



Responsible Business Conduct or RBC?

Responsible Business Conduct is an alternative term introduced by the OECD in close cooperation with the business sector, trade unions and NGOs. It was the OECD that defined the concept of RBC as a positive contribution to economic, environmental and social progress with the aim of achieving sustainable development and preventing and addressing adverse impacts related to the direct and indirect activities of a business, its products or services.

Trade and investment have long been significant drivers of economic growth and development. In recent years, however, there has been growing questioning of the benefits of globalisation and increasing demands for RBCs in global markets to prevent and mitigate the adverse impacts of business on humanity, the planet and society. At the same time, trade and investment policies and agreements can be used to facilitate and stimulate RBC among traders and investors.

Promoting policy coherence and pursuing further integration of trade, investment and RBC is therefore key to building an enabling policy environment that encourages, supports and promotes responsible trade practices.

What is due diligence process?

Due diligence is a process that involves a risk and compliance review, investigation, examination or audit to verify facts and information about a particular entity.

The RBC due diligence policy hub brings together the OECD's inputs and analysis on key policy developments relating to RBC due diligence. It sets out technical advice provided by the OECD to policy makers on how to align legal and other policy expectations with OECD due diligence standards.

To better understand due diligence process, the OECD has elaborated a document [The OECD Due Diligence Guidance for Responsible Business Conduct](#), which provides practical support to enterprises on the implementation of the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct („Guidelines“) by providing plain language explanations of its due diligence recommendations and associated provisions.

Implementing these recommendations can help enterprises avoid and address adverse impacts related to workers, human rights, the environment, bribery, consumers and corporate governance that may be associated with their operations, supply chains and other business relationships. The Guidance includes additional explanations, tips and illustrative examples of due diligence.

It can often be quite difficult for businesses to become familiar with the recommendations in the Guidelines. OECD experts have therefore produced a number of guidance documents on RBC in selected sectors.

Sectoral guidance

The sectoral guidance provides practical advice about due diligence and stakeholder dialogue, adapted to different industries. The guidance documents have been developed in collaboration with stakeholders and represent specific recommendations from the governments of OECD countries. This makes them unique. Guidance documents have been developed for the following sectors:

- [Corporate lending and securities underwriting](#)
- [Institutional investors](#)
- [The garment and footwear sector](#)
- [Minerals from conflict-affected and high-risk areas](#)
- [Agricultural supply-chains](#)
- [The extractive sector](#)

Integrating a gender perspective in due diligence can be necessary. This involves thinking through how actual and potential adverse impacts may differ or be specific to women. The OECD's guidance documents on due diligence, conflict minerals, the extractive sector and the garment and footwear sector provide practical guidance on how to integrate gender perspectives into identifying and addressing risks.

