

# The Transparency Act

Nadia Ullah, Legal advisor at the C.A.



## Topics

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- Duty to carry out due diligence
- The Norwegian Consumer Authority's role





## WHY CARRY OUT DUE DILIGENCE?

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- Help enterprises anticipate and prevent or mitigate negative impacts
- Help enterprises
  - maximise positive contributions to society
  - improve stakeholder relationships
  - protect the enterprises reputation
  - create more value
- Legal obligation

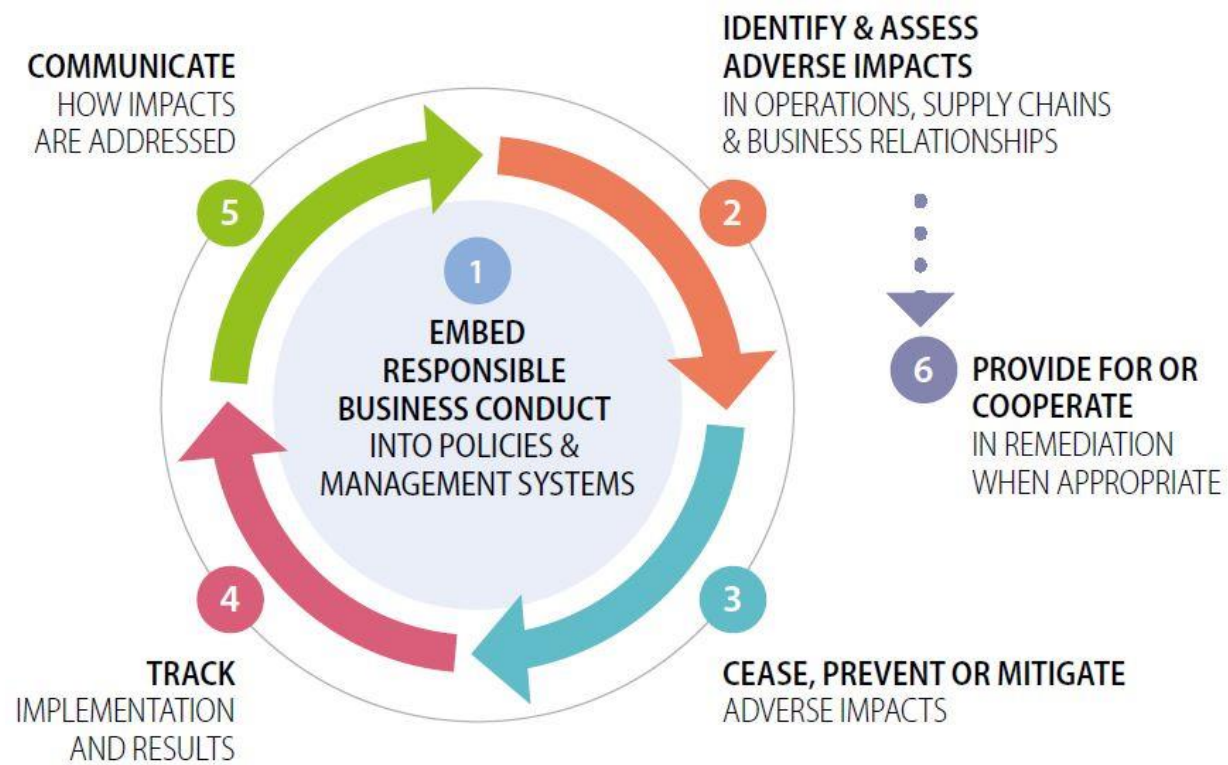
## **Section 4. *Duty to carry out due diligence***

The enterprises shall carry out due diligence in accordance with the OECD Guidelines for Multinational Enterprises. For the purposes of this Act, due diligence means to

- a) embed responsible business conduct into the enterprise's policies
- b) identify and assess actual and potential adverse impacts on fundamental human rights and decent working conditions that the enterprise has either caused or contributed toward, or that are directly linked with the enterprise's operations, products or services via the supply chain or business partners
- c) implement suitable measures to cease, prevent or mitigate adverse impacts based on the enterprise's prioritisations and assessments pursuant to (b)
- d) track the implementation and results of measures pursuant to (c)
- e) communicate with affected stakeholders and rights-holders regarding how adverse impacts are addressed pursuant to (c) and (d)
- f) provide for or co-operate in remediation and compensation where this is required.

Due diligence shall be carried out regularly and in proportion to the size of the enterprise, the nature of the enterprise, the context of its operations, and the severity and probability of adverse impacts on fundamental human rights and decent working conditions.

The Ministry may issue regulations regarding the duty to carry out due diligence.



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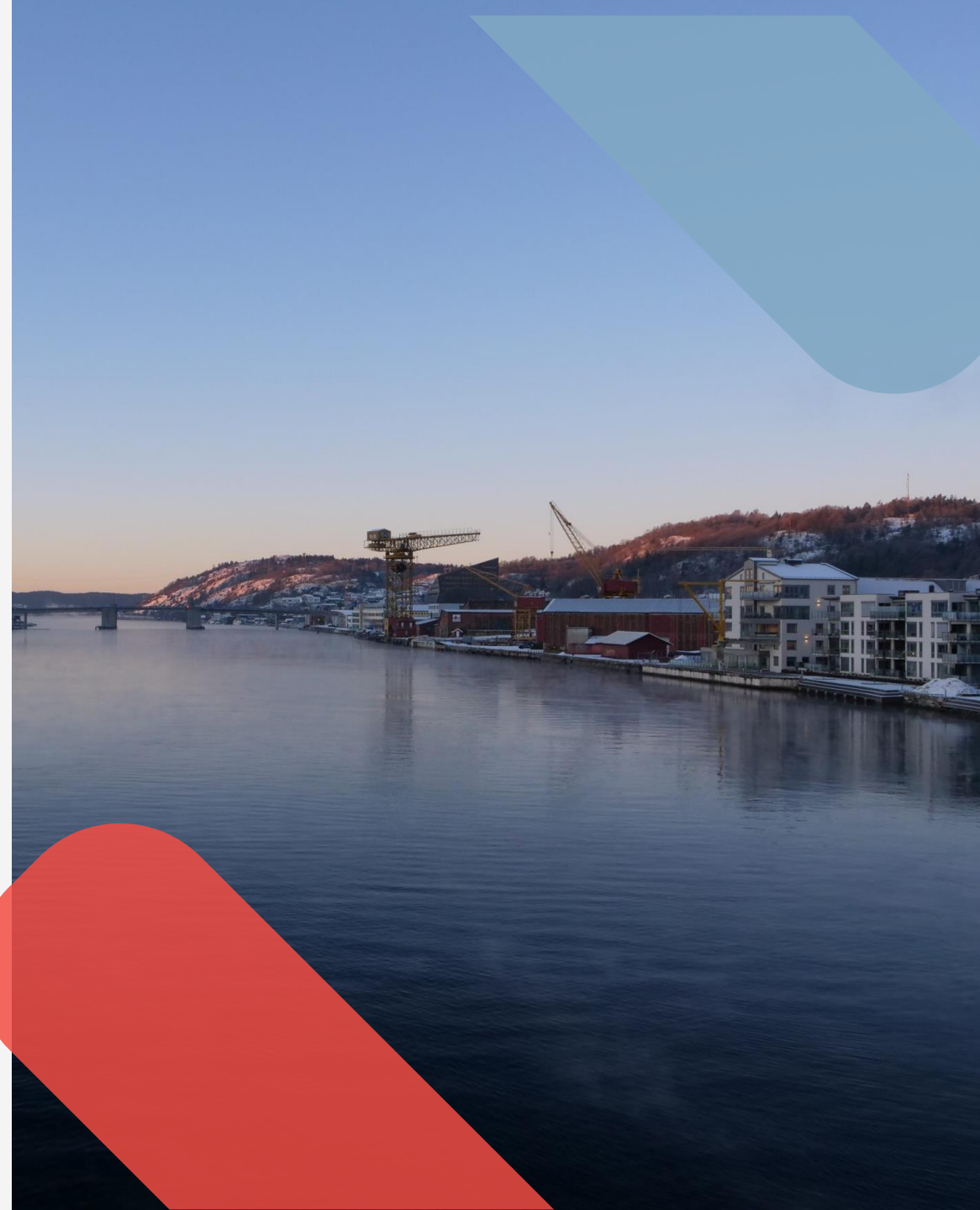
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# The Consumer Authority

- Independent administrative body, administered by the Ministry of Children and Family Affairs
- Public enforcement authority
- Areas of responsibility: supervision and dispute resolution
- Approx. 110 employees in 4 different cities
- Enforcement needed



# Guidance, monitoring and enforcement

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## Section 8: Guidance

- Guidance and dialogue: primary working method
- Opportunity to familiarize with the new provisions
- Goal: transparency about actual conditions and **not** theoretical reporting obligation

## Section 9: Monitoring and enforcement

- based on the interest of promoting enterprises' respect for fundamental human rights and decent working conditions







## Information to the C.A.

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- Section 10: Obligation to provide the Consumer Authority with the information we require to carry out duties
- Irrespective of duty of confidentiality (exemptions in Section 6 and the Criminal Procedure Act)



## Enforcement penalties

Decision

Enforcement penalty

Infringement penalty

# Reputation & competition

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- Risk loss of reputation
- Competitive advantage
- Wave of national laws + EU directive



# Summary

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- Transparency about actual conditions and **not** theoretical reporting obligation
- Guidance and dialogue, but extensive and clear violations of the law will be dealt with
- Keep the purpose of the law in mind
- <https://www.forbrukertilsynet.no/apenhetsloven>







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# Thank you for your time!