



Decision of the Council on  
Conflicting Requirements being  
imposed on Multinational  
Enterprises

**OECD Legal  
Instruments**

This document is published under the responsibility of the Secretary-General of the OECD. It reproduces an OECD Legal Instrument and may contain additional material. The opinions expressed and arguments employed in the additional material do not necessarily reflect the official views of OECD Member countries.

This document, as well as any data and any map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

For access to the official and up-to-date texts of OECD Legal Instruments, as well as other related information, please consult the Compendium of OECD Legal Instruments at <http://legalinstruments.oecd.org>.

**Please cite this document as:**

OECD, *Decision of the Council on Conflicting Requirements being imposed on Multinational Enterprises*, OECD/LEGAL/0261

Series: OECD Legal Instruments

© OECD 2018

---

This document is provided free of charge. It may be reproduced and distributed free of charge without requiring any further permissions, as long as it is not altered in any way. It may not be sold.

This document is available in the two OECD official languages (English and French). It may be translated into other languages, as long as the translation is labelled "unofficial translation" and includes the following disclaimer: *"This translation has been prepared by [NAME OF TRANSLATION AUTHOR] for informational purpose only and its accuracy cannot be guaranteed by the OECD. The only official versions are the English and French texts available on the OECD website <http://legalinstruments.oecd.org>"*

---

## **Date(s)**

Adopted on 05/06/1991

## **Background Information**

The Decision on Conflicting Requirements being imposed on Multinational Enterprises was adopted by the OECD Council on the 5 June 1991 on the proposal of the Committee on International Investment and Multinational Enterprises (succeeded by today's Investment Committee). The Decision is one of the procedural complements to the 1976 Declaration on International Investment and Multinational Enterprises. This Decision relates specifically to the implementation of the section on Conflicting Requirements. It establishes a consultation mechanism for situations in which Adherents impose legal requirements with extraterritorial reach that conflict with legislation or policies in other countries.

## **THE COUNCIL,**

**HAVING REGARD** to the Convention on the Organisation for Economic Co-operation and Development of 14 December 1960 and, in particular, to Articles 2 d), 3 and 5 a) thereof;

**HAVING REGARD** to the Resolution of the Council of 28 November 1979, on the Terms of Reference of the Committee on International Investment and Multinational Enterprises and, in particular, to paragraph 2 thereof [C(79)210(Final)];

**RECALLING** that the Council at Ministerial level endorsed the Conclusions and Recommendations of the Report on the Second Review of the 1976 Declaration and Decisions on International Investment and Multinational Enterprises [C/MIN(84)5(Final)], and in particular the section in that Report on conflicting requirements;

**TAKING NOTE** of the Declaration by the Governments of OECD Member countries of 21 June 1976 (Revised 31st May 1990) in which they jointly recommend to Member countries to co-operate with a view to avoiding or minimising conflicting requirements being imposed on multinational enterprises;

**RECOGNISING** the desirability of maintaining procedures by which consultations may take place on matters related to conflicting requirements;

**RECOGNISING** that, while bilateral and multilateral co-operation should be strengthened when multinational enterprises are made subject to conflicting requirements, effective co-operation on problems arising therefrom may best be pursued in most circumstances on a bilateral level, although there may be cases where the multilateral approach would be more effective;

### **On the proposal of the Committee on International Investment and Multinational Enterprises;**

#### **DECIDES:**

1. Member countries may request that consultations be held in the Committee on any problem arising from the fact that multinational enterprises are made subject to conflicting requirements. The Member countries concerned shall give prompt and sympathetic consideration to requests by Member countries for consultations in the Committee or through other mutually acceptable arrangements, it being understood that such consultations would be facilitated by notification at the earliest stage practicable. Member countries concerned will co-operate in good faith with a view to resolving such problems, either within the Committee or through other mutually acceptable arrangements.
2. The Committee will continue to serve as a forum for consideration of the question of conflicting requirements, including, as appropriate, the national and international legal principles involved.
3. Member countries shall assist the Committee in its periodic reviews of experience on matters relating to conflicting requirements.
4. The Committee shall periodically invite the Business and Industry Advisory Committee to the OECD (BIAC) and the Trade Union Advisory Committee to the OECD (TUAC) to express their views on matters relating to conflicting requirements.
5. This Decision shall be reviewed at the latest in 1997. The Committee shall make proposals for this purpose as appropriate.
6. Paragraphs 7 to 10 of the Decision on the Guidelines for Multinational Enterprises [C(84)90] are repealed.

## Adherents\*

### OECD Members

Australia  
Austria  
Belgium  
Canada  
Chile  
Czech Republic  
Denmark  
Estonia  
Finland  
France  
Germany  
Greece  
Hungary  
Iceland  
Ireland  
Israel  
Italy  
Japan  
Korea  
Latvia  
Lithuania  
Luxembourg  
Mexico  
Netherlands  
New Zealand  
Norway  
Poland  
Portugal  
Slovak Republic  
Slovenia  
Spain  
Sweden  
Switzerland  
Turkey  
United Kingdom

United States

### Non-Members

Argentina  
Brazil  
Colombia  
Costa Rica  
Egypt  
Jordan  
Kazakhstan  
Morocco  
Peru  
Romania  
Tunisia  
Ukraine

---

\* Additional information and statements are available in the Compendium of OECD Legal Instruments:  
<http://legalinstruments.oecd.org>

## About the OECD

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD Member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The European Union takes part in the work of the OECD.

## OECD Legal Instruments

Since the creation of the OECD in 1961, around 450 substantive legal instruments have been developed within its framework. These include OECD Acts (i.e. the Decisions and Recommendations adopted by the OECD Council in accordance with the OECD Convention) and other legal instruments developed within the OECD framework (e.g. Declarations, international agreements).

All substantive OECD legal instruments, whether in force or abrogated, are listed in the online Compendium of OECD Legal Instruments. They are presented in five categories:

- **Decisions:** OECD legal instruments which are legally binding on all Members except those which abstain at the time of adoption. While they are not international treaties, they entail the same kind of legal obligations. Adherents are obliged to implement Decisions and must take the measures necessary for such implementation.
- **Recommendations:** OECD legal instruments which are not legally binding but practice accords them great moral force as representing the political will of Adherents. There is an expectation that Adherents will do their utmost to fully implement a Recommendation. Thus, Members which do not intend to do so usually abstain when a Recommendation is adopted, although this is not required in legal terms.
- **Declarations:** OECD legal instruments which are prepared within the Organisation, generally within a subsidiary body. They usually set general principles or long-term goals, have a solemn character and are usually adopted at Ministerial meetings of the Council or of committees of the Organisation.
- **International Agreements:** OECD legal instruments negotiated and concluded within the framework of the Organisation. They are legally binding on the Parties.
- **Arrangement, Understanding and Others:** several ad hoc substantive legal instruments have been developed within the OECD framework over time, such as the Arrangement on Officially Supported Export Credits, the International Understanding on Maritime Transport Principles and the Development Assistance Committee (DAC) Recommendations.