



2022/0051(COD)

9.3.2023

OPINION

of the Committee on Employment and Social Affairs

for the Committee on Legal Affairs

on the proposal for a directive of the European Parliament and of the Council
on Corporate Sustainability Due Diligence and amending Directive (EU)
2019/1937
(COM(2022)0071 – C9-0050/2022 – 2022/0051(COD))

Rapporteur for opinion: Samira Rafaela

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SHORT JUSTIFICATION

Responsible business conduct is an integral part of the European Union's commitment to decent work worldwide. It is the illustration of how Europe's social market company can renew existing economic governance practices in order to propel the just transition to sustainability, as well as uphold our commitments to human rights and dignity. The European Union will be the global frontrunner of corporate sustainability due diligence and through leading by example will inspire companies from third countries to match the ambitions set forward by this Directive. It is the Rapporteur's strong conviction that due diligence policy will be impactful if it places the inviolable rights of people and their right to a clean environment ahead of outdated parasitic business interests.

The Rapporteur welcomes the proposal put forward by the European Commission, and with its amendments seeks to strengthen the proposal for the Directive by, amongst others, strongly integrating workers' representatives and social partners, accounting for gender sensitivity and mainstreaming, broadening the scope, in order to target all high risk economic activities, and having a victim-based approach. Throughout the text, companies are regarded as partners. The Rapporteur emphasizes the importance of maintaining coherency with existing practices and norms, such as the UN Guiding Principles on Business and Human Rights (UNGPs), ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, and the OECD Guidelines on Due Diligence.

The Rapporteur considers Europe's SME'S as significant partners in unlocking the full potential of the Directive on Corporate Sustainability Due Diligence. European businesses, regardless of their size, will be indirectly affected by this Directive and they all deserve support in meeting its obligations. All companies play a crucial role in preventing, addressing, and remedying adverse human or environmental impacts. This is why the amendments proposed by the Rapporteur strengthen the capability of companies exercising due diligence, through the obligation of Member States to provide tailor-made templates, sector-specific guidelines, training and facilitating network and/or platform creation. Examples from the field have shown the efficiency and effectiveness of such due diligence support platforms in decreasing administrative burdens and harnessing the collective expertise of companies.

Furthermore, the scope has now been enlarged to include key high risk economic activities, such as financial enterprises, as recommended by the OECD Guidance for Responsible Business Conduct. It is irresponsible for the objectives of this Directive to exclude the sector which is integral for all the companies that will have to conduct due diligence. All business must be committed to responsible conduct.

The Rapporteur is convinced that this Directive will not be effective without the integration of a gender sensitive lens. The Directive as it was proposed did not sufficiently address the gendered dimension of responsible business conduct. The "gender-blind" approach will not effectively promote decent work in worldwide value chains. Specifically, the Rapporteur explicitly includes the Tourism and Hospitality sector for this reason, as women are overrepresented in this sector but are underrepresented at the higher levels of employment and management and as such may be positioned in a precarious position.

Finally, the Rapporteur sees meaningful engagement with potentially affected groups and

persons as the centre of this Directive as evidenced by the amendments for the complaint procedure. These potentially affected groups include indigenous people, women, children, and human rights and environmental defenders. In the same vein, whistleblowers need to be protected as they may reveal adverse impacts that would have otherwise not been uncovered. The view of the Rapporteur is that meaningful engagement by companies, will be integral to this Directive's impact and success.

AMENDMENTS

The Committee on Employment and Social Affairs calls on the Committee on Legal Affairs, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a directive

Recital 3

Text proposed by the Commission

(3) In its Communication on a Strong Social Europe for Just Transition⁷⁵, the Commission committed to upgrading Europe's social market economy to achieve a just transition to sustainability. This Directive will also contribute to the European Pillar of Social Rights, which promotes rights ensuring fair working conditions. It forms part of the EU policies and strategies relating to the promotion of decent work worldwide, including in global value chains, as referred to in the Commission Communication on decent work worldwide⁷⁶.

Amendment

(3) In its Communication on a Strong Social Europe for Just Transition⁷⁵, the Commission committed to upgrading Europe's social market economy to achieve a just transition to sustainability. This Directive will also contribute to the European Pillar of Social Rights (***'the Pillar'***), which promotes rights ensuring ***decent living and*** fair working conditions. ***It will also create greater visibility for, and ownership of, the Pillar among companies, whose involvement is essential for effective implementation of the Pillar.*** It forms part of the EU policies and strategies relating to the promotion of decent work worldwide, including in global value chains, as referred to in the Commission Communication on ***fair and*** decent work worldwide ⁷⁶. ***Decent working conditions include amongst others secure employment, working time, adequate wages, social dialogue, freedom of association, existence of work councils, collective bargaining, the information, consultation and participation rights of workers, work-life balance as well as health and safety.***

⁷⁵ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – A Strong Social Europe for Just Transitions (COM/2020/14 final).

⁷⁶ Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee on decent work worldwide for a global just transition and a sustainable recovery, COM(2022) 66 final.

⁷⁵ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – A Strong Social Europe for Just Transitions (COM/2020/14 final).

⁷⁶ Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee on decent work worldwide for a global just transition and a sustainable recovery, COM(2022) 66 final.

Amendment 2

Proposal for a directive Recital 22 a (new)

Text proposed by the Commission

Amendment

(22a) In order to reflect the priority areas of international action aimed at tackling human rights, the selection of high-risk geographical areas for the purposes of this Directive should be based on the European External Action Service (EEAS) EU Annual Reports on Human Rights and Democracy and annually reassessed.

Amendment 3

Proposal for a directive Recital 26 a (new)

Text proposed by the Commission

Amendment

(26a) In order to achieve an efficient implementation of this Directive, the Commission should introduce a toolbox to provide practical help to companies to comply with due diligence requirements, i.e. through contact points, sharing of best practices or standardized set of principles as a basis for a Code of Conduct.

Amendment 4

Proposal for a directive Recital 32

Text proposed by the Commission

(32) In line with international standards, prevention and mitigation as well as bringing to an end and minimisation of adverse impacts should take into account the interests of those adversely impacted. In order to enable continuous engagement with the value chain business partner instead of termination of business relations (disengagement) and possibly exacerbating adverse impacts, this Directive should ensure that disengagement is a last-resort action, in line with the Union's policy of zero-tolerance on child labour. Terminating a business relationship in which child labour was found could expose the child to even more severe adverse human rights impacts. This should therefore be taken into account when deciding on the appropriate action to take.

Amendment

(32) ***Where the company cannot prevent, mitigate, bring to an end or minimise all the identified actual and potential adverse impacts at the same time and to the full extent, it should be allowed to prioritise them based on the severity and likelihood of the adverse impact based on consultation with affected stakeholders and, where appropriate, with other relevant stakeholders. In line with the relevant international framework, the severity of an adverse impact should be assessed based on its gravity (scale of the adverse impact), the number of persons or the extent of the environment affected (scope of the adverse impact), its irreversibility, and difficulty to restore the situation prevailing prior to the impact (irremediable character of the adverse impact). The prioritisation strategy shall also ensure that all adverse impacts are addressed within reasonable time.*** In line with international standards, prevention and mitigation as well as bringing to an end and minimisation of adverse impacts should take into account the interests of those adversely impacted ***after a meaningful engagement with them.*** In order to enable continuous engagement with the value chain business partner instead of termination of business relations (disengagement) and possibly exacerbating adverse impacts, this Directive should ensure that disengagement is a last-resort action, ***including*** in line with the Union's policy of zero-tolerance on child labour, ***Union's Strategy on the rights of the Child and the target date of 2025 proclaimed by the United Nations for the full elimination of child labour worldwide.*** Terminating a business relationship in which child labour was

found could expose the child to even more severe adverse human rights impacts. ***In the same line, women in precarious labour conditions could face more severe adverse human rights impacts thus increasing their vulnerability.*** This should therefore be taken into account when deciding on the appropriate action to take, ***while aiming to act in the best interest of the affected groups.***

Amendment 5

Proposal for a directive Recital 42

Text proposed by the Commission

(42) Companies should provide the possibility for persons and organisations to submit complaints directly to them in case of legitimate concerns regarding actual or potential human rights and environmental adverse impacts. Organisations who could submit such complaints should include trade unions and ***other*** workers' representatives ***representing*** individuals working in the value chain concerned ***and*** civil society organisations active in the areas related to the value chain concerned where they have knowledge about a potential or actual adverse impact. Companies should establish ***a procedure*** for dealing with those complaints ***and*** inform workers, trade unions and other workers' representatives, where relevant, about such processes. Recourse to the complaints and remediation mechanism should not prevent the complainant from having recourse to judicial remedies. In accordance with international standards, ***complaints*** should be entitled to request from the company appropriate follow-up on the complaint and to meet with the company's representatives at an appropriate level to discuss potential or actual ***severe*** adverse impacts that are the subject matter of the complaint. This

Amendment

(42) Companies should provide the possibility for persons and organisations to submit complaints directly to them in case of legitimate concerns regarding actual or potential human rights and environmental adverse impacts. ***Special attention should be given to ensuring the accessibility of that complaint mechanism and to the protection of the complainant, in particular women, vulnerable persons, people with disabilities and minors. While exercising this right, workers and their representatives should also be properly protected.*** Organisations who could submit such complaints should include trade unions and worker's representatives, ***who represent*** individuals working in the value chain concerned, civil society organisations, ***human rights and environmental right defenders*** active in the areas related to the value chain concerned where they have ***substantiated*** knowledge about a potential or actual adverse impact. ***Member States should provide a framework, in accordance with their national labour law and practices, to companies on the procedure they*** should establish for dealing with those complaints. ***Companies should*** inform workers, trade unions and other workers representatives,

access should not lead to unreasonable solicitations of companies.

where relevant, about such processes ***and related measures***. Recourse to the complaints and remediation mechanism should not prevent the complainant from having recourse to ***effective*** judicial remedies. In accordance with international standards, ***complainants*** should be entitled to request from the company appropriate follow-up ***in written form and, if requested by the complainant, through adequate means of communication***, on the complaint. ***The follow-up should be facts-based and provide supporting evidence for the explanation. Complainants should have the right*** to meet with a company's representative at an appropriate level to discuss potential or actual adverse impacts that are the subject matter of the complaint. This access should not lead to unreasonable solicitations of companies, ***once the follow-up has been provided by the company. Companies may collaborate with business partners and entities, including through relevant industry and multi-stakeholder initiatives, when addressing complaints where the respective complainants and complaints are identical, such as through information-sharing, joint investigations or joint monitoring exercises.***

Amendment 6

Proposal for a directive Recital 48

Text proposed by the Commission

(48) In order to complement Member State support to SMEs, the Commission may build on existing EU tools, projects and other actions helping with the due diligence implementation in the EU and in third countries. It may set up new support measures that provide help to companies, including SMEs on due diligence requirements, including an observatory for value chain transparency and the

Amendment

(48) In order to complement Member State support to SMEs, the Commission may build on existing EU tools, projects and other actions helping with the due diligence implementation in the EU and in third countries. It may set up new support measures that provide help to companies, including SMEs on due diligence requirements, including an observatory for value chain transparency and the

facilitation of joint stakeholder initiatives.

facilitation of joint stakeholder initiatives.
The Commission could also share and highlight national practices put in place by professional organisations, which enable VSEs/SMEs to respond effectively to governance requirements in a way that is tailored to their capacities and specificities.

Amendment 7

Proposal for a directive Recital 64 a (new)

Text proposed by the Commission

Amendment

(64a) The obligations for companies set out in this Directive, regarding actual and potential human rights adverse impacts and environmental adverse impacts, should not have a negative impact on those very rights, including the right to freedom of association, assembly, the rights to organize and collective bargaining. This Directive should not apply when certain companies (insurance undertaking as defined in Article 13, point (1), of Directive 2009/138/EC and institution for occupational retirement provision as defined in Article 1, point (6) of Directive 2016/2341) enter, for the purpose of providing occupational pensions, into a relationship with a legal entity that is required take out occupational pension provisions for its employees. Excluding these specific relationships will ensure that companies in their provision of occupational pensions and legal entities acting as employers always can fulfil their obligations, including those following from collective agreements, to provide workers with their occupational pensions.

Amendment 8

Proposal for a directive
Article 2 – paragraph 1 – point b

Text proposed by the Commission

(b) the company did not reach the thresholds under point (a), but had **more than 250** employees on average **and had a net worldwide turnover of more than EUR 40 million in the last financial year for which annual financial statements have been prepared**, provided that at least 50% of **this** net turnover was generated **in** one or more of the following **sectors**:

(i) the manufacture of textiles, leather and related products (including footwear), and the wholesale trade of textiles, clothing and footwear;

(ii) agriculture, forestry, fisheries (including aquaculture), the manufacture of food products, and the wholesale trade of agricultural raw materials, live animals, wood, food, and beverages;

(iii) the extraction of mineral resources regardless from where they are extracted (including crude petroleum, natural gas, coal, lignite, metals and metal ores, as well as all other, non-metallic minerals and quarry products), the manufacture of basic metal products, other non-metallic mineral products and fabricated metal products (except machinery and equipment), and the wholesale trade of mineral resources, basic and intermediate mineral products (including metals and metal ores, construction materials, fuels, chemicals and other intermediate products).

Amendment

(b) the company did not reach the thresholds under point (a), but had **150** employees **or more** on average, provided that at least 50% of **its** net turnover was generated **by** one or more of the following **high-risk activities**:

(i) the manufacture of textiles, **wearing apparel**, leather and related products (including footwear), and the wholesale trade **and retail** of textiles, clothing and footwear^{1a};

(ii) agriculture, forestry, fisheries (including aquaculture), the manufacture of food products, and the wholesale trade of agricultural raw materials, live animals, wood, food, and beverages^{2a};

(iii) the extraction of mineral resources regardless from where they are extracted (including crude petroleum, natural gas, coal, lignite, metals and metal ores, as well as all other, non-metallic minerals and quarry products), the manufacture of basic metal products, other non-metallic mineral products and fabricated metal products (except machinery and equipment), and the wholesale trade of mineral resources, basic and intermediate mineral products (including metals and metal ores, construction materials, fuels, chemicals and other intermediate products)^{3a};

(iiia) construction activities^{4a};

(iiib) the provision of financial services, such as loans, credits, financing, pensions, market funding, risk management, payment services, securitisation, insurance or reinsurance, investment services and activities and other financial services^{5a};

(iiic) the production of hardware and software solutions, including artificial intelligence, surveillance, facial recognition, data storage or processing, telecommunication services, including internet service providers^{6a}

(iiid) employment activities such as cleaning and household services, tourism and hospitality, health care, social care and elderly care^{7a};

(iiie) production and supply of energy, supply of water, gas, steam, air conditioning as well as sewage and waste management^{8a};

(iiif) the delivery of audit and certification services regarding compliance with requirements resulting from the provisions of this Directive;

(iiig) transportation, logistics and storage^{9a};

(iiih) the manufacture and processing of plastic products;

1a

<http://mneguidelines.oecd.org/responsible-supply-chains-textile-garment-sector.htm>

^{2a}<https://mneguidelines.oecd.org/rbc-agriculture-supply-chains.htm>

3a

<https://mneguidelines.oecd.org/stakeholder-engagement-extractive-industries.htm>;

<http://mneguidelines.oecd.org/child-labour-risks-in-the-minerals-supply-chain.htm>

4a

https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/publication/wcms_854733.pdf

^{5a} <https://mneguidelines.oecd.org/rbc-financial-sector.htm>

6a

<file:///C:/Users/cdheret/Downloads/G2232>

396.pdf

7a

https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---

[ipecc/documents/publication/wcms_854733.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipecc/documents/publication/wcms_854733.pdf) ;

https://www.bmas.de/SharedDocs/Downloads/DE/Publikationen/Forschungsberichte/fb-543-achtung-von-menschenrechten-entlang-globaler-wertschoepfungsketten.pdf?__blob=publicationFile&v=1

^{8a} https://idsn.org/wp-content/uploads/2015/02/SR_on_Water_and_Sanitation_-_references_to_CBD_August_20141.pdf

9a

https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---

[sector/documents/normativeinstrument/wcms_742633.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---sector/documents/normativeinstrument/wcms_742633.pdf)

Amendment 9

Proposal for a directive

Article 3 – paragraph 1 – point c

Text proposed by the Commission

(c) ‘adverse human rights impact’ means an adverse impact on **protected** persons resulting from the violation of one of the rights or prohibitions listed in the Annex, Part I Section 1, as enshrined in the international conventions listed in the Annex, Part I Section 2;

Amendment

(c) ‘adverse human rights impact’ means an adverse impact on **persons or groups of** persons resulting from the violation of one of the rights or prohibitions listed in the Annex, Part I Section 1, as enshrined in the international conventions listed in the Annex, Part I Section 2. ***This Annex should be reviewed regularly.***

Amendment 10

Proposal for a directive

Article 3 – paragraph 1 – point n

Text proposed by the Commission

(n) ‘stakeholders’ means the ***company’s employees, the employees of*** its subsidiaries, and other individuals, groups, communities or entities whose rights or interests are or could be affected by the products, services and operations of that company, its subsidiaries and its business relationships;

Amendment

(n) ‘stakeholders’ means the ***workers working for the company and*** its subsidiaries, ***trade unions and workers’ representatives***, and other individuals, groups, communities or entities ***and their representatives***, whose rights or interests are or could be affected by the products, services and operations of that company, its subsidiaries and its business relationships;

Amendment 11

**Proposal for a directive
Article 5 – paragraph 1 – point b**

Text proposed by the Commission

(b) a code of conduct describing rules and principles to be followed by the company’s employees ***and*** subsidiaries;

Amendment

(b) a code of conduct describing rules and principles, to be followed by the company’s ***management***, employees, ***their representatives, and the company’s*** subsidiaries. ***The code of conduct shall be developed in consultation with workers, trade unions and workers’ representatives and be made publicly available to ease the access of all relevant parties and stakeholders. The code of conduct shall be designed to ensure that the company respects human rights, the environment and good governance and it shall be aligned with the fundamental values of the Union of a high level of protection and improvement of the quality of the environment and equality between men and women, the international conventions listed in the Annex, Part I Section 2, as well as relevant Union law, including on combating climate change. The code of conduct shall be based on European guidelines to be developed by the Commission with a standardised set of principles following the consultation of social partners.***

Amendment 12

Proposal for a directive Article 6 – paragraph 4

Text proposed by the Commission

4. Member States shall ensure that, for the purposes of identifying the adverse impacts referred to in paragraph 1 based on, where appropriate, quantitative and qualitative information, companies **are entitled to** make use of appropriate resources, including independent reports and information gathered through the complaints procedure provided for in Article 9. Companies shall, where relevant, also carry out consultations with potentially affected groups including workers **and** other relevant stakeholders to gather information on actual or potential adverse impacts.

Amendment

4. Member States shall ensure that, for the purposes of identifying **and assessing** the adverse **human rights and environmental** impacts referred to in paragraph 1 based on, where appropriate, quantitative and qualitative information, **including disaggregated data, such as sex disaggregated data allowing to identify gender-specific trends**, companies **shall** make use of appropriate resources, including independent reports and information gathered through the complaints procedure provided for in Article 9. Companies shall, where relevant, also carry out consultations with **affected and** potentially affected groups including workers, **trade unions and workers' representatives as well as, where appropriate**, other relevant stakeholders, **such as civil society organisations as well as human rights and environment defenders, in view** to gather information on actual or potential adverse impacts. **Stakeholders will vary depending on the nature of the actual or potential impacts at stake, the sector that is concerned as well as the geographical area involved where the company's activities take place.**

Amendment 13

Proposal for a directive Article 6 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. The identification and assessment of actual and potential adverse impacts shall include consideration of how the

company's activities could affect or are already specifically affecting different groups, with particular attention given to challenges faced by individuals from groups or populations that are disadvantaged or marginalised or could be at risk of being put in vulnerable situations, such as women, children, migrants, indigenous people and people with a disability. Such consideration shall be based on the human rights and fundamental freedoms conventions listed in the Annex, Part I Section 2, supported by a gender-sensitive assessment taking the differentiated impact on men and women into account and the use of a children's right based approach.

Amendment 14

Proposal for a directive Article 7 – paragraph 2 – point a

Text proposed by the Commission

(a) *where necessary* due to the nature or complexity of the measures required for prevention, develop and implement a prevention action plan, with reasonable and clearly defined timelines for action and qualitative and quantitative indicators for **measuring** improvement. The prevention action plan shall be developed in consultation with affected stakeholders;

Amendment

(a) due to the nature or complexity of the measures required for prevention, develop and implement a prevention action plan, with reasonable and clearly defined timelines for action and qualitative and quantitative indicators for **monitoring** improvement. ***That prevention action plan shall be gender sensitive by considering the differentiated impact on men and women and it shall take into account environmental and climate change-related challenges.*** The prevention action plan shall be developed in ***meaningful engagement, such as via*** consultation ***proceedings, with affected stakeholders and, where appropriate, with other relevant stakeholders. In the event that a company is not in a position to prevent at the same time all the potential adverse impacts identified, it shall develop and implement a prioritisation strategy in consultation with affected and, where appropriate, other relevant stakeholders,***

which shall take into account the level of severity and likelihood, the duration, the spread and the reversibility of the different potential adverse impacts on human rights, the environment and climate. All adverse impacts and risks shall be addressed within a reasonable period of time.

Amendment 15

Proposal for a directive

Article 8 – paragraph 3 – point a

Text proposed by the Commission

(a) **neutralise** the adverse impact or minimise its extent, including by the payment of damages to the affected persons and of financial compensation to the affected communities. The action shall be proportionate to the significance and scale of the adverse impact and to the contribution of the company's conduct to the adverse impact;

Amendment

(a) **reverse** the adverse impact or **if not possible neutralise and greatly** minimise its extent, including **by responsive policies and, where applicable,** by the payment of damages to the affected **person, groups of persons or entities** and of financial compensation to the affected communities. The action shall be proportionate to the significance and scale of the adverse impact and to the contribution of the company's conduct to the adverse impact.

Amendment 16

Proposal for a directive

Article 8 – paragraph 3 – point b

Text proposed by the Commission

(b) where necessary due to the fact that the adverse impact cannot be immediately brought to an end, develop and implement a corrective action plan with reasonable and clearly defined timelines for action and qualitative and quantitative indicators for **measuring** improvement. **Where relevant,** the corrective action plan shall be developed in consultation with stakeholders;

Amendment

(b) where necessary due to the fact that the adverse impact cannot be immediately brought to an end, develop and implement a corrective action plan with reasonable and clearly defined timelines for action and qualitative and quantitative indicators for **monitoring** improvement. The corrective action plan shall be developed **through meaningful engagement, including consultation procedures, with affected stakeholders, and where appropriate,**

other relevant stakeholders. That corrective plan shall be made publicly available and monitored in consultation with the representatives of the affected stakeholders. If the company is not able to stop or minimise all actual adverse impact simultaneously, the plan shall include a justified prioritisation strategy that takes into account the level of severity and likelihood, the duration, the spread and the reversibility of each actual adverse impact on human rights, the environment and the climate. All adverse impacts and risks shall be addressed within a reasonable period of time ;

Amendment 17

Proposal for a directive Article 9 – paragraph 2

Text proposed by the Commission

2. Member States shall ensure that **the** complaints may be submitted by:

a) persons who are affected or have reasonable grounds to believe that they

Amendment

2. Member States shall ensure that **companies have complaint procedures in place that are legitimate, accessible, predictable, equitable, transparent and rights compatible giving special attention to the protection of affected persons and their representatives. Member States shall ensure that companies adopt and implement policies and processes to maintain the independence of the complaints procedure, are gender-sensitive and address the needs of people who may be at heightened risk of vulnerability or marginalisation, not least by removing barriers to access them. Information shall be published in a manner that does not endanger the stakeholders' safety, including by not disclosing their identity and by guaranteeing non-retaliation due to the use of the complaint procedures.** Complaints may be submitted by:

a) persons who are affected or have reasonable grounds to believe that they

might be affected by an adverse impact,
(b) trade unions and *other* workers' representatives representing individuals working in the value chain concerned,
(c) civil society organisations active in the areas related to the value chain concerned.

might be affected by an adverse impact,
(b) trade unions and workers' representatives representing individuals working in the value chain concerned,
(c) civil society organisations active in the areas related to the value chain concerned,
(ca) persons who report breaches of Union law as defined in Directive (EU) 2019/1937.

Amendment 18

Proposal for a directive Article 9 – paragraph 4

Text proposed by the Commission

4. Member States shall ensure that complainants are entitled
- (a) to *request* appropriate follow-up on the complaint *from* the company with which they have filed a complaint pursuant to paragraph 1, and
- (b) to meet with *the* company's representatives at an appropriate level to discuss potential or actual *severe* adverse impacts that are the subject matter of the complaint.

Amendment

4. Member States shall ensure that complainants *or their representatives receive timely information on the steps and actions taken in the context of a specific complaint submitted and* are entitled:
- (a) to *receive within reasonable time an* appropriate follow-up on the complaint, *in written form, and, if requested by the complainant through adequate means of communication, by* the company with which they have filed a complaint pursuant to paragraph 1, *thus providing an explanation as to whether a complaint has been found to be unfounded or justified,* and
- (b) to meet with *a* company's representatives at an appropriate level to discuss potential or actual adverse impacts that are the subject matter of the complaint *and if the complaint has been found justified, to discuss possible remedy actions.*

Amendment 19

Proposal for a directive
Article 9 – paragraph 4 – point b a (new)

Text proposed by the Commission

Amendment

(ba) to obtain fully remediation or contribution to the full remediation of actual adverse impacts. The remedy shall be proportionate to the significance and scale of the adverse impact.

Amendment 20

Proposal for a directive
Article 9 – paragraph 4 – point b b (new)

Text proposed by the Commission

Amendment

(bb) to access the substantiated concerns procedure referred to in Article 19, to the civil liability as described in Article 22, and to any other judicial mechanisms or other non-judicial grievance mechanism.

Amendment 21

Proposal for a directive
Article 9 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. Member States shall ensure that any non-judicial remediation efforts must be in parallel to encouraging collective bargaining and recognition of trade unions and should by no means undermine the role of legitimate trade unions in addressing labour-related disputes.

Amendment 22

Proposal for a directive
Article 9 – paragraph 4 b (new)

Text proposed by the Commission

Amendment

4b. Recourse to the complaints and remediation mechanism at company level shall not prevent the complainant from having recourse to judicial remedies.

Amendment 23

Proposal for a directive Article 13 – title

Text proposed by the Commission

Amendment

Guidelines

Guidelines **and tailor-made support to companies**

Amendment 24

Proposal for a directive Article 13 – paragraph 1

Text proposed by the Commission

Amendment

In order to provide support to companies or to Member State authorities on how companies should fulfil their due diligence obligations, the Commission, in consultation with Member States and stakeholders, the European Union Agency for Fundamental Rights, the European Environment Agency, and where appropriate with international bodies having expertise in due diligence, **may** issue guidelines, including for specific sectors **or** specific adverse impacts.

In order to provide support to companies or to Member State authorities on how companies should fulfil their due diligence obligations, the Commission, in consultation with Member States and **relevant** stakeholders, **including cross-industry and sectoral social partners**, the European Union Agency for Fundamental Rights, the European Environment Agency, **the European External Action Service, the European Innovation Council and Small and Medium-sized Enterprises Executive Agency (EISMEA)** and where appropriate with international bodies having expertise in due diligence, **such as the UN, the ILO and the Council of Europe, shall** issue guidelines, including for specific sectors, specific adverse impacts **and high-risk geographical areas. Those guidelines shall be based on already existing work and studies such as the OECD Due Diligence Guidance for**

Responsible Business Conduct as well as the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights and they shall be established in such a way that they have a gender-specific dimension and include, where relevant, aspects related to groups in vulnerable situations such as people with disabilities. The guidelines shall take into account already existing sectoral schemes on due diligence and information related to specific geographic areas. The guidelines shall be in digital and easily accessible format as well as available in all official languages of the Union. The Commission shall periodically review the relevance of the guidelines and adapt them to new needs and best practices, based on regularly updated information on human rights, environmental and governance related potential or actual adverse impact associated with certain countries and regions, sectors and economic activities.

Amendment 25

Proposal for a directive Article 13 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. Member States shall develop, in consultation with cross-sectoral and sectoral social partners, as well as with industry representatives, and based on the guidelines provided by the Commission, digital platforms with guidance for companies on how to develop due diligence policies and methodologies to assess, identify, prevent and bring to an end actual and potential adverse impacts as well as develop a prevention and corrective action plan. These platforms shall cover the different situations referred to in Article 2(1) and provide tailor-made templates for companies

adapted to the actual or potential risks they may encounter.

Amendment 26

Proposal for a directive Article 13 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. The guidelines, tools and methodologies referred to in Article 13(1) and (2) shall also be accessible to companies that are excluded from the scope of this Directive, but might be impacted indirectly. The purpose of the tailored support shall be to incentivize companies of all sizes to conduct due diligence, and enhance their capacity to do so. Member States shall ensure that SMEs receive tailored and comprehensive support, such as via training opportunities and the creation of a networking and knowledge sharing platform disseminating cross-industry best practices and initiatives as provided in Article 13(1a).

Amendment 27

Proposal for a directive Annex I – Part I – point 1

Text proposed by the Commission

Amendment

1. ***Violations*** of rights and prohibitions included in international human rights agreements

1. ***Violation*** of rights and prohibitions included in international human rights agreements

Amendment 28

Proposal for a directive Annex I – Part I – point – subpoint 7 a (new)

Text proposed by the Commission

Amendment

7a. Violation of the right to enjoy safe and healthy working conditions in accordance with the ILO Occupational Safety and Health Convention and the ILO Promotional Framework for Occupational Safety and Health Convention;

Amendment 29

Proposal for a directive

Annex I – Part I – point 1 – subpoint 21 a (new)

Text proposed by the Commission

Amendment

21a. Violation of the right to work (for example Article 6 ICECR)

Amendment 30

Proposal for a directive

Annex I – Part I – point 1 – subpoint 21 b (new)

Text proposed by the Commission

Amendment

21b. Violation of the prohibition of violating or harassing women (for example ILO Convention 190, CoE ‘Istanbul Convention’)

Amendment 31

Proposal for a directive

Annex I – Part I – point 1 – subpoint 21 c (new)

Text proposed by the Commission

Amendment

21c. Violation of rights without discrimination between men and women as expressed (for example in Articles 1 and 2 of the CEDAW and Article 3 of the ICCPR)

Amendment 32

Proposal for a directive

Annex I – Part I – point 2 – indent 3 a (new)

Text proposed by the Commission

Amendment

- ***The International Convention on the Protection of the Rights of all Migrant Workers and Members of their Families;***

Amendment 33

Proposal for a directive

Annex I – Part I – point 2 – indent 9 a (new)

Text proposed by the Commission

Amendment

- ***The United Nations Declaration on Human Rights Defenders;***

Amendment 34

Proposal for a directive

Annex I – Part I – point 2 – indent 10 a (new)

Text proposed by the Commission

Amendment

- ***The United Nations Declaration on the Rights of Peasants and Other People Working in Rural Areas;***

Amendment 35

Proposal for a directive

Annex I – Part I – point 2 – indent 14 a (new)

Text proposed by the Commission

Amendment

- ***The International Labour Organisation's Convention on Indigenous and Tribal Peoples (no. 169)***
The International Labour Organization's Violence and Harassment Convention, 2019 (No. 190)

Amendment 36

Proposal for a directive Annex I – Part I – point 2 – indent 15 a (new)

Text proposed by the Commission

Amendment

- ***Occupational Safety and Health Convention, 1981 (No. 155)***
Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)
The European Convention on Human Rights
The European Social Charter
The Charter of Fundamental Rights of the European Union
Convention on preventing and combating violence against women and domestic violence ('Istanbul Convention')

Amendment 37

Proposal for a directive Annex I – Part I – point 2 – indent 15 b (new)

Text proposed by the Commission

Amendment

- ***UN Declaration on Human Rights Defenders***

Amendment 38

Proposal for a directive Annex I – Part I – point 2 – indent 15 c (new)

Text proposed by the Commission

Amendment

- ***International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families***

Amendment 39

Proposal for a directive

Annex I – Part I – – point 2 – indents 15 d (new) to 15 j (new)

Text proposed by the Commission

Amendment

- *Occupational Safety and Health Convention, 1981 (No. 155) and its 2002 Protocol*
- *Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)*
- *The International Labour Organization’s Violence and Harassment Convention, 2019 (No. 190)*
- *Council of Europe Convention on preventing and combating violence against women and domestic violence*
- *The European Social Charter*
- *The European Convention on Human Rights*
- *The Charter of Fundamental Rights*

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Corporate Sustainability Due Diligence and amending Directive (EU) 2019/1937
References	COM(2022)0071 – C9-0050/2022 – 2022/0051(COD)
Committee responsible Date announced in plenary	JURI 4.4.2022
Opinion by Date announced in plenary	EMPL 4.4.2022
Associated committees - date announced in plenary	15.9.2022
Rapporteur for the opinion Date appointed	Samira Rafaela 5.9.2022
Discussed in committee	8.11.2022
Date adopted	1.3.2023
Result of final vote	+: 28 –: 20 0: 1
Members present for the final vote	João Albuquerque, Marc Angel, Dominique Bilde, Vilija Blinkevičiūtė, Milan Brglez, Jordi Cañas, David Casa, Leila Chaibi, Ilan De Basso, Margarita de la Pisa Carrión, Jarosław Duda, Estrella Durá Ferrandis, Lucia Ďuriš Nicholsonová, Loucas Furlas, Elisabetta Gualmini, Agnes Jongerius, Irena Joveva, Radan Kanev, Ádám Kósa, Katrin Langensiepen, Miriam Lexmann, Elena Lizzì, Sara Matthieu, Jörg Meuthen, Max Orville, Kira Marie Peter-Hansen, Dragoş Pişlaru, Dennis Radtke, Elżbieta Rafalska, Guido Reil, Daniela Rondinelli, Mounir Satouri, Monica Semedo, Beata Szydło, Eugen Tomac, Romana Tomc, Nikolaj Villumsen, Marianne Vind, Maria Walsh, Stefania Zambelli
Substitutes present for the final vote	Marc Botenga, Gheorghe Falcă, Lina Gálvez Muñoz, José Gusmão, Pierre Larrourou, Antonius Manders, Samira Rafaela, Evelyn Regner, Marie-Pierre Vedrenne

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

28	+
Renew	Jordi Cañas, Lucia Ďuriš Nicholsonová, Irena Joveva, Max Orville, Samira Rafaela, Monica Semedo, Marie-Pierre Vedrenne
S&D	João Albuquerque, Marc Angel, Vilija Blinkevičiūtė, Milan Brglez, Ilan De Basso, Estrella Durá Ferrandis, Lina Gálvez Muñoz, Elisabetta Gualmini, Agnes Jongerius, Pierre Larrourou, Evelyn Regner, Daniela Rondinelli, Marianne Vind
The Left	Marc Botenga, Leila Chaibi, José Gusmão, Nikolaj Villumsen
Verts/ALE	Katrin Langensiepen, Sara Matthieu, Kira Marie Peter-Hansen, Mounir Satouri

20	-
ECR	Margarita de la Pisa Carrión, Elżbieta Rafalska, Beata Szydło
ID	Dominique Bilde, Elena Lizzi, Guido Reil, Stefania Zambelli
NI	Ádám Kósa, Jörg Meuthen
PPE	David Casa, Jarosław Duda, Gheorghe Falcă, Loucas Fourlas, Radan Kanev, Miriam Lexmann, Antonius Manders, Dennis Radtke, Eugen Tomac, Romana Tomc, Maria Walsh

1	0
Renew	Dragoș Pîslaru

Key to symbols:

+ : in favour

- : against

0 : abstention