

Launch of New Study on the Economic Benefits of the EU Corporate Sustainability Due Diligence Directive (CSDDD)

Brussels, 29 September 2025 – A groundbreaking new study led by **Prof. Johannes Jäger** will be presented today at the European Parliament, unveiling strong evidence that the EU's **Corporate Sustainability Due Diligence Directive (CSDDD)** will bring **significant economic benefits for Europe and beyond**. The study is published by CIDSE, ETUC, Misereor, Ver.di and other organisations.

The study demonstrates that the directive is not only a vital tool for tackling human rights violations, particularly in the Global South, but also a driver of long-term economic welfare. By creating a more sustainable and fairer framework for European businesses, the CSDDD strengthens competitiveness and innovation without sacrificing ethical standards.

Key findings include:

- **Positive economic welfare effects:** By reducing human rights violations, the CSDDD directly improves economic well-being, with especially significant benefits for workers and communities in the Global South.
- **Boost to European competitiveness:** The directive promotes forward-looking specialisation patterns that move away from exploitative practices, delivering dynamic gains at the company level and generating positive spill-over effects for the wider economy.
- **Foundation for global standards:** The CSDDD provides a crucial step toward binding international social and environmental regulations that will enhance both global human rights protections and Europe's long-term economic performance.
- **Risks of weakening the directive:** Attempts to increase competitiveness and reduce bureaucracy by diluting the CSDDD are expected to fail. Such changes would undermine its effectiveness, impose costs without real benefits, and continue to leave European firms vulnerable to unfair competition from companies abroad engaging in social and environmental dumping.

Prof. Jäger stressed the importance of maintaining the integrity of the directive:

“The CSDDD is not a burden but an opportunity. It provides the framework for European companies to thrive in a fair, sustainable, and competitive environment.

Weakening it would be a step backwards for Europe's economy and its role in promoting global human rights." Prof. Johannes Jäger

"Prosperity is not just about economic growth, it's about justice, human rights and a healthy planet. The CSDDD allows for all of these to exist together. It's better for the planet, it's better for people, and a clear sign of Europe's leadership when the world needs it the most." Josianne Gauthier, CIDSE Secretary General.

"For the ETUC, the duty of business to care for the people working for them wherever the workplace is located, is a fundamental to how business should operate. This study shows that, as well as enforcing this principle, the Corporate Sustainability Due Diligence Directive will also bring lasting benefits to the European economy by reducing external costs of business, preventing unfair competition based on labour exploitation, and improving the well-being of workers and communities both inside and outside the EU." Isabelle Schömann, ETUC Deputy General Secretary.

The study calls for a **stable and forward-looking policy framework** that aligns industrial policy and macroeconomic management with human rights and environmental priorities. The CSDDD, it concludes, is a **central pillar** in achieving this vision.

Event details:

- **What:** Launch of study on the economic benefits of the CSDDD
- **When:** Monday, 29 September 2025
- **Where:** European Parliament, Brussels
- **Presenter:** Prof. Johannes Jäger

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