

Final Statement Issued by the Japanese NCP on a Specific Instance Involving Nestlé Japan Ltd. in Relation to the OECD Guidelines for Multinational Enterprises

The Japanese NCP for the OECD Guidelines for Multinational Enterprises
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1. OECD Guidelines for Multinational Enterprises

(1) The OECD Guidelines for Multinational Enterprises (hereinafter, the Guidelines) adopted by the OECD in 1976 are recommendations addressed by governments to multinational enterprises. The Guidelines provide principles and standards for responsible business conduct in a variety of areas including disclosure, human rights, employment and industrial relations, the environment, combating bribery, consumer interests, science and technology, competition, and taxation. The Guidelines are not legally binding and enterprises are expected to observe the Guidelines on a voluntary basis.

(2) The governments of the countries participating in the Guidelines shall set up National Contact Points (NCP). In Japan, the NCP consists of the Ministry of Foreign Affairs, Ministry of Health, Labour and Welfare, and the Ministry of Economy, Trade and Industry (hereinafter, the Japanese NCP). The Japanese NCP undertakes promotional activities to raise awareness of the Guidelines and handle issues submitted pursuant to the Guidelines.

2. Complainants

The complainants are National Confederation of Trade Unions, Hyogo Local Confederation of Trade Unions, and Nestlé Japan Labor Union (hereinafter the Complainants). Nestlé Japan Labor Union is one of the labor unions of Nestlé Japan Ltd., and Hyogo Local Confederation of Trade Unions and National Confederation of

Trade Unions are its related organizations.

3. Subject of the Complaint

The enterprise subject to the complaint is Nestlé Japan Ltd. (formerly, Nestlé Japan Holding Ltd.; hereinafter, Nestlé Japan), the Japanese subsidiary of a multinational enterprise belonging to the Nestlé Group, headquartered in Switzerland.

4. Complaint and Subsequent Circumstances

(1) The Complainants submitted a complaint to the Japanese NCP based on “written statement” dated August 12, 2005, and other documents, alleging that Nestlé Japan was in breach of the Guidelines (Chapter III Disclosure and Chapter IV Employment and Industrial Relations), and requested that the Japanese NCP, in accordance with the Implementation Procedures of the Guidelines, offer a forum for discussion between the relevant persons, including the parties concerned (notify the content thereof), hold consultations with the Swiss NCP, and provide mediation for the resolution of the issue (and issue a recommendation in the event that an agreement is not reached).

(2) In response, the Japanese NCP conducted a hearing of Nestlé Japan and found differences in the views of the Complainants and those of Nestlé Japan.

5. Undertakings of the Japanese NCP

(1) Initial Assessment and Response to the Complainants

After the complaint was submitted, the Japanese NCP exchanged views with the Complainants and shared relevant information with the Swiss NCP. The Japanese NCP made an initial assessment dated September 10, 2007, which concluded that “the issues raised merit further examination” as set forth in section I.C.1. of the Implementation Procedures of the Guidelines, and notified the conclusion to the Complainants and Nestlé Japan.

(2) Undertakings to Support the Resolution of Issues

Following the initial assessment, the Japanese NCP, in line with the Guidelines and section I.C.2. of the Implementation Procedures, held consultations with the parties involved to help resolve the issues. With support from the Swiss NCP, the Japanese

NCP conducted separate consultations with the Complainant and Nestlé Japan. Subsequently, consultations were initiated between the parties concerned themselves.

6. Result of Consultations between the Parties Concerned

On October 1, 2013, as a result of the consultations between the parties concerned, Confirmation Letter and Agreement were signed by Hyogo Local Confederation of Trade Unions, Nestlé Japan Labor Union, and Nestlé Japan, National Confederation of Trade Unions and Nestlé S.A..

The parties concerned reached an agreement on Confirmation Letter and Agreement with a view to realizing the “prevention of disputes and improvement of trust between multinational enterprises and local communities where those enterprise operate, which is targeted by the OECD Guidelines for Multinational Enterprises”. In Confirmation Letter and Agreement, the parties concerned made confirmation concerning the collective bargaining between Nestlé Japan Labor Union and Nestlé Japan. Further, the parties concerned agreed to close all existing disputes with respect to the position, rights and obligations of union members belonging to Nestlé Japan Labor Union stipulated under the labor contract, as well as all existing disputes with respect to debtor-creditor relationship between both parties.

On November 19, 2013, following the signing of Confirmation Letter and Agreement, respective representatives of Nestlé Japan and the Complainants visited the Japanese NCP and provided an account of the development. The Complainants then notified the Japanese NCP of their decision to withdraw the complaint submitted.

7. Termination of the Japanese NCP Undertakings

Following the signing of Confirmation Letter and Agreement by the Complainants and Nestlé Japan, and on receiving the notification by the Complainants to withdraw the complaint submitted to the Japanese NCP, the Japanese NCP hereby issues this final statement and closes the handling of this specific instance.

The Japanese NCP highly appreciates the efforts made by parties concerned towards agreement, which resulted in achieving an agreement towards a constructive

relationship between them.

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