

Mr. Ulf Kristersson, Prime Minister of Sweden  
Ms. Roberta Metsola, President of the European Parliament  
Ms. Ursula von der Leyen, President of the European Commission

Brussels, 21 March 2023

## **Re: Companies call for a level playing field on due diligence**

Dear Prime Minister Kristersson, President Metsola and President von der Leyen,

Our associations remain supportive of the proposed directive on corporate sustainability due diligence. However, we call strongly for maximum harmonisation provisions to be introduced into the legal framework so as to ensure a level playing field and avoid further internal market fragmentation. Divergent national legal regimes on due diligence would not only be costly and burdensome for companies of all sizes but, more importantly, risk undermining the achievement of the goals of the legislation in an efficient and effective manner.

Given that corporate sustainability due diligence will not be governed by an EU Regulation but by a Directive, unlike the proposed new rules governing products made with forced labour, we urge the European Parliament and Member States to adopt maximum harmonisation provisions such as those previously applied to consumer law. At a minimum such provisions should be applied to the scope (Art.2), definitions (Art.3), due diligence process (Arts. 4-8), communication (Art. 11), guidelines (Art.13), sanctions (Art. 20) and civil liability (Art. 22). At its meeting on 2 March, the European Parliament Internal Market Committee adopted its opinion and supported the introduction of maximum harmonisation into the Directive.

As we celebrate the 30th anniversary of one of the EU's greatest achievements, the internal market, companies are facing a growing number of different Member States rules on due diligence. A level playing field modelled on existing international standards on risk-based due diligence must be introduced at European level in order to achieve the aim of this legislation which is to foster sustainable and responsible corporate behaviour and to anchor human rights and environmental considerations in companies' operations and corporate governance.

At the recent OECD ministerial meeting, the Member States signed a Declaration<sup>1</sup> on responsible business conduct, where a firm commitment was made with regard to coherence, alignment, and harmonisation of standards. The Commission also committed to implement this agenda.

We will continue to contribute actively and constructively to the negotiations with Members of the European Parliament, Presidencies-in-Office of the Council, the European Commission and other stakeholders in order to reach a balanced political agreement on this file before the 2024 European elections. If this legislation is successful, it can deliver on the EU's intent to become a global reference for legislation on responsible business conduct.

We hope you will give this important matter heightened attention.

Yours sincerely,

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<sup>1</sup>Declaration on Promoting and Enabling Responsible Business Conduct in the Global Economy



Susan Danger, CEO, AmCham EU

Linda Kromjong, President, Amfori EU

Ben Butters, CEO, Eurochambres



Christel Delberghe, Director General, Eurocommerce

Guy Thiran, Director General, Eurometaux

Michelle Gibbons, Director General, European Brands Association



Hendrick Abma, Director General, European Semiconductor Industry Association

Jérôme Pero, Secretary General, Federation of the European Sporting Goods Industry

Dirk Jacobs, Director General, FoodDrinkEurope



Dr. John Mitchell, President and CEO, IPC

Shozo Maeda, Secretariat General, Japan Business Council in Europe

Rob Lederer, CEO, Responsible Business Alliance



Laith Altimime, Director, SEMI Europe