MVO Platform submission to the Open Public Consultation on the Guidelines for the Corporate Sustainability Due Diligence Directive (CSDDD)

The MVO Platform, the Dutch national coalition of NGOs and trade union striving for corporate accountability, welcomes the opportunity to contribute to the European Commission's Open public Consultation on the Guidelines for the Corporate Sustainability Due Diligence Directive (CSDDD). The CSDDD guidelines will play a decisive role in determining the effectiveness of the CSDDD and its contribution to reduce corporate abuses in international value chains. They will also shape how human rights and environmental due diligence will be implemented and enforced in practice across the European Union. As such they will play a significantly role for corporate behaviour, national transposition, and supervisory authorities. In addition to our detailed responses provided in the consultation questionnaire, in this letter the MVO Platform would like to highlight key overarching issues that we believe should guide the Commission's development of the CSDDD guidelines.

Alignment with the international normative framework

Working towards a sustainable, stable and resilient economy, it is essential that companies do business in line with the international normative framework for responsible business conduct, consisting of the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. EU governments have already endorsed these international norms and therefore, guidelines developed by the Commission should clearly make reference to these norms, acknowledge their importance and build forth on guidance associated with this framework.

Alignment with these norms to the closest extent possible should be central in the guidance developed by the Commission. The guidance for implementing a risk-based approach to conducting due diligence should hence follow the approach outlined in the six steps of due diligence as developed by the OECD. Furthermore, the guidance should set out expectations of comprehensive, continuous and effective due diligence and encourage companies to move from process-based compliance to impact on the ground.

Meaningful stakeholder engagement

Civil society organisations and trade unions, including human rights defenders and critical watchdog organisations, play an essential role in the transition towards sustainable value chains. Through their extensive expertise, practical experience on the ground, and global networks they are an essential part of the development, implementation, and monitoring of responsible business conduct. They possess valuable knowledge, insights and access to workers, producers, and rightsholders to inform and support the due diligence process.

Involving stakeholders in all steps of the due diligence process help companies identify and prioritize the most critical risks and prevent, mitigate and address these adequately. Also, remediation must happen in consultation and collaboration with (local) stakeholders to tailor solutions, increase effectiveness, and address power imbalances.

While the obligation to consult with a broad range of stakeholders, including consumers, environmental organisations, and local human rights institutions, has been deleted from the CSDDD, their knowledge, bottom-up insights, and access to relevant stakeholders whose perspectives would otherwise remain hidden, should still be taken up by companies and therefore also be encouraged by the guidelines. Accordingly, companies should be aware of the barriers to meaningful participation. Meaningful stakeholder engagement means that companies should, among other things, offer timely opportunities for input before decisions are taken, ensure advance access to adequate and accessible information, allow sufficient time and resources for engagement, consider stakeholder perspectives duly, and guarantee safe participation without risks of retaliation.

Effective investment in due diligence

While recognising that sound allocation of resources and proportionality are important, the effectiveness of the due diligence process and tools used should be evaluated by the process' ability to identify, prevent and address adverse risks and impacts. Potential cost-savings from using weak and single methods (e.g., self-reporting) are false economies if risks are not identified, harms go undetected and measures taken are ineffective. The (hidden) cost of not addressing human rights risks and impacts is much bigger than any solid investment in the due diligence process. Moreover, investments in effective human rights due diligence can even contribute to reduce costs over time by identifying risks earlier, preventing their escalation, and avoiding costly remedial measures.

While companies can make use of tools and approaches that have demonstrated their effectiveness in practice, no single tool can sufficiently fulfill the due diligence obligation. Being aware of limitations, companies should always combine multiple tools and approaches at each step of their due diligence process. Useful tools include those that are based on context specific based expertise, local, bottom-up, worker/community-driven and -validated data and meaningful consultation with field-level stakeholders. Having said this, tools can support the due diligence process, but they cannot substitute meaningful stakeholder engagement.

Conclusion

The MVO Platform appreciates the opportunity to contribute to this open public consultation. More detailed responses are provided in the consultation questionnaire. We look forward to continued dialogue and consultation as the Guidelines are being developed.

Answers provided in OPC survey

Question	Answer MVO Platform
1. Considering the experience in your company with integrating (or your plans to integrate) due diligence into the relevant corporate governance policies, which policies do you consider most relevant?	Integrating due diligence into relevant policies / management systems should include highest-level oversight by assigning oversight & responsibility for due diligence to relevant senior management and assign board level responsibilities for RBC more broadly. Relevant policies cover: Human rights / Labour rights & living income / Climate, incl. climate transition plan / Stakeholder engagement / Procurement incl. pricing, payment and delivery terms and timelines and order stability / Remediation.
2. Do you think that the guidelines should seek to offer examples on adverse human rights (including labour rights) or environmental impact, and which are the most relevant types of impacts for which you see this need? Please explain.	Concrete examples should be explicitly non-exhaustive cover all matters covered by the OECD GLs, including: - Climate impacts - Hidden labor rights impacts - Living income / wage - Gender and intersectional vulnerability: indigenous rights, migrant, age, caste-based discrimination, disability - Animal welfare - Purchasing practices that link to human rights harm - High-risk contexts and HRD risks - Other EU laws: forced (child) labour, deforestation, mining of CRM
3. If you already apply corporate sustainability due diligence in your value chain, do you have a defined set of indicators to identify and monitor the adverse impacts listed in the Annex? If so, were they developed in-house or do they rely on external input? Please give a few examples and the data source(s) they rely upon.	The guidance should encourage inclusive & frequent monitoring to effectively address risks. A continuous, flexible & responsive monitoring approach should be encouraged, rather than routine survey / checklist method. Guidance should clarify that monitoring 1x in 5 years applies only to overall monitoring and not to the risk analysis or other specific requirements. Including examples of situations where more frequent monitoring is necessary can encourage companies to monitor meaningfully.
4. In your experience, what tools proved particularly helpful to carry out a scoping of risk areas across your company's activities, those of your subsidiaries and those of your business partners? What approaches or solutions could help in performing these requirements in the cost-effective way?	No single tool is sufficient. Being aware of limitations, companies should combine multiple tools, starting with general mapping of general operations & structure of value chain and including sector/country risk analysis with meaningful consultation with field-level stakeholders, trade unions and civil society; CSO and research reports. Local, bottom-up, worker/community-driven data obtained (directly) in a way guarantees safe and reliable feedback are key to identifying human rights risks.
5. In your experience, what tools proved particularly helpful to carry out an "in-depth assessment" in areas that were identified as most severe and most likely? What approaches	Being aware of limitations, companies should always combine multiple tools. Cost savings from weak methods (e.g., self-reporting) are false economies if harms go undetected. In-depth assessment, including community-based human rights

or solutions could help in performing these requirements in the cost effective way?	impact assessment (see attached files), requires meaningful stakeholder engagement, including worker- / community-driven data, as well as context specific expertise. Also a granular methodology that calculates wage and income deficits at the local level is helpful
6. In your experience, what tools proved particularly helpful to identify indirect business partners in the value chain?	No single tool is sufficient. Being aware of limitations, companies should combine multiple tools, including supplier disclosure & cascading questionnaires; traceability technology; industry-wide data / supply chain sharing initiatives; build up meaningful long-standing trusted partnerships with field-level stakeholders, trade unions and NGOs that can help to identify hidden and informal subcontractors, homeworkers or labour intermediaries that are kept or remain invisible (in e.g. audits).
7. Have you faced any legal obstacles or conflicts when collecting information for the purpose of either carrying out a scoping of risk areas, or an "in-depth assessment" as a result of third countries' laws? Companies and stakeholders are invited to signal barriers to due diligence they may face in third countries when conducting due diligence.	Legal/regulatory barriers for stakeholders to participate openly & meaningfully that companies should seek to address: • Restrictions on FoA & collective bargaining • Strict defamation, libel, other laws, fear & risks of (legal) retaliation/reprisals • Access to information & participation restrictions • Foreign funding & engagement of CSOs restrictions • Other:literacy, language, digital access, travel distance, time constraints, work/family/childcare responsibilities
8. In your experience what data currently collected by public administrations may be particularly useful for the purposes of effective due diligence? Do you believe there is a need for access to such data to be facilitated?	Non-exhaustive: databases on EU CMR / EUDR / FLR / EUBR; CSRD value chain sustainability reports; Customs Data; Public transparency registers/UN database companies active in Israeli settlements; OECD NCP complaints database; UNSR reports; NHRIs; labour inspections; wage registries; land tenure data
9. Please indicate which of the following due diligence methods or other actions you consider most useful and cost effective for identifying adverse impacts in value chains? What are the pros and cons of these approaches in terms of cost effectiveness)?	All of the above
10. Which are particularly useful examples of such sources of information and in which areas/sectors and/or for which impacts do you see a gap in terms of documented risk factors? Do you believe there is a need for access to such data to be facilitated (e.g. via a centralised web-page)?	Combine authoritative sources (OECD sector-specific guidance / UN/ ILO / NHRI reports) with actionable, context-specific data collected by practitioners and rightsholders representatives. CSOs (incl trade unions, NGOs, community-based organisations, etc) possess and can facilitate access to valuable knowledge, bottom-up, stakeholder-validated data deeper in value chains and are a resource for underreported underdocumented risks (e.g. child labour, gender-specfic impacts, caste discrimination)
11. What other methods or information sources does your organisation use to support its risk identification (during both scoping and	For all methods and information sources it holds that meaningful stakeholder engagement, including rightsholder engagement, and engagement with legitimate representatives

in-depth assessments) or monitoring efforts as part of due diligence? If available, please include references to specific methods or sources and elaborate briefly on their pros and cons.	and experts at international, national and local level, such as trade unions, CSOs, researchers, academics, independent experts etc., should be part of the data / information collection
12. What digital tools do you consider most useful to facilitate the identification, monitoring and assessment of possible adverse impacts? Please explains pros and cons.	Online tools, even if based on diverse sources incl. from CSOs can only give indications and support risk identification. Robust due diligence always requires company-specific approaches. Collecting worker /community perspectives through digital surveys / tools can facilitate bottom-up stakeholder participation and identification of impacts. Stakeholder trust – in both tool and company's response process – is critical and must be earned over time through demonstrable commitment to act on feedback
13. Have you encountered any difficulties or problems with digital tools, including issues that cause unnecessary burdens?	No single tool is sufficient. Being aware of limitations, companies should combine multiple tools to triangulate information. Digital tools for stakeholder engagement are not effective when there's limited access or digital illiteracy. Trust in the tool, methodology, data usage and data safety (access, storage, anonymity) is key. Digital tools should not preclude companies from embedding the principles of meaningful engagement: focus groups, 1-1 interviews, and stakeholder roundtables.
14. Do you think there should be additional digital tools? What functionalities and tasks should these focus on?	No single tool is sufficient. Being aware of limitations, companies should combine multiple tools to triangulate information. To be effective, any tool must integrate bottom-up, stakeholder-validated data and include robust anonymization to prevent retaliation, and provide continuous updates.
15. Are there situations where in your view the severity or likelihood of a specific adverse impact is (or might be) particularly difficult to assess? How could such difficulties be overcome?	Especially when impact assessment is difficult, companies need to conduct due diligence, establish a good relationship with local stakeholders and take responsibility for impacts in value chains, e.g. related to: Climate change; Conflict, repression, retaliation, rapid changes; Deep-tier & informal supply chains or when access to suppliers is difficult (eg China); Intersectional and identity-based vulnerability (e.g. indigenous peoples, gender, disability, migration and work status, caste etc)
16. Regarding situations when it is "not feasible to address all identified impacts at the same time and to their full extent", what other elements are particularly relevant to support companies in performing an appropriate risk prioritisation process?	Prioritisation is a sequencing action and doesn't exclude impacts from action altogether. All identified impacts should be acknowledged and incorporated into a time-bound well-consulted action plan based on key operational elements: irremediability, contextual risk concentration, stakeholder-anchored validation; use of leverage. Supervisors should not allow companies to selectively address only convenient or least costly risks to resolve and circumvent penalties through false prioritisation

17. Are you aware of examples where a decision was taken not to disengage from a business relationship because this would have potentially resulted in more severe impacts compared to those that triggered due diligence in the first place? How was the situation dealt with?	Yes. Disengagement can lead to severe impacts remaining unaddressed, if policies, operating and financial capabilities of business partner are not strong enough for proper remediation, as seen e.g. with oil companies in Nigeria leaving behind oil spills and its unremediated impacts. However, as the case of Glencore's Cerrejon coal mine shows, using the argument of worsened social and economic outcomes as a reason to not disengage while abuses remain unaddressed is also highly problematic
18. In your experience, what purchasing practices proved most cost-effective while at the same time ensuring that adverse impacts are prevented and mitigated? What are their pros and cons? Out of these, are there purchasing practices that are inherently sector- or contextspecific? If possible, please provide examples of specific contract or commercial terms or other best practices.	Responsible purchasing is a core due diligence lever that must address root causes. Many problems in value chains arise from how procurement is structured. Key is to: pay fair and predictable prices (to allow investment in decent working conditions/sustainable production to meet CSDDD obligations); stable long-term relationships / contracts (instead of short cycles); collaborative forecasting ; responsible delivery terms, times & payments; fairer distribution of risks and value creation.
19. What are most cost-effective available data that you are aware of for determining the living income for self-employed suppliers ("an adequate living income for self-employed workers and smallholders, which they earn in return from their work and production", see CSDDD Annex, Part I point 6)? Are there sectors/geographies where no such data exist or are particularly difficult /costly to obtain?	Significant data gaps exist at the raw material minerals and agricultural farm level, and among homeworkers where informal self-employment is high. Closing these gaps requires facilitating / funding primary data collection by country through local NGO partnerships and accessible, digital farmer / supplier self-assessment tools to capture actual earnings and determine cost of living. Benchmark data and methodologies should be made freely available.
20. Which cost-effective practices are you aware of as regards companies making investments in their value chains to prevent or address adverse impacts?	Cost-effectiveness must not be prioritized over impact. Cost savings from weak methods are false economies if harms are unaddressed. Investments are most effective when collective, targeted at root causes & designed to build long-term relationships and supplier capacity rather than achieve point-in-time compliance. Paying fair prices that cover the cost of sustainable production and living wages/income is critical. Capacity building programs with proper follow-up can support these investments.
21. In your experience, have you used specific contractual terms that are fair, reasonable, and non-discriminatory when entering into contractual relationships with SME business partners to facilitate or support the due diligence process?Please explain pros and cons.	Responsible purchasing is a core due diligence lever. Many problems in value chains arise from how procurement is structured and how costs and risks are pushed on suppliers. Two-way commitment clauses commit buyers to responsible purchasing practices alongside supplier compliance obligations. Payment terms should reflect the actual cost of responsible production. Cancellation and amendment clauses protect suppliers from bearing the full cost of buyer-driven changes.

22. In your experience, what are the most cost-effective measures to support SMEs? What are the pros and cons?	Responsible purchasing practices are critical to SME support. Fair pricing covering cost of sustainable production combined with long-term contracts & risk-sharing arrangements, enable SMEs to make investments needed to meet due diligence expectations. Supporting SMEs requires not only capacity-building, but also commercial practices that provide sufficient financial stability and make improvements and compliance feasible in practice.
23. In your experience, what are the most effective, including cost-effective, practices related to remediation? Please explain pros and cons.	Remediation must happen in consultation and collaboration with local CSOs and affected rightsholders to tailor solutions, increase effectiveness and address power imbalances. It must be prompt and include preventive, redressive, and deterrent measures, including environmental restoration, reparation, compensation, decommissioning and guarantees of non-repetition. The effectiveness of remediation should be evaluated after a while and measures adjusted, if necessary.
24. What are best practices that you are aware of to determine a company's proportionate involvement in an adverse impact for the purpose of remediation when a company jointly causes the adverse impact together with others (e.g., its business partner(s) or other companies)? Have there been difficulties to determine appropriate remediation in case of joint causation in certain situations and how have these difficulties been overcome?	Difficulties often arise when one or both business partners defer responsibility to the other and inaction is the result. Collaborative remediation frameworks offer a practical model to address fragmented responsibility and resource gaps as they help determine remediation obligation by measuring profit flows from adverse impact and contribution to the harm. The UNGPs involvement framework offers a starting point for determining the level of involvement and the leverage of each involved actor
25. In your experience, what are the most significant operational challenges preventing effective due diligence in CAHRAs?	Complexity of supply chains: difficulty tracing business partners in informal or opaque war economies
26. To assist companies in determining when specific due diligence obligations apply, would specific guidance regarding the identification of "high-risk" areas beyond active conflict zones be helpful?	Other, All of the above
27. In your experience, which specific practical tools or frameworks (e.g. examples of structural drivers and root causes, early warning "red flag" indicators, conflict actor mapping, targeted questions for self-evaluation, scenario planning) proved to be particularly useful and cost-effective in integrating conflict analysis into your company's scoping and in-depth assessment?	No single tool is sufficient. Being aware of limitations, companies should combine multiple tools. The conflict analysis tool, co-developed with civil society in the Voluntary Principles for Security & Human Rights Initiative is a useful tool for companies operating in contexts of conflict. The OECD has developed due diligence guidance responsible supply chains of minerals from conflict-affected and high-risk areas.
28. What are the main reasons that make information problematic to share with business	Guidelines should clarify that companies are expected to invest resources and involve worldwide business partners to fulfill the CSDDD obligations. Barriers: unfounded fear for competition /

partners? What best practices have emerged to address such concerns?	competition law; power imbalances; punitive disengagement; supplier assessment fatigue; lack of intrinsic motivation. Best practices: pooling support to suppliers; using trusted local CSOs as intermediaries; no punitive compliance but collaborative remediation to build trust needed for honest data sharing.
29. As regards cooperation with other companies (i.e., with peers, in the framework of industry schemes) to carry out certain aspects of due diligence (e.g., risk analysis, stakeholder engagement, remediation, investment, capacity building, exercising leverage) what has worked well and what has not? Have competition law considerations constrained cooperation for due diligence? How can compliance burden be further reduced by data sharing and collaboration? Please describe the types of constraints encountered and any solutions (e.g. organisational or procedural steps) found to overcome those obstacles.	The evaluation of sectoral RBC agreements in the NLs reveal that while awareness and stakeholder dialogue is enhanced, progress on due diligence is limited and slow and substantial actual on-the-ground impact is lacking due to low direct company participation and monitoring gaps. Company cooperation should move away from risk mitigation and process-based compliance and clearly aim to realising impacts on-the-ground. Cooperation with little ambition taking place at the level of the lowest common denominator is counterproductive and will frustrate progress at frontrunners. Competition law in the NL should not hinder cooperation on due diligence. The ACM, responsible for enforcing competition law and CSDDD, confirmed in a policy rule that companies can collaborate to achieve sustainable goals in 2023. E.g. calculating and paying living income / wage for whole sectors should be treated as pre-competitive and a pre-condition for HREDD obligations and hence no violation of anti-trust laws
30. In your experience, are there particular aspects of the cooperation between the parent company and its subsidiaries that may raise particular difficulties (including any legal requirements under other regulatory regimes that might create obstacles)?	Avoidance of responsibility is often a problem. Parent companies claim that operational oversight by subsidiary makes subsidiary liable, while factors like profit incurred from misconduct should also be taken into account, especially if subsidiary has less financial strength to address harms. Additionally, different regulatory frameworks in different geographical areas make alignment between parent companies and subsidiaries potentially difficult, as (minimum) standards vary (e.g. EU and US).
31. What is your experience of cooperating with business partners to ensure efficient due diligence?	Not answered
32. What cooperation should the model contract clauses recommend between the inscope company and its business partners as regards: ● the adoption and implementation of any prevention/correction action plan ● the cost of addressing adverse impacts ● stakeholder engagement ● the notification and complains mechanisms with a view to ensure that due diligence is efficient and cost effective while compliance burden is not shifted to the business partners?	Generally, contractual clauses always need to be complemented by additional due diligence safeguards and practices to ensure effectiveness. Cooperation recommended by model contract clauses should include two- way commitments to: jointly address adverse impacts in an on-going, risk-based, and dynamic fashion to incentivize trust and transparency; implement responsible purchasing practices from day one to help prevent or mitigate adverse impacts, and encourage sellers to do the same with their own sellers; responsibly exit contracts and cancellation and amendment by providing reasonable notice and addressing adverse impacts caused by termination and buyer driven-driven; ensure due diligence obligations and related costs are fairly distributed

Please provide examples of appropriate contractual clauses, if possible.	based on respective capacities and resources, providing necessary support for SMEs; effectively coordinating and align on stakeholder engagement. Payment terms should reflect the actual cost of responsible production
33. In situations where the in-scope company and its business partner(s) are located in different countries, is there a need for specific contractual clauses on jurisdiction and applicable law to the contract? If so, why and can you provide examples of such clauses?	National standards on due diligence can vary decisively. This can lead to problems with the implementation of the CSDDD and other due diligence obligations, if one standard is much lower than another. Clarifying in advance the applicable law to the contract and jurisdiction can counter such problems. The higher minimum standard for due diligence obligation should always be the guiding applicable law to the contract, as anything else does not solve the problem of diverging standards (one can always go above, but not below the minimum). If the national law with the higher standard for due diligence is established as the applicable law to the contract, business partners have clarity and a functioning legal framework under which to operate, and have assurance that they comply with their due diligence obligations under both national and international law
34. Are there other elements required by CSDDD that are challenging to translate into contractual terms? What could be ways to overcome this challenge?	Meaningful stakeholder engagement is among the most difficult to contractualize. Its quality depends on local context, worker representation structures, and the genuine openness of both parties, none of which can be adequately captured in standard contractual language. Clauses can commit parties to conducting engagement but cannot guarantee its quality or meaningfulness. External oversight bodies can support and potentially improve company commitment to conduct meaningful stakeholder engagement through assessing the genuinity of efforts and provide incentives to improve. Responsible disengagement is also difficult to contractualise. The CSDDD frames termination as a last resort following genuine attempts at mitigation, but translating this into contractual terms requires clarity on what constitutes sufficient mitigation effort, what triggers the right to terminate, and what obligations survive termination, questions that current model clause frameworks have not yet resolved adequately
35. Are you aware of any useful and relevant best practices for contractual clauses operationalising human rights and environmental due diligence? If yes, elaborate.	Generally, two-way codes of conduct that set out rules also for buyers and not only for suppliers, are name- worthy best practices. Additionally, in the textile sector, the “Responsible Contracting Project's Model Contract Clauses” are an example for best practices of existing frameworks that operationalise human rights and environmental due diligence, as they were developed specifically with the CSDDD in mind in consultation with brands and suppliers.
36. In your view, for which due diligence measures do industry or multi-stakeholder initiatives offer the biggest added value?	• Identification of adverse impacts • SME support • increasing leverage through collaboration

	• Remediation • Stakeholder engagement
37. What are, in your view, the main challenges for existing industry and multistakeholder initiatives in view of their role in supporting due diligence under the CSDDD (e.g., misalignment with the due diligence requirements, misalignment of audit protocols with the material scope of the CSDDD, in particular the Annex)? What are the main gaps in the geographical, sectoral, topical or value chain coverage of existing industry and multi-stakeholder initiatives?	Challenges for MSI's are the imbalance of influence and decision-making power between corporations and CSOs, and cherry-picking of issues addressed (not determined by most salient risks) and misalignment with international normative frameworks. Also, some companies rely exclusively on their membership within the MSI for DD, without investing in own due diligence. MSI's also lack robust third party verification and reliable audits. Civil society needs resources to meaningfully participate in MSI
38. Which of the following governance or other challenges of existing industry or multistakeholder initiatives do you consider as being the most important?	• Conflicts of interest, including any undue influence on the governance of the initiative or on specific measures by participating companies • Lack of independence and competence of assessors/verifiers, undermining the credibility of their work • Insufficient engagement with stakeholders • Other: - Processes not sufficiently adapted to cater for local realities - Lack of enforceability - Many differences between initiatives and their reach
39. From the list below, which specific potential facilitation role of the European Commission would benefit your organisation the most and how?	Other roles, please specify: • support checks and balances to prevent and mitigate 'greenwashing'. • support CSOs in their roles as watchdog • limit corporate lobbying
40. What best practices could ensure the independence of third-party verifiers from the companies that they assess, from the companies on whose behalf they act and from external influence?	System based on continuous engagement with workers / rightsholders / representing orgs, interviews with workers / rightsholders without managers present, off-site & unannounced audit, elaborate mandatory public disclosure of audit results & follow-up, independent oversight, requirement for professional standards for auditors. Introduce scheme-managed contracting & pooled funding (company not directly selecting & paying verifiers), confidential complaint mechanisms & mandatory follow-up on audit findings
41. In your view, what level of experience and competence in human rights (including labour rights) or environmental matters, according to the nature of the adverse impact, would be necessary for third-party verifiers to support companies in implementing the Directive's requirements?	Verifiers need competence to continuously monitor compliance, guarantee independence and have ability to push improvements / impact on ground after corrective action plans. They also need: robust knowledge / experience with responsible business conduct and human rights / environmental risks; specific expertise on the local context and sector; skilled in gender – and minority-sensitive audits,

	including safeguarding anonymity in data collection and ensuring aftercare for affected rights-holders
42. In your experience, what are the most effective standards ensuring that the thirdparty verifiers are accountable for the quality, effectiveness, reliability and integrity of the verification?	Robust governance, including multi-stakeholder involvement, independent oversight, good grievance mechanism, continuous monitoring and transparency on findings and follow-up are essential to promote accountability. While ISEAL Alliance Code offers a good practices framework for members, this doesn't guarantee those initiatives are free from criticism. More generally, civil society reports, public journalists and scientific investigations are valuable counter-checks for audit performances.
43. Taking into account the requirements of the CSDDD, in your experience what are the most cost-effective means to engage with stakeholders in the performance of due diligence? What are the pros and cons?	Evaluating 'meaningful' under the 'cost-effective' criterion is problematic. Relevant stakeholders should not be limited to most visible/accessible groups. Company should proactively identify/engage vulnerable & marginalised rightsholders. Combination of methods is recommended: Bilateral meetings for sensitive/technical issues, multi-stakeholder workshops/focus groups for collective problem-solving. Digital surveys/meetings can be efficient, but risk excluding non-digitalised stakeholders.
44. Which methods have proven most cost-effective in identifying and involving marginalized groups (for example certain groups of indigenous people) or 'hidden' stakeholders, such as those working in the informal sector or victims of human trafficking?	First assess which vulnerable/marginalised groups may be excluded from traditional engagement processes due to discrimination/power imbalances/social marginalisation. Help of local civil society & legitimate representatives to identify & involve them / power analysis incl. stakeholder mapping / anonymous, accessible representatives to identify & involve them / power analysis incl. stakeholder mapping / anonymous, accessible worker-voice mechanisms / (digital) rights training. Engagement need to be gender-responsive, intersectional & context-specific and counter reinforcement of existing inequalities.
45. What are the most robust and cost-effective mechanisms for guaranteeing confidentiality and protecting participants from retaliation?	Clear and multi-lingual reporting mechanisms are crucial, together with voluntary participation, anonymity, and confidentiality, using neutral off-site venues, anonymous digital channels, anonymity protocols, separate focus groups for vulnerable stakeholders, and trusted intermediaries (independent unions/local NGOs). Prior risk assessments must ensure reporting causes no job loss, physical harm, or threats to integrity. Informants must be protected from potential acts of retaliation.
46. What are the most critical issues for stakeholders covered by the Directive in terms of engagement with companies at different stages of the due diligence process? What are best practices leading to an effective (including cost-effective) due diligence process?	Engagement can be counter-productive if done poorly. For it to be effective and meaningful, it should be incorporated in the whole due diligence process (starting from the beginning) and include feedback-loops, so that it shapes continuous improvements. Transparency about next steps and the consultation's impact is crucial. Balanced and representative

	stakeholder engagement means CSOs and rights holders are consulted, and those at risk are prioritized
47. In your experience, what are the most cost-effective approaches that companies can use to involve stakeholders at the level of indirect business partners? What are pros and cons?	Direct engagement with those stakeholders (or through legitimate representatives) remains the most effective. Besides, early and transparent communication with suppliers on stakeholder engagement and mitigation planning is key. Collective leverage through sector-wide collaboration and joint monitoring programs can reduce duplication and cost burdens for suppliers while increasing leverage for participating companies.
48. What are best practices in terms of the company's security procedures so that vulnerable stakeholders feel safe to engage (e.g., in terms of guarantees of anonymity, protection against retaliation, other)?	Safe engagement requires strong measures that ensure anonymity, confidentiality, voluntary participation, informed consent, and the right to withdraw. Access to safeguards must be easy. Companies should adopt zero-tolerance and non-retaliation policies, use trusted representatives or mediators, secure communication and data handling, and hold consultations in neutral, safe venues with trauma-informed facilitators, including dedicated fora for women. Children require strict protection measures
49. How can companies engage with stakeholders in a way that specifically addresses and removes barriers for vulnerable stakeholders or groups (such as, depending on the context, workers representatives, indigenous peoples, women, or migrant workers)? In your view, what specific support do vulnerable stakeholders need?	Proactively identify relevant stakeholders, incl. vulnerable/marginalised groups otherwise excluded. Barriers, e.g. practical constraints as language, literacy, digital access, mobility, (time) poverty & caregiving responsibilities, need to be identified/addressed before interaction. Protection of confidential information & identity is essential. Inclusion requires intersectional assessment & separate fora to bypass social hierarchies. Verified representation if direct interaction isn't possible
50. Which aspects of the CSDDD do you expect to present the greatest practical challenges for supervisory authorities when carrying out their oversight functions? What would be new challenges compared to the enforcement tasks of existing supervisors (including in other policy areas)? How can the guidelines contribute to addressing those challenges?	Key challenges include: insufficient resourcing / expertise / independence / motivation; long timelines & stalling due to parallel proceedings; acceptance of intransparent/unreliable evidence; minimal rightsholder engagement; lack of cross-border investigative powers/cooperation. Supervisors for CSDDD should not shy away from exercising own (investigative) powers, enforcement and sanctions (not only focus on guiding companies), make mechanism easy accessible and protect stakeholders from retaliation
51. Based on experience with other enforcement regimes (deforestation, conflict minerals, product safety, etc.) what types of information, documentation and/or evidence have proven most useful when checking compliance with due diligence-type obligations?	National Contact Points for OECD Guidelines have experience with assessing due diligence-related complaints. Assessments cannot be based on company documentation alone, or info that is not shared with complainants. Evidence from complainants, e.g. documentation on (lack of process), testimonies, samples should be duly considered. Best practice includes supporting with translation/interpretation and facilitating mediation in the countries where impacts have occurred.

52. What would be best practices (e.g., organisational steps, procedures, other mechanisms) from other policy areas that have proven useful for the coordination among supervisors? Which aspects of cooperation with other supervisors do you expect to present the greatest practical challenges in practice?	Challenges include: Weak cross-border coordination and no binding joint decisions or dispute resolution if supervisors reach different conclusions. There is a need for coordination with supervisors of i.a. FLR and EUDR and a lead authority with exclusive power, e.g. case with GDPR. Best practices of NCPs: OECD Guidelines and mandatory publication of final statements and periodic peer reviews, which rely heavily on stakeholder participation, to evaluate the strengths and weaknesses.
53. Which factors listed in Article 27(2) do you expect to be most difficult to operationalise when determining the level of pecuniary penalties?	• Nature, gravity and duration of the infringement, severity of the impacts • Extent to which prioritisation decisions were made in accordance with Article 9 CSDDD • Extent of any remedial action taken • Financial benefits gained or losses avoided
54. In your experience as a supervisory authority, are there circumstances characterising an infringement that raise specific questions in determining the level of fines (and that therefore should be addressed in the guidance)?	Sanctions and fines should be sufficiently effective, proportionate and deterring and need to address the following: harm deep in the chain of activities; known harm and repeated infringements left unaddressed under false cover of prioritisation, "gradual" remediation or continued engagement; company reliance on systems of questionable reliability as sole compliance evidence; deliberate complex cross-border group structures, raising attribution/turnover questions.
55. What features of the guidance to be issued in accordance with Article 27(4) of the CSDDD would be most helpful in assisting supervisory authorities in determining the level of penalties, in a way that contributes to a uniform fining practice across the EU?	Guidance on corrective measures when penalties cannot be given (unidentified impacts - rec 39, information blackout - art 8.2a, 8.3, prioritization - art 9.4, engagement continuity - art 10.6, 11.7, gradual addressing – rec 43) and when in these cases penalties are eventually appropriate (penalty shield cannot persist eternally), including escalation for repeated / unremediated harms
56. Are there best practices from other policy areas (at EU or national level) that, in your view, could usefully inform sanctioning and fining decisions under the CSDDD? Please provide concrete examples (e.g., fining guidelines, assessment frameworks, judicial approaches).	From its ruling in the Shell-case in 2021 it can be concluded that according to the Dutch court, companies have a global responsibility to reduce CO_2 emissions more rapidly and must work on this in the short term. Financial consequences, lower sales and decreased ability to make new investments, cannot be used by companies as an excuse to not uphold their climate obligations.
If you have documents relevant for the questions above that you wish to bring to the attention of the Commission (such as best practices, codes of conduct, contract clauses, guidance documents), you can upload them here. Please include a brief description of the file and of its relevance as regards the above questions. However to the extent possible, please also include that information in the corresponding response fields of the questionnaire (if the character limits permit).	https://corporatejustice.org/publications/transposition-guide-for-the-csddd/ https://www.oecdwatch.org/updated-alignment-within-reach-remaining-opportunities-to-align-the-eu-csddd-with-the-oecd-guidelines/ Q10: https://actionaid.nl/wp-content/uploads/2022/11/Due-Diligence-report-Final-version_compressed.pdf

	Q10: https://actionaid.org/publications/2020/we-mean-business-protecting-womens-rights-global-supply-chains Q16: https://oxfamilibrary.openrepository.com/server/api/core/bitstreams/ae30bbe5-fe5d-44c0-a6eb-67872d64da77/content Q16: https://oxfamilibrary.openrepository.com/server/api/core/bitstreams/47376878-719f-4d58-994c-5109bd8da79a/content Q29: https://www.kit.nl/institute/publication/evaluation-of-the-dutch-rbc-agreements-2014-2020 Q43: https://oxfamilibrary.openrepository.com/server/api/core/bitstreams/32a4ead8-fec7-4a6d-befd-824bbe034d78/content Q44: https://www.somo.nl/a-piece-not-a-proxy/ Q46: https://www.mvoplatform.nl/en/guidelines-for-civil-society-organisations-participating-in-corporate-stakeholder-consultations/ Q46: https://www.mvoplatform.nl/speciale-aandacht-in-due-diligence-wetgeving-voor-gemarginaliseerde-groepen-en-gendersensitiviteit/