

Open Public Consultation on the Corporate Sustainability Due Diligence Directive Guidelines

Fields marked with * are mandatory.

Disclaimer

This consultation does not prejudice the final decision that the Commission may take, nor does it imply a commitment about future actions or their timing. It does not constitute a policy position, nor a formal proposal by the European Commission.

Please note that to ensure a fair and transparent consultation process only responses received through the online questionnaire will be taken into account and included in the report summarising the responses.

Introduction

The European Commission is developing guidelines to support the implementation of Directive (EU) 2024 /1760 on Corporate Sustainability Due Diligence (CSDDD), which has been amended by Directive 2026/470 (Omnibus I). The CSDDD targets very large EU companies as well as non-EU companies with a significant market presence in the EU. It aims at promoting sustainable business practices by requiring companies within its scope to identify, prevent, mitigate and bring to an end adverse impacts on human rights (including labour rights) and the environment in their own operations, those of their subsidiaries and in their value chains. This questionnaire seeks input from different stakeholders, including companies both in and out of scope of the CSDDD (business partners), whether established in the EU or outside the EU, and other relevant stakeholders.

According to the CSDDD, the European Commission is tasked with issuing guidelines on model contract clauses, the due diligence process, including risk factors and the sharing of resources and information among companies and other legal entities, third-party verification, industry and multi-stakeholder initiatives, data and information sources, digital tools, engagement by stakeholders, and penalties. Such guidelines will seek to provide practical orientation to companies in scope on how to fulfil their due diligence obligations, and to Member State authorities on how to implement and enforce the Directive, as well as information for stakeholders and their representatives on how to engage throughout the due diligence process. The guidelines will be relevant also for companies that are part of the value chains of companies in scope of the Directive.

The purpose of this questionnaire is to collect evidence to inform the drafting of the future guidelines. Where 'due diligence' is mentioned in the questionnaire, it refers to corporate sustainability due diligence in the sense of the CSDDD.

About you

* Language of my contribution

- ☐ Bulgarian
- ☐ Croatian
- ☐ Czech
- ☐ Danish
- ☐ Dutch
- ☒ English
- ☐ Estonian
- ☐ Finnish
- ☐ French
- ☐ German
- ☐ Greek
- ☐ Hungarian
- ☐ Irish
- ☐ Italian
- ☐ Latvian
- ☐ Lithuanian
- ☐ Maltese
- ☐ Polish
- ☐ Portuguese
- ☐ Romanian
- ☐ Slovak
- ☐ Slovenian
- ☐ Spanish
- ☐ Swedish

* I am giving my contribution as

- ☐ Academic/research institution
- ☒ Business association
- ☐ Company/business

- ☐ Consumer organisation
- ☐ EU citizen
- ☐ Environmental organisation
- ☐ Non-EU citizen
- ☐ Non-governmental organisation (NGO)
- ☐ Public authority
- ☐ Trade union
- ☐ Other

* First name

* Surname

* Email (this won't be published)

* Organisation name

255 character(s) maximum

* Organisation size

- ☐ Micro (1 to 9 employees)
- ☒ Small (10 to 49 employees)
- ☐ Medium (50 to 249 employees)
- ☐ Large (250 or more)

Transparency register number

Check if your organisation is on the transparency register. It's a voluntary database for organisations seeking to influence EU decision-making.

* Country of origin

Please add your country of origin, or that of your organisation.

This list does not represent the official position of the European institutions with regard to the legal status or policy of the entities mentioned. It is a harmonisation of often divergent lists and practices.

- | | | | |
|---|---|--|--|
| ☐ Afghanistan | ☐ Djibouti | ☐ Libya | ☐ Saint Martin |
| ☐ Åland Islands | ☐ Dominica | ☐ Liechtenstein | ☐ Saint Pierre and Miquelon |
| ☐ Albania | ☐ Dominican Republic | ☐ Lithuania | ☐ Saint Vincent and the Grenadines |
| ☐ Algeria | ☐ Ecuador | ☐ Luxembourg | ☐ Samoa |
| ☐ American Samoa | ☐ Egypt | ☐ Macau | ☐ San Marino |
| ☐ Andorra | ☐ El Salvador | ☐ Madagascar | ☐ São Tomé and Príncipe |
| ☐ Angola | ☐ Equatorial Guinea | ☐ Malawi | ☐ Saudi Arabia |
| ☐ Anguilla | ☐ Eritrea | ☐ Malaysia | ☐ Senegal |
| ☐ Antarctica | ☐ Estonia | ☐ Maldives | ☐ Serbia |
| ☐ Antigua and Barbuda | ☐ Eswatini | ☐ Mali | ☐ Seychelles |
| ☐ Argentina | ☐ Ethiopia | ☐ Malta | ☐ Sierra Leone |
| ☐ Armenia | ☐ Falkland Islands | ☐ Marshall Islands | ☐ Singapore |
| ☐ Aruba | ☐ Faroe Islands | ☐ Martinique | ☐ Sint Maarten |
| ☐ Australia | ☐ Fiji | ☐ Mauritania | ☐ Slovakia |
| ☐ Austria | ☐ Finland | ☐ Mauritius | ☐ Slovenia |
| ☐ Azerbaijan | ☐ France | ☐ Mayotte | ☐ Solomon Islands |
| ☐ Bahamas | ☐ French Guiana | ☐ Mexico | ☐ Somalia |
| ☐ Bahrain | ☐ French Polynesia | ☐ Micronesia | ☐ South Africa |
| ☐ Bangladesh | ☐ French Southern and Antarctic Lands | ☐ Moldova | ☐ South Georgia and the South Sandwich Islands |
| ☐ Barbados | ☐ Gabon | ☐ Monaco | ☐ South Korea |
| ☐ Belarus | ☐ Georgia | ☐ Mongolia | ☐ South Sudan |

☒ Belgium	☐ Germany	☐ Montenegro	☐ Spain
☐ Belize	☐ Ghana	☐ Montserrat	☐ Sri Lanka
☐ Benin	☐ Gibraltar	☐ Morocco	☐ Sudan
☐ Bermuda	☐ Greece	☐ Mozambique	☐ Suriname
☐ Bhutan	☐ Greenland	☐ Myanmar/Burma	☐ Svalbard and Jan Mayen
☐ Bolivia	☐ Grenada	☐ Namibia	☐ Sweden
☐ Bonaire Saint Eustatius and Saba	☐ Guadeloupe	☐ Nauru	☐ Switzerland
☐ Bosnia and Herzegovina	☐ Guam	☐ Nepal	☐ Syria
☐ Botswana	☐ Guatemala	☐ Netherlands	☐ Taiwan
☐ Bouvet Island	☐ Guernsey	☐ New Caledonia	☐ Tajikistan
☐ Brazil	☐ Guinea	☐ New Zealand	☐ Tanzania
☐ British Indian Ocean Territory	☐ Guinea-Bissau	☐ Nicaragua	☐ Thailand
☐ British Virgin Islands	☐ Guyana	☐ Niger	☐ The Gambia
☐ Brunei	☐ Haiti	☐ Nigeria	☐ Timor-Leste
☐ Bulgaria	☐ Heard Island and McDonald Islands	☐ Niue	☐ Togo
☐ Burkina Faso	☐ Honduras	☐ Norfolk Island	☐ Tokelau
☐ Burundi	☐ Hong Kong	☐ Northern Mariana Islands	☐ Tonga
☐ Cambodia	☐ Hungary	☐ North Korea	☐ Trinidad and Tobago
☐ Cameroon	☐ Iceland	☐ North Macedonia	☐ Tunisia
☐ Canada	☐ India	☐ Norway	☐ Türkiye
☐ Cape Verde	☐ Indonesia	☐ Oman	☐ Turkmenistan
☐ Cayman Islands	☐ Iran	☐ Pakistan	☐ Turks and Caicos Islands

- | | | | |
|--|-----------------------------------|---|--|
| ☐ Central African Republic | ☐ Iraq | ☐ Palau | ☐ Tuvalu |
| ☐ Chad | ☐ Ireland | ☐ Palestine | ☐ Uganda |
| ☐ Chile | ☐ Isle of Man | ☐ Panama | ☐ Ukraine |
| ☐ China | ☐ Israel | ☐ Papua New Guinea | ☐ United Arab Emirates |
| ☐ Christmas Island | ☐ Italy | ☐ Paraguay | ☐ United Kingdom |
| ☐ Clipperton | ☐ Jamaica | ☐ Peru | ☐ United States |
| ☐ Cocos (Keeling) Islands | ☐ Japan | ☐ Philippines | ☐ United States Minor Outlying Islands |
| ☐ Colombia | ☐ Jersey | ☐ Pitcairn Islands | ☐ Uruguay |
| ☐ Comoros | ☐ Jordan | ☐ Poland | ☐ US Virgin Islands |
| ☐ Congo | ☐ Kazakhstan | ☐ Portugal | ☐ Uzbekistan |
| ☐ Cook Islands | ☐ Kenya | ☐ Puerto Rico | ☐ Vanuatu |
| ☐ Costa Rica | ☐ Kiribati | ☐ Qatar | ☐ Vatican City |
| ☐ Côte d'Ivoire | ☐ Kosovo | ☐ Réunion | ☐ Venezuela |
| ☐ Croatia | ☐ Kuwait | ☐ Romania | ☐ Vietnam |
| ☐ Cuba | ☐ Kyrgyzstan | ☐ Russia | ☐ Wallis and Futuna |
| ☐ Curaçao | ☐ Laos | ☐ Rwanda | ☐ Western Sahara |
| ☐ Cyprus | ☐ Latvia | ☐ Saint Barthélemy | ☐ Yemen |
| ☐ Czechia | ☐ Lebanon | ☐ Saint Helena
Ascension and
Tristan da Cunha | ☐ Zambia |
| ☐ Democratic Republic of the Congo | ☐ Lesotho | ☐ Saint Kitts and Nevis | ☐ Zimbabwe |
| ☐ Denmark | ☐ Liberia | ☐ Saint Lucia | |

The Commission will publish all contributions to this public consultation. You can choose whether you would prefer to have your details published or to remain anonymous when your contribution is published. **For the purpose of transparency, the type of respondent (for example, 'business association, 'consumer**

association', 'EU citizen') country of origin, organisation name and size, and its transparency register number, are always published. Your e-mail address will never be published. Opt in to select the privacy option that best suits you. Privacy options default based on the type of respondent selected

* **Contribution publication privacy settings**

The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

☒ **Anonymous**

Only organisation details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published as received. Your name will not be published. Please do not include any personal data in the contribution itself if you want to remain anonymous.

☐ **Public**

Organisation details and respondent details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published. Your name will also be published.

☒ I agree with the [personal data protection provisions](#)

Consultation Questions

I agree with the [personal data protection provisions](#).

General questions concerning the Guidelines

This questionnaire is designed to gather feedback from all relevant stakeholders. Please note that not all questions are relevant to all categories of respondents. In some cases, questions are targeted at specific categories of respondents, and this is generally indicated in the question itself.

While most questions are optional, you will have to answer the ones marked with an asterisk (*) in order for your input to be taken into account. You are invited to answer the questions that are relevant to you. This questionnaire is open to all stakeholders that have:

- experience with sustainability due diligence in business value chains (in-scope company, company voluntarily carrying out or planning to carry out due diligence, value chain partner, business association, investor, industry or multistakeholder initiative, etc.) [Group 1]
- engage in protecting human rights and/or the environment (trade union, worker representative, NGO, human rights or environmental defender, etc.) [Group 2]
- a professional interest in sustainability due diligence (e.g. legal expert, consultant, auditor, sustainability data or service provider, academic, etc.) [Group 3]
- a personal experience as affected or potentially affected individual or part of a community [Group 4]
- a role as regulator and/or supervisor (Member States or third country governments, ministries, authorities, judiciary) or as an international organisation [Group 5]

While the questions are open to all stakeholders, each question indicates the stakeholder group (in line with the above classification) the input of which would be most valuable.

You have the possibility to upload relevant documents at the end of the questionnaire.

Integrating due diligence into relevant policies and risk management systems

Under the CSDDD (Article 7), companies are required to integrate due diligence into all their relevant policies and risk management systems and have in place a due diligence policy that ensures risk-based due diligence.

1. Considering the experience in your company with integrating (or your plans to integrate) due diligence into the relevant corporate governance policies, which policies do you consider most relevant?

This question is primarily aimed at gathering feedback from stakeholders in groups 1 and 2.

500 character(s) maximum

The most relevant policies are human rights and labour, environment, procurement and supplier management, enterprise risk, compliance/ethics, grievance and remediation. The guidance should permit integration into existing group-level systems, align with the CSRD and related EU rules, preserve flexibility across business models and avoid standalone, duplicative or prescriptive policies and new obligations.

Human rights (including labour rights) and environmental impacts

The [Annex of the CSDDD](#) sets out what the human rights (including labour rights) and environmental impacts are for the purposes of due diligence. Some human rights protected under the international instruments referred to in the Directive's Annex are not expressly named there but are covered by the Directive as they are covered by the instruments in Part I, Section 2 of the Annex, such as for example specific rights of the child, provided that the company could have reasonably foreseen the risk that such human right may be affected, taking into account the circumstances of the specific case, including the nature and extent of the company's

business operations and its chain of activities, the characteristics of the economic sector and the geographical and operational context.

2. Do you think that the guidelines should seek to offer examples on adverse human rights (including labour rights) or environmental impact, and which are the most relevant types of impacts for which you see this need? Please explain.

This question is aimed at gathering feedback from stakeholders in all groups.

500 character(s) maximum

The guidelines should use only practical, expressly non-binding and non-exhaustive examples that clarify the Annex without expanding the Directive or OECD/ILO standards. Environmental examples on pollution, biodiversity and other foreseeable severe harm may help. They should avoid commodity, service or country presumptions and checklists for established human rights concepts, which could deter responsible engagement in higher-risk areas.

3. If you already apply corporate sustainability due diligence in your value chain, do you have a defined set of indicators to identify and monitor the adverse impacts listed in the Annex? If so, were they developed in-house or do they rely on external input? Please give a few examples and the data source(s) they rely upon.

This question is primarily aimed at gathering feedback from stakeholders in group 1.

500 character(s) maximum

Companies combine internal and external indicators: country/sector risk scores, grievances, audits, safety data, traceability and supplier questionnaires, as well as ILO, EU, US Department of Labor, , FLA and credible civil society sources. Indicators must remain risk based and company specific; no set should become mandatory or automatically prove an impact or inadequate monitoring.

Identification of adverse impacts (including data and information sources)

Under the CSDDD (Article 8), companies in scope are required to take appropriate measures to identify adverse impacts, including at the level of indirect business partners (beyond direct contractors) in their value chains.

As part of this, and taking into account relevant risk factors, companies are required to carry out a scoping of risk areas across their own activities, those of their subsidiaries and those of their business partners where impacts are most severe and most likely. Based on the results of this scoping, companies should carry out an “in-depth assessment” in those areas where the adverse impacts were identified as most severe and most likely to occur. Companies will be expected to carry out the scoping exercise based on reasonably available information which will as a general rule preclude requesting information from business partners. Nevertheless, companies have flexibility in judging what information is reasonably available to them (Omnibus I, recital 39). Furthermore, companies will be expected to request information from business partners for the in-depth assessment only where that information is necessary and, in the case of business partners with fewer than 5

000 employees, only when the information cannot reasonably be obtained by other means. For the purposes of this in-depth assessment, where adverse impacts are identified as equally likely to occur or equally severe in several areas, companies may prioritise assessing such areas which involve direct business partners.

4. In your experience, what tools proved particularly helpful to carry out a scoping of risk areas across your company's activities, those of your subsidiaries and those of your business partners? What approaches or solutions could help in performing these requirements in the cost-effective way?

This question is primarily aimed gathering feedback from stakeholders in groups 1, 2 and 3.

500 character(s) maximum

Useful scoping tools include country/sector and commodity risk mapping, supplier segmentation, spend and product/BOM analysis, complaints, industry schemes and existing CSRD/ESG processes. The guidance should permit flexible tools, reasonably available public or non-primary data and risk-based prioritisation, including an EU nexus. Full traceability or information from every partner is often neither feasible nor proportionate.

5. In your experience, what tools proved particularly helpful to carry out an "in-depth assessment" in areas that were identified as most severe and most likely? What approaches or solutions could help in performing these requirements in the cost-effective way?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2 and 3.

500 character(s) maximum

Useful tools include targeted supplier engagement, desktop research, questionnaires, grievance data, site visits where appropriate, worker interviews, local experts, industry initiatives and credible verification. The guidance should permit flexible tools, and effective local frameworks, permits and legal limits should inform the assessment. Incomplete visibility across tiers is not itself a failure, and partners should not be required to obtain certification.

6. In your experience, what tools proved particularly helpful to identify indirect business partners in the value chain?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2 and 3.

500 character(s) maximum

Mapping, chain-of-custody and traceability data, certifications, industry initiatives, procurement/spend intelligence and government sub-tier data can help identify indirect partners. Mapping should be iterative, proportionate (including an EU nexus) and risk based. Full end-to-end visibility is often technically, legally or commercially unfeasible; further assessment should require specific, credible and relevant information.

7. Have you faced any legal obstacles or conflicts when collecting information for the purpose of either carrying out a scoping of risk areas, or an “in-depth assessment” as a result of third countries’ laws? Companies and stakeholders are invited to signal barriers to due diligence they may face in third countries when conducting due diligence.

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2 and 3.

500 character(s) maximum

Yes. Third country privacy, secrecy, national security, blocking, anti-boycott, co-employment and other laws may: restrict data, visits, interviews, geolocation or supply chain information; endanger personnel; harm relations with regulators; and create potential reputational risk. The guidance should recognise documented alternatives, partial assessments and relief where due diligence is difficult for legal or company personnel safety reasons including compliance with effective national framework

8. In your experience what data currently collected by public administrations may be particularly useful for the purposes of effective due diligence? Do you believe there is a need for access to such data to be facilitated?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

300 character(s) maximum

Customs/trade information, sanctions, inspections, permits, enforcement decisions, CAHRA and country/sector or forced labour indicators, including World Bank, ILO, US DL and OHCHR sources. An EU one-stop shop could facilitate access, especially for sub-tier risks but must remain non-binding

9. Please indicate which of the following due diligence methods or other actions you consider most useful and cost effective for identifying adverse impacts in value chains? What are the pros and cons of these approaches in terms of cost effectiveness)?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, and 3.

Maximum 5 selection(s)

- ☐ Complaints
- ☐ Stakeholder engagement
- ☒ Industry and multi-stakeholder initiatives
- ☐ Third-party verification
- ☐ Site visits

- ☐ Technical surveillance or digital data over value chains and/or infrastructures (e. g., satellite monitoring of risk indicators or adverse impacts in the value chain)
- ☐ Information from sustainability service providers
- ☐ Use of media, NGO or other independent reports
- ☐ Information requests to business partners
- ☐ All of the above
- ☒ Other methods

Please specify:

500 character(s) maximum

Vetted sustainability data providers, stakeholder engagement, targeted partner requests, and technical monitoring. However, all methods are vulnerable to being incomplete, outdated, inaccurate or biased. Companies should not be penalised for source limits; participation must remain voluntary and create no presumption of compliance or non-compliance.

Risk factors

When identifying and assessing adverse impacts, the company should take into account relevant risk factors, such as those related to the company as a whole, to its specific business operations, to geographic and contextual factors, to the product and/or service, and to the sector. A number of actors (international organisations, governments, NGOs, think tanks, commercial entities) publish information on sector-specific risks and other types of risks.

10. Which are particularly useful examples of such sources of information and in which areas/sectors and/or for which impacts do you see a gap in terms of documented risk factors? Do you believe there is a need for access to such data to be facilitated (e.g. via a centralised web-page)?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

500 character(s) maximum

Useful sources include: OECD, ILO and UN materials; EU/Member State enforcement; US forced labour resources; governance and fragility indicators; and audits, certifications and sector initiatives. Gaps persist for subtler supplier information, wages/income, informal work, services and environmental data. A non-binding EU one-stop shop should support the reuse of substantiated data, including effective local enforcement and authorised activities, without creating conflicts or presumptions.

11. What other methods or information sources does your organisation use to support its risk identification (during both scoping and in-depth assessments) or monitoring

efforts as part of due diligence? If available, please include references to specific methods or sources and elaborate briefly on their pros and cons.

This question is primarily aimed at gathering feedback from stakeholders in groups 1, and 3.

500 character(s) maximum

Companies triangulate public indices with internal supplier, audit, corrective action, grievance, whistleblowing, procurement/spend, BOM, traceability, sanctions, litigation, worker survey, local expert and regulatory approval data. Digital tools such as satellites or shared platforms may reduce cost and improve monitoring. The guidance should recognise internal and external sources as complementary and allow documented choices despite variable quality and cost.

Digital tools

Digital tools and technologies can facilitate the performance of due diligence. Such tools are for instance used for the tracking and surveillance of raw materials, goods and products throughout value chains (e.g. satellites, drones, radars or platform-based data sharing). They can help companies reduce the cost of data and facilitate the identification, monitoring and assessment of adverse impacts, as well as enhancing collaboration and stakeholder engagement.

12. What digital tools do you consider most useful to facilitate the identification, monitoring and assessment of possible adverse impacts? Please explain pros and cons.

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

500 character(s) maximum

Useful tools include supply chain mapping, risk intelligence, traceability and secure data-sharing platforms. They offer scale, consistency and collaboration. However, they can be costly and slow to deploy and may suffer from poor data, interoperability gaps, false precision, confidentiality or legal restrictions and opaque proprietary scoring. The guidance should identify suitable use cases and confirm that tools support, rather than replace, informed judgement.

13. Have you encountered any difficulties or problems with digital tools, including issues that cause unnecessary burdens?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

500 character(s) maximum

Digital tools can impose high costs, duplicative questionnaires, proprietary formats, unclear requests, excessive SME data demands and unrealistic sub-tier traceability. They may create risks due to privacy, cybersecurity, competition and third country laws, integrate poorly with existing IT and still contain major data gaps or biased scoring. Multiple platforms and manual entry add burdens, requiring supporting structures and practical advice.

14. Do you think there should be additional digital tools? What functionalities and tasks should these focus on?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

Additional tools are useful only if they are optional and reduce burdens. Priorities are interoperable supplier data standards, a non-binding EU portal for public risk sources, standard information request templates, secure grievance channels, translation and accessibility, and the reuse of information collected under the CSRD, the Forced Labour Regulation, the Batteries Regulation, the Deforestation Regulation and sectoral regimes.

Prioritisation

The Directive provides that where it is not feasible for companies to address all identified adverse impacts at the same time and to their full extent, they shall be able to prioritise adverse impacts based on their severity and likelihood.

15. Are there situations where in your view the severity or likelihood of a specific adverse impact is (or might be) particularly difficult to assess? How could such difficulties be overcome?

This question is aimed at gathering feedback from stakeholders in all groups.

Severity and likelihood are hardest to assess with incomplete or legally restricted information, remote tiers, informal work, services, non-inventory goods, CAHRAs, fast-changing contexts or cumulative environmental harm. The guidance should permit triangulation, local expertise, documented assumptions, reassessment and good-faith prioritisation, considering genuine EU links, business relevance, leverage and available information, with protection where assessment is genuinely difficult.

16. Regarding situations when it is “not feasible to address all identified impacts at the same time and to their full extent”, what other elements are particularly relevant to support companies in performing an appropriate risk prioritisation process?

This question is aimed at gathering feedback from stakeholders in all groups.

Prioritisation should consider severity and likelihood, leverage, proximity, contribution or a genuine EU market link, feasibility, information, positive impact, collective action, stakeholder input, legal constraints, SME capacity and risks from acting too quickly. It should be based on judgement: companies documenting good-faith choices, assumptions and caveats should not face liability merely because another company chose differently.

Responsible disengagement

The CSDDD requires engagement with business partners and a focus on preventing and addressing adverse impacts. However, it also provides that, as a measure of last resort when all other measures have failed, the business relationship must be suspended until the impact is addressed, under the condition that suspension would not lead to a manifestly more severe human rights or environmental harm than the one that could not be addressed.

17. Are you aware of examples where a decision was taken not to disengage from a business relationship because this would have potentially resulted in more severe impacts compared to those that triggered due diligence in the first place? How was the situation dealt with?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

- ☒ Yes
- ☐ No

Please explain:

500 character(s) maximum

Immediate disengagement can worsen impacts, for example through job loss, retaliation or loss of leverage. Companies should generally pursue engagement, corrective action plans, remediation, capacity building and collective leverage first, while planning responsible suspension or termination where necessary. Practical examples should build on UN/OHCHR guidance and compare the likely harms of staying, suspending or disengaging.

Purchasing practices

Purchasing practices (e.g., related to pricing, payment terms, delivery terms, order modifications, risk transfer, or contract termination) can have an impact on human rights, including labour rights, and the environment along value chains.

The CSDDD requires companies, where relevant, to make the necessary modifications of, or improvements to, their purchasing practices as part of the appropriate measures to address (prevent, mitigate, bring to an end, minimise) adverse impacts.

18. In your experience, what purchasing practices proved most cost-effective while at the same time ensuring that adverse impacts are prevented and mitigated? What are their pros and cons?

Out of these, are there purchasing practices that are inherently sector- or context-specific?

If possible, please provide examples of specific contract or commercial terms or other best practices.

This question is aimed at gathering feedback from stakeholders in all groups.

1000 character(s) maximum

Cost-effective practices include clear specifications, realistic lead times, predictable forecasts, fair payment, responsible order changes, proportionate audit rights, training, collaborative corrective plans and escalation before suspension. Sustainability and risk may be weighted with price and quality. Clauses should: be voluntary, modular and sector specific; allocate tasks without shifting CSDDD duties; and account for limited leverage and lack of expertise by commercial parties negotiating agreements and adapting these terms.

Living income and living wage

19. What are most cost-effective available data that you are aware of for determining the living income for self-employed suppliers (“an adequate living income for self-employed workers and smallholders, which they earn in return from their work and production”, see CSDDD Annex, Part I point 6)?

Are there sectors/geographies where no such data exist or are particularly difficult /costly to obtain?

This question is aimed at gathering feedback from stakeholders in all groups.

500 character(s) maximum

Real-time, living income data for every workplace or smallholder are rarely available and are highly cost prohibitive when data is available; no single benchmark works across countries or worker types. The EU should align with emerging ILO guidance, encourage regular national minimum wage review and support comparable public data and recognised benchmarks such as Anker. The guidance should acknowledge geographic and sector gaps and avoid conflicting or rigid expectations.

Investment

As part of the measures to prevent and address adverse impacts, the CSDDD requires, where relevant, making the necessary financial or non-financial investments in, and adjustments or upgrades of, for example facilities, production or other operational processes and infrastructures.

20. Which cost-effective practices are you aware of as regards companies making investments in their value chains to prevent or address adverse impacts?

This question is aimed at gathering feedback from stakeholders in all groups.

500 character(s) maximum

Cost-effective investments include supplier training and upskilling, management system improvements, remediation programmes, capacity building and industry or multi-stakeholder initiatives. Collective action can increase leverage, reduce duplication and cost, and improve outcomes. Where buyers lack influence, local governments and international development assistance may be critical to supporting and upskilling suppliers.

SMEs

In setting out the due diligence duties, the CSDDD includes specific safeguards for SME business partners. An important safeguard is the requirement for in-scope companies to use contractual terms that are fair, reasonable, and non-discriminatory, and that do not shift compliance burdens to SME business partners. Furthermore, where relevant, companies should provide SME business partners with targeted and proportionate support where necessary in view of the resources, knowledge and constraints of the SME, including by providing or enabling access to capacity-building, training or upgrading management systems, and, where compliance with the code of conduct or a prevention/correction action plan would jeopardise the viability of the SME, by providing targeted and proportionate financial support (such as direct financing, low-interest loans, guarantees of continued sourcing, or assistance in securing financing).

21. In your experience, have you used specific contractual terms that are fair, reasonable, and non-discriminatory when entering into contractual relationships with SME business partners to facilitate or support the due diligence process? Please explain pros and cons.

This question is primarily aimed at gathering feedback from stakeholders in group 1.

500 character(s) maximum

Useful clauses are modular, plain and risk tiered, and cover topics like complying with codes of conduct, providing necessary information and cooperating on targeted assessments and corrective plans. Requests must be limited to CSDDD needs, and refusal to provide information beyond Article 8 must not be deemed non-cooperation. Overbroad terms can shift burdens, conflict with non-EU law or cause lengthy negotiations because of negotiating commercial parties' lack of familiarity with these issues.

22. In your experience, what are the most cost-effective measures to support SMEs? What are the pros and cons?

This question is primarily aimed at gathering feedback from stakeholders in groups 1 and 5.

500 character(s) maximum

Cost-effective SME support includes simple templates, training, shared tools, management system help, phased implementation, reasonable timelines, standard questionnaires, equivalent documentation and targeted financial or commercial support where viability is at risk. Benefits are stronger capacity and data; drawbacks are cost, dependency and tailoring across jurisdictions. Companies should be able to rely on cross-industry support rather than act alone.

Remediation

The CSDDD stipulates that where a company has caused or jointly caused an actual adverse impact, including in its value chain, the company shall provide [remediation](#). Remediation means restoration of the affected person or persons, communities or the environment to a situation equivalent or as close as possible to the situation they would have been in had the actual adverse impact not occurred, in proportion to the company's implication in the adverse impact. It includes financial or non-financial compensation and, where applicable, reimbursement of the costs incurred by public authorities for any necessary remedial measures. The Directive also provides that the company must meaningfully engage with stakeholders (the company's employees, the employees of its subsidiaries and of its business partners, and their trade unions and workers' representatives, as well as individuals or communities whose rights or interests are or could be directly affected by the relevant products, services and operations of the company, its subsidiaries and its business partners and the legitimate representatives of those individuals or communities) when designing remediation measures.

23. In your experience, what are the most effective, including cost-effective, practices related to remediation? Please explain pros and cons.

This question is aimed at gathering feedback from stakeholders in all groups.

500 character(s) maximum

24. What are best practices that you are aware of to determine a company's proportionate involvement in an adverse impact for the purpose of remediation when a company jointly causes the adverse impact together with others (e.g., its business partner(s) or other companies)?

Have there been difficulties to determine appropriate remediation in case of joint causation in certain situations and how have these difficulties been overcome?

This question is aimed at gathering feedback from stakeholders in all groups.

500 character(s) maximum

Conflict-Affected and High-Risk Areas (CAHRAs)

In conflict-affected and high-risk areas, as defined in accordance with Regulation (EU) 2017/821, human rights abuses are more likely to occur and to be severe. Companies should take this into account and adapt their due diligence to conflict-affected and high-risk areas. Companies should take such situations into account as particular geographic and contextual risk factors when performing in-depth assessments as part of

the identification process, when taking appropriate measures to prevent, mitigate, bring to an end and minimise identified adverse impacts, and when engaging with stakeholders (see recital 42 of the CSDDD).

Operational challenges in conflict contexts

To ensure the guidelines take into account relevant barriers to due diligence, companies are invited to comment on the specific obstacles they may (or have) face(d) when conducting due diligence in Conflict-Affected and High-Risk Areas (CAHRAs).

25. In your experience, what are the most significant operational challenges preventing effective due diligence in CAHRAs? How can these challenges be overcome?

This question is aimed at gathering feedback from stakeholders in all groups.

- ☐ Limited access to data/information: difficulty verifying information due to data-poor environments or restricted physical access
- ☐ Safety risks to stakeholders: inability to consult with affected individuals and communities without exposing them to retaliation or violence
- ☐ Safety risks to staff: security threats to company personnel or auditors preventing on-the-ground assessment
- ☐ Legal conflicts: national laws (e.g., secrecy acts, counter-terrorism laws) that conflict with due diligence expectations
- ☐ Complexity of supply chains: difficulty tracing business partners in informal or opaque war economies
- ☒ Other

Please specify:

150 character(s) maximum

Limited or unreliable information, safety risks to stakeholders and staff, legal conflicts and complex supply chains.

Expectations on identifying “high-risk” contexts

Recital 42 of the CSDDD refers to the need to adapt due diligence to the context of "conflict-affected and high-risk areas". While some overviews (e.g., lists of CAHRAs) exist, companies may have difficulties identifying "high-risk" situations (e.g. authoritarianism, instability) before they escalate into full conflict.

26. To assist companies in determining when specific due diligence obligations apply, would specific guidance regarding the identification of "high-risk" areas beyond active conflict zones be helpful? If so, please indicate your preference:

This question is aimed at gathering feedback from stakeholders in all groups

- ☐ List of contextual risk indicators: a list of "red flags" indicating state fragility or authoritarianism (e.g., suppression of civil society, suspension of legal protections, spike in inflammatory/hate speech)
- ☐ References to and guidance on how to use specific, reputable global indices (e.g., OECD States of Fragility, RULAC, or the World Bank FCS list) to determine a country's risk level
- ☐ Sector-specific case studies for "early warning" contexts: practical examples of how companies in different industries have identified high-risk signals in seemingly stable or "pre-conflict" environments
- ☒ Other

Please specify:

150 character(s) maximum

If non-binding, companies keep sector/risk-specific judgement. It should combine reputable global indices with contextual red flag and early warning

Integration of conflict analysis

In CAHRAs, it is appropriate for companies to consider their impacts on the conflict dynamics where these may negatively affect people or the environment (e.g., are company assets used by armed groups? is the hiring process or use of land/water fuelling ethnic tension?).

27. In your experience, which specific practical tools or frameworks (e.g. examples of structural drivers and root causes, early warning "red flag" indicators, conflict actor mapping, targeted questions for self-evaluation, scenario planning) proved to be particularly useful and cost-effective in integrating conflict analysis into your company's scoping and in-depth assessment?

This question is primarily aimed at gathering feedback from stakeholders in group 1.

500 character(s) maximum

Useful tools include OECD guidance, conflict actor mapping, CAHRA and fragility indices, local expertise, sanctions and security monitoring, grievances, open source/media and risk service data, World Bank

governance indicators, scenario planning and red flags on land, water, security forces, recruitment or payments. These tools are cost effective when targeted to higher-risk contexts, not required as full conflict studies everywhere.

Sharing of information and resources, collaboration

For the purposes of due diligence, companies [are entitled](#) to share resources and information within their respective corporate groups and with other legal entities. Furthermore, as part of appropriate due diligence measures, companies are required to collaborate with other entities, including (where relevant) to increase the company's ability to prevent or mitigate adverse impacts, in particular where no other measure is suitable or effective.

28. What are the main reasons that make information problematic to share with business partners? What best practices have emerged to address such concerns?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

500 character(s) maximum

Sharing may be constrained by confidentiality, trade secrets, competition law, privacy, cybersecurity, contracts, third country restrictions, retaliation risks and difficulty identifying recipients. Good practices include NDAs, purpose limits, minimisation, anonymised or aggregated data, proxy data and reasonable assumptions, clean teams, secure portals, standard templates, competition protocols and trusted industry platforms such as Open Supply Hub.

29. As regards cooperation with other companies (i.e., with peers, in the framework of industry schemes) to carry out certain aspects of due diligence (e.g., risk analysis, stakeholder engagement, remediation, investment, capacity building, exercising leverage) what has worked well and what has not? Have competition law considerations constrained cooperation for due diligence? How can compliance burden be further reduced by data sharing and collaboration?

Please describe the types of constraints encountered and any solutions (e.g. organisational or procedural steps) found to overcome those obstacles.

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

1000 character(s) maximum

Effective cooperation uses common risk data, interoperable tools, training, supplier support, shared grievance channels and collective leverage. Problems include duplicative audits, rigid protocols, weak governance, proprietary systems and legal constraints on sensitive exchanges. Solutions are clear antitrust/privacy safeguards, independent facilitators, aggregated data, clean teams, open standards, proxy data and safe spaces. Participation should remain voluntary and create no presumption.

Due diligence support at group level

In a situation where both a parent company and (certain of) its subsidiaries fall within the scope of application of the CSDDD, the Directive allows the former to fulfill the due diligence obligations of the latter on their behalf. This can bring efficiencies in the exercise of due diligence. However, such due diligence support is subject to certain conditions (for example the subsidiary abides by its parent company's due diligence policy accordingly adapted, the subsidiary continues to take appropriate measures that the parent cannot take, etc.) and it does not relieve the subsidiaries of their due diligence obligations.

30. In your experience, are there particular aspects of the cooperation between the parent company and its subsidiaries that may raise particular difficulties (including any legal requirements under other regulatory regimes that might create obstacles)?

This question is primarily aimed at gathering feedback from stakeholders in group 1.

500 character(s) maximum

Subsidiaries should be able to rely on parent-level due diligence processes. Challenges include separate legal duties, local governance, labour and privacy rules, data transfers, sector regulation, sanctions/export controls, privilege, anti-boycott rules and gaps between global policies and local operations. The guidance should support efficient group-level systems while recognising subsidiaries' legal and operational constraints.

Model Contractual Clauses

Under the CSDDD, responsibility to carry out due diligence lies with the large companies falling within its personal scope of application. As part of due diligence, the Directive requires companies to take appropriate measures, such as the adoption of a prevention or correction action plan and, where relevant, seeking contractual assurances from business partners that they will comply with the company's code of conduct, including by establishing corresponding contractual assurances from their business partners, making necessary investments, providing targeted support to SMEs business partners, collaborating with other entities including to increase the company's ability to prevent or mitigate adverse impacts, neutralising and remediating actual impacts, engaging with stakeholders, operating notification and complaints mechanisms, etc.

The CSDDD requires the Commission to issue model contract clauses for voluntary use to facilitate the implementation of the due diligence duties. The Directive clarifies that these clauses should aim to facilitate a clear allocation of tasks between contracting parties and ongoing cooperation, in a way that avoids the transfer of the obligations provided for in the Directive to a business partner and automatically rendering the contract void or triggering termination options in case of an adverse impact.

31. What is your experience of cooperating with business partners to ensure efficient due diligence?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

1000 character(s) maximum

Cooperation works best when tailored to sector, leverage, law and partner size: clear codes, targeted requests, reasonable timelines, corrective plans, training and escalation through existing contracts. It fails with fishing expeditions, one-size-fits-all clauses or irrelevant audits. Requests should be plain and proportionate; refusal beyond Article 8 should not be deemed non-cooperation. Contractual assurances are one tool, not a compliance checklist.

32. What cooperation should the model contract clauses recommend between the in-scope company and its business partners as regards:

- the adoption and implementation of any prevention/correction action plan
- the cost of addressing adverse impacts
- stakeholder engagement
- the notification and complains mechanisms

with a view to ensure that due diligence is efficient and cost effective while compliance burden is not shifted to the business partners?

Please provide examples of appropriate contractual clauses, if possible.

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

1000 character(s) maximum

Model clauses should be voluntary, concise and modular, supporting targeted action plans, proportionate cost-sharing and SME support, stakeholder engagement and confidential, non-retaliatory complaint channels without presumptions of fault. They must reflect leverage, privity and local law, allow intermediaries and industry initiatives, and not shift the company's statutory duties. Example: parties cooperate in good faith according to role, leverage and information.

33. In situations where the in-scope company and its business partner(s) are located in different countries, is there a need for specific contractual clauses on jurisdiction and applicable law to the contract? If so, why and can you provide examples of such clauses?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2 and 3.

1000 character(s) maximum

Cross-border jurisdiction or governing law clauses may help but must not be mandatory. They should address enforceability, local mandatory law, privacy, blocking rules, labour law, sanctions and disputes, and require lawful alternatives where conflicts arise. CSDDD creates no automatic right to suspend or terminate and should not expand extraterritorial reach. Obligations may be limited to activities and relationships with a genuine link to the EU market.

34. Are there other elements required by CSDDD that are challenging to translate into contractual terms? What could be ways to overcome this challenge?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2 and 3.

1000 character(s) maximum

Hard-to-contract elements are stakeholder engagement, remediation, prioritisation, living income, grievances, cascading, verification, shared responsibility and responsible suspension, especially where leverage or legal authority is limited. Companies should instead use optional, modular and outcome-based clauses and lawful alternatives. Contracts are only one tool alongside engagement, capacity building, initiatives and policies; good-faith disclosure and corrective action should be encouraged.

35. Are you aware of any useful and relevant best practices for contractual clauses operationalising human rights and environmental due diligence? If yes, elaborate.

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2 and 3.

1000 character(s) maximum

Best practices are voluntary, modular, principles-based clauses linked to codes of conduct, with targeted information/audit rights, corrective action cooperation, confidentiality, anti-retaliation, escalation before suspension, SME support and recognition of legal impossibility. ABA clauses may inform discussion, but the Commission should not endorse one model. Industry must co-develop clauses so they work across diverse contracts and markets.

Guidance on fitness criteria for industry and multi-stakeholder initiatives (Article 20)

[Industry or multi-stakeholder initiatives](#) can support due diligence efforts and reduce burdens, for instance by providing tools, information or capacity building, or assessing a company's operations, sites, products or services in relation to human rights, including labour rights, and environmental impacts. The Directive allows in-scope companies to participate in fit-for-purpose industry and multi-stakeholder initiatives to support the fulfilment of their obligations. However, in-scope companies are required to monitor the effectiveness of the measures carried out by such initiatives, and their use does not exonerate companies from their due diligence duties and liability in case of non-compliance.

Industry and multi-stakeholder initiatives can play a key role in supporting their members in carrying out due diligence, be it voluntary standards or requirements under law. The logic of these initiatives is that the associated challenges can best be met through collective action using pooled resources.

36. In your view, for which due diligence measures do industry or multi-stakeholder initiatives offer the biggest added value?

- ☒ Identification of adverse impacts, including risk assessment
- ☐ Prioritisation
- ☐ Investment
- ☒ SME support
- ☒ Increasing leverage through collaboration (e.g., to mitigate risks or bring to an end actual impacts)
- ☐ Remediation
- ☒ Verification
- ☒ Monitoring effectiveness of actions
- ☒ Stakeholder engagement
- ☐ Operating notification/complaint mechanisms
- ☒ Other

Please specify:

150 character(s) maximum

Participation must remain voluntary; companies and partners should not be required to join a specific initiative

37. What are, in your view, the main challenges for existing industry and multi-stakeholder initiatives in view of their role in supporting due diligence under the CSDDD (e.g., misalignment with the due diligence requirements, misalignment of audit protocols with the material scope of the CSDDD, in particular the Annex)? What are the main gaps in the geographical, sectoral, topical or value chain coverage of existing industry and multi-stakeholder initiatives?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

500 character(s) maximum

Challenges include uneven governance and audit quality, limited capacity and geographic coverage, weak local engagement, poor interoperability, duplicate requests, gaps for services and indirect tiers, competing laws and divergent recognition across national regimes. Voluntary initiatives must not become de facto mandatory. The

38. Which of the following governance or other challenges of existing industry or multistakeholder initiatives do you consider as being the most important?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

- ☐ conflicts of interest, including any undue influence on the governance of the initiative or on specific measures by participating companies
- ☐ governance bodies and their decision-making roles and responsibilities not clearly defined
- ☒ collaboration opportunities within an initiative and collaboration and interoperability between initiatives not sufficiently exploited resulting in undue burden for participating companies and audited value chain partners
- ☒ lack of independence and competence of assessors/verifiers, undermining the credibility of their work
- ☒ insufficient robustness of audit or assessment methods
- ☒ insufficient engagement with stakeholders
- ☐ lack of effectiveness in bringing about tangible impact
- ☒ processes not sufficiently adapted to cater for local realities and/or the interests of relevant stakeholders (including smallholders, SMEs, artisanal producers)
- ☒ Other

Please explain:

150 character(s) maximum

Local law limits on data collection and supplier engagement; limited global scale and resources; and inadequate stakeholder engagement.

Accompanying measures

In the context of accompanying and support measures, the Commission may complement Member State support measures, building on existing Union action to support due diligence in the Union and in third countries, and may devise new measures, including facilitation of industry or multi-stakeholder initiatives to help companies fulfil their obligations. This could result in considerable reduction of compliance burdens.

39. From the list below, which specific potential facilitation role of the European Commission would benefit your organisation the most and how?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2 and 5.

- ☒ Acting as a convener - or delegating to a platform of existing initiatives - to share best practice and peer-to-peer learning.
- ☐ Engaging with companies, industry associations, and other stakeholders to design new initiatives for more participants to benefit.
- ☐ Other roles

Guidance on third-party verification (Article 20)

The CSDDD allows companies to use [independent third-party verification](#) to support the implementation of due diligence obligations to the extent that such verification is appropriate to support the fulfilment of relevant obligations, in particular the obligation to verify compliance by business partners with the contractual assurances regarding the company's code of conduct and possible prevention and corrective action plans. Independent third-party verification may be carried out by specialised companies or by an industry or multi-stakeholder initiative. According to the Directive, the third-party verifier must be objective, completely independent from the company, free from any conflicts of interest and from external influence, have experience and competence in human rights (including labour rights) or environmental matters, according to the nature of the adverse impact, and be accountable for the quality and reliability of the verification.

40. What best practices could ensure the independence of third-party verifiers from the companies that they assess, from the companies on whose behalf they act and from external influence?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

500 character(s) maximum

Safeguards include conflict-of-interest rules, financial disclosures, separation of consulting and verification, assessor rotation, independent governance, transparent methods, competence criteria, complaints/appeals and quality review. Independence should be assessed proportionately; member funding alone should not disqualify credible initiatives. Verification should be voluntary, align with OECD approaches and foresee only one part of due diligence, not absolute assurance.

41. In your view, what level of experience and competence in human rights (including labour rights) or environmental matters, according to the nature of the adverse impact, would be necessary for third-party verifiers to support companies in

implementing the Directive's requirements?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

500 character(s) maximum

Verifiers should demonstrate expertise relevant to the impact, sector and geography: human-rights/labour or environmental knowledge, assessment skills, local language and context, stakeholder engagement and understanding of CSDDD's risk-based approach. Methods and governance should be transparent, credible and aligned with OECD frameworks. Requirements must be proportionate to avoid a scarce, costly market, and verification must remain optional.

42. In your experience, what are the most effective standards ensuring that the third-party verifiers are accountable for the quality, effectiveness, reliability and integrity of the verification?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 3 and 5.

500 character(s) maximum

Effective standards include documented and transparent methods, assessor qualifications, conflict checks, quality assurance, evidence sampling, worker and stakeholder safeguards, corrective action follow-up, complaint procedures, disclosure of scope and limits, and periodic external review. Accountability should concern the quality, reliability and integrity of the work, not guarantee that no adverse impact exists.

Meaningful stakeholder engagement

The Directive requires companies to take appropriate measures to carry out effective and meaningful engagement with stakeholders (the company's employees, the employees of its subsidiaries and of its business partners, and their trade unions and workers' representatives, as well as individuals or communities whose rights or interests are or could be directly affected by the relevant products, services and operations of the company, its subsidiaries and its business partners and the legitimate representatives of those individuals or communities). Consultation of stakeholders should take place to identify, assess and prioritise adverse impacts, when developing (enhanced) prevention and corrective action plans, and when adopting appropriate measures to remediate adverse impacts.

43. Taking into account the requirements of the CSDDD, in your experience what are the most cost-effective means to engage with stakeholders in the performance of due diligence? What are the pros and cons?

This question is primarily aimed at gathering feedback from stakeholders in groups 1 and 3.

500 character(s) maximum

Engagement should be flexible and tailored to business models, geography, risk and stakeholder needs. It may be direct or use trusted intermediaries, industry initiatives, unions, experts or existing channels, including internal channels. This improves scale, access and cost. The guidance should avoid rigid procedures and permit proportionate indirect engagement where it provides credible insights into impacts and where direct contact is unsafe, impracticable or less effective.

44. Which methods have proven most cost-effective in identifying and involving marginalized groups (for example certain groups of indigenous people) or 'hidden' stakeholders, such as those working in the informal sector or victims of human trafficking?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, and 3.

500 character(s) maximum

Cost-effective methods include trusted experts, local intermediaries, women's groups, indigenous representatives, migrant-support bodies, grievance operators, information from organisations such as OHCHR or UNHCR, and employee affinity groups. Anonymous surveys, hotlines, off-site interviews and community mapping can reach hidden groups. The main risks are retaliation, tokenism and weak representation; confidentiality safeguards and local expertise are essential

45. What are the most robust and cost-effective mechanisms for guaranteeing confidentiality and protecting participants from retaliation?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, and 3.

500 character(s) maximum

Anonymous channels, secure data, strict need-to-know access, anti-retaliation rules, clear escalation, off-site or remote interviews, trusted intermediaries and follow-up checks are strong mechanisms for protection. Companies should explain how information will be used and disclose identities only with consent. Aggregated reporting may be necessary. The guidance should protect participants and commercially sensitive data, avoid unintended legal risks and give practical context-specific examples.

Information for stakeholders and their representatives on how to engage throughout the due diligence process

The Commission is tasked with issuing guidance containing information for stakeholders and their representatives (as defined in the directive) on how to engage throughout the due diligence process (e.g. when gathering the necessary information on actual or potential adverse impacts to identify, assess and prioritise them; when developing prevention and corrective action plans or enhanced action plans; and when adopting appropriate measures to remediate adverse impacts).

46. What are the most critical issues for stakeholders covered by the Directive in terms of engagement with companies at different stages of the due diligence process? What are best practices leading to an effective (including cost-effective) due diligence process?

This question is primarily aimed at gathering feedback from stakeholders in groups 2, 4 and 5.

500 character(s) maximum

Critical issues are safety, retaliation, accessibility, language, timing and local law compliance. Best practices are early, targeted and accessible engagement through clear information, trusted intermediaries, existing channels and feedback loops. It should inform assessment, prioritisation and remediation, not become a checklist; indirect engagement or internal experts should be allowed when direct contact is infeasible.

47. In your experience, what the most cost-effective approaches that companies can use to involve stakeholders at the level of indirect business partners? What are pros and cons?

This question is primarily aimed at gathering feedback from stakeholders in groups 2, 4 and 5.

500 character(s) maximum

Cost-effective approaches include tier-one partners, industry initiatives, worker-voice platforms, unions, grievance mechanisms and risk-targeted visits. Benefits are scale, shared resources and local access; drawbacks are limited visibility, possible filtering and safety risks. Companies should be able to use credible collaborative or indirect mechanisms when direct access to indirect partners or affected stakeholders is not feasible.

48. What are best practices in terms of the company's security procedures so that vulnerable stakeholders feel safe to engage (e.g., in terms of guarantees of anonymity, protection against retaliation, other)?

This question is primarily aimed at gathering feedback from stakeholders in groups 2, 4 and 5.

500 character(s) maximum

Best practices include anonymity, secure technology, off-site interviews, non-retaliation commitments, separation from management where needed, trusted local facilitators, pre-engagement risk assessments, emergency escalation and no disclosure of identifying information without consent. Companies may use indirect engagement and adapt existing safeguards to context, especially in CAHRAs or where state or employer retaliation is plausible.

49. How can companies engage with stakeholders in a way that specifically addresses and removes barriers for vulnerable stakeholders or groups (such as,

depending on the context, workers representatives, indigenous peoples, women, or migrant workers)? In your view, what specific support do vulnerable stakeholders need?

This question is primarily aimed at gathering feedback from stakeholders in groups 1, 2, 4 and 5.

500 character(s) maximum

Companies can reduce barriers through local languages, accessible formats, trusted intermediaries, gender-sensitive methods, flexible timing, safe venues, childcare or travel support where appropriate and channels for workers without formal representation. Vulnerable groups need clear information, confidentiality, practical access support and credible assurance that participation will not endanger employment, immigration status, rights or personal safety.

Guidelines for supervisory authorities (specific questionnaire targeted to supervisors only)

50. Which aspects of the CSDDD do you expect to present the greatest practical challenges for supervisory authorities when carrying out their oversight functions? What would be new challenges compared to the enforcement tasks of existing supervisors (including in other policy areas)? How can the guidelines contribute to addressing those challenges?

This question is primarily aimed at supervisors.

1000 character(s) maximum

Supervisors must assess judgement-based due diligence across complex supply chains, non-EU law, indirect partners, local permits, prioritisation, stakeholder engagement and limited leverage. The guidance should: ensure regulator-led, harmonised, process-based oversight; recognise different reasonable approaches and local rules; align with other EU regimes; treat good faith, cooperation and correction as mitigating; discourage gold-plating; and avoid hindsight or values-based judgements.

51. Based on experience with other enforcement regimes (deforestation, conflict minerals, product safety, etc.) what types of information, documentation and/or evidence have proven most useful when checking compliance with due diligence-type obligations?

This question is primarily aimed at supervisors.

500 character(s) maximum

Useful evidence includes the risk-assessment method, scoping and prioritisation rationale, sources and assumptions, stakeholder engagement, corrective plans, contracts/codes, SME support, monitoring, grievances, remediation and management oversight. Supervisors should value concise, decision-useful documentation showing a reasonable process and should not demand exhaustive data or proof from every tier.

52. What would be best practices (e.g., organisational steps, procedures, other mechanisms) from other policy areas that have proven useful for the coordination among supervisors? Which aspects of cooperation with other supervisors do you expect to present the greatest practical challenges in practice?

This question is primarily aimed at supervisors.

500 character(s) maximum

Best practices include EU-level coordination, common templates and interpretations, joint training, peer review, consistent penalty factors, single contact points and a mechanism to resolve divergent national views. The main challenges are gold-plating, inconsistent expectations and evidence standards, overlapping regimes and cross-border group cases. A one-stop shop and coordinated EU guidance should support consistent supervision and reduce burdens.

53. Which factors listed in Article 27(2) do you expect to be most difficult to operationalise when determining the level of pecuniary penalties?

This question is primarily aimed at supervisors.

- ☒ Nature, gravity and duration of the infringement, severity of the impacts
- ☒ Investments and targeted SME support provided under Articles 10, 11 CSDDD
- ☒ Collaboration with other entities to address impacts
- ☒ Extent to which prioritisation decisions were made in accordance with Article 9 CSDDD
- ☐ Relevant previous infringements found by final decision
- ☐ Extent of any remedial action taken
- ☐ Financial benefits gained or losses avoided
- ☒ Other aggravating or mitigating factors

Please specify:

150 character(s) maximum

remediation; and benefits gained or losses avoided

54. In your experience as a supervisory authority, are there circumstances characterising an infringement that raise specific questions in determining the level of fines (and that therefore should be addressed in the guidance)?

This question is primarily aimed at supervisors.

500 character(s) maximum

The guidance should address limited leverage, legal impossibility under third country law, reliance on reasonably available information, good-faith de-prioritisation, conflicting stakeholder views, credible initiatives, SME constraints and cases where disengagement would cause greater harm. Documented good-faith efforts and lawful alternatives should mitigate fines; authorities should avoid hindsight liability.

55. What features of the guidance to be issued in accordance with Article 27(4) of the CSDDD would be most helpful in assisting supervisory authorities in determining the level of penalties, in a way that contributes to a uniform fining practice across the EU?

This question is primarily aimed at supervisors.

500 character(s) maximum

The guidance should provide common EU penalties, examples of aggravating and mitigating factors, treatment of good-faith prioritisation, legal impossibility and limited leverage, proportionality safeguards, rules for group and cross-border cases, and alignment with other EU regimes. Pecuniary sanctions should be secondary to corrective action and reserved for serious, repeated or intentional non-compliance, not reasonable differences in due diligence judgement or insignificant reporting errors.

56. Are there best practices from other policy areas (at EU or national level) that, in your view, could usefully inform sanctioning and fining decisions under the CSDDD? Please provide concrete examples (e.g., fining guidelines, assessment frameworks, judicial approaches).

This question is primarily aimed at supervisors.

500 character(s) maximum

The guidance should provide common EU penalties, examples of aggravating and mitigating factors, treatment of good-faith prioritisation, legal impossibility and limited leverage, proportionality safeguards, rules for group and cross-border cases, and alignment with other EU regimes. Pecuniary sanctions should be secondary to corrective action and reserved for serious, repeated or intentional non-compliance, not reasonable differences in due diligence judgement or insignificant reporting errors.

Conclusion

If you have documents relevant for the questions above that you wish to bring to the attention of the Commission (such as best practices, codes of conduct, contract clauses, guidance documents), you can upload them here. Please include a brief description of the file and of its relevance as regards the above questions. However, to the extent possible, please also include that information in the corresponding response fields of the questionnaire (if the character limits permit).

500 character(s) maximum

Please upload your files(s)

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

4cee41cd-2366-4a83-bcf1-548891be3337

/Integrating_extraterritoriality_into_the_CS3D_guidance_AmCham_EU_position.pdf

Type of file(s):

- ☒ Due diligence policy
- ☐ Code of conduct
- ☐ Contract clauses
- ☐ Guidelines
- ☐ Reports
- ☐ Other

Contact

JUST-A3@ec.europa.eu