

TCHIBO POSITION ON THE EU OMNIBUS PROCEDURE WITH A FOCUS ON CSDDD

Stand: March 2025

As a company that already implements the German Supply Chain Act (LkSG) and has 20 years of experience in human rights work within our supply chains, we view the EU Commission's proposals for adjusting the CSDDD critically. Our point of view: Harmonization and debureaucratization yes, reduction of impact and deregulation no.

OUR DEMANDS TO THE EU:

1. NO POSTPONEMENT

We strongly oppose the proposed delay of the CSDDD until 2028. Immediate enactment is essential to create a fair and reliable competitive environment and to promptly address potential human rights violations.

2. RISK-BASED APPROACH INSTEAD OF TIER-1 FOCUS

Focusing on Tier-1 suppliers leads to more bureaucracy and less impact. Instead, we advocate for a risk-based approach that prioritizes risks in the supply chain based on severity, likelihood, and influence, and implements corresponding measures. Here, impact and effective use of resources should prevail over the scattergun approach.

3. BINDING CLIMATE PROTECTION MEASURES

Creating a climate transition plan is not enough. Companies should be required to implement their climate goals bindingly.

4. SUPPORT FOR SMES

We support the BAFA's clarification that LkSG obligations should not be passed on to supply chain partners, especially SMEs. A risk inquiry for SMEs must remain possible, as human rights can also be violated here. In risk mitigation, SMEs should be supported by their larger business partners and policymakers.

5. REGULAR REVIEW

Reviewing due diligence processes and measures every five years is not sufficient. A review interval of two years allows for responding to changes and ensuring the effectiveness of measures.

6. HARMONIZATION WITH THE CSRD

To reduce bureaucracy, the risk assessment of the CSDDD should be aligned with the materiality criteria of the CSRD. Instead of public reporting beyond the CSRD, regular reviews by the competent authorities should take place. Key terms should be harmonized between the laws (e.g., "value chain" or "risk analysis").

7. EMPOWERING COMPANIES TO INTERPRET INDEPENDENTLY

We believe that not every detail needs to be legally regulated, as long as the goal is clearly formulated. Companies then have the freedom and duty to define and plausibly present their best solution for protecting people and the environment.

In summary, we demand: Harmonization with a focus on impact and debureaucratization instead of deregulation. Only in this way can Europe meet the societal and economic challenges of today's times, protect people and the environment, and ensure fair competition.