## GERMAN DUE DILIGENCE OBLIGATIONS IN SUPPLY CHAINS

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EU CSRD, EU Directive (draft)



**GERMAN SUPPLY CHAIN LAW** 



UN Guiding Principles
Human Rights

FIRST TIME BINDING REGULATION

UNIFORM STANDARD FOR DUE DILIGENCE

NO CIVIL LIABILITY
(YET)

FIXED CATALOGUE OF FINES DOCUMENTATION AND REPORTING REQUIREMENTS



All companies with more than 3,000 resp. 1,000 employees will be affected, regardless of their capital market orientation



EU Supply Chain Directive available as a draft (will require amendments of yet existing national laws)



Obligation for risk analysis, preventive and corrective measures towards direct suppliers (in case of violations: even indirect suppliers)



Responsibility of German companies for (direct) suppliers regulated by law for the first time



Catalog of innovative due diligence obligations for companies (risk-based control by Federal Office for Economic Affairs and Export Control)



Sanction regime based on public law mechanisms (e.g. temporary suspension from public tenders, high fines),
Attention: reputational damage risks



June 2021: Adoption of the Supply Chain Law January 2023: Initial application to companies ≥ 3,000 employees January 2024: Initial application to companies ≥ 1,000 employees