



DEAL ON CSDD DIRECTIVE: NOW THE FINAL TEXT MUST ENSURE ACCESS TO JUSTICE

CIDSE and its members welcome the political agreement reached on the EU Corporate Sustainability Due Diligence Directive (CSDDD) and urge EU decision-makers to refine the text in technical meetings

Brussels, 14 December 2023

This morning, the EU Commission, the Council and the Parliament (so-called trilogue) reached a political agreement on the critical points of the EU CSDDD.

CIDSE and its Members welcome the political agreement. This is a crucial step towards addressing the threat of corporate activities to human rights and the planet. However, we regret some of the changes made during the last negotiations, such as the exclusion of the financial sector in downstream of the value chains.

Pirmin Spiegel, Managing Director of Misereor, CIDSE's German member organisation, explains that: *"The agreement is an important sign of hope for Indigenous communities in Latin America, seamstresses in Bangladesh, miners in South Africa, but also migrant workers on vegetable plantations in southern Spain. European companies are legally obliged to effectively prevent the destruction of the environment and livelihoods, child labor and starvation wages in their supply chains."* If European companies breach the due diligence obligations and provoke harm, those affected could claim damages in local civil courts.

Clara Alibert, Advocacy Officer from CCFD Terre-Solidaire, CIDSE' French member organisation, stresses this: *"We should, of course, rejoice now as companies operating on the European market will have to prevent and repair human rights violations and the environment that their activities could cause. But let's not forget the unwholesome role of France in these negotiations, which did everything to exclude the financial sector from the directive. In a world where the climate and social emergency is more screaming than ever, this behaviour is irresponsible!"*

It is worth reminding that the negative impact of corporate activities on human rights and the environment are not hazardous and occasional externalities of business activities; they are the consequences of an economic system that puts profit over people and extraction of wealth over care for the planet.

According to the political agreement now reached, the Directive's text will be finalised in technical meetings. The final adoption by the Council and the European Parliament will not occur until next year.

Josianne Gauthier, CIDSE Secretary General: *"Although this is an important step towards corporate regulation, it is uncertain whether the whole text will reflect wording on crucial provisions that allow for better protection of human rights and the environment. We will be following the outcomes of the technical meetings very closely and urge decision-makers to put life over profit."*

CIDSE contact: Susana Hernandez, Corporate Power Policy Officer (Hernandez(at)cidse.org)