



**OECD GUIDELINES
FOR MULTINATIONAL
ENTERPRISES**

National Contact Point
for Responsible Business
Conduct Norway

10 February 2020

PRESS RELEASE

DNO ASA is not found to be in violation of the OECD Guidelines for responsible business conduct but is encouraged in the future to respect the National Contact Point grievance mechanism.

The Norwegian National Contact Point (NCP) has published a final statement in complaint II from the trade union Industri Energi against DNO ASA. The case concerns a complaint received from Industri Energi where it claimed that DNO had not complied with Yemeni law concerning pay and working conditions for former employees. Industri Energi claimed that this was a violation of the recommendations set out in the OECD Guidelines.

DNO rejected the offer of mediation

Industri Energi also claimed that DNO's pay and working conditions were less favourable than those observed by comparable employers in Yemen. DNO rejected the NCP's offer of mediation to attempt to reach agreement between the parties. Due, among other things, to DNO's unwillingness to engage in the process with a sincere wish to find a solution, the NCP has not succeeded, despite extensive investigations, in establishing whether DNO has failed to comply with domestic (labour) law and thus failed to comply with the OECD Guidelines.

The NCP recommends that DNO in future:

- respects the NCP's grievance mechanism, which is a key element in the OECD Guidelines, and cooperates with the NCP in good faith, and
- maps what constitutes comparable pay conditions in Yemen, and applies them
- follows up its promise to enter into agreements on pay and back payment in line with Yemeni law.

Previous non-compliance with the OECD Guidelines

The NCP has previously considered a complaint received from Industri Energi against DNO concerning related matters. The NCP then concluded after failed mediation that DNO had not met the expectations expressed in the OECD Guidelines on notification and consultation with the employees of DNO Yemen in connection with suspension of the company's operations in 2015. In its statement dated 22 March 2018, the NCP recommended that DNO in future carry out risk-based due diligence and enhance the transparency of its guidelines and procedures for responsible business conduct.

Failure to cooperate with the NCP

'The NCP is dependent on the parties' constructive participation in the consideration of specific instances with a sincere wish to find a solution in the case. The NCP has found that DNO has, in part, shown a lack of transparency and willingness to cooperate, which is not in line with the expectations expressed in the Guidelines,' says Ola Mestad.

The NCP's task is to promote the OECD Guidelines for Multinational Enterprises. The NCP offers dialogue and mediation to resolve specific instances concerning alleged non-compliance with the Guidelines. More information about the OECD Guidelines and the Norwegian NCP is available at: www.responsiblebusiness.no/eng. The documents in the case can be found under 'Dialogue and Mediation'.

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