



Call for Expressions of Interest

ISEAL Briefing note on sustainability systems in the EU Commission's proposal for a directive on corporate sustainability due diligence

Deadline for EOI submissions: 8th of September 2022

Summary

ISEAL wishes to work with a consultant to prepare a short policy paper for its members, that presents and analyses the salient points of the EU Commission's proposal for a directive on corporate sustainability due diligence and outlines the role that sustainability systems can play to advance its objectives. ISEAL will use this piece to support its members in identifying the various ways that sustainability systems can contribute to due diligence processes in light of the emerging changes in the EU regulatory space. The briefing will also help inform ISEAL's support and outreach efforts following the publication of the European Commission's (EC) legislative proposal on corporate due diligence in February 2022.

Background and context

ISEAL is the global membership organisation for ambitious, collaborative, and transparent sustainability systems. The organisation works to drive collective efforts to tackle the most pressing sustainability issues and create a world where markets are a force for good.

The EU Corporate Sustainability Due Diligence (CSDD) Directive is a new piece of legislation that the European Commission has recently proposed to harmonise due diligence legislation across the EU. The proposal for this wide-ranging directive was published in February 2022 and will place mandatory due diligence requirements on the whole value chain of companies established or operating in the European Union.

Companies whose activities fall under the scope of the Directive will be required to carry out a comprehensive due diligence assessment of their operations and direct and indirect business relationships. They must publish a statement that they have identified no potential or actual risk to human rights, the environment or good governance as well as the data and methodology used to arrive at such a conclusion. If risks have been identified, companies must publish, implement and report annually on their due diligence strategies and policies to monitor and address those risks. The EC proposal is clear that companies may rely on industry schemes and multi-stakeholder initiatives to support the implementation of due diligence, to the extent that such schemes and initiatives are appropriate to support the fulfilment of those obligations. The proposal will have an impact on the work of our members and might require them to innovate, change and adapt. With this piece, we aim to present an initial analysis of the anticipated implications of this directive for our members.

Terms of Reference

With this as background, ISEAL would like to commission the drafting of a short (8 pages maximum), analysis and briefing paper that analyses the EU Commission's proposal for a directive on corporate sustainability due diligence. The paper should explore the linkages between the proposed regulatory approach and sustainability systems, and present recommendations for these to respond and adapt to the changing legislative environment. The proposed policy paper should include the following elements:

1. **Provide adequate background:** building on existing ISEAL guidance the consultant is expected to briefly cover the different conceptual approaches to corporate due diligence and introduce the EC proposal, its objectives, scope and timeline for adoption.
2. **Analysis of the EC proposal:** primarily this analysis should assess the integration of industry schemes and MSIs in the directive, and analyse the overall approach to create impact with an emphasis on contractual cascading and the possibility of joint action with supply chain partners. Secondary areas of analysis can include the difference between the EC proposal and the OECD due diligence guidance and other national laws, and an assessment of the scope of the directive in terms of human rights and environmental issues. This analysis should be based primarily on the EC proposal but also make reference to other EU statements, guidance, or relevant documentation.
3. **Recommendations for initiatives and EU policy-makers:** working closely with the ISEAL policy team, the consultant should draw out recommendations for both ISEAL members (ie. MSIs), and also reflect on how improvements can be made to the EC proposal to ensure it properly leverages credible MSIs.

Timing and budget

A draft of the policy paper is expected by early October 2022. A detailed timeline will be agreed with the ISEAL policy team at the start of the assignment. The maximum budget available for this assignment is 3500-4500 GBP.

Request for Expression of Interest – due by 8th September 2022

ISEAL invites experienced and interested consultants to indicate their interest in undertaking the research consultancy described above. Interested consultants/firms should submit a short expression of interest (maximum 2 pages) covering the following:

- A brief description of their main areas of expertise and experience regarding: sustainability policy research, European Union due diligence issues and debates, market-based sustainability tools such as standards, and co-regulation/smart-mix policy approaches;
- A brief CV of the main consultant working on the project
- A financial proposal (including all expenses and VAT) along with a project timeline;

You may choose to submit up to five pages of supplementary information (eg. case studies of previous work). Please submit your expression of interest no later than 8th of September 2022 to Angela Giannini angela@isealalliance.org

ISEAL reserves the right not to accept any expression of interest submitted.

