



# Governance and Advisory Board Meeting

## Australian National Contact Point for the OECD Guidelines for MNEs

### MINUTES

Monday, 28 October 2019, 2.00 pm – 5.00 pm

Venue: Conference Room AG.39 Treasury Building, Langton Crescent, Parkes ACT 2600

#### Attendance

**Chairperson: Ms Kate Lynch**, Australian National Contact Point, Department of the Treasury (Treasury)

**Ms Padma Raman PSM**, Chief Executive, Australian Human Rights Commission (HRC)

**Ms Clare Middlemas**, International Officer, Australian Council of Trade Unions (ACTU)

**Mr Bryan Clark**, Director, Trade and International Affairs, Australian Chamber of Commerce and Industry (ACCI)

**Ms Keren Adams**, Legal Director, Human Rights Law Centre and Member, Australian Corporate Accountability Network (ACAN)

**Mr Martin Squire**, General Manager, Trade and International, Department of Industry, Innovation and Science (Industry)

**Ms Julia Galluccio**, Assistant Secretary, Integrity Law Branch, Attorney-General's Department (AGD)

**Dr Bradley Armstrong PSM**, Deputy Comptroller – General and Group Manager for Customs Group, Australian Border Force (ABF)

**Mr John Donnelly (proxy member)**, Director Services International Services, GAICD, Acting Assistant Secretary, Australian Competitiveness and Business Engagement Branch, Department of Foreign Affairs and Trade (DFAT)

**Mr John Hopkins**, Chief Operating Officer and General Counsel, Export Finance Australia

**Ms Vanessa Zimmerman**, Chief Executive Officer, Pillar Two and Board Member and Chair, Human Rights, Global Compact Network Australia

**Mr John Southalan**, Independent Examiner, Australian National Contact Point (Observer)

#### Teleconference

**Ms Jodi Keall**, Australian National Contact Point, Department of the Treasury (Treasury)

#### Apologies

**Ms Julianne Merriman**, Department of Foreign Affairs and Trade (DFAT)

**Mr David Tonkin**, Australian Trade and Investment Commission

#### AusNCP Secretariat

**Ms Amy Burke**, Australian National Contact Point, Treasury

**Ms Peta Compton**, Australian National Contact Point, Treasury

**Ms Carmela Magnocavallo**, Australian National Contact Point, Treasury

**Ms Natalie Hitchenson**, Markets Secretariat, Treasury

## Agenda

### 1. Introductory remarks

Ms Lynch welcomed new Board members: John Southalan, the inaugural Independent Examiner for the AusNCP; Martin Squire, replacing Chris Locke from the Department of Industry, Innovation and Science; Clare Middlemas replacing Andrea Maksimovic from the Australian Council of Trade Unions; and new AusNCP Secretariat staff, Jodi Keall and Carmela Magnocavallo.

Ms Lynch noted the AusNCP Secretariat's expectation that the Independent Examiner would participate as an Observer to Board meetings, but would step out if members wanted to raise any issues for which there could be sensitivities.

### 2. Action items from last meeting

Members noted the action items from the 27 August 2019 meeting.

The restructure has now concluded, with finalisation of the Independent Examiner recruitment and on-boarding; new Board and Terms of Reference; procedural updates to reflect new structure; stable resources; improved outreach activity; and an internal relocation of the function within Treasury.

A summary of website updates was provided, including content on the Board, Secretariat contacts, procedures, complaints and various minor changes.

Procedures will be revised again in 12 months and in consultation with the Independent Examiner, to capture any adjustments related to the operation of that new role.

### 3. Complaints case work

Ms Lynch, Ms Burke and Ms Compton provided Members with an update on the complaints procedures and active case work. Members made observations and provided advice on the two open cases and one active follow up.

Members suggested it would be useful to be informed about the AusNCP's discussions with other NCPs regarding cases with common elements or cases related to an Australian complaint.

*Note: Due to the sensitive nature of the case work and the publication of these minutes, detailed information has been excluded from the minutes.*

### 4. Stakeholder Engagement

Board members were provided with a draft copy of the AusNCP Promotion and Engagement Plan for comment. The Plan has a strategic focus; it rounds-up 2019 activities and proposes 2020 activities. Members were asked to advise of any forthcoming opportunities to attend, present and/or sponsor an event, or host an AusNCP sideline event.

Ms Burke updated Members on key initiatives recently undertaken to promote the services of the AusNCP and the OECD Guidelines, including the new AusNCP Annual Outlook publication; refreshed AusNCP website that improves accessibility; and references to the OECD Due Diligence and sector-specific Guidance in the new Modern Slavery Reporting Guidelines.

## **5. Update from Independent Examiner**

Mr Southalan provided a brief overview on university outreach that he would like to undertake.

Members discussed some of the opportunities that Mr Southalan had brought forward for consideration and highlighted the need for careful consideration in the event that the AusNCP endorsed products developed externally.

## **6. Presentation from Board members**

Ms Zimmerman and Ms Raman presented on the 2019 Dialogue on Business and Human Rights, which included topics on:

- combatting modern slavery – the Australian Government has issued new guidance for reporting entities;
- grievance and remediation – the Dialogue highlighted the AusNCP reforms; the OHCHR Accountability Remedy Project; and the Modern Slavery Act requirement for entities to report on available grieving mechanisms;
- mandatory human rights due diligence - 2019 revised draft of Business and Human Rights Treaty was released; calls on the European Commission to develop an EU Action Plan on Business and Human Rights; and Germany and Canada are considering modern slavery legislation;
- investors aligned - ASIC Report released at the 2018 AGM; globally 478 environment and social shareholder resolutions were filed in the US as at August 2018; Corporate Human Rights Benchmark is adding a new sector (automotive manufacturing); Investor Alliance for Human Rights launched a project called 'Toolkit on the Investor Responsibility to Protect Human Rights';
- business activism – there is a strong business voice on social issues, including the GCNA Business and Human Rights 101 training session, the Uluru Statement from the Heart, Marriage Equality and UN Climate Action Summit 2019; and
- GCNA highlights from 2018 – inaugural conference 2019; 2018 Australian Dialogue on Business and Human Rights; leading in climate sustainability; growing memberships.

Mr Armstrong presented on the Modern Slavery legislation, the Australian Trusted Trader Program and the Annual Industry Summit event being run by the Trade Modernisation and Industry Engagement Branch on 19 November 2019. Members discussed the potential linkages between these initiatives and the role of the AusNCP and Board in promoting the OECD Guidelines for Multinational Enterprises.

## **7. Close**

Ms Lynch thanked Members for their support and welcomed ongoing feedback to the AusNCP.

The next meeting is tentatively scheduled for April 2020.