

Joint statement on omnibus

Omnibus proposal will create costly confusion and lower protection for people and the planet

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On 8 November 2024, European Commission President Ursula von der Leyen announced she would introduce a proposal to amend three key pillars of the European Green Deal through an Omnibus law: the Corporate Sustainability Due Diligence Directive (CSDDD), the Corporate Sustainability Reporting Directive (CSRD), and the Taxonomy Regulation.

As members of civil society, human rights and environmental defenders, trade unions and climate activists, we call on the European Commission to actively protect these EU corporate accountability laws, reaffirm the official timeline for their transposition and implementation, and be fully transparent about the Omnibus process.

The European Union must show leadership in the protection of human rights, environment and climate, and prevent further setbacks to corporate accountability. **The ongoing backlash against the EU's sustainability framework comes at a time when business accountability is critically needed.** Whilst some of the world's biggest companies distributed record dividends in 2023, their investments fall far short of what is needed to transition to sustainable and resilient business models. Around the world, European companies, through their complex supply chains, continue to impact on a range of human rights and fundamental freedoms including labour rights, freedom from forced labour and the right to a clean, healthy and safe environment.

Yet despite clear calls from Climate Commissioner Hoekstra and Executive Vice-President Ribera to protect the legacy of the European Green Deal – and a commitment from Justice Commissioner McGrath “to ensure a timely and effective implementation” of the CSDDD during his confirmation hearing – President Ursula von der Leyen runs the risk of undermining key protections by forcing a re-opening of the files with the Omnibus law. **This is generating tremendous uncertainty for countries that have already started their transposition process, and it will reward companies who failed to prepare to comply with these legislations.**

A race to the bottom in value chain standards will risk increasing pressure on European manufacturing. It will also lead to more exploitation of people and environmental harm across countries. Businesses should be held accountable for their responsibility to respect human rights across their operations and supply chains.

Several countries outside the EU have already introduced or are in the process of introducing mandatory human rights due diligence laws, or have more specific legislation related to modern slavery or child labor issues. These include: The United Kingdom, Switzerland, Norway, Australia, South Korea, Mexico, Brazil, Japan and Canada.

The European Union is founded on the values of democracy, equality, the rule of law and respect for human rights. Those principles are enshrined in the Treaty on EU and the EU Charter of Fundamental Rights. **The EU should not undo the progress that has already been achieved with the European Green Deal, but encourage a race to the top and protect human rights, the environment and climate;** all while providing stakeholders with a level playing field through clear expectations, legal certainty and timely and comprehensive guidelines on implementation.

Let us not forget the assessment made by the previous Commission under Ursula von der Leyen's presidency: the EU's competitiveness lies in its ability to provide a stable regulatory environment under the European Green Deal, focused on sustainability and the green transition - all of which are increasingly demanded by global consumers.

We therefore urge European Commission President Ursula von der Leyen to:

- Uphold EU corporate accountability legislation including the Corporate Sustainability Due Diligence Directive (CSDDD), Corporate Sustainability Reporting Directive (CSRD), and the Taxonomy Regulation.
- Adhere to the current timeline for the transposition and implementation of these essential laws, and provide timely and clear guidelines for compliance.
- As a matter of urgency, clarify the Commission's intentions and be fully transparent about the rationale, scope, timeline, legislative process, impact assessment as well as the consultation period related to the proposed omnibus.

Signatories:





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