AND COORDINATION

- 4.1. The Secretariat will verify the formal requirements for considering the case in accordance with the OECD Guidelines, specifically:
 - Whether the identity of the Submitter and the party to whom the request pertains can be established.
 - Whether the request falls within the scope of the Guidelines.

- Whether the NCP has competence.
- 4.2. The Secretariat may ask the Submitter to provide additional clarifications within a reasonable timeframe to determine the NCP's competence over the matter. If the Submitter fails to provide the requested clarifications within the specified timeframe, it will be assumed that they have withdrawn the case.
 - 4.3. During the administrative check, the Secretariat will not enter into the substantive merits of the case.
 - 4.4. If the Secretariat determines that the request does not relate to matters covered by the Guidelines or that it lacks competence, it will notify the Submitter accordingly.
 - 4.5. The Secretariat will issue a Statement regarding the submitted request and its findings on any inappropriateness or lack of competence.
 - 4.6. Should the Secretariat find that certain specific instance may concern the NCPs of several Adherents, it will inform the NCPs in those countries to facilitate coordination and establish a lead and supporting NCP.
 - 4.7. The Secretariat will inform the Submitter about the coordination with the NCPs in other countries and any decision regarding the transfer of the case to another NCP as the lead NCP. The lead NCP is responsible for all aspects of resolving a specific instance.
 - 4.8. If the Croatian NCP is determined to be the competent and/or lead NCP, it will inform the party against whom the procedure has been initiated about the request and ask for a response within 14 days. If necessary, the Secretariat may also hold a meeting with the other party to explain the Guidelines and procedural rules related to specific instances.
 - 4.9. Upon receiving the response from the other party, the Secretariat will forward all documentation to the External Body for review and an initial assessment. The response will also be shared with the Submitter.

- 4.10. The indicative timeframe for completing the administrative check is one (1) month from the receipt of the case, although this may be extended to two (2) months if coordination with NCPs from other Adherents is required.

V. INITIAL ASSESSMENT

- 5.1. Before beginning the initial assessment of the Case, members of the External Body will sign a Declaration of No Conflict of Interest.
- 5.2. During the initial assessment to determine whether the issue raised warrants further examination, the External Body will evaluate whether the case has been submitted in good faith and whether it pertains to the implementation of the Guidelines. In making this initial assessment, the NCP will take into account:
 - the identity of the party concerned and its interest in the matter.
 - whether the issue is material, i.e. relevant to the implementation of the Guidelines and substantiated, i.e. supported by sufficient and credible information.
 - whether the enterprise is covered by the Guidelines.
 - whether there seems to be a link between the enterprise's activities and the issue raised in the specific instance.
 - the extent to which applicable law and/or parallel proceedings limit the NCP's ability to contribute to the resolution of the issue and/or the implementation of the Guidelines (The NCP may offer good offices to the parties in cases where parallel procedures have existed or are ongoing, i.e. are available to the relevant parties, but it must first assess whether offering good offices could make a positive contribution to the resolution of the issues raised and/or the implementation of the Guidelines going forward and would not create serious prejudice for either of the parties involved in these other proceedings or cause a contempt of court situation.).
 - whether the examination of the issue would contribute to the purposes and effectiveness of the Guidelines.
- 5.3. In reviewing the case, the External Body will hear both parties and may also hold separate meetings with each party. The External Body may seek advice from relevant authorities, and/

or representatives of the business community, worker organisations, other non-governmental organisations, and relevant experts. It may also consult the NCP or NCPs in any other Adherent or Adherents concerned and/or seek information on similar specific instances from the OECD Secretariat or guidance from the Working Party on Responsible Business Conduct (hereinafter referred to as 'the WPRBC') if it has doubt about the interpretation of the Guidelines.

- 5.4. When the External Body, after having carried out its initial assessment, decides that the issues raised in the specific instance do not warrant further examination, it will make a Statement publicly available after consultations with the parties involved and taking into account the need to preserve the confidentiality of sensitive business and other information. The Statement will describe the issues raised, the parties' respective positions as appropriate, the steps taken by the External Body in considering the submission and parties' engagement in the proceedings, and the reasons for its decision.
- 5.5. If the External Body determines that the issues raised in the specific instance warrant further examination, it will offer 'good offices' in an effort to contribute to the resolution of issues. At the recommendation of the External Body, the Secretariat will publish its decision that the issues raised warrant further examination and its offer of good offices to the parties involved.
- 5.6. A decision that a case warrants further examination does not mean that the issues raised have been given final consideration and does not imply any finding as to whether or not an enterprise has acted in accordance with the Guidelines.
- 5.7. **The indicative timeframe for completing the initial assessment is three (3) months** from the date the case is submitted to the External Body.

VI. GOOD OFFICES

- 6.1. If the parties agree to accept the External Body's good offices to help resolve the issue, the External Body will work with them to establish a schedule and define the scope of the good offices process, with the aim of reaching an agreement consistent with the Guidelines and resolving the case within a reasonable timeframe. The parties are required to provide all relevant documentation requested by the External Body so that the process can be conducted in accordance with the principles outlined in Section 2.1.
- 6.2. If one or more parties decline the good offices, the External Body will make a Statement publicly available after consultations with the parties.
- 6.3. As part of good offices, the External Body may seek the advice of relevant authorities, as well as representatives of the business community, labour organisations, other nongovernmental organisations, and experts. It may also consult with the NCPs in other countries, or seek information from the OECD Secretariat or guidance from the WPRBC on issues related to the interpretation of the Guidelines.
- 6.4. To foster open discussion and dialog between the interested parties, the good offices process remains informal and confidential. The parties agree to uphold confidentiality, except when necessary to seek expert advice or internal guidance within their organization.
- 6.5. If the parties involved fail to reach agreement on all or some of the issues raised, if one or both of the parties withdraws from the procedure, or if the External Body finds that one or more of the parties to the specific instance is unwilling to engage or to participate in good faith, it will consult with the parties about whether continuing the procedure is beneficial. Should the parties or the External Body conclude that continuing the procedure would not effectively contribute to resolving the specific instance, the External Body will terminate the procedure.

6.6. **The indicative timeframe for completing the good offices is six (6) months** from the date of receipt of the case by the External Body. This timeframe may be extended depending on the circumstances of the specific instance.

14

VII. COMPLETION OF THE PROCEEDINGS AND REPORTING

- 7.1. At the conclusion of the proceedings and after consultation with the parties involved, the External Body will make the results of the proceedings publicly available via Secretariat, taking into account the need to protect sensitive business and other stakeholder information.
- 7.2. If the parties reach an agreement on the issues raised, the External Body will, in consultation with the parties, prepare a draft Statement on the outcome of the proceedings and submit it to the Secretariat for publication.
- 7.3. In such cases, the Statement will describe the issues raised, the parties' respective positions as appropriate, the steps taken by the External Body in assisting the parties and when agreement was reached, and, if necessary, any follow-up deadlines. Information on the content of the agreement will only be included insofar as the parties involved agree thereto. The External Body may also include recommendations on the implementation of the Guidelines in its statements when an agreement has been reached, as appropriate.
- 7.4. If the parties fail to reach an agreement, if one or both withdraw from the proceedings, or if the External Body determines that the parties are unwilling to engage or participate in good faith, the External Body will, in consultation with the parties, prepare a draft Statement and submit it to the Secretariat for publication.
- 7.5. In such cases, the Statement will describe the issues raised, the parties' respective positions as appropriate, the reasons why the External Body decided that the issues raised warranted further examination and the steps taken by the External Body in assisting the parties, including information on parties' engagement in the proceedings. Where relevant, it will also include

15

recommendations on the implementation of the Guidelines. Where appropriate, the Statement may also include the reasons why an agreement could not be reached.

- 7.6. The External Body will allow the parties to comment on the draft Statement before its publication, providing them 14 days from the receipt of the draft to do so. However, the External Body reserves the discretion to decide whether or not to modify the draft Statement based on the parties' comments.
- 7.7. The Secretariat will publish a Statement **within three (3) months of the proceedings' conclusion**.
- 7.8. The NCP will notify the results of its specific instances to the Committee and the WPRBC in a timely manner.

VIII. FOLLOW-UP

- 8.1. NCP will carry out follow up on agreements it facilitate or recommendations it makes.
- 8.2. At least one year after the agreement is reached, the NCP will request a written report from the parties or arrange a meeting (either jointly with both parties or separately) to assess the progress in fulfilling the obligations of the agreement or recommendations.
- 8.3. The NCP will publish follow up Statement after conducting its follow-up.

IX. CONFIDENTIALITY OF THE PROCEDURE AND PROTECTION AGAINST RETALIATION

- 9.1. To ensure an effective resolution of the specific instance, if there are special circumstances that justify maintaining the confidentiality of certain facts and arguments presented by the parties, the External Body will notify the parties and take appropriate steps to protect sensitive information, balancing transparency with confidentiality.

- 9.2. At the start of the procedure, the External Body will Inform the parties that they may not disclose publicly or to a third party without the other party's or NCP's consent, facts and arguments shared by the other parties or the NCP during the proceedings, unless the sharing party agrees to their disclosure, such facts and arguments are already in the public domain, or not disclosing would be contrary to the provisions of national law during or after the proceedings.
- 9.3. If the procedure concludes without an agreement, the parties are free to discuss the matter publicly. However, any information or views shared by one party during the procedure will remain confidential unless the other party consents to their disclosure or unless doing so would not violate the provisions of the applicable national law.
- 9.4. The External Body will make sure that both parties are informed of all key facts, documents, and arguments brought forward by the other parties during proceedings. If a party makes a reasonable request not to share a submission in full with the other party, notably to protect sensitive business information and the interests of other stakeholders, the NCP will work with the submitting party to redact any sensitive content in order to facilitate sharing. As much as possible, the External Body will avoid basing fundamental aspects of its decision on information that is not available to both parties.
- 9.5. Details such as the identities of individuals involved may be considered confidential, especially when disclosing such information could create a risk of retaliation, including towards individuals connected with the parties in the procedure. In such cases, the External Body may decide to withhold the identity of one or more parties in its Statements or other public communications about the specific instance.
- 9.6. Throughout the process, NCP will take all appropriate steps within its capacity to address risks of reprisals against parties to a specific instance. If it becomes aware of an actual or potential instance of reprisal, NCP will take appropriate measures within its capacity to ensure the affected individual receives adequate

protection and that the procedure can continue in a safe, accessible, fair, and impartial manner. If necessary, the NCP will also contact the relevant authorities.

X. FINAL PROVISIONS

These Rules shall enter into force on the date of their adoption.

May 11, 2024

FORM FOR INITIATING A SPECIFIC INSTANCE

NCP

CROATIAN NATIONAL CONTACT POINT

Submission Date	
INFORMATION ABOUT THE SUBMITTER	
Name and Surname	
Company/Organization	
Email	
Phone Number	
Postal Address (street, city, country)	

Are you submitting the case on behalf of other persons or organizations, and if so, whom?	
What is your interest in the specific instance / or your mandate?	
Are you afraid of retaliation (retaliation can include threats of harm to an individual, their family, or other close persons, inappropriate threats of termination of employment or services, or unjustified threats of legal action)?	
CO-SUBMITTER (IF APPLICABLE)	
Name and Surname	
Company/Organization	
Email	
Phone Number	
Postal Address (street, city, country)	
Are you submitting the case on behalf of other persons or organizations, and if so, whom?	
What is your interest in the specific instance / or your mandate?	
Are you afraid of retaliation (retaliation can include threats of harm to an individual, their family, or other close persons, inappropriate threats of termination of employment or services, or unjustified threats of legal action)?	
ENTERPRISE AGAINST WHICH YOU ARE INITIATING THE SPECIFIC INSTANCE	
Name of the enterprise	
Location of the enterprise (includes details of the headquarters location and location from the report)	

Description of the enterprise and corporate structure (if known)	
Contact person (if known/have a recommendation)	
Phone Number (if known)	
Email (if known)	
SUBJECT OF THE SPECIFIC INSTANCE	
Chapters and sections in the Guidelines and accompanying documents claimed to be violated	
Location/country where the adverse impact occurs/occurred	
Case facts description - as concisely and clearly as possible, with relevant dates, locations, and parties, provide facts or detailed examples of situations assumed to violate a certain chapter and section of the Guidelines	
List detailed information and/or evidence supporting the above claims and whether any of this information is confidential (for example, due to legal restrictions or personal safety reasons)	
Is the complaint relevant to the National Contact Points of other countries, and if so, which countries? And why?	

FORM FOR INITIATING A SPECIFIC INSTANCE

What is the Submitter's goal in submitting the request?	
What are the desired outcomes?	
What actions does the Submitter think the enterprise should take to resolve the issue?	
For supply chain cases: Please provide information about the relationship of the enterprise against which the specific instance is initiated with the enterprise allegedly violating relevant chapters of the Guidelines.	
PRIOR CONTACT WITH THE ENTERPRISE AGAINST WHICH THE SPECIFIC CASE IS INITIATED / PARALLEL PROCEEDINGS	
Has your organization been in contact or taken initiative to establish contact with the enterprise mentioned in the complaint regarding this issue? If so, provide how it was done and the outcome of the contact. Submit all documentation you have related to this, such as meeting minutes etc.	
Has this case been decided in court, before other National Contact Points or through any other forum? Submit all documentation you have related to this, such as meeting minutes etc.	
Have any other activities been undertaken to try to find a solution and if so, please describe what.	

RULES OF PROCEDURE FOR HANDLING SPECIFIC INSTANCES

GENERAL INFORMATION	
How did you hear about the NCP?	
How did you hear about the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct?	
ATTACHMENTS	
Are you attaching anything to your Request to initiate a specific instance?	
If so, list:	

NOTES
By submitting this Request to initiate a specific instance, you confirm that you are aware:


- that the information provided in this Request and all accompanying documentation and other attachments will be forwarded to the enterprise mentioned in the Request, unless stated as confidential and explained why such confidentiality is necessary;
- that the National Contact Point has a policy of transparency in its proceedings and that all information you provide in this Request may be publicly disclosed, unless stated as confidential and explained why such confidentiality is necessary; and
- that consideration of the case by the National Contact Point involves your active participation and respect for deadlines, as much as possible, set by the National Contact Point for resolving the case.

How to file a Complaint, by OECD Watch:
<https://www.oecdwatch.org/how-to-file-a-complaint/>

A CASE CAN BE SUBMITTED

Electronically, to the Secretariat's e-mail:
nkt-oecd@mvep.hr / oecd-nkt@mingo.hr

In paper form, either in person or by mail, to the address of the Secretariat:
Ministry of Foreign and European Affairs
Att: oecd – National Contact Point
Trg N.Š. Zrinskog 7-8, HR-10000 Zagreb



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