

Press Release

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EU 'due diligence' proposal should be beefed up to deliver more sustainable products to consumers

The European Commission today <u>proposes a new law</u> that would make corporate governance more sustainable. This law on so-called corporate 'due diligence' would oblige large companies to meet minimum environmental and labour standards in their supply chain.

Monique Goyens, BEUC Director-General, said:

"It's difficult for consumers to know if their sofa, jeans or chocolate spread are produced in a way that respects the environment and labour rights. Obliging companies to better vet their supply chains should ideally result in improved social, environmental and climate standards for all products we buy.

"The European Commission today makes a welcome first step at making consumption greener and socially fairer. Even if this initiative is not consumer facing, it will be good if people get a broader offer of more sustainable products.

"For a due diligence law to work in practice, the European Parliament and Member States should beef it up. Consumers may otherwise end up stuck in a halfway house, without any guarantee that a product they are buying has been produced according to due diligence standards.

"This initiative should apply not only to large but to *all* companies operating or placing products on the EU market. The EU should also include climate change in these due diligence requirements, as it currently only foresees social standards and the environment. Finally, to be effective, a law needs to be accompanied by a proper enforcement mechanism."

Read more

• BEUC's view on due diligence legislation

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