

Global Due Diligence Laws:

What Works, What Doesn't, and
Who Bears the Cost

Lessons for the European Union



GLOBAL FEMINISM
IN SOLIDARITY
AND ACTION.

“We are our giving our maximum to achieve the targets that businesses from your country are placing here, making profit for your country. We deserve much more than this. We are giving our maximum, so please make sure that your businesses give us enough to live.”

Sri Lankan garment worker

The Circle is a global feminist organisation whose vision is a future where there is safety and equality for all women and girls. The Circle works to end violence and dismantle economic barriers for the most marginalised and vulnerable women around the world by building a global feminist network of changemakers who deliver frontline services, fund, advocate and amplify.

Authors: Claire Bradley

Editors: Tracy Doig, Lisa Ball, Raakhi Shah, Georgette Thomas, Frances Brodrick

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Executive summary

This report assesses **17 corporate due diligence frameworks worldwide** and **the extent to which women garment workers in global fashion supply chains can rely on them** in practice. It identifies what drives effective outcomes - clear duties, full value-chain reach, credible enforcement and routes to remedy - and what gaps leave harms unaddressed. It also examines the implications for EU policy following the adoption of the Corporate Sustainability Due Diligence Directive (CSDDD) and its subsequent revision through Omnibus I.

Why this matters for the European Union

- ❖ **The EU has binding commitments on gender equality and decent work**, including under GAP III, the Gender Equality Strategy 2026–2030, the European Pillar of Social Rights and core ILO conventions.
- ❖ **Global fashion supply chains put these commitments to the test**: European brands generate significant profits, while women garment workers face low wages, unsafe conditions, and violence, revealing a clear gap between commitments and reality.
- ❖ **Diluted due diligence frameworks risk widening this gap**, by allowing exploitation to flow through the Single Market, distorting fair competition and weakening the EU's credibility as a global standard-setter on business and human rights.

Key findings

- **Fragmentation is the norm**: across 17 frameworks, scope, covered harms and enforcement vary widely, creating loopholes and uneven protection.
- **Coverage gaps are built in**: high thresholds and limits to first tier suppliers mean many high-risk fashion practices and deep-tier abuses fall outside legal reach.
- **Single-issue and transparency-only models underperform**: reporting without a duty to prevent/mitigate does not shift the commercial drivers of harm.
- **Enforcement and liability are decisive**: without a regulator, meaningful sanctions and routes to remedy, workers cannot realistically rely on the law.
- **Women workers bear the brunt**: poverty wages and insecurity increase exposure to harassment, coercion and violence and constrain access to justice.
- **The revised CSDDD (Omnibus I) consolidates many identified weaknesses**: narrow scope, loss of gender focus, removal of EU wide civil liability, and limited supply chain reach, risking the EU falling behind stronger non-EU regimes.

Priority actions for EU policymakers

- ✓ **Implement the CSDDD in a gender-responsive way**, using Commission guidance to require gender-specific risk assessment, stakeholder engagement and remedies.
- ✓ **Ensure adequate due diligence is understood to cover full global value chains**, including subcontracting, labour intermediaries and informal work.
- ✓ **Address living wages and purchasing practices** as core risk factors within due diligence obligations.
- ✓ **Use enforcement, procurement and funding leverage** to reward compliant companies and penalise persistent violators.
- ✓ **Strengthen access to justice**, including support for collective actions and reduced barriers for women workers seeking remedy.

Global Due Diligence Laws: What Works, What Doesn't, and Who Bears the Cost

Lessons for the EU

THE PROBLEM

- ❖ EU-linked global supply chains rely on poverty wages, insecure work and unsafe conditions.
- ❖ **Women workers bear the greatest costs, particularly in garment supply chains**, including harassment, violence and environmental harm.
- ❖ These harms are systemic and driven by commercial pressure and **weak regulation**.

WHAT THIS REPORT DOES

- ❖ Reviews 17 corporate due diligence laws worldwide.
- ❖ Assesses whether existing frameworks prevent harm and enable access to justice.
- ❖ Identifies what works, what fails, and the implications for EU policy.

KEY FINDINGS

- ❖ **Fragmentation is the norm**: laws vary widely in scope, supply-chain reach and enforcement.
- ❖ Transparency without enforcement does not change behaviour or wages.
- ❖ **Women are systematically left unprotected** as structural harms are overlooked.
- ❖ Enforcement is key: laws with regulators, sanctions and liability perform better.

WHAT WORKS

- ❖ **Binding legal duties** rather than voluntary reporting.
- ❖ **Full global supply-chain coverage**.
- ❖ Explicit **focus on living wages and gender-based harms**.
- ❖ **Strong enforcement**, sanctions and **access to remedy**.

WHERE THE EU STANDS

- ❖ Most Member States rely on EU-level rules
- ❖ National frameworks remain limited or fragmented
- ❖ The revised CSDDD risks **reducing ambition** and **weakening accountability**
- ❖ The EU risks falling behind stronger practices

WHY THIS MATTERS TO THE EU

- ❖ Undermines commitments on human rights; gender equality and climate
- ❖ Risks creating a lowest common denominator across Member States
- ❖ Distorts competition within the Single Market
- ❖ Weakens EU credibility as a global leader on responsible business

RECOMMENDATIONS

- ❖ Apply gender-responsive due diligence across all obligations
- ❖ Ensure full global value chain coverage
- ❖ Integrate living wages and purchasing practices as core risks
- ❖ Strengthen enforcement using sanctions and incentives
- ❖ Improve access to justice for women workers

Introduction

“I am working very hard, but what I earn is not enough for my most basic needs. I am asking that you pay us a living wage” Sri Lankan garment worker

The European Union has positioned itself as a global leader on gender equality through its Gender Action Plan III (GAP III), which places women’s economic empowerment, decent work and equal pay at the heart of EU external action. Yet the global fashion industry operates through complex supply chains in which profits accrue largely to EU-headquartered brands, while risks and harms are shifted onto women garment workers in producing countries. Poverty wages, excessive hours, unsafe workplaces and gender-based violence are not exceptions but structural outcomes of prevailing sourcing and purchasing practices.

Human rights due diligence was intended to be the EU’s response to these failures. In 2024, the flagship EU Corporate Sustainability Due Diligence Directive (CSDDD) was passed which included a gender responsive approach and an awareness of the abuses that women tend to face because of corporate abuse. However, **the rollback of key provisions of the CSDDD through Omnibus I Directive (EU) 2026/470 in 2026 has significantly weakened that ambition**. This risks placing the EU behind its original proposal and stronger non-EU regimes, while undermining GAP III and the EU’s legal obligation to assess gendered impacts.

This report examines 17 existing due diligence frameworks to show how weakened EU-level rules and uneven Member State implementation undermine protection for women workers and distort the level playing field. It sets out the core elements a credible EU due diligence framework must include if the Single Market is not to continue driving poverty wages, exploitation and gender-based harm, and demonstrates why **restoring a strong, gender-responsive approach is essential** for the EU’s credibility as a champion of equality, human rights and fair competition.

Global fashion supply chains, women’s work and violence

One of the key structural drivers of poverty wages in garment-producing countries is the ability of fast fashion brands to move production rapidly between locations in search of the lowest labour costs. Many producing countries are economically vulnerable and keen to attract global brands, which constrains governments’ ability to raise statutory minimum wages for fear of losing investment and jobs to lower-wage competitors.

This unequal power balance allows global brands to generate significant profits, while the workers who make their clothes, predominantly women¹, often labour in unsafe and degrading conditions. Public concern is rightly strong about child labour, yet such exploitation persists in part because poverty wages paid to women garment workers force families to rely on children’s labour to survive. The failure to ensure living wages therefore

¹ The International Labour Organization (ILO) estimates that nearly 60% of garment workers globally are women, with the proportion rising to 75–80% in major producing regions such as Asia, which employs around three-quarters of the global garment workforce. International Labour Organization (ILO) (no date) *The garment industry: Gender discrimination and deficits*. Available at: <https://webapps.ilo.org/infostories/en-GB/Stories/discrimination/garment-gender.html#deficits> (Accessed: 14 May 2026).

sustains intergenerational exploitation and entrenches harm across global fashion supply chains.

Women garment workers experience these harms in gender-specific ways. Low pay and insecure contracts reinforce **economic dependency**, limit bargaining power, and increase **exposure to exploitation**. In factories, women frequently report **verbal abuse, intimidation** and **sexual harassment** linked to production targets, pregnancy or attempts to organise. Outside the workplace, poverty wages **restrict women's ability to leave abusive relationships** and **heighten vulnerability to coercion and violence** in both public and private spheres.

Female garment workers interviewed by The Circle in three locations across Sri Lanka in October 2025 reported several concerning day-to-day working conditions, including:

- **Working shifts of at least 12 hours**, often longer at month end to meet production targets, spent standing, with only a small number of short breaks, usually lasting 15 minutes or less, for a starting **salary of roughly €73 a month**.
- **Limited access to drinking water** in hot and poorly ventilated environments, reportedly to discourage toilet breaks.
- Experiences of **verbal abuse** (gendered abuse, plus threats of job loss), as well as accounts of **sexual favours being requested** in exchange for access to much-needed overtime shifts.
- Women workers being **required to ask supervisors for menstrual products** and to explain or justify why they needed them.

Minimum wages, living wages and the race to the bottom

“The Government sets a minimum wage of R 27,000 but they know it is not enough to live for more than two or three days in Sri Lanka” Sri Lankan garment worker

Minimum wages are statutory floors that often fall below what is required for an adequate standard of living, as recognised under international human rights law.

A living wage, grounded in ILO principles and the UNGPs' requirement to prevent and mitigate adverse human rights impacts, reflects the real cost of living and must therefore be assessed and addressed as part of effective human rights due diligence.

A core driver of harm in the garment sector is the **persistent gap between minimum wages and living wages**. Minimum wages in producing countries are often set through political compromise and competition for investment, rather than by reference to the real cost of living, contrary to international labour standards. Brands can exploit this gap by shifting production between jurisdictions, creating a race to the bottom that entrenches poverty despite full-time work.

For women workers, this chronic underpayment **undermines dignity and increases exposure to exploitation, harassment and violence**, directly contradicting the EU's commitments on decent work and women's rights.

Living wages enable garment workers to meet basic needs, support their families and keep their children in school, while also helping to prevent violence and exploitation. When workers earn enough within standard hours, women are less pressured to tolerate harassment or

abuse for job security and can raise concerns without fear of economic retaliation. Living wages also reduce excessive overtime and unsafe late-night travel, lower household stress linked to domestic violence and can provide women with the financial security needed to leave abusive situations. As such, **living wages are a foundational safeguard for dignity, safety and gender equality** in global supply chains.

Why voluntary approaches by brands have failed

For decades, brands have relied on voluntary initiatives - codes of conduct, audits, certification schemes and multi-stakeholder initiatives - to address labour abuses. Despite their proliferation, **these mechanisms have failed to deliver sustained improvements in wages, safety or protection from violence.**

Voluntary schemes are typically limited to first-tier suppliers, while the most severe abuses occur further down supply chains. Audits often focus on documentation rather than lived experience and are poorly equipped to detect gender-based violence or retaliation. Crucially, voluntary commitments do not require brands to change the commercial practices - pricing, lead times and order volatility - that directly drive excessive hours, harassment and unsafe conditions.

Transparency only approaches have proven particularly ineffective. Reporting without a legal duty to prevent or remedy harm allows companies to comply on paper while continuing harmful practices in practice.

The case for enforceable due diligence

The failure of voluntary measures has led to growing recognition that binding due diligence legislation is necessary. Grounded in the UN Guiding Principles on Business and Human Rights and relevant ILO standards, due diligence requires companies to identify, prevent, mitigate and account for adverse human rights impacts across their supply chains.

Human rights due diligence legislation aims to protect people working in global supply chains from harm and to assist states meet their obligations under domestic and international law.

For female garment workers, **effective due diligence can help prevent violence by addressing living wages, workplace abuse, discrimination and access to remedy.**

The sections that follow assess whether existing due diligence laws meet this challenge and what robust, enforceable legislation must include if women workers are to be able to rely on the law for protection and justice.

“When audit visits happen, management selects a few workers that support them and they are chosen to speak to the auditors.”

Sri Lankan garment worker

Labour rights activists in Sri Lanka have informed The Circle of receiving death threats from factory management for supporting workers and informing them of their rights.

Workers also reported being threatened with job losses or losing their jobs for attending workshops on labour rights and how to access grievance mechanisms.

Part 1: Global Due Diligence Laws: A Fractured Landscape

This report reviews 17 legislative frameworks governing corporate due diligence currently in force across Europe, the United Kingdom and internationally. A list of assessed laws can be found in Annex 2. These frameworks collectively demonstrate **a fragmented global approach** to business and human rights regulation, with significant variation in scope, enforcement mechanisms and access to remedy.

Within the European Union, a limited number of Member States have adopted national due diligence legislation, while the majority rely exclusively on EU-level rules. As a result, the robustness of EU-wide frameworks has far-reaching implications for corporate accountability across the bloc. As many leading fashion brands are headquartered in Europe, due diligence laws in the EU have global consequences for garment workers. Outside the EU, a range of transparency- and trade-based laws further shape corporate conduct, though often with narrower focus and weaker enforcement.

This uneven landscape creates challenges for both rights-holders and regulators, **underscoring the need for stronger, harmonised standards** that prioritise prevention, accountability and remedy, particularly for workers and communities most at risk.

Gaps and shortcomings in assessed legislation

The Circle's analysis shows that existing legislation tends to share several recurring weaknesses. Taken together, these shortcomings significantly limit the ability of such laws to prevent harm, hold companies accountable, or improve conditions for workers in global supply chains. **In the fashion industry, characterised by outsourcing, subcontracting and intense price competition, these gaps are particularly acute.**

❖ **Narrow company scope**

Several frameworks apply only to a very small number of companies by imposing extremely high turnover or size thresholds before obligations apply. For example, under the revised CSDDD (Omnibus I), companies must have a turnover of €1.5 billion before being brought within scope, excluding most businesses operating in high-risk supply chains.

In the fashion sector, this allows many influential brands to escape due diligence obligations altogether, despite sourcing from factories and regions where labour abuses are widespread. As a result, brands benefiting from low-cost production face no legal requirement to address the conditions under which garments are made.

❖ **Restricting obligations to “employees” only**

Some frameworks are triggered only when companies employ a minimum number of employees, creating incentives to restructure workforces through agency, temporary or consultancy arrangements to avoid obligations. The German Supply Chain Due Diligence Act, for example, applies only to companies with more than 1,000 employees, while the French Duty of Vigilance Act applies only to companies with at least 5,000 employees in France or 10,000 worldwide.

In fashion supply chains, workers are rarely employed directly by brands but by suppliers and subcontractors. Employee-based thresholds therefore exclude the vast majority of garment workers, predominantly women, from protection, even though brand purchasing practices directly shape wages, hours and working conditions.

❖ **Limiting coverage to parent companies and subsidiaries**

Many due diligence frameworks apply only to a company's own operations and subsidiaries, excluding indirect suppliers where the most severe labour rights abuses typically occur. Several EU and national frameworks stop short of covering indirect suppliers and only five of the 17 frameworks assessed apply obligations across the full supply chain.

In the fashion industry, the most serious harms - poverty wages, excessive hours, violence and child labour - typically occur several tiers down the supply chain. Limiting legal coverage to corporate headquarters or first-tier suppliers allows brands to claim compliance while exploitation persists beyond legal scrutiny.

❖ **Sector-specific laws without a general framework**

Some laws focus on a single sector without being underpinned by a broader, economy-wide due diligence framework. For example, the Swiss Private Security Services Act 2013 imposes obligations only on companies providing private security services.

For fashion, the absence of horizontal due diligence frameworks leaves a high-risk, labour-intensive industry regulated unevenly or not at all, despite its reliance on outsourcing, informal work and weak labour protections in producing countries.

❖ **Focusing on a narrow set of harms**

Certain frameworks require companies to consider only one or a limited number of abuses. The Netherlands Child Labour Due Diligence Act 2019 focuses exclusively on child labour and requires a one-off assessment, while the UK Modern Slavery Act addresses forced labour and trafficking but not poverty wages, gender-based violence, freedom of association or unsafe working conditions.

In garment production, harms are interconnected. Poverty wages, excessive hours, harassment and child labour frequently co-exist. Laws that address single harms in isolation allow brands to treat symptoms while leaving the commercial drivers of exploitation untouched.

❖ **Allowing discretionary exemptions**

Some frameworks allow ministers or public authorities to exempt companies from due diligence obligations. Under the Dutch Child Labour Due Diligence Act, exemptions may be granted by general administrative order.

In the fashion industry, where powerful multinational brands exert significant economic influence, discretionary exemptions risk shielding major buyers from scrutiny while leaving workers without protection.

❖ **Voluntary reporting requirements**

Under the revised CSDDD, companies that fall outside of scope only need to comply with voluntary reporting standards, which have a long history of being ineffective. For example, the UK's Modern Slavery Act 2015 has been criticised for its reliance on voluntary compliance, that has proven to be ineffective.

In the fashion sector, such reporting has not improved conditions on the ground. Brands can publish statements while continuing to impose prices and lead times that drive exploitation, turning transparency into a reputational exercise rather than a mechanism for accountability.

❖ **Absence of sanctions or remedy and weak enforcement**

Many existing frameworks do not provide for meaningful sanctions, civil liability or criminal penalties, leaving affected workers without realistic routes to justice. For example, the UK Modern Slavery Act and other transparency-only models rely heavily on disclosure without strong enforcement consequences or meaningful liability pathways, while France's Duty of Vigilance Act offers only a limited civil-liability route. By contrast, Germany's Supply Chain Act provides administrative enforcement and fines, Norway's Transparency Act allows fines to be imposed, and the original CSDDD envisaged stronger EU-level enforcement, including an EU-wide civil-liability regime, than the post-Omnibus framework now provides.

For fashion brands, weak enforcement means the financial benefits of low-cost sourcing far outweigh the risks of non-compliance, reinforcing business models that externalise harm onto workers.

For garment workers, often located far from brand headquarters, this makes it virtually impossible to seek remedy for abuse, even where harm is directly linked to brand conduct.

❖ **Failure to commence legislation or delaying application**

In some cases, governments have passed due diligence laws but delayed or avoided bringing them into force and this can also be said of many of the provisions of the revised CSDDD, which has substantially delayed the application of many of these due diligence rules.

In fast-moving fashion supply chains, such delays allow existing sourcing practices to continue uninterrupted, while workers see no improvement in wages, safety or protection.

❖ **Voluntary application**

Finally, some due diligence frameworks are entirely voluntary or apply only to companies by choice, such as the UK's Modern Slavery Act 2015.

In an industry built on price competition, voluntarism consistently fails. Responsible fashion brands are undercut by competitors willing to profit from exploitative practices, while workers bear the consequences.

What the evidence shows for the EU

The EU's post-Omnibus approach to human rights due diligence consolidates many of these weaknesses within a single framework, significantly reducing its capacity to prevent labour rights abuses in global garment supply chains. The Omnibus rollback introduces extremely high turnover thresholds (€1.5 billion), excludes most companies operating in high-risk sectors, and limits due diligence obligations largely to direct business relationships.

While **some Member State laws partially offset these gaps, they do so unevenly**. France's Duty of Vigilance Act provides a limited civil-liability model but applies only to a narrow group of very large companies. Germany's Supply Chain Act includes administrative enforcement and sanctions yet excludes indirect suppliers and relies on employee-based thresholds that systematically omit vulnerable workers. The Netherlands Child Labour Due Diligence Act avoids size thresholds but addresses only a single harm and requires a one-off assessment.

By contrast, **several non-EU regimes set more robust benchmarks**. Norway's Transparency Act applies across supply chains without excessive thresholds and covers a broad range of human rights, while the US Uyghur Forced Labour Prevention Act applies regardless of company size and shifts the burden of proof onto companies to demonstrate that forced labour is not present.

The result is a clear paradox: **as the EU dilutes its flagship due diligence framework, international trade-based and transparency-based regimes are increasingly overtaking EU law as global standard-setters** for corporate accountability.

Without restoring broad scope, full supply-chain coverage and meaningful enforcement, **the EU risks entrenching a weakest-common-denominator model**, undermining both worker protection and its credibility as a global leader on gender equality, women's rights and business and human rights.

Real-world consequences for female garment workers

“What I earn in one month is not enough to even repay the credit I owe at the village shop from last month for my family's groceries.” Sri Lankan garment worker

Weak due diligence legislation has tangible and harmful consequences for women in global garment supply chains. As women make up most garment workers worldwide, these impacts undermine the European Union's commitments to gender equality, preventing gender-based violence, human rights and environmental protection, including under the EU Gender Equality Strategy and the European Green Deal.

❖ Precarious work, economic insecurity, and heightened risk of abuse

Where laws apply only to narrowly defined “employees” or exclude large parts of supply chains, women garment workers, often on temporary, informal, or insecure contracts, are left without protection. Poverty wages and job insecurity deepen economic dependency, making it harder for women to leave unsafe or abusive situations or to raise concerns without fear of dismissal. This directly undermines the EU commitments to addressing the structural drivers of gender-based violence and promoting women's economic independence.

❖ **Workplace violence, exploitation and harassment**

Weak or narrowly scoped due diligence legislation enables gender-based violence, exploitation and harassment to persist in garment factories supplying the EU market. Where laws rely on voluntary measures or apply only to limited parts of the supply chain, women workers lack safe reporting channels and effective remedies. Retaliation against those who speak out remains common, directly conflicting with the EU's stated commitment to safe, inclusive and rights-based workplaces.

❖ **Environmental harm and gendered impacts**

Environmental due diligence gaps allow pollution, chemical exposure and unsafe waste practices to continue in garment production. Women are disproportionately affected by environmental harm, including adverse impacts on reproductive health, including pregnancy and increased care responsibilities. Failure to integrate environmental and human rights due diligence undermines the objectives of the European Green Deal and the EU's commitments to a just and sustainable transition.

❖ **Lack of access to justice and remedy**

Weak enforcement mechanisms, low penalties and the absence of civil liability leave women garment workers without effective access to justice. Without credible consequences for non-compliance, harmful practices are repeated across seasons and supply chains, undermining the EU's commitment to ensuring access to remedy for human rights violations.

These impacts demonstrate that **weak due diligence frameworks are incompatible with the EU's gender equality, anti-violence and environmental commitments**. Strong, harmonised due diligence legislation, covering full supply chains, backed by effective enforcement and meaningful sanctions, is essential to ensure that the EU market does not continue to drive violence, exploitation and environmental harm against women.

A Gender Analysis of the EU's due diligence legislation

Corporate Sustainability Due Diligence Directive (CSDDD)

The original CSDDD reflected a partial and uneven gender-responsive perspective. As outlined by ActionAid in a 2024 report,² the Directive acknowledged gender and vulnerability concerns in principle but fell short of embedding them systematically. Key flaws included:

- High company-size thresholds excluded over 99% of EU companies from scope.
- Gender-responsive due diligence was referenced only in recitals rather than as binding obligations.
- Stakeholder engagement provisions failed to address women's differentiated and often invisible harms.
- Access-to-justice measures did not sufficiently lower barriers for affected women.

² ActionAid (2024) *Towards a gender responsive transposition of the CSDDD*. October. Available at: https://actionaid.org/sites/default/files/publications/ACTIONAID_rapport2024_EN_WEB.pdf (Accessed: 14 May 2026).

- Due diligence obligations did not clearly extend across the full value chain, where abuses against women are most prevalent.

Nonetheless, ActionAid concluded that the original CSDDD provided a foundation that could have been strengthened nationally to deliver meaningful, gender-responsive accountability.

CSDDD, as amended by the Omnibus I Directive (EU) 2026/470

When the original CSDDD was amended through Omnibus I, the European Commission did not appear to adopt a gender-responsive approach in determining which provisions to revise.

- *Scope:* The revised CSDDD further narrows an already limited scope by substantially increasing the turnover threshold to EUR 1.5 billion. As a result, almost no companies will be required to comply with the revised obligations for several years, significantly weakening the Directive's potential impact on workers in high-risk sectors.
- *Gender Inclusion:* Gender-responsive recitals have been removed from the revised CSDDD, which now makes no mention of gender at all.
- *Civil Liability:* The EU wide civil liability regime has been abolished and now it is national civil liability regimes that apply. The burden of proof remains on victims, and moving to national civil liability regimes increases costs for often vulnerable claimants, making claims less likely to be brought.
- The revised CSDDD applies still to upstream business partners, not downstream partners where most of the egregious abuses of women take place.

Taken together, these changes show the revised CSDDD is not gender responsive. It removes gender considerations, narrows its scope, weakens access to justice, and excludes parts of supply chains where women face the greatest risks. **Omnibus I has stripped the Directive of any meaningful capacity to address gender-based harm in global value chains. It prevents women from having equal access to the labour market and decent work.**



Sri Lankan garment worker and child in the boarding hostel accommodation that she shares with her partner and two children

Part 2: What does a strong due diligence legislative framework look like for the EU?

Building on The Circle's analysis, an effective due diligence framework that fulfils the EU's obligations under GAP III, the Gender Equality Strategy 2026–2030 and international labour law must deliver on the original ambition of the CSDDD by establishing mandatory, enforceable obligations that apply across the Single Market.

1. Scope and Mandatory Application

To be credible and effective, EU due diligence legislation should:

- Restore the original ambition of the CSDDD by establishing **mandatory rules** that apply uniformly across the Single Market
- **Expand personal scope** to all companies with international operations, business partners or value chains, irrespective of size, sector or corporate form
- Recognise that **voluntary or size-limited due diligence has consistently failed** to prevent abuses experienced disproportionately by women
- Be **implemented without delay** and without prolonged transitional periods

2. Gender-Responsive Due Diligence

EU legislation and national transposition measures should:

- Explicitly require that **human rights and environmental due diligence be gender-responsive**
- Require companies to **identify, assess and address differentiated and systemic impacts** on women workers
- Be supported by clear **Commission guidance** mandating gender-responsive approaches at every stage of due diligence

3. Full Value-Chain Coverage

To reflect where gender-based abuses actually occur, due diligence obligations must:

- Apply to the **entire global supply chain**, including subsidiaries, contractors and indirect business relationships
- Avoid carve-outs or discretionary exemptions that weaken protection
- Recognise that **egregious abuses of women often take place downstream**, particularly in manufacturing and subcontracting

4. Substantive Rights and Protections

The due diligence framework should explicitly cover women's economic and social rights, including:

- Access to decent work
- Equal pay for work of equal value
- Freedom from discrimination, including maternity discrimination
- Prevention of sexual and gender-based violence and harassment
- Protection from exploitation

- The right to a living wage for all workers in global supply chains

Living wages must be treated as a **core due diligence obligation**, not an aspirational goal, given their central role in preventing exploitation and enabling women’s autonomy and safety.

5. Enforcement and Access to Justice

Effective protection depends on robust enforcement mechanisms, including:

- Reinstating an **EU-wide civil liability regime** to avoid fragmentation and excessive costs for claimants
- **Reversing the burden of proof**, requiring companies to demonstrate compliance rather than placing evidentiary burdens on victims
- Establishing **strong, independent supervisory authorities** with powers to impose:
 - Turnover-based fines
 - Public sanctions
 - Exclusion from public procurement
 - Criminal liability where appropriate

These measures are essential to ensure compliance and prevent a race to the bottom within the Single Market.

6. Alignment with International Standards

EU due diligence legislation must be clearly grounded in:

- The UN Guiding Principles on Business and Human Rights
- Fundamental ILO Conventions
- The OECD Guidelines for Multinational Enterprises
- Core UN human-rights treaties recognised by the Commission on the Status of Women as the legal foundation for gender equality (CEDAW, CRC, ICESCR, ICCPR, CRPD, ICERD and the Migrant Workers Convention)

Conclusion

This report demonstrates that labour rights abuses and gender-based harm in global fashion supply chains are structural outcomes of current sourcing practices, reinforced by weak or diluted regulation. Women garment workers continue to bear the cost of poverty wages, unsafe work and harassment, while brands headquartered in the EU capture value with limited accountability.

The EU’s commitments to gender equality, human rights and sustainable development require more than transparency. Yet the post-Omnibus CSDDD approach risks weakening the EU’s capacity to prevent harm, by narrowing scope, raising thresholds and limiting obligations primarily to direct business relationships, excluding the parts of fashion supply chains where the most severe abuses occur.

The contrast with stronger non-EU regimes is increasingly clear. Where due diligence is enforceable and applies across value chains, it can begin to reshape business behaviour. Where it is diluted, it risks legitimising harmful models rather than challenging them.

With most Member States relying on EU-level rules, the stakes are high. A weak framework risks a lowest-common-denominator outcome, undermining worker protection, distorting competition within the Single Market and weakening the EU's credibility as a global leader on business and human rights.

A credible EU due diligence regime must therefore restore broad scope, full value-chain coverage, meaningful enforcement and access to remedy. Without these elements, due diligence will remain procedural. With them, the EU can ensure its market no longer drives poverty wages, exploitation and violence against women through global fashion supply chains.



Sri Lankan garment workers attend a protest demanding better working conditions

Recommendations

I. Recommendations to the European Commission

In the short term:

1. Issue clear, gender-responsive implementation guidance

- a) Publish authoritative guidance confirming that compliance requires:
 - gender-responsive and intersectional risk assessments,
 - attention to maternity discrimination, sexual harassment, and informal work,
 - alignment with ILO Conventions Nos. 100, 111, 183, 190 and 156.
- b) Provide practical tools, including model risk indicators, worker consultation checklists and living-wage and wage-gap assessment tools.

2. Clarify that “reasonable measures” must cover the full supply chain

- a) State explicitly that foreseeable risks include:
 - informal work, subcontracting and labour intermediaries,
 - home-based and other forms of work where women are over-represented.
- b) Clarify that Tier-1-only due diligence will generally not meet CSDDD requirements.

3. Address living wages through scrutiny of purchasing practices

- a) Clarify that purchasing practices which prevent payment of a living wage may constitute root causes of adverse impacts.
- b) Provide guidance on:
 - assessing wage gaps,
 - adjusting pricing, lead times and sourcing practices,
 - developing wage-remediation plans.
- c) Require companies to report whether workers receive a living wage or only the minimum wage and assess the gendered impacts of any gap.

4. Support access to justice for women workers

- a) Fund and coordinate:
 - 1) training for judges, inspectors and authorities on gender-based labour harms,
 - 2) support for women-led organisations bringing complaints.
 - 3) Funding for trade unions and worker groups to raise awareness of grievance mechanisms
- b) Promote collective actions and third-party representation to reduce barriers to justice.

In the longer term:

To address recognised shortcomings of the revised CSDDD and to give effect to GAP III and EU commitments under CSW70, the following reforms should be considered:

1. Extend the personal scope of the CSDDD to all companies with international operations or value chains, regardless of size, sector or corporate structure.

2. Ensure the entire global supply chain is covered, recognising that gender-based abuses typically occur further downstream.
3. Reinstate an EU-wide civil liability regime.
4. Reverse the burden of proof so companies, rather than victims, must demonstrate that abuses have not occurred.
5. Apply due-diligence obligations to all companies, with proportionate but binding requirements.

II. Recommendations to Member States

1. Use national transposition to broaden scope where possible

- a) Extend national rules to:
 - smaller companies in high-risk sectors,
 - labour intermediaries and contractors,
 - companies operating in gender-risk-intensive value chains.
- b) Apply proportionate obligations while maintaining enforceable duties.

2. Integrate gender responsiveness into enforcement and inspections

- a) Require labour inspectorates and supervisory authorities to:
 - use gender-specific risk indicators,
 - examine maternity discrimination, harassment and wage gaps,
 - coordinate with equality bodies.
- b) Treat failure to conduct gender-responsive due diligence as non-compliance.

3. Maintain or strengthen national civil liability regimes

- a) Maintain or introduce:
 - civil liability for supply-chain harms,
 - collective actions and NGO standing.
- b) Recognise non-economic harms, including income loss linked to maternity discrimination.

4. Align due diligence enforcement with EU gender and labour law

- a) Enforce CSDDD obligations alongside:
 - the Pay Transparency Directive,
 - Work-Life Balance legislation,
 - EU anti-discrimination law.
- b) Enable effective cooperation between labour, equality and market authorities.

“I am working very hard, but what I earn is not enough for my most basic needs. I am asking that you pay us a living wage” Sri Lankan garment worker

Annex 1: EU Legal Obligations in relation to women’s rights and gender equality

The European Union is legally and politically committed to gender equality as a core value of both its internal and external action. This commitment is grounded in the EU Treaties and implemented through a robust framework that includes the EU Gender Action Plan III (GAP III), the Gender Equality Strategy 2026–2030, the European Pillar of Social Rights, and the EU Action Plan on Human Rights and Democracy. Together, these instruments require the EU to mainstream gender equality across all policies and to prioritise women’s economic empowerment, equal access to employment, decent work, equal pay for work of equal value, and freedom from discrimination and violence. Gender equality is explicitly framed as a strategic priority in EU external action, including where EU economic activity affects workers and communities outside the Union.

These EU obligations are reinforced by binding international labour law commitments, notably core International Labour Organization conventions on equal remuneration and non-discrimination in employment, which require measures to address structural gender inequality in wages and working conditions. The European Pillar of Social Rights further links gender equality to fair wages that ensure a decent standard of living and dignified work. Taken together, this legal framework obliges the EU to ensure that its regulatory and market-shaping instruments, such as corporate due diligence legislation, are gender-responsive and actively prevent the exploitation of women in global value chains.

In March 2026, the EU reaffirmed its commitment to placing women and girls at the centre of its international work and to tackling the socio-economic and institutional barriers that deny them access to justice at the UN Commission on the Status of Women. The EU supported agreed conclusions³ focused on strengthening access to justice by removing discriminatory laws and practices and addressing structural inequalities. This included upholding women’s rights at work by strengthening labour laws in line with ILO standards, including promoting decent work and equal pay, eliminating discrimination, violence and harassment, protecting labour rights, expanding social protection and care systems, and ensuring effective access to justice and accountability for workplace abuses.

³ UN Women (2026) *Commission on the Status of Women (CSW70): Session outcomes*. Available at: <https://www.unwomen.org/en/how-we-work/commission-on-the-status-of-women/csw70-2026/session-outcomes> (Accessed: 14 May 2026).

Annex 2: Laws Assessed

European Union

EU-level rules

- Corporate Sustainability Due Diligence Directive 2024
- Omnibus I Directive (EU) 2026/470 amending the Corporate Sustainability Due Diligence Directive 2026

National laws in force

- France: Duty of Vigilance Law 2017
- Germany: Supply Chain Due Diligence Act 2021
- Italy: Legislative Decree 231/2001
- Netherlands: Child Labour Due Diligence Act 2019

20 EU countries rely only on EU law

- No national due diligence legislation

Europe (Non-European Union)

Norway

- Transparency Act 2021

United Kingdom

- Companies Act 2006
- Modern Slavery Act 2015
- Environment Act 2021

Switzerland

- Conflict Minerals & Child Labour Due Diligence Law 2020
- Transparency on Non-Financial Matters Law 2020 (*transitioning toward EU Corporate Sustainability Reporting Directive alignment*)
- Private Security Services Act 2013

International frameworks

Australia

- Modern Slavery Act 2018

United States

- Tariff Act of 1930
- Dodd-Frank Act (Section 1502) 2010
- Uyghur Forced Labour Prevention Act 2021

Annex 3: Comparative Table of Corporate Due Diligence Frameworks

Regime	Issues Covered	Value Chain Scope	Company Scope	Obligations (Reporting, Due Diligence, Engagement)	Administrative Enforcement	Judicial Enforcement / Liability	Gender Relevance (GBV, Living Wages, Labour Rights)
EU Corporate Sustainability Due Diligence Directive (original)	Broad: human rights, labour, environment, climate	Chain of activities (not full value chain)	>1000 employees & €450m turnover; excludes SMEs	Annual reporting; mandatory due diligence; stakeholder engagement; grievance mechanisms	Strong supervision + turnover-based fines (≥5%)	Civil liability; NGOs can bring claims; courts can order disclosure and injunctions	Partial: covers labour rights and living wages indirectly; limited explicit GBV focus
EU Omnibus I (revised Corporate Sustainability Due Diligence Directive)	Broad but diluted	Narrower, risk-based	>5000 employees & €1.5bn turnover	Reduced monitoring; due diligence retained but weakened	Weaker enforcement; capped fines (~3%)	EU-wide civil liability removed; national regimes only	Weak: removal of gender elements; reduced protection for women workers
France Duty of Vigilance Law	Human rights and environment	Suppliers and subsidiaries (not full chain)	Very large companies only	Annual vigilance plans; risk mapping; mitigation and alert systems	Limited administrative enforcement	Civil liability via tort; high burden of proof on victims	Partial: covers labour harms but no explicit living wage or GBV focus
Germany Supply Chain Due Diligence Act	Human rights and limited environmental issues	Direct suppliers and limited indirect suppliers	1000+ employees	Annual reporting; risk-based due diligence; prevention and remediation measures	Strong regulator (BAFA) + fines (up to 2% turnover)	No standalone civil liability; NGOs can act on behalf of victims	Partial: includes fair wages but limited gender-specific analysis

Norway Transparency Act	Human rights and decent work	Full supply chain	Large and medium-sized companies	Annual reporting; due diligence across value chain; cooperation in remedy	Administrative enforcement and fines	No civil liability mechanism	Stronger: includes decent work and living wages; limited explicit GBV focus
Netherlands Child Labour Due Diligence Act	Child labour only	Supply chain (partial)	Applies to most companies including SMEs	One-off reporting; due diligence limited to child labour risks	Complaint-triggered enforcement; relatively small fines	No civil liability; regulator-based complaint system	Weak: does not address broader gender harms, wages or GBV
Italy Legislative Decree 231/2001	Human rights and environmental crimes (criminal law approach)	Own operations and subsidiaries	Applies to all companies	No mandatory reporting; compliance model incentivised	Strong sanctions including fines and disqualification	Criminal liability; unclear or limited civil liability	Mixed: includes serious harms (trafficking, FGM) but not structural labour or wage issues
Switzerland (combined framework: reporting and sector-specific laws)	Fragmented: limited human rights and environmental coverage	Varies across instruments	Mostly large companies and specific sectors	Primarily reporting obligations; limited due diligence requirements	Weak or inconsistent enforcement	Limited or no civil liability	Weak: fragmented approach fails to address gendered labour inequalities
United Kingdom framework (Companies Act 2006, Modern Slavery Act 2015, Environment Act 2021)	Limited: modern slavery, reporting, environment	Partial and inconsistent	Large companies mostly	Annual reporting; no binding due diligence requirement	Very weak enforcement; limited penalties	No meaningful company-level liability	Weak: narrow issue coverage; no living wage or GBV prevention

Acronyms: GBV = Gender-Based Violence; NGO = Non-Governmental Organisation; SMEs = Small and Medium-sized Enterprises; FGM = Female Genital Mutilation

Annex 4: Comparative Analysis of Key Gaps in Due Diligence Frameworks

✓ = gap avoided ✗ = gap present

Gap / Deficiency	Original CSDDD	Revised CSDDD (Omnibus I)	France - Duty of Vigilance Law	Germany - Supply Chain Act	Netherlands - Child Labour DD Act	Italy - Legislative Decree 231/2001	Norway - Transparency Act	United Kingdom (combined framework)	Best-performing law & why
Narrow company scope (high thresholds)	✗	✗	✗	✗	✓	✓	✓	✗	Italy (applies to all companies);
Employee-based thresholds exclude workers	✗	✗	✗	✗	✓	✓	✓	✗	Italy (no employee threshold)
Excludes indirect suppliers	✗	✗	✗	✗	✗	✗	✓	✗	Norway (broadest supply chain reach)
Does not cover full value chain	✗	✗	✗	✗	✗	✗	✓	✗	Norway (closest to full value chain)
Weak reporting model	✓	✗	✓	✓	✗	✗	✓	✗	(none fully meets standard)
No meaningful administrative sanctions	✓	✗	✗	✓	✓	✓	✓	✗	Germany / Norway (strongest regulators)
No civil liability	✓	✗	✓	✗	✗	✗	✗	✗	Original CSDDD / France (only meaningful civil routes)
Limited gender integration	✗	✗	✗	✗	✗	✗		✗	(none fully gender-responsive)

**WE STAND
IN SOLIDARITY
AND ACTION
WITH WOMEN
EVERYWHERE**

