

Initiative Lieferkettengesetz, Stresemannstraße 72, 10963 Berlin

Herrn Axel Voss MdEP ASP 15 E 146 Rue Wiertz B-1047 Brüssel Johannes Heeg Initiative Lieferkettengesetz Stresemannstraße 72 10963 Berlin

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Human rights and environmental protection in value chains: Why do you want to make the EU initiative ineffective, Mr. Voss?

Dear Mr. Voss,

The European Union has committed itself to the protection of human rights and global sustainable development. In light of recent crises, these goals are now more important than ever. Unfortunately, however, European companies frequently advocate for the opposite: far too often, they accept dangerous working conditions, exploitative child labour or the destruction of rainforests as part of their value chains, even when they have the wherewithal to influence these conditions through their power on the market. People, the environment, the climate – and, ultimately, all of us – pay the price for this.

None of this has to be the case. The EU has an historic opportunity to end these conditions with an effective Corporate Sustainability Due Diligence Directive. Last year, the Commission and the Council took a stance on this initiative. Now, it comes down to the position of the European Parliament. But we are appalled by the proposals that you and other representatives of the European People's Party have put forward in the Legal Affairs Committee. Your proposals would render the project practically ineffective – and would then even further weaken the already insufficient German Supply Chain Act.

We are an alliance of 130 development, environmental, human rights and trade union organisations. We are firmly convinced: it must no longer be profitable for companies to do business at the expense of people and the environment. Therefore, together we are campaigning for an effective Corporate Sustainability Due Diligence Directive. For us, this means that the directive must – without exception – encompass the entire value chain. It must function in a pre-emptive manner and, thus, prevent human rights violations, as well as environmental and climate damages, before they occur. And it must provide those affected by human rights violations with a realistic opportunity to claim compensation from companies that caused them injury – namely, in EU civil courts.

The proposals you brought forward in the Legal Affairs Committee would have the opposite effect. If you have your way, the EU supply chain law will not be fully applied in member states until 2033 – which is far too late. The due diligence requirements would only apply to their full extent to direct business partners, as is the case with the German law. Deeper down their supply chains, companies would only need to engage when they learn of human rights violations committed within them – in other words, when the damage has already been done. An incentive to look the other way! Yet, it is important to act in a preventive manner, especially at the beginning of the supply chain, for example, in the case of

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mining or plantations. Last year, you met the indigenous activists Alice Pataxó and Tejubi Uru Eu Wau Wau, who brought to your attention the violent land conflicts related to soy plantations in Brazil. Only strong due diligence requirements for the entire value chain can prevent European companies from supporting such abuses through their business activities.

Modern slavery also occurs in Europe, for example, in fruit and vegetable cultivation. The due diligence obligations of companies must not, as you have demanded, only extend to areas outside Europe!

You would like to see the complete exclusion of the downstream supply chain and the financial sector. This means that the export of toxic pesticides or weapons would still be possible. Investments in mining projects that lead to massive human rights violations and environmental damage would also not be subject to restrictions or penalties. And you would like to remove climate protection measures from the directive. In view of the ever-intensifying climate crisis, these demands are absolutely unacceptable to us.

You and other representatives of the EPP are, in principle, in favour of the civil liability of companies for damages caused. In practice, however, the limitation of liability to intentional or grossly negligent acts, which you proposed, would make it almost impossible for affected parties to successfully sue for damages within EU courts – especially due to the fact that affected parties would not have access to internal company documents. Even those who are deprived of their livelihoods as a result of the behaviour of a European company would not usually receive compensation. Instead of empowering those affected, the proposals you have put forward create insurmountable hurdles.

The COVID-19 crisis and the Ukraine war have dramatically exacerbated poverty and hunger worldwide. Most governments in the Global South are hardly in a position to alleviate the hardship of their people through welfare programs, offset the costs of high energy prices, or establish protective shields worth billions for companies.

Employees in the supply chains of European companies are also suffering from the consequences of the Ukraine war, especially in the Global South. The loss of Russian metal and energy raw materials has led to a rapid expansion of mining, gas and oil production in many countries there. This, in turn, is causing massive environmental damage and human rights violations. Against this background, we also reject any attempt to shift the burden of the European crisis onto the people of the Global South.

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Dear Mr. Voss, why do you want to make the Corporate Sustainability Due Diligence Directive ineffective? The protection of human rights, the environment and the climate cannot be regarded as a fair-weather issue, but must have top priority even in times of crisis. We appeal to you: please reconsider your proposals for the Corporate Sustainability Due Diligence Directive and start advocating for effective regulations!

Sincerely,

Michelle Trimborn Speaker "Initiative Lieferkettengesetz"

Johannes Heeg Speaker "Initiative Lieferkettengesetz"

Initiative Lieferkettengesetz is a project by:

