

Statement

Update of the OECD Guidelines for Multinational Enterprises

Done in Vienna, February 7, 2023.

Clara Kammeringer on behalf of Clean Mediterranean Sea! – CMS!, an “academic start-up“ project at the Vienna Forum for Democracy and Human Rights.

We endorse the call on enterprises to carry out risk-based due diligence to identify, prevent, and mitigate the adverse environmental, health and safety impacts of their operations, products, and services. We appreciate to see that enterprises are called upon to contribute to environmental remediation (art. 2(d)). However, the phrasing “as necessary to address adverse environmental impacts” incentivises them to only do the bare minimum. We would recommend to phrase this more strongly, for example, “as necessary to effectively, sustainably and to the fullest extent possible address adverse environmental impacts”. We endorse the call to contribute to a more circular economy in art. 5(c) and believe that this point could be stressed even more as a circular economy will be necessary to create sustainable business and consumption. While reference is made to reduced pollution and greenhouse gas emissions in the development and provision of goods and services (art. 8(b)) stronger emphasis should be put on the necessity to reduce pollution and greenhouse gas (equivalent) emissions in the entire business operations. We appreciate mentioning of the importance of managing non-hazardous materials and waste well (art. 9). The definition of “adverse impacts” as provided in article 74 of the Commentary on the Environment is too limited. First, commonly the term “greenhouse gas equivalents” is used, which is broader and allows for greater responsibility put on enterprises. Second, “undermining climate

resilience” is rather vague and empty. If a definition is to be provided, a holistic perspective on what constitutes adverse impacts is to be adopted. We highly appreciate and deem absolutely necessary the greater emphasis on the cooperation of enterprises. We approve of the clearer language used to refer to enterprises responsibility of managing the environment responsibly. We, furthermore, advocate for strengthened enforcement of the Guidelines by providing clear and effective sanctions for companies that violate them, the establishment of an oversight body to monitor and review the implementation of the Guidelines and to ensure compliance, as well as a complaint mechanism to allow stakeholders to report violations and seek redress.

See the consultation draft [here](#)



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