

Australian Government

The Treasury

Australian National Contact Point for the OECD Guidelines for Multinational Enterprises

# Follow-Up Statement

This follow up relates to the specific instance submitted by IndustriALL Global Union on behalf of the Free Trade Zones and General Services Employee Union (FTZGSEU) of Sri Lanka and the National Union of Employees in Companies Manufacturing Rubber Products (NEUCMRP) of Malaysia, against Ansell Limited for its conduct in Sri Lanka.

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## **STATEMENT**

- 1. On 11 January 2018, the Australian National Contact Point (AusNCP) received a request from IndustriALL Global Union (IndustriALL) for follow-up action on the specific instance regarding **Ansell Limited (Ansell)**.
- 2. In making its request, IndustriALL argued that Ansell had not implemented Ansell and IndustriALL's August 2016 Memorandum of Understanding (MOU) in good faith and that as a result the MOU had failed to resolve issues as originally intended.
- 3. In its response to IndustriALL's request, Ansell submitted that the issues raised did not require further examination by the AusNCP for several reasons, including that the specific issues raised had already been discussed between Ansell and IndustriALL and that Ansell considered it had, in good faith, implemented the MOU.
- 4. On 20 September 2018, the AusNCP conducted a meeting with both parties and noted the parties' differing opinions in respect to the implementation of the MOU. The AusNCP encouraged both parties to clarify their expectations of each other in order to resolve the dispute.
- 5. On 7 December 2018, both parties met in Brussels to discuss the ongoing issues in implementing the MOU. The AusNCP's offer to assist with this discussion was declined by both parties. At that meeting both parties commenced negotiations about ways to resolve the dispute.
- 6. The AusNCP is reassured to see that, despite concerns, communication has recommenced and appears to be ongoing between the parties. Given this, the AusNCP does not propose to continue involvement.
- 7. Nonetheless, the AusNCP considers it valuable to amplify the issues relating to implementation of the MOU through this statement, in the interests of transparency.
- 8. This statement will be made available on the AusNCP website at www.AusNCP.gov.au.

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