

# **Cooperatives and social economy: perspectives for corporate sustainability**

Sedlex Meeting

18 JUNE 2025

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# ETUC for the CSDDDD to be a **fully enforceable, justice-oriented tool** that:

- Ensures workers and unions are actively involved,
- Prevents corporate human rights abuses across all subcontracted layers,
- Provides real leverage for trade unions to hold companies accountable.

**SUSTAINABILITY AND DUE DILIGENCE ARE NOT FORMALITY**



# Omnibus simplification proposal: **direct attack on workers' rights and corporate accountability**”:



## Concerns

- **Weakening of civil liability:** Removing binding enforcement mechanisms threatens access to justice for rights violations.
- **Delay and dilution:** Critical provisions of the Corporate Sustainability Due Diligence Directive (CSDDD) would be **delayed or neutralized**.
- **Risk of deregulation cascade:** The package could undermine not only CSDDD but also the broader EU framework for responsible business conduct.

## ETUC demands

- Full **retention of current/escalating CSDDD provisions**, with no rollback.
- **Maintained civil liability** for companies that violate sustainable or human rights obligations.
- Safeguards ensuring **effective enforcement** and **worker protection** across supply chains

<https://www.etuc.org/en/document/joint-european-trade-union-statement-omnibus-proposal-direct-attack-workers-rights-and>

# EU's Corporate Sustainability Due Diligence Directive (CSDDD):

- Active but **not yet applicable** — it still requires transposition, already time for a change?
- The **scope** is the main battleground – what impact of **significantly reduced** coverage?
- The fate of **climate transition obligations** – is it a good thing (under very many aspects)?
- **Final decisions** will likely come in the European Parliament vote set for **October 2025**, followed by Member State transposition by **July 2026**.

<https://www.etuc.org/en/democracy-thematic/due-diligence-subcontracting>



# **A dangerous context of deregulatory initiatives** (“fortress Europe,” “simplification,” Omnibus I)

- EU legislation presented as burdensome is reductionist and threatens the European project
- such a bashing undermines trust in institutions, feeding Euroscepticism and the far right
- deregulatory approach to competitiveness is simplistic and narrow-minded
- poorly managed restructuring, rising job insecurity & precarious contracts
- increased exploitation: threatens to collective bargaining, insecure employment, attacks on unions
- persisting high rates of discrimination within and outside the workplace
- growing psychosocial stress and mental health issues at work





# Increasing concerns :

- Shift of funds from genuine cohesion policy objectives towards defence and competitiveness – more biased fund allocation to certain beneficiaries in exchange for... ?
- A poor EU budget for upcoming challenges - “leaked” info on the future of MFF
- Technical aspects over substantial evidence – CMU/SIU and sustainability of adequate pensions
- “Horizontal directive“
- Housing initiative – how to guarantee affordability?
- Social and Solidarity Economy – what follow up for the action plan?



# ETUC calls for

## **Strengthen social rights & labour laws**

- Binding EU framework social standards (OHS, decent work, DEI and END policies, collective bargaining; protection for posted/cross-border workers)
- Fully enforce the EPSR
- Defend trade unions, information/consultation rights, and right to strike

## **Shift EU policy toward social investment**

- Link EU investment and public procurement to quality jobs & collective bargaining
- Suspend fiscal austerity rules to fund infrastructure, green/digital transitions, public services, and affordable housing
- Introduce social tax tools such as financial transaction tax and windfall taxes



# ETUC calls for

## **Protect democracy & solidarity**

- Halt deregulation/Omnibus moves and shell out strong legislative package on quality jobs, psychosocial risks, subcontracting regulation, AI at work
- Reject fortress Europe: support migrant/worker rights in EU enlargement and migration policy
- Deepen social dialogue at EU/national levels, with unions actively managing restructuring/change





# TAKING ACTION

- **Writing to governments**, asking them to put pressure on the Commission to safeguard the ESG sustainability framework
- **Writing to the Commissioner from your country**, asking them to ensure that the next MFF safeguards resources for sustainability and enhances awarding systems for high sustainability standards
- **Raise awareness among media**, social partners, and stakeholders about the importance of a strong social dimension in economy and democratic values in politics.

# Thank you

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