

## Together, we must care for Creation: a call from faith leaders for corporate accountability

*“We are faced not with two separate crises, one environmental and the other social, but rather with **one complex crisis** which is both social and environmental. Strategies for a solution demand an integrated approach to combating poverty, restoring dignity to the excluded, and at the same time protecting nature.”<sup>1</sup>*

Our Common Home and human family are facing dramatic challenges.

In 2022, as we strived to exit the Covid-19 pandemic, Russia’s invasion of Ukraine opened a new humanitarian crisis in Europe. The latest [IPCC warnings on climate change](#)<sup>2</sup> called for an urgent rethinking of our economy. People, and not profit, need to be at the core of future policies. A key priority in this direction is to put an end to irresponsible corporate behaviour.

Unregulated corporate activities have been linked to human rights violations, harassment and murders of human rights defenders, the disruption of communities and irreparable damage to biodiversity. Soft law initiatives based on voluntary commitment keep the status quo. The considerable power corporations hold, their legal resources and their intricate corporate structure make it difficult for victims to access justice and remedy.

We welcome that with **the Corporate Sustainability Due Diligence Directive** proposal (CSDDD), the EU is taking action. The proposal, aims to prevent, mitigate and cease the harmful impacts of corporate activities on people and the planet.

The draft law is also the result of [years of campaigning by civil society organisations and faith groups calling on the EU Commission to adopt mandatory human rights and environmental due diligence legislation](#)<sup>3</sup>. In 2020, more than 230 Catholic Bishops signed an [open letter](#)<sup>4</sup> asking the UN, EU and states to introduce legislation to stop corporate abuse and guarantee global solidarity. The proposal has widespread support across the EU, as emerged from [the EU Commission’s 2020 public consultation](#)<sup>5</sup> and [a YouGov poll carried out in nine EU countries](#)<sup>6</sup>.

Our brothers and sisters from around the world have been denouncing the negative impacts of corporations on their communities and territories and demanding action. In 2021, five human rights

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<sup>1</sup> Pope Francis, “Laudato si”

<sup>2</sup> <https://www.ipcc.ch/report/ar6/wg2/>

<sup>3</sup> <https://www.cidse.org/2019/10/03/civil-society-call-for-eu-human-rights-and-environmental-due-diligence-legislation/>

<sup>4</sup> <https://www.cidse.org/2020/09/28/over-230-bishops-join-their-voices-to-stop-corporate-abuse/>

<sup>5</sup> [https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12548-Sustainable-corporate-governance/public-consultation\\_en](https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12548-Sustainable-corporate-governance/public-consultation_en)

<sup>6</sup> <https://www.business-humanrights.org/fr/derni%C3%A8res-actualit%C3%A9s/yougov-poll-reveals-over-80-of-eu-citizens-support-eu-laws-to-hold-companies-accountable-for-harms-to-people-environment/>

defenders from [Pakistan](#)<sup>7</sup>, [Nigeria](#)<sup>8</sup>, [Colombia](#)<sup>9</sup>, [Bangladesh](#)<sup>10</sup> and [Honduras](#)<sup>11</sup> wrote to EU Justice Commissioners Didier Reynders and Commissioner for Internal Market Thierry Breton to demand that the new EU rules ensure access to justice for communities affected by corporate abuse. They recounted the struggles of the territories they represent and the destructive impact that unregulated corporate behaviour can have on vulnerable people and Indigenous communities. They are the ones who witness corporate activities destroying their territories and causing displacement, the disruption of traditional lifeways and the violation of workers' rights.

While the CSDD proposal is a first, important step to address these issues, it fails to substantially respond to the urgent needs to prevent and cease harmful corporate activities. Importantly, the proposal offers insufficient answers to those seeking justice.

**We come together from different faiths united in our common effort to care for Creation. We urge the European Parliament and Council of the EU to champion a strong directive, to defend the good elements while substantially improving it. To do so, co-legislators must strengthen provisions on justice and ensure a higher level of protection for human rights and the planet.**

- **In particular, the provisions on civil liability and access to justice must be strengthened.** When corporations cause or contribute to harm, victims should not be expected to carry the burden of evidence. It is a company's responsibility to prove that it took the right measures to avoid harm, not the survivors'. The draft also fails to address the practical barriers to justice that victims face, such as lack of access to key information, time limitations and obstacles to collective redress.

- Additionally, **the range of environmental risks and impacts covered by the proposal must be significantly expanded and made flexible**, so as to respond to the wide range of negative impacts corporations have on the environment.

- **Care for creation must be at the centre of companies' activities.** Disappointingly, the proposal only requires companies to take minimal action to address risks and impacts related to climate change. The inadequacy of the climate provisions in the proposal is a painful affront to those already enduring the lethal impacts of climate change and an unacceptable denial of European societies' role in dangerous climate change. **The Directive must go beyond climate action plans whose implementation is not monitored nor enforced and integrate climate risks and impacts within the broader human rights and environmental due diligence obligations.**

- The proposal also fails to acknowledge the **specific impact human rights abuses have on women and indigenous people**, and the role human rights and environmental defenders play in protecting people and the planet, outlined in international standards. **Stakeholder consultation** is missing from the proposal as an integral part of the due diligence process and is relegated to be conducted 'when appropriate'. **Companies should always engage with relevant and affected stakeholders when they carry out their due diligence obligations.**

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<sup>7</sup> [https://www.cidse.org/wp-content/uploads/2022/04/Saeeda\\_Khatoon\\_Letter\\_European\\_Commission.pdf](https://www.cidse.org/wp-content/uploads/2022/04/Saeeda_Khatoon_Letter_European_Commission.pdf)

<sup>8</sup> [https://www.cidse.org/wp-content/uploads/2022/04/Esther-Kiobel\\_letter-to-Commissioner-Reynders\\_FINAL-17-June.pdf](https://www.cidse.org/wp-content/uploads/2022/04/Esther-Kiobel_letter-to-Commissioner-Reynders_FINAL-17-June.pdf)

<sup>9</sup> <https://www.cidse.org/2021/11/29/human-rights-defender-luis-misael-socarras-ipuana-writes-to-commissioners-reynders-and-breton/>

<sup>10</sup> [https://www.cidse.org/wp-content/uploads/2022/04/Kalpona\\_Akter\\_Open\\_Letter\\_SCG\\_Legislation.pdf](https://www.cidse.org/wp-content/uploads/2022/04/Kalpona_Akter_Open_Letter_SCG_Legislation.pdf)

<sup>11</sup> <https://www.cidse.org/2021/11/12/bertha-zuniga-caceres-from-honduras-addresses-commissioners-reynders-and-breton/>

- To ensure effective prevention of harmful activities, the scope of **the Directive should be expanded**. As it is now, it only affects 1% of EU businesses, leaving out small and medium-sized enterprises (SMEs), if they are not part of supply chains of bigger companies. All companies have a duty to respect human rights and the environment and to prevent harm. Due Diligence obligations can be proportional to SMEs' size and operations and can be provided with support to fulfil them.

Finally, effective protection of people and the planet globally means action beyond the EU's borders. The EU and its Member States should engage constructively with the ongoing negotiations for a UN Binding Treaty on Transnational Corporations and Other Business Enterprises to ensure the highest standard of protection for those affected by corporate abuse, and to close loopholes in international human rights law.

We truly believe that including these points in the Directive will make it more effective and will contribute to protecting human dignity and our Common Home. We call on decision-makers will act to make the EU a global leader in the struggle against corporate abuse.