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PRESS RELEASE

## **Corporate Sustainability Due Diligence Directive (CSDDD) COCERAL, FEDIOL, FEFAC Endorse Adoption in Plenary of the Compromise Agreement**

*Brussels, 24 April 2024* - COCERAL, FEDIOL, and FEFAC, representing the EU grain and oilseed trade, the industry crushing oilseeds, refining vegetable oils and the animal feed industry, endorse the political agreement reached on the CSDDD and therefore welcome its adoption today by the European Parliament. We now look to the Council to formally endorse the agreement.

The compromise text is much closer to the international frameworks on due diligence, such as the OECD and UN guidelines, which will allow companies to prioritise addressing adverse impacts where the risks are most likely and severe and therefore require urgent attention. This targeted approach will help deliver the most impact.

Furthermore, the recognition of independent third-party verification, including by industry or multi-stakeholder initiatives, to support the implementation of due diligence obligations will facilitate compliance through their expertise and long-standing experience. Such multi-stakeholder initiatives can also increase the leverage of companies to address impacts through collective effort.

In view of the expected final adoption and entry into force of the CSDDD, companies will need to start preparing to implement the obligations of the Directive. To ensure successful and timely compliance, we count on the Commission to provide practical and easy-to-understand guidance and best practices well ahead of the date of application, namely on how to conduct due diligence, including on prioritisation of impacts, appropriate measures to adapt purchasing practices, information on responsible disengagement, appropriate measures for remediation, and on how to identify and engage with stakeholders. Given the specificities of bulk agricultural supply chains, we also urge the Commission to issue agriculture-specific guidance.

Member States should ensure there is no duplication of obligations with other EU legislation covering due diligence obligations or complementing the CSDDD, such as the Forced Labour Regulation, to prevent unnecessary burden and resulting loss of EU competitiveness. Appropriate due diligence measures under the CSDDD should also be considered as such in the Forced Labour Regulation, while guidelines issued under both legislations should not contradict each other.

Our companies look forward to constructive cooperation with the Commission, Member State supervisory authorities, other companies, as well as other stakeholders to ensure that risks in our supply chains are duly identified and properly addressed and to promote an increasingly sustainable EU economy over time.

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**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.