Council conclusions on Human Rights and Decent Work in Global Supply Chains: EUROCHAMBRES cautions against disproportionate burdens on SMEs

Reacting to the Council conclusions on Human Rights and Decent Work in Global Supply Chains published today, EUROCHAMBRES has underlined the importance of avoiding disproportionate requirements on SMEs. emphasising the leading role Europe has in encouraging other developed and emerging economies towards adopting a more responsible corporate management in global value chains. "Europe needs to enable innovative and sustainable businesses to grow. Rebuilding supply chains severely disrupted due to the COVID-19 crisis is an important factor in this and it must be done in a responsible manner", EUROCHAMBRES President, Christoph Leitl, highlighted. He added: "However, concrete steps are also needed to avoid additional reporting burdens on SMEs".

Member states, together with the business community, are pushing for more inclusive and sustainable growth, based on aligning good business practices, both upstream and downstream. As expectations for more responsible business conduct grow worldwide, European SMEs remain committed to enhancing supply chain resilience and addressing any actual or potential adverse impacts from their activities.

However, Chambers remind lawmakers that mandatory due diligence requirements imposed on EU SMEs will result in higher compliance costs, contractual disadvantages, and severe disruptions in international supply chains. The focus should be more on effective government support measures for SMEs and risk-based guidance.

Further information: Mr. Frederico Martins, Tel. +32 (0)2 282 08 54, <u>martins@eurochambres.eu</u>
Press contact: Ms. Agatha Latorre, Tel. +32 2 282 08 62, <u>latorre@eurochambres.eu</u>