

# BOOST HRDD

Bottom-up Outreach to Stakeholders in HRDD legislation.

Recommendations from key stakeholders in production countries on CSDDD implementation.



## Executive Summary

The BOOST HRDD program, led by CNV Internationaal, Mondiaal FNV, and Fair Wear Foundation, aims to support effective implementation of European Human Rights Due Diligence (HRDD) legislation in production countries. In the program we have a special focus on the EU Corporate Sustainability Due Diligence Directive (CSDDD). Focusing on seven key production countries in Asia and Africa, the program aims to strengthen local stakeholders' capacities, collect ground-level insights, connect data and information from different actors across the supply chain and advocate for policies that enhance human rights due diligence (HRDD) across supply chains. To address the concerns on how the CSDDD may be perceived as an imposition on production countries, the BOOST HRDD program focuses on engaging local stakeholders in HRDD legislation in order to amplify local voices in the implementation process of the legislation. By equipping trade unions, suppliers, and business associations with the tools and knowledge to actively participate, the program fosters equal partnerships rather than one-sided mandates. This approach ensures that due diligence is an inclusive effort, reflecting the needs and perspectives of all actors in global supply chains.

While the CSDDD holds the promise to empower rights-holders such as workers and affected communities, as well as to foster transparency, this paper will show that risks such as chaotic implementation due to circumscribed awareness and experience with HRDD in practice, and limited meaningful engagement by EU companies, can minimize its impact considerably. Production country stakeholders also see opportunities with the implementation of the CSDDD for positive change. However, stakeholders emphasize the need for better knowledge sharing and harmonized practices to prevent inefficiencies and power imbalances. Recommendations from the stakeholders include establishing local service points to guide CSDDD implementation, creating standardized frameworks for risk assessment and reporting, and nurturing sectoral cooperation. The most critical recommendation is to include the production country stakeholders in the development of the guidance(s) of implementation.

EU Member States are urged to invest in long-term capacity-building programs in production countries for stakeholders including, but also beyond businesses, and provide technical assistance to align national legislation with CSDDD requirements. The European Commission is called upon to develop communication programs tailored to local contexts and to support regional hubs to oversee implementation. Companies within the CSDDD scope should actively participate in local initiatives, fund monitoring efforts, and adopt collaborative strategies to ensure compliance.

This paper represents initial insights from stakeholders and sets the stage for continued efforts in 2025, including expanded capacity building and stakeholder engagement. By addressing these challenges collectively, the CSDDD can drive effective change and advance sustainable practices globally.

# Background of the BOOST HRDD program 2024-2025

In 2024 and 2025, CNV Internationaal, Mondiaal FNV and Fair Wear Foundation contribute to the support of effective implementation of the Corporate Sustainable Due Diligence Directive (henceforth CSDDD or 'the directive') across the supply chain, amongst others by involving production countries in Asia, Africa and the MENA region in the implementation of European Due Diligence regulations. With their extensive networks across several supply chains in these countries, the three organisations train local peers, collect information and transfer the input from key business and worker stakeholders to buyers, and subsequently use this input to develop policy (recommendations) on accompanying measures. This paper shows the first outcomes and recommendations of the meetings, interviews, events and training conducted in the first year of the program.

For years, the Human Rights Due Diligence (HRDD) approach focused on assessing and reducing risks throughout the supply chain. Because many companies have not been voluntarily adhering to the OECD guidelines, in May 2024, the EU adopted the CSDDD, which made HRDD mandatory. Since the approval, the two-year transposition-process has started. CNV Internationaal, Mondiaal FNV and Fair Wear Foundation are collaborating to enjoin key stakeholders (such as suppliers, business associations, trade unions, workers and worker representatives and civil society) on their role in the CSDDD implementation in seven manufacturing countries and to use their input to influence better policies and implementation at EU level and in EU-Member States.

The aims of this programme are:

1. Capacity building for key stakeholders on (mandatory) HRDD in the seven biggest manufacturing countries and gaining knowledge from these stakeholders on effective implementation of HRDD legislation.
2. Collecting information and connecting digital tools to drive brands' actions based on workers' and industry voices.
3. Develop proposals for policymakers in Europe for accompanying measures to guide impactful HRDD.

This paper shows a top selection of the risks, opportunities and recommendations the key stakeholders in production countries have identified, connecting goal 1 and 3. In 2025, CNV Internationaal, Mondiaal FNV and Fair Wear will continue the program, by training and connecting more stakeholders; hosting roundtables to pilot meaningful stakeholder engagement and to discuss accompanying measures that the European Commission or Member States can implement and work on, such as digital tools to facilitate HRDD in practice.

# Key opportunities of the csddd, as identified by stakeholders

## **Empowerment of key stakeholders in production countries**

This directive can have a positive impact on the lives of workers in the countries where they work. Some trade unionists during one of the trainings said: 'We're finally being heard' - the objective of the CSDDD. When meaningful stakeholder engagement is conducted appropriately, where local stakeholders have a seat at the table and are listened to and part of the decision-making process, it benefits all involved. This will also provide opportunities to distinguish trends and zoom in on specific themes such as gender-based violence and harassment, and to collaborate on capacity building activities concerning these themes. Stakeholders can share relevant knowledge from the start, on which brands can base their risk scoping and mitigation actions, rather than only becoming a stakeholder when adverse impacts have already occurred and need to be addressed.

## **Good business case**

For suppliers in production countries, the CSDDD implementation could potentially lead to a business case of investing in better structures; being 'HRDD-compliant' could attract more business. However, investing in improving working conditions can be very expensive for suppliers and they have no certainty of long-term contracts as a return on their investments. It is often the (perceived) risk of human rights violations at the national or regional level that influences the decisions of brands on whether or not to source in a particular country. By joining forces and having business associations play an active role in qualifying suppliers and improving the conditions inside factories, they can have a positive influence on how their country is perceived. Business associations are open to taking steps, such as having their own Codes of Conduct or using supplier model contractual clauses and providing input on the implementation process of the CSDDD to make sure that their pivotal position is considered, if brands also take their share of responsibility. This shift presents a unique opportunity for suppliers to differentiate themselves in the global market by demonstrating leadership in sustainability and human rights. Being CSDDD-proof can enhance their reputation, attract long-term partnerships with responsible brands, and improve access to international markets. By fostering collaboration and dialogue between stakeholders, the CSDDD has the potential to influence a demonstrably level playing field where improved working conditions and responsible practices are recognized as a competitive advantage rather than a burden.

## **More transparency - a key opportunity**

The Corporate Sustainability Due Diligence Directive (CSDDD) and Corporate Sustainability Reporting Directive (CSRD) introduce new requirements, ensuring companies publicly disclose their due diligence efforts on human rights and environmental risks. This benefits trade unions and suppliers in production countries by providing greater access to structured and comparable information on corporate commitments and responsibilities. For trade unions, this transparency potentially strengthens their leverage for advocacy and social dialogue. Clear reporting on working conditions, wages, and freedom of association allows unions to hold brands accountable, negotiate better conditions, and challenge exploitative practices. For suppliers, enhanced disclosure creates opportunities to demonstrate compliance and attract European buyers. By aligning with CSDDD requirements, suppliers can showcase their responsible business practices, securing long-term contracts and strengthening competitiveness.

# Key risks of the csddd, as identified by stakeholders

## **Risk of chaotic implementation: Lack of knowledge and experience in producing countries about HRDD and the CSDDD**

Stakeholders in production countries have little to no knowledge about the CSDDD. As a result, there is little practical experience with HRDD, for example through means of the UNGPs or the OECD Guidelines for Responsible Business Conduct. The concepts of HRDD and the OECD guidelines are better known, but this can vary by country, stakeholder and sector. This creates the risk of having a chaotic effect in the first few years of the CSDDD implementation when companies will suddenly be compelled to engage with stakeholders in their value chains. The same is true for business associations. Typically, brands, suppliers and other stakeholders start thinking about and discussing laws when they feel the effects, not before.

There has been limited to no outreach so far from European companies (in scope under CSDDD) with the trade unions and business associations we've interviewed, not even from German companies who fall within the scope of the German Supply Chain Act, which has been in effect for around two years. Aside from a knowledge gap on their part, this also means that there are minimal instances of European companies performing meaningful stakeholder engagement in production countries - which is a crucial prerequisite within CSDDD/HRDD. When there is involvement from trade unions in production countries with reaching out to European companies, the experience is often negative and has had little meaningful impact. In conclusion: the lack of knowledge about the CSDDD and limited practical experience with HRDD among stakeholders in production countries, combined with minimal engagement from EU companies in the past, creates a high risk of chaotic implementation. Many stakeholders, including suppliers and trade unions, are unaware of the requirements and lack guidance on expectations, while companies often delay action until laws directly impact them. Without effective and meaningful stakeholder engagement and capacity building, the early stages of CSDDD implementation are likely to face significant challenges and insufficiencies.

## **Conflicting influence of national context – loss of business**

The alignment between national context and international legislation is not always obvious. Both business associations and trade unions are afraid of being known for being located in high-risk countries or regions and with that, facing higher costs because of mitigating these (perceived) risks, thereby risking loss of business. This can have an adverse effect, such as sweeping (potential) human rights abuses under the rug, or general layoffs, and could undermine the goals of the CSDDD.

## **Adverse impact on human rights and freedom of association**

Trade unions are afraid of more harassment, discrimination, and being overburdened, which could further limit their Freedom of Association (FoA). In countries with volatile political situations, national governments may repress organizations that report on risks in specific sectors, fearing damage to the country's reputation. This is further exacerbated in regions where trade unions are small, fragmented, or entirely absent, leaving workers with little to no formal representation. Even where unions exist, they often operate with very limited capacity, lacking the resources, skills, or institutional support to engage effectively in meaningful due diligence processes. Without targeted support to strengthen trade unions ('s right to organize) and ensure their protection, the implementation of CSDDD risks sidelining the very stakeholders it aims to empower, undermining its potential to address systemic power imbalances in supply chains.

## **Increase in power imbalance**

Business associations particularly fear that the CSDDD and other relevant European legislation will place an unfair burden on their members, that the list of requirements will grow, and that they will have to pay for the cost of investments and verification measures instead of incentivising the envisaged eye-level partnerships. As there is not yet one framework of requirements, companies are likely to have their own interpretation of national and EU legislation, subsequently basing their Codes of Conduct upon this, which in turn often translates into one-sided contractual clauses that put the burden on suppliers. They are then expected to comply with these 'brand rules' but most times brands offer neither financial support for compliance, nor do they review their own purchasing practices. There is oftentimes also no accessible grievance mechanism available to supplying companies to address these issues.



# Key recommendations, as identified by stakeholders

## 1. Providing cognizance: Long-term awareness raising & information sharing

Although the discussion on HRDD started many years ago, the attention has increased since the mandatory CSDDD was passed in May 2024 in the EU. To ensure the successful implementation of the CSDDD, it is important to engage and empower all actors in the supply chain, not just the brands located within the EU. Raising awareness and building the capacity of key stakeholders across the supply chain outside the EU is crucial but requires a long-term investment. Most stakeholders involved in international value chains – whether in Europe or elsewhere – are currently unaware of the HRDD requirements, which precludes practicing them.

Investing in long-term awareness campaigns would benefit the European Commission and EU Member States by ensuring the smooth and effective implementation of CSDDD. By fostering awareness and building capacity among stakeholders in production countries, these campaigns can mitigate the risks of non-compliance, chaotic implementation, and power imbalances in global supply chains. Additionally, investing in long-term awareness operations would also benefit EU businesses by creating a stable and predictable environment for implementing the CSDDD, reducing risks of non-compliance and associated legal or reputational costs. By equipping production country stakeholders with the necessary knowledge and tools, EU companies can avoid disruptions in their supply chains and ensure smoother collaboration with suppliers. This approach fosters efficiency, reduces administrative burdens, and enhances the competitiveness of EU businesses in global markets by promoting consistent and reliable practices across supply chains.

To make the CSDDD and other HRDD legislation effective, key stakeholders have emphasized the need for broad awareness-raising and capacity building initiatives on the concept of HRDD and the content of the CSDDD to achieve long-term impact, sustainability, and effectiveness. **Across the entire value chain, all stakeholders, including trade unions, suppliers, and brands, must be made aware of and equipped to conduct effective HRDD as an essential first step.** Although the legislation outlines the requirements, practical guidelines and their adoption are yet to be developed by the European Commission and different Member States. Misguided implementation of the CSDDD by any actor in the supply chain could complicate or even fully obstruct its effectiveness.

**The CSDDD has the potential to address power imbalances in the supply chain and enhance the safety and quality of production if all stakeholders are included in the process and take an active role in implementation.** As the garment industry is a frontrunner in applying HRDD in supply chains, other sectors can benefit from its first hand experience and expertise.

- Recommendation for **EU Member States:** invest in long-term capacity building programs in relevant production countries, including the entire supply chain, to help make the first phase of the CSDDD implementation a smooth transition. Stakeholders across the supply chain should have knowledge of the division of rights, duties and remedy mechanisms. Additionally, lessons can be learned from best practices while strengthening capacity and skill sets, engaging with each other effectively on human rights and the environment, and addressing the power imbalance between brands and stakeholders. This way, stakeholders are capable of monitoring possible negative impacts in their value chains and can be available to discuss how to mitigate these. Member States can also offer technical assistance on monitoring and enforcement of sustainability and human rights (due diligence) legislation. Cooperation with trusted organisations can facilitate the process of awareness raising, connecting different stakeholders and support guidance on implementation.

- Recommendation for the **European Commission:** develop a large-scale two-way communication programme in close collaboration with local stakeholders in production countries' local languages, and communicate through offline and online channels, making it easily accessible. We suggest looking into existing initiatives such as Team Europe Initiatives for collecting and assessing information and initial coordination on where to find the right information. The European Commission, Parliament and Council should also use diplomatic cooperation with governments in Asia, Africa, the MENA region and Latin America to strengthen national legislation, especially on working conditions, environment and human rights. The EU can provide technical assistance to integrate compliance with CSDDD requirements into national legislation. The European Commission can play a pivotal role by leveraging EU Delegations in production countries as hubs for outreach and capacity-building. These delegations are well-positioned to act as local facilitators, bridging the gap between EU businesses and stakeholders in production countries by disseminating clear, accessible information on the CSDDD and HRDD requirements. By hosting awareness campaigns, providing technical guidance, and fostering dialogue with local actors, EU delegations can ensure smoother implementation of the directive while strengthening trust and collaboration across global supply chains. This proactive approach not only mitigates compliance risks for EU businesses, but also creates a level playing field by fostering uniformity in implementation, preventing misinterpretation of requirements, and ensuring that local stakeholders have the necessary knowledge and resources to engage meaningfully. Ultimately, by investing in structured communication and collaboration, the EU can turn the CSDDD into a tool that drives both responsible business conduct and economic stability across global markets.

- Recommendation for **companies in CSDDD scope:** currently, trade unions and civil society in many countries lack the capacity (means, money, staff) to support the growing demand from obligated companies for valid information needed to enhance supply chain transparency. These obliged companies should be (made) aware of this deficit and actively promote and support monitoring programmes and financing both at national and local level, to contribute to creating an environment where the implementation of the CSDDD is embedded.

## 2. Providing clarity: Local office or contact point in production countries

A majority of key stakeholders across the supply chain requested the creation of local service points in production countries to help guide the implementation of the CSDDD and HRDD in the local context, in the local language and including the local regulations. This national facility can support the stakeholders in applying the legislation, monitoring the implementation and serve as an accessible office for grievances, as well as a location for brands to understand the application of CSDDD in the national context. These service points support communication on the implementation of the CSDDD in the country, as well as being the contact point for European brands within the CSDDD scope to provide information on national guidelines or rules on HRDD.

Specifically for complaints and remedy, key stakeholders remarked that a trusted local contact is important, in order to establish trust, transparency, accessibility and visibility. Additionally, they remarked that there should be specific and unambiguous procedures or guidelines on the duration, process, jurisdiction and sanctions within the complaint mechanisms.

- Recommendation for **EU Member States:** EU Member States should provide financial and technical support for establishing local HRDD service points in production countries. This can be done through collaborative initiatives such as Team Europe Initiatives, in partnership with chambers of commerce, embassies, and consular services. These service points should act as accessible hubs for knowledge transfer, capacity building, and monitoring compliance with CSDDD standards, supporting both European companies and local workers, trade unions, and suppliers. Member States should also facilitate bilateral partnerships to align national legislation in production countries with CSDDD requirements, ensuring practical and enforceable implementation.

- Recommendation for **European Commission:** 'The European Commission, in collaboration with Member States, should establish a strategic network of regional HRDD offices in key production regions across Asia, Africa, and Latin America to oversee and support CSDDD implementation. These offices, possibly integrated into Responsible Business Helpdesks, should provide technical guidance to local governments, businesses, and trade unions, ensuring alignment with both CSDDD standards and national legislation. The Commission should also offer co-financing opportunities through existing development funds or new dedicated funds to enhance capacity-building efforts and institutional support for stakeholders in production countries.
- Recommendation for **companies in CSDDD scope:** European companies, especially large multinational enterprises, should also be well informed about the CSDDD and how to include the stakeholders in their Due Diligence obligations. Brands should invest in equal partnerships and meaningful stakeholder engagement and try to seek collaboration and alignment with other brands to lift the burden on their partners, instead of pushing responsibility to stakeholders in the supply chain. In this scattered landscape, it's important to use standard templates and frameworks to ensure alignment and a common way of working.

### 3. Providing certainty: Standardisation, uniformity, harmonisation

The complex landscape of multiple brand policies based on their national as well as EU regulations and legislation is likely to increase the multitude of forms, audits and Codes of Conduct already existing. Stakeholders in production countries – both from the workers' side and the suppliers - underline the need to harmonise risk scoping, complaint mechanisms, reporting formats, data collecting, knowledge sharing and other standards in order to lift the barrier on the suppliers and stakeholders. Sector wide agreements and standardization, like the Common Framework for Responsible Purchasing Practices, will massively simplify the implementation of CSDDD. In 2025, the STITCH (Sustainable Textile Initiative: Together for Change) Consortium will launch a framework for meaningful stakeholder engagement, which will guide both regulators as well as brands in how to engage the right stakeholders in a meaningful way, which is key for effective HRDD. The CSDDD offers opportunities for governments to facilitate sectoral cooperation to address these needs but also the needs of European brands. Sectoral cooperation can provide an efficient way to address sustainability and human rights challenges. It promotes mutual learning, scaling up of best practices and broader compliance with CSDDD legislation.

- Recommendation for **Member States:** Member States, and specifically the Netherlands and Germany, can promote and finance sectoral cooperation as they are doing now. By scaling up sectoral initiatives at the national level and expanding them to new sectors, the Dutch government can use its competitive advantage with all its experience in sectoral cooperation and facilitate and finance future endeavours.
- Recommendation for the **European Commission:** the EU should encourage sectoral cooperation at European level by setting up sector-specific platforms where companies, trade unions, NGOs and governments work together to address common challenges related to CSDDD implementation. This should stimulate an alignment of efforts to organize sectoral or national meaningful stakeholder engagement. It must be ensured that affected stakeholders are also involved in the prevention, remediation and mitigation of human rights risk in companies' value chain. These platforms can provide knowledge sharing, benchmarking and the development of sectoral standards beyond the minimum requirements of the CSDDD. Additionally, the European Commission should involve local stakeholders in production countries in the development of EU guidelines for CSDDD implementation to ensure the guidelines are practical, efficient, and aligned with on-the-ground realities. Involving these stakeholders helps to identify potential barriers early, reducing the risk of costly disruptions in global supply chains for EU businesses. This collaboration can also improve the competitiveness of EU companies by fostering smoother implementation, avoiding inefficiencies, and building strong supplier relationships.
- Recommendation for **companies in CSDDD scope:** European companies, especially within the same sectors, should actively participate in these platforms and partnerships, both nationally and at EU level. Through sectoral cooperation or other cooperative platforms, companies can share costs and risks of CSDDD compliance and jointly develop effective strategies, expand existing platforms and create templates to achieve sustainability goals. Sharing best practices and joint monitoring can help create a level playing field and accelerate sustainable transformation to achieve positive change.



## About the organizations



CNV Internationaal is a Dutch organization with a strong legacy of promoting workers' rights and fostering social dialogue worldwide since 1967. The organization is linked to the Dutch Trade Union CNV and works to empower workers, particularly those in the early stages of global value chains. They do so by strengthening local trade unions and advocating for fair wages and safe working conditions. CNV Internationaal collaborates with trade union partners in Africa, Asia, and Latin America to build sustainable economies and just societies, currently in the value chains of textile, minerals, palm oil, horticulture and sugar cane. Its mission is rooted in solidarity, human dignity, and the belief that everyone deserves decent work.



For 25 years, Fair Wear has advocated for shared supply chain responsibility. Fair Wear connects and convenes brands, suppliers, workers, trade unions, NGOs and other industry influencers, and builds strong multi stakeholder networks across the whole value chain. Fair Wear's approach is to closely collaborate to build a critical mass for change, providing active and practical support to ensure that workers are in the driving seat of improving and monitoring their own working conditions.



Mondiaal FNV is the organization for international trade union solidarity and support affiliated with the largest Dutch trade union, the FNV. The organization believes that everyone has the right to collective bargaining, a living wage, social security and good working conditions. In other words, the right to fair and decent work. Mondiaal FNV has been committed to this for almost fifty years. To achieve decent work for everyone, it is necessary that trade unions can negotiate freely with employers. That is why the organization supports workers, their unions and other organizations that stand up for the rights of workers. Mondiaal FNV reaches more than 5 million people with their work in Africa, Asia, Latin America and the Middle East.

## **ANNEX – list of organisations and institutes engaged with or interviewed for this paper**

These key recommendations are the outcomes of the sessions organized with trade unions, human rights activists, business associations, suppliers and other stakeholders.

### **Bangladesh**

- JSJB
- BLF
- Bangladesh Trade Union Sangha
- Samajtantrik Sramik Front
- WRC Women’s Committee
- NCCWE
- AGWF
- BTGWL
- NGWF
- BIGUF
- BGIWF
- BRGWF
- SSFGF
- UFGW
- TWU
- Karmojibi Nari
- Awaj Foundation
- BILS
- IndustriAll Bangladesh Council
- Bangladesh Tanners Association
- Bangladesh Finished Leather, Leather Goods and Footwear Exporters’ Association
- Leathergoods and Footwear Manufacturers & Exporters Association of Bangladesh
- Bangladesh Employers Federation
- BKMEA
- BGMEA
- Ethical Trading Initiative
- Ministry of Labour and Employment
- Department of Inspection for Factories and Establishments
- Embassy of the Netherlands in Bangladesh

### **Cambodia**

- CUMW
- CLC
- C.CAWDU
- FTUWKC
- INTUFE

## **Ethiopia**

- NFFPFATU
- Sher Ethiopia
- Sher Adami Tulu
- Ziway Rose
- Hurberg Rose
- AQ Rose
- Bram Flower
- Sher Koka
- Linsen Rose
- Confederation of Ethiopian Trade Unions
- Wage Indicator Foundation
- Embassy of the Netherlands in Ethiopia

## **Indonesia**

- GARTEKS
- HUKATAN
- GAPKI
- KSBSI
- Yayasan Dialog Sosial
- FPE
- API
- APINDO
- SPN
- TSK KSPSI
- GSBI
- Serbundo
- SBKS
- Sindikasi
- Sepasi
- Serbusaka
- Gajimu (Wage Indicator Foundation)
- OPPUK
- Perempuan Mahardika
- ELSAM
- Teraju Foundation
- Sawit Watch
- TUCC
- TURC

## **India**

- Embassy of the Netherlands in India
- Embassy of Germany in India
- Assocham
- CII
- Confederation of Textile Industry in India
- AACP
- UNDP
- UNWOMEN
- AEPC
- TEXPROCIL
- CMAI
- SIMA
- SGCC

### **International**

- European Commission (INTPA)
- Embassy of Indonesia in Belgium
- Members European Parliament
- International Apparel Federation
- STTI
- SLCP
- BAFA

### **The Netherlands**

- Autoriteit Consument & Markt
- MVO Platform
- Ministry of Foreign Affairs
- Social and Economic Council