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Corporate Sustainability Due Diligence Directive (CSDDD) EU Grain and Oilseeds Sector React to European Parliament Vote

COCERAL, FEDIOL, and FEFAC, representing the EU grain and oilseed trade, the industry crushing oilseeds, refining vegetable oils and the animal feed industry, approve the European Parliament's push for stronger alignment of the CSDDD with the principles and language of UN and OECD due diligence guidelines. However, other elements may be detrimental to trade and supply chains without added value to addressing harmful human rights and environmental impacts.

The strengthened risk-based approach and introduction of prioritisation of adverse impacts based on their severity and likelihood is crucial to ensure that companies' efforts are targeted where they are most needed and can deliver the most impact. The risk-based approach is also more in alignment with the existing international frameworks on due diligence guidelines, which are built on best practices.

The provisions on civil liability offer greater legal certainty to companies and legal fairness by limiting it to situations in which a company has "caused" or "contributed to a harm".

We equally endorse the European Parliament's inclusion of the obligation to develop sector-specific guidelines for agriculture, group-level due diligence, ensuring harmonisation at EU level, and the introduction of minimum standards for independent third-party verification via a delegated act.

However, we regret the inclusion of suspension of products from free circulation or export among the sanctions to be imposed by Member States, as this disruption to trade and supply chains will not contribute to improvements in due diligence.

We now call on the European Parliament and Council to work towards a final text that is truly consistent with a risk-based approach, in line with UN/OECD best practice; enhances harmonisation to ensure a level playing field and avoid further internal market fragmentation; and bases civil liability provisions on legal traditions around breach-damage-causality. We stand ready to contribute to the dialogue during the trilogue negotiations.

COCERAL is the European association of trade in cereals, oilseeds, pulses, olive oil, oils and fats, animal feed and agrosupply. It represents the interest of the European collectors, traders, importers, exporters and port silo storekeepers of the above-mentioned agricultural products. COCERAL's direct members are located in 14 EU countries, with one European association, Unistock representing the professional portside storekeepers for agribulk commodities within the EU and one associated member in Switzerland. With about 3,000 companies as part of COCERAL national members, the sector trades agricultural raw materials destined to the supply of the food and feed chains, as well as for technical and energy uses. Gafta is an extraordinary member of COCERAL.

FEDIOL, the **EU vegetable oil and protein meal industry association**, represents the interests of the European oilseed crushers, vegetable oil refiners and bottlers. FEDIOL members are 10 national associations and associated company members in 7 other EU countries. With about 180 facilities in Europe, the sector provides 20,000 direct employments. Its members process approximately 55 million tonnes of basic products a year, both of EU origin and imported from third country markets. The sector processes notably rapeseed, sunflower seed, soybeans and linseed into oils and meals for food, feed, technical and energy uses essentially on the European market.

FEFAC, the **European Compound Feed Manufacturers' Federation**, represents 23 national Associations in 23 EU Member States as well as Associations in Switzerland, Turkey, Serbia, Russia and Norway with observer/associate member status. The European compound feed industry employs over 100,000 persons on app. 3,500 production sites often in rural areas, which offer few employment opportunities.