

LUXNCP 2022 ANNUAL REPORT

INTRODUCTION

We are pleased to share LuxNCP's 2022 Annual Report, providing an overview of our activities during the year. As per the requirements outlined in the OECD Guidelines for Multinational Enterprises (Guidelines), it is mandatory for each NCP to submit an annual report to the OECD Investment Committee. To facilitate this process, the OECD provides NCPs with a standardized questionnaire. This questionnaire covers various aspects, including institutional arrangements, promotional activities, specific instances (complaints), peer learning and peer review activities, and policy coherence. The present report is based on the information shared by LuxNCP with the OECD Investment Committee, highlighting the major activities undertaken throughout 2022.

We have had a dynamic year, marked by notable milestones. In September 2022, LuxNCP underwent its first OECD peer review, which involved the participation of representatives from NCPs in Iceland, Latvia, and Switzerland, alongside the OECD Secretariat. We express our sincere appreciation for their dedicated engagement and valuable insights. We also extend our gratitude to all stakeholders who actively contributed to this process. We eagerly anticipate receiving the recommendations from the peer review team in 2023.

In May 2022, we welcomed Dr. Başak Bağlayan as a full-time staff member of the NCP, serving as the secretary-general. Dr. Bağlayan brings her expertise in business and human rights, strengthening our team alongside Mr. Christian Schuller and Mr. Tom Theves, who serve as the president and vice-president of LuxNCP, respectively.

LuxNCP did not receive any new complaints during 2022, and there were no ongoing complaints. This enabled us to focus our resources and efforts on various promotional events, including stakeholder meetings, workshops, and seminars (please refer to the Annex for detailed information).

Throughout 2022, members of the LuxNCP continued participating actively and consistently in various inter-ministerial committees aimed at advancing Luxembourg's policies on responsible business conduct. These committees include the Inter-ministerial Committee on Due Diligence, the Inter-Ministerial Committee on Human Rights, and the Working Group on Business and Human Rights.

The OECD Guidelines continue to serve as a leading global standard for responsible business conduct. To ensure their ongoing relevance in the face of evolving RBC standards, the OECD led a targeted update of the Guidelines in 2022, in which LuxNCP actively engaged.

LuxNCP welcomes inquiries from interested individuals and organizations to discuss the Guidelines and address any questions related to responsible business conduct. We remain committed to fostering dialogue and collaboration in promoting responsible and sustainable business practices.

I. INSTITUTIONAL ARRANGEMENTS

STRUCTURE, LOCATION AND COMPOSITION OF THE NCP

The LuxNCP was established in 2000. It has not been established through a legislative, regulatory or administrative instrument. It is organized as a “single agency” meaning that the NCP is based in a single government department or agency. The LuxNCP is located at the Ministry of the Economy and consists of three high-level civil servants who are also members of the Cabinet of the Minister of Economy.

ADVISORY BODY

An informal advisory body consisting of representatives of the Ministry of Foreign and European Affairs, Ministry of Finance, and Ministry of Labour could be called upon to advise the NCP on an ad-hoc basis on handling specific instances or questions of principle. This ad-hoc body does not provide oversight of NCP activities.

HUMAN AND FINANCIAL RESOURCES

The LuxNCP has three members of staff, including one full-time and two part-time.

The LuxNCP does not have a dedicated budget. However, financial resources for promotional activities are allocated on an ad hoc basis when requested by the NCP. In 2022, financial resources were available to the NCP to organize promotional events, attend NCP Network and the OECD Working Party for RBC meetings and attend events organized by stakeholders. The NCP did not handle any complaints in 2022, therefore there were no associated costs such as mediator fees or fact-finding missions.

REPORTING

The LuxNCP reports to the Minister of Economy, whose reporting to the Parliament includes the NCP activities. In 2022, the NCP reported its activities to the Inter-Ministerial Committee on Human Rights in the context of stocktaking of the National Action Plan on Business and Human Rights 2020-2022.

Other transparency requirements relevant to the NCP’s work include, « Loi du 14 septembre 2018, relative à une administration transparente et ouverte » and « Convention d’Aarhus sur l’accès à l’information, la participation du public au processus décisionnel et l’accès à la justice en matière d’environnement ».

II. INFORMATION AND PROMOTION

NCP WEBSITE

The LuxNCP has a dedicated website accessible through two links: <http://www.ncp-lux.lu> & <http://www.pcn-lux.lu>. The website contains information on the OECD Guidelines and the role of the NCP, including, the text of the Guidelines, a description of the Guidelines, the OECD Due Diligence Guidance Documents, explanatory text about due diligence, and information about the NCP and its mandate.

Concerning the specific instances, the website provides information on how to submit a complaint, an online form to submit a complaint, the LuxNCP’s rules of procedure, and final statements on the complaints.

The website contains contact details for the LuxNCP.

PROMOTIONAL ACTIVITIES

During 2022, LuxNCP successfully organized or co-organized a total of 18 events aimed at promoting the Guidelines, the NCP, and the OECD Due Diligence Guidance for Responsible Business Conduct. These events were designed to engage and inform a diverse range of stakeholders, including the business community, non-governmental organizations, national human rights institutions, academia, the Luxembourg Bar Association, as well as various Ministries and administrative agencies.

Additionally, the LuxNCP actively participated by delivering presentations on the Guidelines and the NCP at 11 external events organized by others. For further information regarding these events, please refer to the Annex.

In June 2022, the NCP launched its official Twitter account under the handle @OECD_NCP_Lux, aiming to enhance its outreach and engagement with stakeholders.

III. SPECIFIC INSTANCES (COMPLAINTS)

NCP RULES OF PROCEDURE FOR HANDLING SPECIFIC INSTANCES

The LuxNCP has rules of procedure for handling specific instances, which are available on its [website](#). The rules of procedure were not modified during 2022.

SPECIFIC INSTANCE PRACTICALITIES

In accordance with its rules of procedure, LuxNCP acknowledges the receipt of a complaint within five working days. At present, the LuxNCP does not seek feedback from the involved parties regarding the procedure once a specific instance has been concluded.

In 2022, the LuxNCP staff did not receive any training in dispute resolution or problem-solving. Given the absence of pending cases during the year, the NCP did not engage professional mediators, nor did the NCP staff conduct any mediation.

REPORTING SPECIFIC INSTANCES

The LuxNCP did not receive any new specific instance submissions in 2022, and there was no ongoing complaint being addressed by the LuxNCP throughout the year.

The current [OECD database of specific instances](#) accurately reflects and is accurate and up to date in terms of the cases handled by the LuxNCP.

IV. PEER LEARNING AND PEER REVIEWS

PEER LEARNING

During the year 2022, the NCP did not have the opportunity to organize a peer learning activity, nor were we able to engage in collaborative efforts with other NCPs to address specific instances or provide mentoring and capacity-building support to other NCPs. Nevertheless, we remain dedicated to fostering knowledge exchange and learning within the NCP community. In the questionnaire submitted to the OECD, the LuxNCP expressed interest in hosting an event focused on peer learning and experience sharing. The LuxNCP considers topics such as the "personal and material competence/jurisdiction of NCPs" and "assessments of cause, contribution, and direct linkage" as priority topics to be covered in a peer learning event.

Additionally, the LuxNCP has expressed its willingness to participate in the development of tools to be utilized by NCPs to enhance their effectiveness and efficiency in fulfilling their responsibilities.

LUXNCP PEER REVIEW

In 2019, the LuxNCP committed to undergoing a peer review. In September 2022, a peer review team including representatives of the NCPs of Iceland, Latvia, and Switzerland, together with the representatives of the OECD Secretariat, visited Luxembourg for an on-site visit.

During the visit, the peer review team held an in-depth exchange on responsible business conduct with the Minister of Economy, Franz Fayot. Additionally, the team held meetings with various relevant government officials and stakeholders. These included representatives from companies, trade unions, civil society organizations, national human rights institutions, Bar Association, and academia. By consulting with these diverse stakeholders, the peer review team sought to gather comprehensive input regarding the functioning and performance of the LuxNCP.

We anticipate that the peer review report will be made publicly available in September 2023. The report will serve as a valuable tool for identifying areas of strength and areas that require further attention and improvement. The LuxNCP looks forward to sharing the findings of the peer review report with stakeholders and utilizing its recommendations to enhance our performance in promoting responsible business conduct.

V. POLICY COHERENCE

In 2022, the LuxNCP actively participated in inter-ministerial forums addressing responsible business conduct and business and human rights issues. These forums included the Interministerial Committee on Human Rights, the Interministerial Committee on Due Diligence, and the Working Group on Business and Human Rights. Through their engagement in these forums, LuxNCP staff members contributed to legislative and policy developments concerning responsible business conduct and supply chain matters.

A specific example of good practice in responsible business conduct is the inclusion of a due diligence clause, derived from the OECD Guiding Principles/UN Guiding Principles on Business and Human Rights, in all grants and contracts involving the Ministry of the Economy and the Ministry for Cooperation. This initiative highlights the efforts to embed responsible business practices into government processes and support the integration of human rights considerations.

TABLE 1

NCP-organised and co-organised events to promote the Guidelines and/or the NCP

Title	Date	Location	Type of event	Size of audience	Organised or co-organised?	Targeted audience <i>e.g. Business representatives, NGOs, Trade unions, Academia, General public, Government representatives, etc.</i>	Theme <i>e.g. the OECD Guidelines, the NCP activities on sector due diligence guidance documents, etc.</i>
Directorate for Development Cooperation and Humanitarian Action	06-May-2022	Ministry of Foreign and European Affairs	Meeting	<10	Organised	Government Agencies	RBC promotion in development co-operation partner countries, policy coherence
Commission nationale pour la protection des données (CNPD)	12-May-2022	Ministry of Economy	Conference call	<10	Organised	Administrative Agencies	Introductory meeting on the role and functions of the NCP, exploiting potential synergies between the NCP and CNPD
Association of the Luxembourg Fund Industry	18-May-2022	Virtual	Meeting	<10	Organised	Private Sector	Introductory meeting, brainstorming how to promote

(ALFI)							RBC in Financial Sector, OECD RBC Guidance for Financial Sector
Centre pour l'égalité de traitement (CET)	01-Jun-2022	Maison Menschenrechte	Meeting	<10	Organised	National Human Rights Institution	OECD Guidelines, the role and the functions of the NCP, specific instance procedure
La Commission consultative des Droits de l'Homme (CCDH)	01-Jun-2022	Maison Menschenrechte	Meeting	<10	Organised	National Human Rights Institution	OECD Guidelines, the role and the functions of the NCP, specific instance procedure
Outreach to academia	02-Jun-2022	Ministry of Economy	Meeting	<10	Organised	Academia	OECD Guidelines, the role and the functions of the NCP
Inspiring More Sustainability (IMS)	02-Jun-2022	Ministry of Economy	Meeting	<10	Organised	National CSR Institution	Responsible Business Conduct, national BHR developments, NCP peer-review
Fédération des industriels luxembourgeois (FEDIL)	07-Jun-2022	Ministry of Economy	Meeting	<10	Organised	Private Sector	Proposed EU CSDDD, due diligence, the business case for Hrs
L'Initiative pour un devoir de vigilance au Luxembourg	08-Jun-2022	Ministry of Economy	Meeting	<10	Organised	CSOs	OECD Guidelines, the role and the functions of the NCP, specific instance procedure, NCP peer-review
Bar Association, Luxembourg	08-Jun-2022	Ministry of Economy	Meeting	<10	Organised	Legal professionals	Potential trainings for legal professionals on the OECD Guidelines, OECD due diligence

							guidance, domestic and regional legal and policy developments
Ministry of Finance Sustainability Unit	10-Jun-2022	Virtual	Meeting	<10	Organised	Government Representatives	OECD Guidelines, due diligence guidance on the financial sector, the role and the functions of the NCP
Institut National de l'Administration Publique (INAP)	14-Jun-2022	Virtual	Meeting	<10	Organised	Public service & government agency	OECD Guidelines, the role and functions of the NCP, due diligence, training to be offered by the NCP to public agents on RBC issues
Lux-Development S.A.	15-Jun-2022	LuxDev	Other	<10	Organised	Luxembourg Agency for Development Cooperation - SOE	RBC due diligence, DD obligations of SOEs, proposed EU CSDDD, OECD Guidelines, and the roles and functions of the NCP
Ministry of Environment	01-Jul-2022	Virtual	Meeting	<10	Organised	Government Representatives	OECD Guidelines, the role and the functions of the NCP, specific instance procedure
Institut national pour le développement durable et la RSE (INDR)	08-Jul-2022	Ministry of Economy	Meeting	<10	Organised	National CSR Institution	RBC developments in Luxembourg, upcoming NCP Peer review
Access to remedy and the role of the OECD National Contact Points	15-Jul-2022	Virtual	Other	10-50	Co-organised	Private sector	Training session on access to remedies with a focus on the NCPs, co-organized with the IMS,

							addressed to their member companies
OECD Guidelines and the NCPs for RBC	07-Sep-2022	Virtual	Webinar	10-50	Co-organised	Development and Humanitarian NGOs	OECD Guidelines, NCPs, SI procedure and examples, NCP peer review
OECD Guidelines and the NCPs for RBC	14-Sep-2022	Maison Menschenrechte	Other	10-50	Co-organised	National Human Rights Institutions, Bar association	OECD Guidelines, the role and the functions of the NCP, specific instance procedure, NCP peer-review

Total number of events:	18
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TABLE 2

Presentations by the NCP to promote the Guidelines and/or the NCP in events organised by others

Title	Date	Location	Type of event	Size of audience	Targeted audience <i>e.g. Business representatives, NGOs, Trade unions, Academia, General public, Government representatives, etc.</i>	Organiser(s)	Theme of the intervention
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Comité interministériel Devoir de diligence (CIDdD)	02-May-2022	Virtual	Meeting	10-50	Ministries	Ministry of Foreign and European Affairs	HREDD legislation
CIDdD	19-May-2022	Virtual	Meeting	10-50	Ministries	Ministry of Foreign and European Affairs	HREDD legislation
CIDdD	01-Jun-2022	Virtual	Meeting	<10	Ministries	Ministry of Foreign and European Affairs	HREDD Legislation
Groupe de Travail Entreprises et droits de l'homme	16-Jun-2022	Virtual	Meeting	10-50	Multi-stakeholder	Ministry of Foreign and European Affairs	National Pact on Business and Human Rights
CIDdD	17-Jun-2022	Virtual	Meeting	10-50	Ministries	Ministry of Foreign and European Affairs	HREDD legislation
CIDdD	20-Jun-2022	Virtual	Meeting	10-50	Ministries	Ministry of Foreign and European Affairs	HREDD Legislation
Children's Rights Summer School	22-Jul-2022	Chambre de Salaire	Conference	50-100	General Public	Ombudsman fir Kanner a Jugendlecher (OKAJU)	Children's Rights and Responsible Business Conduct
Examen CESCR	6-7-Oct-2022	UN Geneva	Other	50 -100	Government - UN Experts - CSOs	UN CESCR	RBC in Luxembourg
CIDdD	20-Oct-2022	Ministry of Foreign and European Affairs	Meeting	<10	Ministries	Ministry of Foreign and European Affairs	HREDD Legislation

Le Devoir de Vigilance des Entreprises en Matière de Durabilité	24-Nov-2022	Forum Da Vinci	Conference	10-50	General Public	Larcier & Jurisnews Droit de l'Environnement	OECD Guidelines and Due Diligence Guidance
CIDdD	15-Dec-2022	Ministry of Foreign and European Affairs	Meeting	<10	Ministries	Ministry of Foreign and European Affairs	HREDD Legislation

Total number of events:	11
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