AIMprogress

AIM-Progress response to the CSDDD guidelines consultation: questions and answers

August 2026

✓ indicates an option selected by AIM-Progress.

Question	AIM-Progress response
1. Considering the experience in your company with integrating (or your plans to integrate) due diligence into the relevant corporate governance policies, which policies do you consider most relevant?	The most relevant policies are an overarching human rights policy, a supplier code of conduct and the functional policies and risk management processes through which HREDD is implemented. HREDD should be integrated into procurement, supplier qualification, contracts, payment terms and business reviews, as well as legal, compliance and HR processes. Issue-specific policies, for example on child labour, and policies on incident response and remediation can complement this framework.
2. Do you think that the guidelines should seek to offer examples on adverse human rights (including labour rights) or environmental impact, and which are the most relevant types of impacts for which you see this need? Please explain.	The guidelines should support risk-based assessment and signpost authoritative sources rather than restating definitions. Examples, if included, should be illustrative, non-exhaustive and not create presumptions against particular commodities, services, countries or regions. They could cover severe environmental impacts, conflict-affected contexts and cross-cutting human rights risks, while recognising existing frameworks and management systems to avoid duplication.
3. If you already apply corporate sustainability due diligence in your value chain, do you have a defined set of indicators to identify and monitor the adverse impacts listed in the Annex? If so, were they developed in-house or do they rely on external input? Please give a few examples and the data source(s) they rely upon.	AIM-Progress provides output, outcome and impact metrics covering due diligence processes and themes such as child labour, forced labour and grievance mechanisms. Sources include member experience, expert input, Shift and IDH. Member examples include company KPIs, supplier assessments, Maplecroft, Human Rights Watch, Amnesty, the EC CAHRA list, the US DOL goods list, Verité and FLA. Indicators should be tailored to the risk, sector, geography and impact pathway.
4. In your experience, what tools proved particularly helpful to carry out a scoping of risk areas across your company's activities, those of your subsidiaries and those of your business partners? What approaches or solutions could help in performing these requirements in the cost-effective way?	Cost-effective scoping should combine internal procurement and supplier data with country-, sector-, commodity- and entity-level risk indicators. Tools include LRQA EiQ, Verisk Maplecroft, EcoVadis and Sedex/SMETA, alongside business insight and supply chain risk monitoring platforms and sources such as ILO, US DOL, UNICEF and ITUC. Public risk data and shared platforms can reduce individual subscription and assessment costs; expert input and credible proxies can target deeper assessment.

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5. In your experience, what tools proved particularly helpful to carry out an "in-depth assessment" in areas that were identified as most severe and most likely? What approaches or solutions could help in performing these requirements in the cost-effective way?	HRIAs are widely acknowledged as the most effective in-depth assessment, but their cost limits widescale use. Credible public reports from civil society and intergovernmental organisations are cost-effective starting points and should be consulted before requesting information from business partners. Deeper assessment should be targeted and context-specific, depending on the commodity, geography, risk and business relationship. Other tools include SMETA, worker voice and site assessments.
6. In your experience, what tools proved particularly helpful to identify indirect business partners in the value chain?	Useful approaches include supply chain mapping, supplier and on-site data collection, digital traceability tools, procurement data and collaborative engagement with direct suppliers to gain greater sub-tier visibility. External risk indicators, audit findings and grievance information can help determine where deeper mapping is warranted. The approach should be risk-based and proportionate, as identifying every indirect business partner may not always be feasible or necessary.
7. Have you faced any legal obstacles or conflicts when collecting information for the purpose of either carrying out a scoping of risk areas, or an "in-depth assessment" as a result of third countries' laws? Companies and stakeholders are invited to signal barriers to due diligence they may face in third countries when conducting due diligence.	Third-country laws may restrict data collection, transfer or supplier cooperation, including through privacy, data localisation, anti-sanctions and data export rules. Local laws may also conflict with international standards, for example on freedom of association or working hours. The guidelines should clarify that documented good-faith efforts and the constraints faced by companies should be taken into account when assessing compliance.
8. In your experience what data currently collected by public administrations may be particularly useful for the purposes of effective due diligence? Do you believe there is a need for access to such data to be facilitated?	Useful data include company ownership and licences; sanctions, labour inspection, environmental permit, grievance and enforcement records; registers of labour providers; lists of high-risk goods and areas; and registers of companies in scope. Searchable, interoperable access should be facilitated.

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9. Please indicate which of the following due diligence methods or other actions you consider most useful and cost effective for identifying adverse impacts in value chains? What are the pros and cons of these approaches in terms of cost effectiveness)?	Commission options ✓ **Complaints** ✓ **Stakeholder engagement** ✓ **Industry and multi-stakeholder initiatives** Third-party verification Site visits Technical surveillance or digital data over value chains and/or infrastructures (e.g., satellite monitoring of risk indicators or adverse impacts in the value chain) Information from sustainability service providers ✓ **Use of media, NGO or other independent reports** Information requests to business partners All of the above ✓ **Other methods** Other methods: A risk-based combination is most effective. Worker voice surveys and, where needed, on-the-ground investigation can reveal impacts that process assessments, audits or remote tools may miss. Reports and collaborative initiatives are cost-effective for screening, but findings may need verification. Methods should fit the impact: satellite data may support environmental monitoring but may be inappropriate for monitoring people.
10. Which are particularly useful examples of such sources of information and in which areas/sectors and/or for which impacts do you see a gap in terms of documented risk factors? Do you believe there is a need for access to such data to be facilitated (e.g. via a centralised web-page)?	Useful sources include ILO, UN, government, census, NGO, labour-rights, media and community data, including country governance indicators and commodity-specific assessments. Gaps remain for informal and migrant workers and intermediate processing tiers between direct suppliers and farms or extraction sites. A central portal would help if data could be reused across CSDDD, ESRS, the EUDR and FLR rather than reported separately.
11. What other methods or information sources does your organisation use to support its risk identification (during both scoping and in-depth assessments) or monitoring efforts as part of due diligence? If available, please include references to specific methods or sources and elaborate briefly on their pros and cons.	Companies combine external sources with internal audit findings, corrective action trends, grievance reports, stakeholder feedback, supplier performance data, operational KPIs and purchasing-practice information. Saliency and root-cause analysis, HRIAs, farm assessments and denied-party screening add context. News and alert services keep assessments current, but require filtering and may involve subscription costs.

Question	AIM-Progress response
12. What digital tools do you consider most useful to facilitate the identification, monitoring and assessment of possible adverse impacts? Please explains pros and cons.	Useful tools depend on their purpose. Sedex/SMETA, EcoVadis, TfS and AIM-Progress' Converged HREDD Assessment Tool can support country, sector, supplier and commodity risk screening, audit sharing and assessment of management systems; Everstream Analytics can provide risk alerts. These tools can standardise data and reduce duplication, but do not necessarily identify actual impacts. Worker voice tools and direct engagement are essential complements.
13. Have you encountered any difficulties or problems with digital tools, including issues that cause unnecessary burdens?	Problems include cost, especially for SMEs; overlapping questionnaires and supplier fatigue; poor interoperability and repeated reporting; significant investment in staff, governance and data management; privacy constraints; and information or alert overload. Coverage may be weakest in high-risk supply chains, while process-focused platforms can create false confidence about actual conditions. Digital tools should support, not displace, engagement and action.
14. Do you think there should be additional digital tools? What functionalities and tasks should these focus on?	The priority should be improving existing tools rather than creating more stand-alone platforms. Key functions are interoperability and data portability; reuse of information across CSRD/ESRS and CSDDD; appropriately governed data sharing with safeguards for confidentiality, data ownership and competition law; tools to identify migrant-worker presence; and mechanisms enabling buyers that share suppliers to coordinate when impacts are found. Any common data structure should allow context-specific questions rather than impose a rigid template. Improved worker voice tools could also capture collective feedback more effectively and connect it with grievance mechanisms.
15. Are there situations where in your view the severity or likelihood of a specific adverse impact is (or might be) particularly difficult to assess? How could such difficulties be overcome?	The guidelines should align with the UNGP criteria. However, severity and likelihood may be difficult to assess if impacts are hidden or underreported; supply chains are opaque or multi-tiered; commodities are aggregated or mixed from multiple sources; rightsholders are informal, migrant or seasonal, fear retaliation or cannot be reached; conflict limits access; or laws restrict information. Companies should triangulate sources, engage rightsholders or credible proxies safely, use reasonable evidence-based assumptions and update assessments as circumstances change. The guidelines should recognise that certainty and full traceability may not be achievable.

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16. Regarding situations when it is "not feasible to address all identified impacts at the same time and to their full extent", what other elements are particularly relevant to support companies in performing an appropriate risk prioritisation process?	Prioritisation should build on the UNGPs and OECD guidance, including severity, assessed through scale, scope and irremediability, and likelihood. Other relevant factors include rightsholder perspectives, particularly those of vulnerable groups; grievance and supplier-assessment information; interacting risks and root causes; whether delay may worsen an impact; and the quality and limitations of available evidence. Priorities should be reflected in time-bound action plans and reviewed as circumstances change. Guidance on representative sampling would help where suppliers, such as smallholders, rotate.
17. Are you aware of examples where a decision was taken not to disengage from a business relationship because this would have potentially resulted in more severe impacts compared to those that triggered due diligence in the first place? How was the situation dealt with?	Commission options Yes ✓ **No** No specific example was identified by our members. Several members nevertheless indicated that disengagement should be a last resort. If leaving would worsen impacts on workers or communities, companies may continue the relationship while pursuing time-bound remediation. Disengagement may be considered in instances of severe or repeated breaches.
18. In your experience, what purchasing practices proved most cost-effective while at the same time ensuring that adverse impacts are prevented and mitigated? What are their pros and cons? Out of these, are there purchasing practices that are inherently sector- or context-specific? If possible, please provide examples of specific contract or commercial terms or other best practices.	Responsible purchasing practices are a key lever for better working conditions in global supply chains. However, they cannot alone address systemic risks. responsible purchasing practices include realistic lead times and forecasts, fair and transparent payment terms, longer-term relationships, stable demand, and pricing that reflects the costs of decent work and environmental compliance. Supplier engagement, capacity building, source-level assessments and industry collaboration can support implementation. Buyers may fund verification or technical assistance and share remediation costs proportionately to their involvement. Where individual contracts are impractical, such as in some agricultural supply chains, group training can raise standards across a community. Benefits include greater supplier certainty and investment; trade-offs include higher upfront costs and less short-term flexibility. Practices should remain proportionate and sector-specific.

Question	AIM-Progress response
19. What are most cost-effective available data that you are aware of for determining the living income for self-employed suppliers ("an adequate living income for self-employed workers and smallholders, which they earn in return from their work and production", see CSDDD Annex, Part I point 6)? Are there sectors/geographies where no such data exist or are particularly difficult /costly to obtain?	The Commission should indicate benchmarks and datasets. Useful data sources and benchmarks include Anker, Fairtrade, Rainforest Alliance, WageIndicator and relevant sector-specific studies. Country-level benchmarks and clear definitions could support more consistent application at scale. Gaps remain in informal economies, some regions and upstream supply chain tiers. Where recognised benchmarks are unavailable, the guidelines should permit credible proxies, representative sampling and phased approaches.
20. Which cost-effective practices are you aware of as regards companies making investments in their value chains to prevent or address adverse impacts?	Useful investments include supplier and worker capacity building, technology access, trusted local intermediaries, technical assistance and financing corrective actions. Long-term sourcing commitments and price premiums can enable supplier investment. The Livelihoods Fund for Family Farming is one example of pooled, long-term investment. The guidelines should distinguish targeted due-diligence support from broader voluntary social or infrastructure investment and keep expectations proportionate.
21. In your experience, have you used specific contractual terms that are fair, reasonable, and non-discriminatory when entering into contractual relationships with SME business partners to facilitate or support the due diligence process? Please explain pros and cons.	As a collaborative industry initiative, AIM-Progress does not enter supplier contracts. Examples by members include flexible payment terms and allowing SMEs time to improve. Obligations should reflect the relationship, risk and SME capacity, and must not transfer the company's own CSDDD duties. Collaborative provisions and longer-term relationships can support improvement. Contractual approaches may not be applicable in all supply chains.
22. In your experience, what are the most cost-effective measures to support SMEs? What are the pros and cons?	Cost-effective support focuses on capability rather than reporting: locally tailored training, accessible tools, responsible purchasing practices, proportionate risk-based audits, and funding or co-funding capacity building. Collective programmes can reach multiple SMEs and support peer learning. Benefits include greater capability and less duplication; drawbacks include staff turnover, labour-intensive delivery and the risk of documentation-focused compliance.

Question	**AIM-Progress response**
23. In your experience, what are the most effective, including cost-effective, practices related to remediation? Please explain pros and cons.	Effective remediation should be distinguished from grievance mechanisms, which are channels for raising and investigating concerns. Practices include planning and budgeting for remedy in high-risk chains, engaging suppliers when impacts occur, and using collective initiatives and engaging the public sector to address systemic causes. Expectations should reflect whether a company caused, jointly caused or is directly linked to the impact, and guidance should clarify interaction with the Forced Labour Regulation.
24. What are best practices that you are aware of to determine a company's proportionate involvement in an adverse impact for the purpose of remediation when a company jointly causes the adverse impact together with others (e.g., its business partner(s) or other companies)? Have there been difficulties to determine appropriate remediation in case of joint causation in certain situations and how have these difficulties been overcome?	In joint causation cases, responsibility should reflect each company's contribution, business volume, contractual role and leverage. Joint causation should be limited to parties that caused or contributed to the same impact, not companies merely linked through a shared supply chain. Collective processes, independently facilitated where appropriate, can help parties agree shares and establish pooled funding or harmonised compensation.
25. In your experience, what are the most significant operational challenges preventing effective due diligence in CAHRAs? How can these challenges be overcome?	Commission options ✓ **Limited access to data/information: difficulty verifying information due to data-poor environments or restricted physical access** ✓ **Safety risks to stakeholders: inability to consult with affected individuals and communities without exposing them to retaliation or violence** ✓ **Safety risks to staff: security threats to company personnel or auditors preventing on-the-ground assessment** ✓ **Legal conflicts: national laws (e.g., secrecy acts, counter-terrorism laws) that conflict with due diligence expectations** ✓ **Complexity of supply chains: difficulty tracing business partners in informal or opaque war economies** ✓ **Other** **Comment:** Plan leverage and responsible exit options before crises, and recognise that third-country laws may constrain reasonable efforts.

Question	AIM-Progress response
26. To assist companies in determining when specific due diligence obligations apply, would specific guidance regarding the identification of "high-risk" areas beyond active conflict zones be helpful? If so, please indicate your preference:	Commission options ✓ **List of contextual risk indicators: a list of "red flags" indicating state fragility or authoritarianism (e.g., suppression of civil society, suspension of legal protections, spike in inflammatory/hate speech)** ✓ **References to and guidance on how to use specific, reputable global indices (e.g., OECD States of Fragility, RULAC, or the World Bank FCS list) to determine a country's risk level** ✓ **Sector-specific case studies for "early warning" contexts: practical examples of how companies in different industries have identified high-risk signals in seemingly stable or "pre-conflict" environments** ✓ **Other** **Comment:** Build on existing UNDP guidance and help companies apply country-level indicators to specific suppliers and mitigation decisions.
27. In your experience, which specific practical tools or frameworks (e.g. examples of structural drivers and root causes, early warning "red flag" indicators, conflict actor mapping, targeted questions for self-evaluation, scenario planning) proved to be particularly useful and cost-effective in integrating conflict analysis into your company's scoping and in-depth assessment?	Useful tools include relevant OECD guidance, the EC's indicative CAHRA list, World Bank Fragile and Conflict-Affected Situations list, Fragile States Index, ACLED for subnational data and security risks assessments. News and risk-alert services such as Dow Jones Factiva and Everstream can support early warning. Internally, grievance data, expert input, decision matrices, red-flag checklists and responsible exit checklists can help translate conflict analysis into prioritisation and action.
28. What are the main reasons that make information problematic to share with business partners? What best practices have emerged to address such concerns?	Information may be difficult to share because of confidential commercial details, data privacy, legal privilege, antitrust considerations, lack of permission to disclose, different standards or incomplete audit information. Suppliers may also fear being cut out if they disclose their suppliers. Good practices include supplier authorisation, removing prices, volumes and product details from shared data, platform sharing, mutual recognition, common assessment criteria and communication protocols.
29. As regards cooperation with other companies (i.e., with peers, in the framework of industry schemes) to carry out certain aspects of due diligence (e.g., risk analysis, stakeholder engagement, remediation, investment, capacity building, exercising leverage) what has worked well and what has not? Have competition law considerations constrained cooperation for due	Cooperation works well when companies align assessment requirements, share audit reports, recognise equivalent assessments and collaborate on due diligence or remediation. Constraints include restricted access to reports, provider limits, supplier fees and uncertainty about competition law. Members request clearer Commission guidance, practical examples, safe harbours or block exemptions for lawful sustainability cooperation.

Question	AIM-Progress response
diligence? How can compliance burden be further reduced by data sharing and collaboration? Please describe the types of constraints encountered and any solutions (e.g. organisational or procedural steps) found to overcome those obstacles.	Safeguards used by AIM-Progress include voluntary participation, no sharing of competitively sensitive information, independent commercial decisions, and clear agendas, minutes and project briefs. A common online questionnaire for CSRD, CSDDD and similar requirements could reduce repeated supplier paperwork. Members also called for more sector-wide and country-specific impact assessments.
30. In your experience, are there particular aspects of the cooperation between the parent company and its subsidiaries that may raise particular difficulties (including any legal requirements under other regulatory regimes that might create obstacles)?	Existing governance structures may be sufficient to ensure consistent due diligence across a corporate group. Where subsidiaries face different local rules or market expectations, are partly owned or have mixed activities, clear group-wide minimum requirements, defined responsibilities, oversight and accountability can support consistency. Centralised procurement and controls such as authorised purchasing and "no PO, no pay" may also help.
31. What is your experience of cooperating with business partners to ensure efficient due diligence?	Cooperation is most effective when buyers and suppliers identify issues and gaps together and build the knowledge, tools and confidence to improve practices and address risks, rather than relying only on audits. Common assessment methods, confidential assessments, jointly agreed time-bound action plans, tailored technical support and responsible purchasing practices reduce duplication and support improvements. In AIM-Progress's Ganapati project, 17 suppliers in Thailand and Malaysia were assessed across ten themes, co-developed action plans and received one-to-one coaching. Reported improvements covered contracts, recruitment fees, grievance mechanisms and post-arrival processes.
32. What cooperation should the model contract clauses recommend between the in-scope company and its business partners as regards: the adoption and implementation of any prevention/correction action plan the cost of addressing adverse impacts stakeholder engagement the notification and complains mechanisms with a view to ensure that due diligence is efficient and cost effective while compliance burden is not shifted to the business partners? Please provide examples of appropriate contractual clauses, if possible.	Model clauses should support cooperation without shifting the in-scope company's obligations to business partners or replacing risk-based due diligence. They should frame due diligence as an expectation of responsible business conduct rather than as a requirement imposed solely to comply with the CSDDD or any other specific regulation. Clauses should not be unnecessarily lengthy or highly prescriptive.

Question	AIM-Progress response
33. In situations where the in-scope company and its business partner(s) are located in different countries, is there a need for specific contractual clauses on jurisdiction and applicable law to the contract? If so, why and can you provide examples of such clauses?	No response
34. Are there other elements required by CSDDD that are challenging to translate into contractual terms? What could be ways to overcome this challenge?	Challenges include translating meaningful stakeholder engagement, monitoring the effects of purchasing practices on workers, and adequate pricing and living wages, which require context-specific benchmarks, into enforceable contractual terms. Remediation involving joint causation is also difficult to attribute and apportion. Procurement incentives focused on cost savings may undermine contractual human rights commitments. Other difficulties include limited leverage where a buyer represents only a small share of a supplier's production, and requirements concerning chain-of-custody information and suppliers' upstream due diligence. The guidance should define terms such as "reasonably available information", "best efforts" and "necessary information", and consider providing modular clauses on issues such as audit rights, corrective action, information sharing and termination, rather than a single comprehensive clause.
35. Are you aware of any useful and relevant best practices for contractual clauses operationalising human rights and environmental due diligence? If yes, elaborate.	Effective clauses can address visibility through forecasts; stability through longer contracts; sufficient lead times and avoiding late changes; fair payment terms and pricing that reflects compliance and labour costs; and shared responsibility through joint corrective action plans and remediation proportionate to each party's contribution. Reflect responsible sourcing in supplier and buyer performance management. Purchasing practices should avoid lowest-price bidding where it undermines investment in labour and human rights improvements. Clauses work best when supported by collaboration, awareness and mutual understanding, rather than contract wording alone. The Commission should consider the Responsible Contracting Project's guidance on shared responsibility, responsible purchasing practices, remediation before traditional contract remedies, and responsible exit as a last resort. These materials should be adaptable to companies' circumstances rather than prescribed as a single model.

Question	AIM-Progress response
36. In your view, for which due diligence measures do industry or multi-stakeholder initiatives offer the biggest added value?	Commission options ✓ **Identification of adverse impacts, including risk assessment** ✓ **Prioritisation** ✓ **Investment** ✓ **SME support** ✓ **Increasing leverage through collaboration (e.g., to mitigate risks or bring to an end actual impacts)** ✓ **Remediation** ✓ **Verification** ✓ **Monitoring effectiveness of actions** ✓ **Stakeholder engagement** ✓ **Operating notification/complaint mechanisms** ✓ **Other** **Comment:** All options, subject to competition law and supported by good governance, understanding of market dynamics, accountability and capability building.
37. What are, in your view, the main challenges for existing industry and multi-stakeholder initiatives in view of their role in supporting due diligence under the CSDDD (e.g., misalignment with the due diligence requirements, misalignment of audit protocols with the material scope of the CSDDD, in particular the Annex)? What are the main gaps in the geographical, sectoral, topical or value chain coverage of existing industry and multi-stakeholder initiatives?	Key challenges include misalignment with CSDDD scope, interoperability gaps, duplicated requirements and uneven uptake. Coverage gaps persist in indirect tiers, smallholders and informal workers. Participation costs, differing company resources and risk priorities, and voluntary participation can constrain engagement. Initiatives relying mainly on audits or certification may have limited value. Competition-law clarification is needed to enable pre-competitive collaboration on human rights risks.

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38. Which of the following governance or other challenges of existing industry or multistakeholder initiatives do you consider as being the most important?	Commission options ✓ **Conflicts of interest, including any undue influence on the governance of the initiative or on specific measures by participating companies** ✓ **Governance bodies and their decision-making roles and responsibilities not clearly defined** ✓ **Collaboration opportunities within an initiative and collaboration and interoperability between initiatives not sufficiently exploited, resulting in undue burden for participating companies and audited value chain partners** ✓ **Lack of independence and competence of assessors/verifiers, undermining the credibility of their work** ✓ **Insufficient robustness of audit or assessment methods** ✓ **Insufficient engagement with stakeholders** ✓ **Lack of effectiveness in bringing about tangible impact** ✓ **Processes not sufficiently adapted to cater for local realities and/or the interests of relevant stakeholders (including smallholders, SMEs, artisanal producers)** ✓ **Other** **Explanation:** Weak interoperability causes duplicate requests and blocks result sharing; limited commercial rewards or consequences undermine supplier motivation.
39. From the list below, which specific potential facilitation role of the European Commission would benefit your organisation the most and how?	Commission options ✓ **Acting as a convener - or delegating to a platform of existing initiatives - to share best practice and peer-to-peer learning** Engaging with companies, industry associations, and other stakeholders to design new initiatives for more participants to benefit. Other roles
40. What best practices could ensure the independence of third-party verifiers from the companies that they assess, from the companies on whose behalf they act and from external influence?	External auditors should have relevant expertise, no financial interest in the outcome, rotation policies and appropriate accreditation or oversight, for example through APSCA, FLA, ICTI, Sedex or SAI. AIM-Progress recommends APSCA-registered auditors. Where suppliers pay, they should choose the audit body. Reports should be complete, with limited redactions, and identify the auditor and firm. ISEAL could also be consulted.

Question	AIM-Progress response
41. In your view, what level of experience and competence in human rights (including labour rights) or environmental matters, according to the nature of the adverse impact, would be necessary for third-party verifiers to support companies in implementing the Directive's requirements?	Verifiers should demonstrate competence in labour and human rights, health and safety, environment and business integrity. APSCA or similar accreditation provides baseline assurance. Relevant sector and country-level or contextual experience is also important. High-risk areas, such as forced labour, recruitment, land rights and conflict zones, require additional specialised expertise. Remediation advice should be provided by another organisation where this would create a conflict of interest.
42. In your experience, what are the most effective standards ensuring that the third-party verifiers are accountable for the quality, effectiveness, reliability and integrity of the verification?	Effective standards should draw on established frameworks, including Sedex, APSCA, amfori and RBA. They should set expectations for auditor competence, independence and ethics; firm oversight; consistent methods; worker engagement; quality assurance; complaints and corrective action; independent review; grievance channels; and calibration. Reports should be made available as widely as possible, including to affected rightsholders, and human rights data should not be held behind paywalls.
43. Taking into account the requirements of the CSDDD, in your experience what are the most cost-effective means to engage with stakeholders in the performance of due diligence? What are the pros and cons?	Cost-effective engagement combines risk-based targeting with ongoing, two-way dialogue, focusing on highest-risk groups. Local organisations, unions and cooperatives help build trust and surface hidden impacts. AIM-Progress runs joint capability-building programmes for members with shared suppliers. The Commission could draw on "Meaningful Stakeholder Engagement: Practical Guidance for Companies in the Agriculture and Food Manufacturing Sector" (May 2026).
44. Which methods have proven most cost-effective in identifying and involving marginalized groups (for example certain groups of indigenous people) or 'hidden' stakeholders, such as those working in the informal sector or victims of human trafficking?	Marginalised groups, including migrant, informal, seasonal, and women workers, face overlapping risks and rarely raise concerns through traditional audits. Effective approaches include partnering with local organisations, unions, or cooperatives; using worker representatives; holding separate group sessions; and applying gender-sensitive methods. AIM-Progress MSE guidance includes tools to map and engage these groups.

Question	AIM-Progress response
45. What are the most robust and cost-effective mechanisms for guaranteeing confidentiality and protecting participants from retaliation?	Effective safeguards include anonymous or independently managed reporting channels, worker-elected grievance officers, and anti-retaliation policies communicated accessibly. Trust is built when workers see their input acted upon. Transparency about how data is used and who sees it is as important as anonymity at the point of reporting. Mechanisms should be monitored for low uptake, which often signals unresolved fear rather than absence of concerns.
46. What are the most critical issues for stakeholders covered by the Directive in terms of engagement with companies at different stages of the due diligence process? What are best practices leading to an effective (including cost-effective) due diligence process?	A key issue is engagement framed as compliance, not dialogue, with stakeholders unclear on purpose or outcomes. Trust requires visible follow-up, including seeking stakeholder input on actions taken. Existing channels, including grievance mechanisms, unions, and European and Global Works Councils, should be prioritised over parallel systems. Effective practice combines clear communication, two-way dialogue and consistent follow-through.
47. In your experience, what the most cost-effective approaches that companies can use to involve stakeholders at the level of indirect business partners? What are pros and cons?	Approaches include supplier engagement; independent local intermediaries such as unions, cooperatives, NGOs and experts; MSIs and industry platforms; complaints' mechanisms accessible beyond direct suppliers; suppliers' and sectoral grievance channels, reports; and collaborative HRIAs. Collective funding can reduce costs and increase leverage. Worker voice tools can support engagement but should complement, not replace, trusted intermediaries.
48. What are best practices in terms of the company's security procedures so that vulnerable stakeholders feel safe to engage (e.g., in terms of guarantees of anonymity, protection against retaliation, other)?	Robust safeguards combine independent governance with clear follow-up. AIM-Progress found higher trust in worker-elected representatives, use of separate sessions, strong anti-retaliation policies, and monitoring low uptake as a sign of fear. Workers also need clarity on who sees and uses their input. Transparency and visible action build trust, while worker voice tools can supplement formal channels by surfacing concerns not otherwise raised.

Question	AIM-Progress response
49. How can companies engage with stakeholders in a way that specifically addresses and removes barriers for vulnerable stakeholders or groups (such as, depending on the context, workers representatives, indigenous peoples, women, or migrant workers)? In your view, what specific support do vulnerable stakeholders need?	Companies should tailor engagement to barriers such as language, migration status, fear of retaliation and cultural norms. Approaches include stakeholder mapping and outreach to unrepresented groups; trusted local organisations, unions, cooperatives or credible proxies; separate group sessions; worker-elected representatives; and gender-sensitive methods. Local conflicts and sensitivities should be considered. Stakeholders need safe, confidential channels, independent facilitation and follow-up.
50. Which aspects of the CSDDD do you expect to present the greatest practical challenges for supervisory authorities when carrying out their oversight functions? What would be new challenges compared to the enforcement tasks of existing supervisors (including in other policy areas)? How can the guidelines contribute to addressing those challenges?	Practical challenges include assessing the adequacy and effectiveness of companies' due diligence, including prioritisation decisions, stakeholder engagement and remediation. Supervisory authorities may also find it difficult to trace how human rights or sustainability considerations influenced procurement decisions, as these decisions are made throughout the procurement process and may not be documented as such. Authorities will need business and human rights expertise. The guidelines should provide clear assessment criteria, practical examples and case studies.
51. Based on experience with other enforcement regimes (deforestation, conflict minerals, product safety, etc.) what types of information, documentation and/or evidence have proven most useful when checking compliance with due diligence-type obligations?	Useful evidence includes certifications and chain-of-custody documentation. Once the chain is established, further evidence can be added, such as SMETA audits of sub-suppliers. More generally, information that increases supply chain transparency can provide a structure on which additional compliance checks can be built.
52. What would be best practices (e.g., organisational steps, procedures, other mechanisms) from other policy areas that have proven useful for the coordination among supervisors? Which aspects of cooperation with other supervisors do you expect to present the greatest practical challenges in practice?	*No response submitted.*
53. Which factors listed in Article 27(2) do you expect to be most difficult to operationalise when determining the level of pecuniary penalties?	*No response submitted.*
54. In your experience as a supervisory authority, are there circumstances characterising an infringement that raise specific questions in determining the level of fines (and that therefore should be addressed in the guidance)?	*No response submitted.*

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55. What features of the guidance to be issued in accordance with Article 27(4) of the CSDDD would be most helpful in assisting supervisory authorities in determining the level of penalties, in a way that contributes to a uniform fining practice across the EU?	*No response submitted.*
56. Are there best practices from other policy areas (at EU or national level) that, in your view, could usefully inform sanctioning and fining decisions under the CSDDD? Please provide concrete examples (e.g., fining guidelines, assessment frameworks, judicial approaches).	*No response submitted.*