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JOINT BIAC-TUAC STATEMENT

OECD-CHINA CO-OPERATION ON SUPPORTING CORPORATE RESPONSIBILITY IN CHINA

BIAC and TUAC support the OECD Investment Committee's decision to consider implementation of a project in China in 2007 to promote corporate responsibility among Chinese companies in order to bring their practices closer to OECD standards.

Chinese companies are becoming increasingly important foreign investors in OECD and ever more crucially in non-OECD countries. Likewise, China is an important recipient of foreign direct investment and plays a key role in global supply chains. Promoting corporate responsibility practices among Chinese companies in China and abroad would significantly contribute to enhancing the benefits from Chinese foreign investment to the societies in developing and emerging countries.

TUAC and BIAC share the common concern of promoting corporate responsibility in China. Both advisory bodies to the OECD acknowledge the crucial role that the OECD can play in enhancing corporate responsibility by promoting the OECD Guidelines for Multinational Enterprises with Chinese authorities, domestic and foreign companies and assisting them to understand how to make best use of the Guidelines.

To be effectively implemented, the project needs adequate funding by member states. We urge OECD members to provide the funding that is necessary to make sure that the project can be conducted effectively and have a positive impact on companies' corporate responsibility in China.

BIAC and TUAC stand ready to support future OECD-China co-operation on promoting corporate responsibility. We call on the OECD to adequately consult with its two advisory bodies about the details of such co-operation.