

Sustainable Economies Due diLigence: good EXamples and the role of social dialogue

Project nr. 101126464

SUMMARY OF THE 2nd EU PROJECT EVENT

18 June 2025

9:30 – 16.00

FAECTA (Hybrid event)

C. Iván Pavlov, 8, BLOQUE 3, BAJO F, Campanillas,
29590 Málaga, Spain

On **18 June 2025**, the second EU project event was hosted by **FAECTA** in **Malaga**. The public event was attended by over 20 participants, both online and in person, including invited guests and speakers from **DG EMPL**, **FAECTA**, and major Spanish cooperatives. All three co-partner organisations — **DIESIS Network** (Belgium), **KU Leuven** (Belgium), and **innova eG** (Germany) — were represented. The presentations were followed by an engaging and intensive discussion among the participants.



Summary of the presentations and the discussions:

María Jesús Hidalgo – Provincial Director, FAECTA (Spain, in-person)

María Jesús Hidalgo welcomed participants to Málaga and introduced FAECTA, now also known as “Más Cooperativa,” representing diverse cooperative sectors. She explained that cooperative matters are managed at the regional level in Spain, with FAECTA active across Andalusia and a key office in Málaga. FAECTA Málaga focuses on two priorities: promoting cooperatives in rural areas to combat depopulation, and providing technical support to member co-ops. This includes advisory services, subsidy guidance, and fostering inter-cooperation. She stressed the importance of collaboration among small cooperatives to enhance resilience and sustainability.

Gianluca Pastorelli – Executive President, Diesis Network (Belgium, online)

Gianluca Pastorelli, opened his online intervention with a brief greeting in Spanish, expressing regret for not being able to attend the SEDLEX meeting in Málaga in person. He emphasized the importance of the Spanish workshop within the SEDLEX project, noting Spain’s leading role in social economy at the European level. He highlighted Spain’s progressive approach to sustainability, social economy, and the new EU directive on corporate sustainability due diligence. Gianluca Pastorelli acknowledged last-minute program changes but reiterated the value of the gathering for mutual learning among European partners and Spanish stakeholders. He remarked on the challenges faced by the EU directive, given the complexities of the omnibus package and the Commission’s current stance. Nonetheless, he stressed that the social economy sector has long prioritized sustainability, responsible value chains, decent working conditions, and active social dialogue.

He announced that this is the final national event of the SEDLEX project, with the concluding conference scheduled for **8 October in Brussels**, featuring high-level EU Commission representatives and a rich agenda.

Anne Guisset – Scientific Coordinator, SEDLEX Project, KU Leuven (Belgium, in-person)

Anne Guisset provided a structured overview of the project’s scope, rationale, and preliminary findings. She began by explaining the project’s initial aim: to explore how large social economy enterprises, particularly cooperatives, are already implementing corporate sustainability and due diligence requirements—even prior to formal EU directives. The project focused on **15 large cooperatives** in five countries (France, Germany, Italy, the Netherlands, and Spain) and three sectors: financial services, retail, and agriculture/food. The hypothesis was that cooperatives, due to their value-driven nature, are inherently aligned with sustainability goals. Anne Guisset shared that many case studies showed these cooperatives already meeting or exceeding current directive expectations. Examples included ethical management systems in Spain, lending sustainability criteria in Dutch banks, and carbon tracking using science-based targets in German cooperatives. She noted that despite strong values, cooperatives face real-world challenges: labor shortages, regulatory complexity, market pressures, and supply chain difficulties. However, they also act as innovation hubs and exhibit strong stakeholder engagement, including community and worker involvement. She emphasized that social dialogue is integral but not yet fully aligned with emerging regulatory demands. Cooperatives’ embedded sustainability practices could serve as models for broader adoption—though a supportive EU framework is essential. Anne Guisset concluded by pointing to further findings to be presented at the project’s final event in Brussels this October.

Joël Le Déroff – Policy Officer, Social Dialogue, DG EMPL, European Commission (Belgium, online)

Topic: The New Commission's Key Initiatives for Working Conditions and Sustainability

Joël Le Déroff joined the event online and opened by explaining the Commission's travel restrictions as part of its greening agenda. He praised the **SEDLEX project** as a strong example of grassroots, transnational cooperation, aligned with EU priorities such as corporate sustainability and social dialogue. He emphasized the importance of disseminating the project's tools and outcomes beyond the current partnership. Joël Le Déroff outlined key **EU social policy initiatives**, beginning with the **new Pact for Social Dialogue** signed in March with EU-level social partners. He explained that social dialogue, grounded in Article 151 TFEU, remains central to shaping EU policy, both cross-industry and sectoral. He introduced the **Union of Skills**, launched in March, which focuses on reskilling, upskilling, mutual recognition of qualifications, and overcoming labour shortages—especially in STEM fields. He also previewed a forthcoming **Action Plan on the European Pillar of Social Rights**, expected by early 2026, to deepen commitments from the 2021 plan and reinforce social cohesion across the EU. A key initiative under his responsibility is the **Quality Jobs Roadmap**, currently in consultation. It aims to improve job quality through better working conditions, fair wages, health and safety, and enablers such as child and long-term care access. Joël Le Déroff stressed the need to connect EU policymaking with practical solutions generated by projects like SEDLEX, underscoring their relevance in shaping the future of work and sustainability across Europe.

In response to questions from Anne Guisset and Samuel Barco, Joël Le Déroff reaffirmed that **competitiveness and sustainability must not be treated as opposing priorities**, but as interdependent pillars of the EU's economic and social model. He welcomed SEDLEX's findings as both **evidence and counterargument** to policy simplifications that separate the two. He stressed the importance of **detailed, data-backed input** from stakeholders, including cooperatives, to guide policy design and maintain a balance between green goals and competitiveness. Social dialogue and practical project outcomes remain key to this integration.

Marina Monaco – Senior Advisor, ETUC (Belgium, online)

Topic: Trade Union Perspectives on Sustainability, Competitiveness, and EU Policy Frameworks

Marina Monaco opened by thanking Joël Le Déroff and affirming the crucial role of **social dialogue** as not only a labour policy tool but a foundational methodology for sustainable and democratic economic governance in the EU. She emphasized that **social dialogue ensures a level playing field**, fosters long-term economic viability, and distinguishes the EU from exploitative models observed elsewhere globally. However, she also pointed out key shortcomings, notably the **exclusion of social partners from the implementation of major funding instruments**, such as the Recovery and Resilience Facility. Marina Monaco expressed concern over the **shifting priorities in the EU's Multiannual Financial Framework (MFF)**, where cohesion funds are being redirected toward defence and competitiveness at the expense of social investment. She warned this undermines the EU's social economy and threatens the sustainability of grassroots initiatives. She strongly critiqued the narrative of “**simplification**” under the EU's Omnibus Package, noting that weakening due diligence frameworks in the name of reducing burden could trigger a “**deregulation cascade**”, eroding trust in EU institutions and fueling Euroscepticism.

On competitiveness, she challenged the assumption that social or environmental obligations hamper growth, arguing instead that **redistributed value creation**, rooted in fair work, community benefit, and sustainability, should define Europe's economic model. She praised SEDLEX as a counter-narrative and a concrete example of how **cooperatives embed ESG principles** into their operations, adding that such models prove the compatibility—and mutual reinforcement—of sustainability and competitiveness. **In conclusion**, Marina Monaco called for a shift in EU policy toward social investment, support for fair and forward-looking enterprises, and a stronger commitment to the rule of law, labour rights, and collective representation.

Amaya Acero – Responsible for Business and Human Rights at the Observatory of Corporate Social Responsibility and Coordinator of the Platform for Responsible Business (Spain, online).

Topic: Transparency, Due Diligence, and the Role of Social Economy in Corporate Sustainability

Amaya Acero presented insights from the Observatory of Corporate Social Responsibility, an organization active for over 20 years in promoting the adoption of Corporate Social Responsibility (CSR) and contributes to its development within the framework of public policies. She also represents a platform of 20 NGOs and one national trade union advocating for mandatory human rights and environmental due diligence. She began by reaffirming broad public and business support for binding due diligence rules across Europe, referencing recent surveys and open letters by investors and companies rejecting the idea that sustainability hinders competitiveness. Amaya Acero shared findings from two studies: one analyzing **IBEX 35 companies' sustainability disclosures**, and another on **social economy enterprises in Spain**. While transparency among IBEX companies has improved since the 2018 Non-Financial Reporting Law, she noted **serious gaps** in relevance, comparability, and the depth of information—especially regarding value chains and human rights. The second study revealed **low levels of public information** from social economy enterprises on due diligence. Though many embrace social values, they lack integration of due diligence into management systems and face knowledge gaps—particularly about the EU directive. A survey of 48 social economy enterprises showed cautious optimism about the directive but also fear of **bureaucratic overload and responsibility shifts** from large companies. These enterprises request **normative clarity, equity safeguards, and public support**, including funding, training, and access to shared auditing tools. Amaya Acero concluded that due diligence regulation can reinforce the identity of the social economy, but only if accompanied by **strong public policies** and **mechanisms to prevent unfair cost transfers** from large corporations to smaller actors.

Q&A Summary

In response to a question about the bureaucratic challenges smaller enterprises face in implementing due diligence, Amaya Acero clarified that while SMEs are not directly bound by the directive, they may face indirect pressure. She emphasized the need for **effective implementation of the directive's safeguards**, including support from large companies, fair procurement practices, and oversight by the designated control authority. She offered to share further resources with the audience after the event.

Rafael Clotet – President, SETTRANSFAR Cooperative (Spain, in-person)

Topic: Democratic Governance, Sustainability, and Inclusion in a Worker-Owned Transport Cooperative

Rafael Clotet introduced SETTRANSFAR, a Málaga-based associated work cooperative in the transport sector, now with 120 members. Founded 24 years ago with 20 partners, the cooperative specializes in controlled-temperature logistics, including the distribution of pharmaceuticals and food. He emphasized SETTRANSFAR's commitment to democratic governance, where all members—most of whom are also drivers—have equal voting rights. Decisions are made collectively through a transparent and open structure, contributing to the cooperative's rapid and sustainable growth. On sustainability, Rafael Clotet detailed SETTRANSFAR's carbon reduction goals (20% by 2030, 50% by 2050), achieved through technology, training in efficient driving, and use of alternative fuels like HVO and electric-powered cold chains using solar panels.

He highlighted social innovation, especially in gender inclusion. While the cooperative was entirely male until three years ago, it now has 20 women partners, several in leadership roles. Recruitment and schedules are adapted to individual needs to foster inclusivity and flexibility. On innovation, Clotet stressed the importance of digital tools to measure impact, such as carbon footprint and fuel efficiency. Participation in European projects like Sophie Green has helped drive further technological adoption.

Q&A Summary

In response to a question on gender inclusion, Clotet explained that progress came from internal cultural change, promoting women's involvement in all roles—from drivers to board members—and fostering flexibility in working arrangements. He emphasized that the cooperative sees inclusivity not as an obligation but as a benefit and a strength.

Samuel Barco – National Expert, SEDLEX Project (Spain, in-person)

Topic: Sectoral Challenges and Policy Reflections from the Spanish Case Studies

Samuel Barco presented the Spanish national findings from the SEDLEX project, based on research in three sectors: retail, finance, and agriculture. He highlighted Spain's strong cooperative tradition, comprehensive collective bargaining coverage, and early adoption of sustainability reporting—predating EU legislation. He noted that while Spain is a leader in social economy legislation, it lags behind countries like France or the Netherlands in enacting binding due diligence laws. Key challenges varied by sector: in finance, the digital transition risks excluding less digitally literate populations; in retail, complex value chains complicate due diligence efforts; and in agriculture, water use and generational renewal are pressing concerns. Barco emphasized the resilience of cooperative governance, open decision-making structures, and long-standing stakeholder participation practices. He stressed that social dialogue facilitates innovation, not blocks it, and that cooperatives are well-positioned to navigate regulatory complexity due to their value-driven models and dual legal accountability.

Q&A Summary

Issues: administrative burden and regulatory uncertainty. Amaya Acero responded first, clarifying that the Corporate Sustainability Due Diligence Directive (CSDDD) itself does not impose new reporting obligations, as these stem from other EU directives. She argued that fears of bureaucracy are often based on misinterpretation, over-compliance, or poor implementation by companies—sometimes used to justify deregulation. Samuel Barco agreed but added that uncertainty—driven by regulatory delays, political interference, and industry lobbying—creates real difficulties for

cooperatives and SMEs. These actors, even if not directly affected by regulation, are impacted by the unclear and shifting legal landscape, especially when they operate in global value chains. Both speakers concluded that clearer rules, better communication, and support for implementation are essential to ensuring sustainability regulation is effective and fair.

Juan Francisco Domínguez – Head of ESG Regulatory Reporting, Grupo Cooperativo Cajamar (Spain, online)

Topic: The Role of Cooperative Banking in Sustainable Finance and Agricultural Innovation

Juan Francisco Domínguez presented the case of **Grupo Cooperativo Cajamar**, Spain's leading credit cooperative, emphasizing its cooperative identity, rural roots, and pivotal role in **sustainable finance**. Cajamar is among the ten Spanish financial entities supervised by the ECB and the only one structured as a cooperative. He explained Cajamar's historical commitment to the **agri-food sector**, emerging in the 1960s in arid Almería to finance small farmers when commercial banks would not. Innovation—like the use of sand-covered soil and drip irrigation—was supported by Cajamar's credit and technical assistance, helping build one of Europe's most productive agricultural areas. Today, Cajamar continues to promote sustainability through its **Experimental Centers** (e.g., Las Palmerillas), conducting applied R&D on efficient water use, pest control, and climate adaptation. The bank supports more than 70 innovation projects, aligning with **SDGs and EU green goals**. Domínguez highlighted Cajamar's commitment to **financial inclusion**, supporting SMEs and rural communities via tailored financial services and digital tools. The bank actively addresses both **geographic and digital gaps** in access to finance. He also detailed Cajamar's **green and social loan frameworks**, its role in **ESG regulatory compliance**, and the need for alliances and capacity-building to support SMEs during the ecological transition. Juan Francisco Domínguez argued, that cooperative banking offers **resilience, fairness, and local impact**—critical in a time of ecological transition. Cajamar's mission is not just to finance change but to **accompany** farmers and SMEs, ensuring no one is left behind.

Ana Alicia Bolivar Lara, Manager of Sustainability, COVAP (Spain, in-person)

COVAP is a cooperative with over 50 years of history rooted in the rural Valle de los Pedroches. COVAP was founded by a group of cattle farmers who overcame difficult environmental conditions to create a successful model of collective agricultural production. Operating within the rare Dehesa ecosystem, one of only a few in Europe, the cooperative produces a range of products including cow, sheep, and goat milk, sheep meat, and the renowned Iberian pork, which thrives in this unique landscape. COVAP's cooperative structure inherently promotes sustainability, and since 2021, the organization has implemented a formal strategy to embed sustainability into all operations. Their motto, "care together," reflects a commitment to people, the environment, and the broader community. Today, COVAP employs more than 1,300 people and reached over €1 billion in sales in 2024. Its guiding values—integrity, commitment, collaboration, and entrepreneurship—are a legacy of its founders' spirit. The sustainability strategy is built around three main pillars: People, Origin, and Model. Strategic projects are aligned with the UN Sustainable Development Goals and integrated into daily operations. Each department and employee contributes to these goals through specific tasks and objectives. A detailed performance dashboard tracks progress and impact across the organization. COVAP has had a strong socioeconomic impact in its region, supporting over 10,000 jobs directly and indirectly by 2019. To encourage generational renewal in farming, the cooperative has launched training programs, digital transformation initiatives, and

a university livestock course in partnership with the University of Córdoba. It also runs the Ordeñando el Futuro program to match young people with jobs in livestock production. Beyond training, the Ricardo Delgado Vizcaíno Foundation—funded entirely by cooperative resources—promotes education and cultural development in rural areas to ensure equality with urban centers. COVAP is a pioneer in waste management, having become the first agri-food cooperative certified as zero waste, with over 98% of industrial waste now recovered or reused. Environmental efforts include carbon and water footprint reduction projects. COVAP participates in the EU's Life Carbon Farming initiative and has independently reduced livestock-related emissions by 14% since 2020. Their innovative energy center, nearly complete in 2024, combines biogas, biomass, solar power, and water treatment technologies to reduce emissions and recycle agricultural byproducts. The center aims to cut CO₂ emissions by 65%, generate water for the ecosystem, and produce fertilizer from livestock waste. Ultimately, COVAP's circular model closes the loop from agriculture through production to energy recovery, with ambitious climate goals: a 65% emissions cut by 2025, a 30% reduction in indirect emissions by 2035, and full climate neutrality by 2050. Ana Alicia's work exemplifies how cooperative models can lead sustainable transformation in both local and global contexts.

Alejandro Martínez Berriochoa – Director of Sustainability, EROSKI (Spain, online)

Topic: Sustainability and Consumer Responsibility in a Cooperative Retail Model

Alejandro Martínez Berriochoa presented the case of **EROSKI**, a major Spanish retail cooperative and a member of the Mondragón Corporation. EROSKI is unique for its **shared governance model**, with 50% of governance held by workers and 50% by consumer-members. He highlighted EROSKI's pioneering role in food distribution, female leadership (75% of management), and sustainability. EROSKI works with over **2,000 local suppliers**, and 90% of its purchases are from Spanish producers. Alejandro outlined the cooperative's **10 long-term sustainability and health commitments**, developed through consultation with over 8,000 consumers. These include promoting healthy eating, reducing carbon footprint, supporting local agro-food systems, and ensuring social and environmental responsibility across supply chains. He emphasized EROSKI's long-standing consumer advocacy role through the **Consumer magazine**, published since 1974. Independent, ad-free, and educational, it reflects the cooperative's commitment to informed and responsible consumption. A standout initiative is EROSKI's **Local Supplier Support Program**, helping small suppliers improve across six dimensions: food safety, nutrition, commercial quality, environmental and social impact, and governance—through diagnosis, training, and iterative improvement. He also showcased EROSKI's early adoption of **Nutri-Score** labeling (since 2019), demonstrating increased sales of healthier products over time and proving that **transparent nutritional labeling influences consumer behavior**. Martínez concluded by reinforcing EROSKI's dual goal: to serve as a successful business and as a **socially committed cooperative** that empowers consumers and producers alike through **sustainability, transparency, and education**.

Closing discussion:

In the closing discussion, **regulatory standards were discussed**, especially in social and governance areas, as these values are part of the cooperatives' core identity. Speakers agreed that **sustainability is not new** to co-ops—they've practiced it before it became policy. **Cajamar** highlighted their early commitment to social impact and the growing need to manage

cybersecurity risks. COVAP stressed **water scarcity** as a major challenge and called for a mindset of going beyond compliance. EROSKI underlined the strength of shared governance (workers + consumers) and their role as **pioneers** in sustainability (e.g., Nutri-Score). All agreed that **regulatory burdens** are growing, but co-ops are better positioned to adapt due to their **long-term vision**. Innovation must be **driven by people and purpose**, not just compliance. Co-ops can attract **new talent** by aligning with societal values. Externally, they must advocate for **smarter, enabling regulations**. Working **in alliances** will be crucial to scaling impact and maintaining competitiveness.

In the closing session of the event, Melinda Kelemen project manager reminded the audience about the next steps in the project, re-confirmed the date of the final conference in Brussels (8 Oct 2025) and thanked all participants for their active participation in the event.

(All the presentations and this summary are available on the project [website](#).)