



UPDATE JUNE 2023

Several apparel manufacturing industry associations, united in the Sustainable Terms of Trade Initiative (STTI) have voiced their opinion on the EU’s proposed Corporate Sustainability Due Diligence Directive (CSDDD) in collaboration and with the support of the Common Framework for Responsible Purchasing Practices (CFRPP).

On April 25th the committee on Legal Affairs (JURI) of the European Parliament presented their position including needed amendments on the proposed CSDDD. On June 1st the European Parliament will vote on this position. To STTI’s satisfaction, the JURI’s position now takes into account some of the major requests of the apparel manufacturing associations and STTI hopes that the European Parliament will follow suit. The JURI’s position does not fully match STTI’s ideal picture for this legislation but from a garment manufacturer’s perspective it is an important improvement to the European Commission’s proposal, primarily because it is aligned better with the relevant international standards (UN Guiding Principles on Business and Human Rights, OECD Guidelines and Due Diligence Guidance).

Following these standards, the Juri Committee’s position on the European Commission’s proposal highlights that **buying companies must assess the potential or actual adverse impact that their purchasing practices may have on human rights and the environment**. This position helps to prevent actors with less power in value chains, very often manufacturers and their workers, actually bearing most of the burden of due diligence.

Global experts in human rights due diligence agree with STTI and the Juri Committee. A recent report by the Shift, the leading center of expertise on the UN Guiding Principles on Business and Human Rights (From Policing to Partnership: Designing an EU Due Diligence Duty that Delivers Better Outcomes), directly positions itself as supporting STTI’s efforts. The May 2023 report seeks “to complement efforts by other stakeholders to bring the vital perspectives of directly affected stakeholders in production and sourcing markets into the current European debate.” It highlights the importance of the improvement of purchasing practices and beyond that it propagates an approach to the management of sustainability risks that is “grounded in mutual responsibilities because this is more likely to deliver better outcomes in practice” for all parties concerned.

Apparel manufacturers united in STTI will continue to stress that due diligence is a risk and effort sharing exercise and not a risk and effort transferal operation.

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Notes to Editors:

The 13 association, 10 country initiative STTI (Sustainable Terms of Trade Initiative), along with a coalition of MSIs that has developed the Common Framework for Responsible Purchasing Practices (the Common Framework), have been advising the SAC on the development of the purchasing practices related questions in an expert committee.

STTI and the Common Framework have themselves worked together very closely with the purchasing practices principles of the Common Framework having been strongly based on the STTI's key and further recommendations for better purchasing practices as defined in its September 2021 White Paper.