

Reporting requirements in social and environmental due diligence legislation

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Key messages

- **Core due diligence disclosure elements align across legislation and frameworks, but divergence lies in the details.** Most due diligence legislative measures require reporting on similar elements, e.g., policies, identified risks and impacts, actions taken, and tracking effectiveness. Yet they diverge significantly in scope, assessment and prioritisation criteria, supply chain coverage, level of detail, and units of analysis.
- **These differences can lead companies to report different salient risks and impacts** depending on the legislation and frameworks they report under, and trigger duplicative layers of analysis and information requests, which ultimately turn into cost implications for reporting entities and their business relationships providing them with information.
- **Reporting entities often struggle with demonstrating the effectiveness of their due diligence.** Reporting focusses on policies and procedures, and to a lesser extent, identified risk and impacts or product-related characteristics, rather than reporting on the effectiveness and outcomes of due diligence. Limited guidance exists on appropriate indicators, methodologies and levels of specificity for reporting on prevention, mitigation and remediation across legislation.
- **Reporting processes and data collection protocols are not sufficiently standardised.** Therefore, even when information requirements are broadly aligned, processes, timelines and formats for reporting and exchanging data are often not. Many legislative measures do not specify how data should be collected, structured or transmitted to authorities. Information cannot easily be reused across regimes, leading to duplicative reporting and uncoordinated information requests to suppliers, particularly SMEs and upstream actors.

The due diligence reporting landscape

Expectations to provide information on due diligence are covering large parts of the economy.¹ Companies representing over two-thirds of global market capitalisation report according to the Global Reporting Initiative (GRI) and/or the European Sustainability Reporting Standards (ESRS), therefore disclosing information related to their due diligence process based on international standards of responsible business conduct (RBC) (OECD, 2025^[1]). Recent estimates also suggest that nearly half of the USD 20 trillion of global trade flows are covered by product or market-based due diligence legislation, requiring entities to provide due diligence or product-related information upon the request of customs authorities (WEF, 2025^[2]).

Disclosing due diligence information – or otherwise providing authorities with information obtained through a due diligence process – is a requirement shared across all due diligence legislation introduced in recent years. These requirements typically take two forms: the publication of an annual report with information on due diligence-related activities and identified risks and impacts (1); and the transmission of due diligence and/or supply chain-related information (e.g. product-level data) obtained through due diligence to enforcement authorities (2). These documentation and reporting processes are the primary way for companies to demonstrate compliance.

These reporting requirements are also part of a broader context in which **companies are increasingly expected to provide sustainability-related information**. Recent OECD estimates indicate that companies representing **91% of global market capitalisation** disclose sustainability-related information (OECD, 2025^[1]). Reporting on due diligence is integrated in most leading sustainability disclosure frameworks but typically represents a subset of broader sustainability disclosure expectations (see Figure 1).

The growing breadth of due diligence legislation on the one hand, and of sustainability reporting frameworks on the other, can create multiple disclosure and reporting requirements across regulated entities and their business relationships. For example, an estimated 14 400 companies have filed modern slavery statements under the United Kingdom, Australian and Canadian modern slavery legislations (OECD, 2025^[3]). Similarly, most companies (87%) that disclose sustainability information indicate employing multiple standards and frameworks at the same time (IFAC, 2025^[4]). Such obligations may be overlapping and even at times, conflicting.

Disclosure and reporting requirements also come with cost implications for reporting entities. Estimates of such costs range significantly depending on the legislation, companies' sizes, sectors and supply chains. For example, cost evaluations for the UK Modern Slavery Act (2015) estimated the cost of reporting to be GBP 195 per annual statement (Parliament of the United Kingdom, 2015^[5]). More recently, removing statutory reporting obligations under the German Supply Chain Act (2023) is expected to reduce annual compliance costs by approximately EUR 4.1 million (i.e. around EUR 5 000 per individual annual report) (BMAS, 2025^[6]). These disparities suggest significant variations in the level of depth and sophistication required, or perceived to be required, across various disclosure requirements embedded in legislation.

Reporting requirements also have cascading effects as they tend to rely on reporting entities collecting and compiling data and information from their suppliers or business partners (non-reporting entities) in their supply chains. Such data gathering processes can be direct e.g. through information requests, audits or supplier questionnaires, and indirect e.g. through third-party data providers, multi-stakeholder initiatives and certifiers. As a result, suppliers - particularly SMEs and upstream actors – frequently report administrative burden and audit fatigue from multiple buyer requests driven by due diligence expectations. Lack of supplier preparedness has been similarly identified as a main concern for reporting entities (Business at OECD, 2025^[7]).

Box 1. Relationship between sustainability disclosure and due diligence reporting

Reporting is one measure of the due diligence process, and reporting on due diligence is one subset of sustainability disclosure standards. Indeed, communicating about due diligence, including its outcomes, is a key expectation in international standards of RBC, including in Chapter III of the *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct* (the OECD Guidelines) and Principle 21 of the *UN Guiding Principles on Business and Human Rights*. The *OECD Due Diligence Guidance for Responsible Business Conduct* expects enterprises to publicly communicate relevant information on aspects such as a company's due diligence policies and

processes; the areas of significant risks and adverse impacts identified, prioritisation criteria; prevention, mitigation and remediation actions and outcomes; measures to track implementation and results or grievance mechanisms.

Sustainability disclosure frameworks include reporting expectations on a range of sustainability impacts, risks and/or opportunities, and how these are managed. These frameworks, including the GRI, SASB, the ESRS or IFRS S1; as well as issues specific standards such as TCFD and IFRS S2 on climate, TNFD on nature and biodiversity and the upcoming TISFD for social and inequality issues, often expect reporting entities to disclose information related to their governance, strategy, risk management processes, key metrics and targets in relation to risk and impact in scope. While varying in approach and scope, these disclosure expectations often relate or overlap with due diligence measures and steps.

As such, due diligence disclosure expectations have been embedded in many of the above sustainability disclosure frameworks; however, they generally represent a smaller subset of broader disclosure expectations. For example, reporting on due diligence has been built into the modular structure of the GRI Universal Standards. *GRI 2: General Disclosures* sets out disclosures on activities, governance, and policies related to due diligence and *GRI 3: Material Topics* recommends companies report identified material topics and impacts on people and planet. The ESRS require undertakings to disclose information related to their due diligence process (GOV-3) and to conduct their impact materiality assessment in accordance with this risk-based approach. Finally, three stock exchanges in the People's Republic of China have adopted guidelines introducing mandatory reporting requirements for listed Chinese companies. Entities in scope are required to disclose measures for identifying and mitigating adverse sustainability impacts related to sustainable development in global supply chains.

Source: OECD (2023^[9]), OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, <https://doi.org/10.1787/81f92357-en>; OECD (2018^[9]), OECD Due Diligence Guidance for Responsible Business Conduct, <https://doi.org/10.1787/15f5f4b3-en>.

Commonalities and divergences with respect to due diligence reporting

Due diligence measures reflect broadly consistent disclosure requirements...

Legislative measures that require companies to publish a due diligence report are **broadly consistent in the main elements that they ask companies to report on**, even if they vary in specificity and depth. At a broad level, most are concerned with the same categories of information and call on companies to report on (1) a policy (or policies) on due diligence or otherwise on the issue(s) in scope; (2) significant risks and impacts identified; (3) measures, steps and strategies to address (i.e. prevent, mitigate or remediate) such impacts; and (4) tracking of implementation and/or effectiveness of due diligence measures (see Figure 1).

...but diverge in scope, assessment approach and level of detail...

While there is broad convergence across the measures of the due diligence process companies have to report on, **there are significant variations in terms of scope, assessment approaches, and level of detail** for disclosing impacts and risks-related data, all of which can create compliance challenges. Whilst many due diligence legislative measures and sustainability reporting frameworks ask companies to report on key areas of risk or impact, they vary in how such risk or impacts are defined, and how they should be identified and reported on. For example:

- Materiality:** Leading disclosure frameworks and legislation vary according to whether significant impacts and risk should be reported i.e. whether they are financially material to a company or investor (i.e. provide meaningful information for making decisions on provision of resources to the entity) or represent significant impacts to people, society and the environment.

Figure 1. Overview of due diligence reporting requirements across legislation

Laws/standards	Policy	Risk identification and assessment	Prevention and mitigation measures	Tracking and monitoring	Remediation and grievance mechanism	Stakeholder engagement	Supply chain structure	Product-related information
Disclosure measures								
UK Modern Slavery Act								
Australia Modern Slavery Act								
Canada Fighting Forced Labour in Supply Chains Act								
US Dodd-Frank Act, Sec. 1502								
Due diligence conduct measures								
French Duty of Vigilance Law								
Norwegian Transparency Act								
German Supply Chain Act								
Swiss Ordinance on Due Diligence								
EU Conflict Minerals Regulation								
EU Corporate Sustainability Due Diligence Directive								
EU Batteries Regulation								
EU Digital Services Act								
EU AI Act								
South Korea AI Basic Act								
UAE Due Diligence Regulations for Responsible Sourcing of Gold								
Product and market/based measures								
US Tariff Act								
US Uyghur Forced Labor Prevention Act								
UK Environment Act								
EU Deforestation Regulation								
EU Forced Labour Regulation								
Sustainability reporting standards								
Global Reporting Initiative								
European Sustainability Reporting Standards								
ISSB / IFRS S1								
China Corporate Sustainable Disclosure Standard No. 1								

Note: This is a high-level overview of how due diligence reporting requirements are reflected across a sample of due diligence legislation and sustainability reporting frameworks. The information is indicative only. Dark green indicates public disclosure of aspects of the due diligence measure required in the legal text; light green indicates disclosure of aspects of the due diligence measure expected in accompanying guidance or implied through enforcement modalities, including information that is reported to authorities but not made public; and white indicates the aspects are not explicitly addressed in legislation, guidance or through enforcement modalities.

- **Unit of analysis:** Due diligence legislative measures differ in their reporting focus. Some ask for reporting on *general areas* of risk or impact, while others ask for reporting on *the part of the supply chain* that carries a risk of impact.² Some are primarily concerned with potential impacts, while others are concerned with actual impacts.³ Finally, some are concerned with risks or impacts associated with a specific product or commodity.⁴
- **Granularity and disaggregation:** Many legislative measures do not provide guidance on the level of detail to be disclosed in relation to due diligence measures and identified impacts and risks. For example, none of the due diligence conduct legislation indicates the level of specificity and aggregation at which impacts and risks should be disclosed. The ESRS exposure draft provides some leeway to reporting entities to choose the level of disaggregation most relevant to describe the identified impact (i.e. at the level of an individual impact, a group of similar impacts, or at the topic level), depending on the level at which the reporting entity manages them (EFRAG, 2025_[10]). Product and market-based legislation⁵ (and some conduct-based legislation)⁶ often set out expectations for more stringent information, commonly associated with traceability requirements and/or product characteristics.⁷
- **Prioritisation:** Due diligence legislation also varies with respect to how they ask companies to identify and prioritise risks and impacts for the purpose of reporting as well as further action. Some due diligence conduct legislation reflects slight divergences in prioritisation criteria (risk-based approach or influence and leverage). Issue-specific legislative measures pre-identify priority risk for companies by nature (i.e. forced labour and deforestation) (see OECD (2026_[11])).
- **Scope of business relationships:** Disclosure requirements also vary with respect to their supply chain scope, some limited to upstream business relationships, some limited to tier 1 business relationships, and some covering the entirety of a company's value chain, meaning certain risks or impacts that would have to be disclosed under one legislation are scoped out under others (see OECD (2026_[11])).

Where companies are reporting across multiple legislative measures and frameworks that reflect the above divergences, **they may need to establish multiple processes for identifying and reporting on risks and impacts**. Such varied approaches could result in a situation where a company reports different risks and impacts as their most salient, depending on the requirement or framework they are reporting under, which in turn can generate confusion and lack of comparability for investors, regulators and other stakeholders, and potentially also reputational risks or legal liabilities for the company. It may also trigger duplicative processes, multiple layers of analysis and information requests, which in turn have cost implications for companies and their business partners.

The appropriate level of specificity in reporting is also often not clear or well understood by businesses, with cascading effects on the disclosure of prevention and mitigation measures and their effectiveness. Generally, disclosure requirements related to prevention and mitigation tend to be broad and therefore allow companies to use their discretion on what they disclose. Some provide specific examples and requirements, e.g. training to staff and suppliers, internal control measures, procurement practices, and contractual controls. There is little guidance for businesses on how to demonstrate the effectiveness of prevention, mitigation or remediation efforts, particularly where reporting may not include reference to specific incidents or issues on site.

Likewise, while product and market-based measures include detailed reporting requirements related to identification of risk or impact at product-level, they often do not directly outline what appropriate prevention, mitigation or remediation of impacts entail, nor how such actions should be reported or how they will be considered in the context of compliance. As such, companies often focus their reporting on product-related characteristics and traceability – to infer or rebut risks – rather than reporting on due diligence – to demonstrate their capacity or efforts to manage those risks, in contrast to disclosure and conduct-based due diligence legislation. As a result, **companies may take fundamentally different**

approaches to reporting on this topic across different measures, may over- or under-report on prevention and mitigation actions, and information shared may not be sufficiently meaningful to enforcement agencies and other stakeholders.

Finally, reporting entities may also struggle with disclosing **confidential or commercially sensitive information** due to legal constraints. In some cases, this may be due to domestic legal frameworks that create barriers to business in meeting their requirements. Several legislative measures specify that reporting entities are not required to disclose classified, confidential or commercially sensitive information publicly (even when considered material). Product and market-based measures also specify that enforcement authorities may request confidential information, may share such information with other authorities, but should however safeguard the confidentiality of such information. However, what constitutes commercially sensitive or confidential information, and in what context should a company disclose such information and to whom remains undefined in most cases. Recent decisions by the Paris Tribunal provided clarification on what constitutes confidential information (e.g. detailed list of suppliers or subcontractors) and what does not under the French Duty of Vigilance Law (2017) (e.g. social audit reports, resettlement forms, minutes of internal meetings) (Business Human Rights Journal, 2025^[12]).

...as well as significant variations in reporting processes and protocols

Due diligence legislation varies with regard to how it expects companies to report information.

While most legislative measures require reporting entities to publish an annual report (covering the previous fiscal year and available on the company's website), others do not require any formal public reporting. However, they expect entities to extensively document their due diligence efforts, and to be able to provide necessary documentation related to their due diligence – or obtained through a due diligence process – to enforcement authorities upon request. In those cases, the point of enforcement is often at the border, i.e. entities will be required to demonstrate compliance prior to their products being placed on or imported into or exported from the relevant market.

Legislative measures also vary in their stringency regarding whether disclosed information must be **assured, verified, or certified by a third party**. For instance, sustainability statements under the EU Corporate Sustainability Reporting Directive (2023) must be accompanied by an assurance opinion in accordance with the EU Accounting Directive (2013). By contrast, due diligence conduct legislation allows the use of third-party verification, industry schemes, or certifications as part of companies' due diligence processes, but does not generally require assurance of public disclosures. These also incur costs, ranging from EUR 22 000 to 114 000 per year, according to recent research (Rijk and Kuepper, 2024^[13]).

In addition, even when legislative measures ask for broadly similar information, **a lack of standardised data and reporting formats, processes and protocol** exchange can lead to duplicative reporting and uncoordinated information requests. OECD research indicates that two-thirds of product and market-based due diligence legislation does not specify how supply chain data can be exchanged, half define documentary requirements, and a quarter specify the platforms underpinning the information exchange (OECD, 2025^[14]). This can prevent information and data from being reused, recognised or transferred seamlessly i.e. regulated entities ask for the same information in a different way, at a different time or using different tools; and suppliers treat each request as distinct when they can potentially be combined. As discussed in a previous paper (OECD, 2025^[15]), due diligence measures do not define what information should be collected from business relationships, either on their due diligence or broader social and environmental performance or in which format they should be provided (see Table 1). Resource and capacity constraints, especially for SMEs or smallholders in trade partner countries, can make it challenging to respond to these demands and create risks of market exclusion (OECD, 2025^[15]).

Table 1. Examples of data inputs per type of due diligence legislation

Category	Legislation	Reporting format and overview	Data inputs from business relationships
Disclosure measure	Australian Modern Slavery Act (2018)	An annual Statement, which includes information on due diligence processes in relation to slavery risks in supply chains; the parts of the supply chains where there is a risk of slavery, and the steps taken to assess and manage that risk.	Unspecified but may include supplier questionnaires or surveys, factory audits, employment contracts, supplier wage data, grievance log, worker accommodation inspections.
	Corporate Sustainability Reporting Directive (2023)	An annual integrated sustainability statement that includes descriptions of policies, actions, metrics and targets that reporting entities have adopted to respond to material impacts, risks and opportunities, including due diligence.	Unspecified but may include data related to energy and water consumption, land-use, workforce characteristics, recorded health and safety incidents and corruption-related fines.
Due diligence conduct measure	France Duty of Vigilance Law (2017)	A yearly vigilance plan which includes prioritised risk mapping, regular suppliers' evaluations vis-à-vis identified risks, etc.	Unspecified, but may include supplier questionnaires or surveys, audit reports, grievance logs, supplier wage data, waste and energy management records, and health and safety incidents.
	EU Conflict Minerals Regulation (2021)	An annual and publicly available report on their supply chain due diligence policies and practices for responsible sourcing	Specified in part, including name and address of the supplier, smelters and refiners, including any record they may have from third-party audits, as well as quantity and date of extraction of imported minerals.
Product and market-based measure	US Uyghur Forced Labor Prevention Act (2021)	The Act does not require any reporting, the US Custom and Border Protection can however request information related to the importer's due diligence, product-related information, or supply chain management measures, among others.	Unspecified but can include reports of factory site visits, invoices and receipts from suppliers and sub-suppliers, shipping records, certificate of origin, transactions or proof of remediation of forced labour.
	EU Deforestation Regulation (2023)	A due diligence statement laying out the conclusion of the risk assessment and providing product-level information, including geolocation data.	Specified in part, including geolocation and date of production, and any information related to the product description, or necessary for carrying out the risk assessment.

Source: OECD (2025^[15]), Supporting businesses in trade partner countries to meet social and environmental due diligence standards, <https://doi.org/10.1787/63c6be24-en>.

Opportunities for facilitating reporting and data exchange under due diligence legislation

Promoting harmonised and meaningful reporting by regulated entities

Policymakers are relying on existing sustainability standards as baselines for policies and legislation to promote more harmonised reporting. For instance, as of June 2025, 36 jurisdictions had adopted or were in the process of adopting the ISSB standards within their policy frameworks (IFRS Foundation, 2025^[16]). The GRI Standards are referenced in 477 policies pertaining to mandatory or voluntary sustainability reporting in 80 jurisdictions (GRI, 2024^[17]). **Similar signposting and alignment efforts** are underway with due diligence disclosure, with the ESRS directly referring to and building on international RBC standards to mandate due diligence disclosure (see GOV-3 of the ESRS Exposure Draft).

As previously documented, (OECD, 2025^[3]; 2025^[1]), **interoperability efforts in sustainability disclosure** have expanded rapidly. These include the release of an Interoperability Guidance aligning IFSR S1 and S2 with the ESRS; the launch of a GRI-ESRS Interoperability Index, the development of an ESRS-TNFD Correspondence Mapping, and an equivalence table for GHG emission reporting across the Greenhouse Gas Protocol and the IFRS S2. In most cases, interoperability relies on gap analyses to identify common and overlapping disclosure elements of two standards to reduce duplication, but it does not often provide operational solutions for addressing conflicting requirements. To support businesses reporting under various modern slavery legislation, the Australian, United Kingdom and Canadian governments jointly published an optional reporting template, for entities subject to reporting requirements in all three

jurisdictions. The joint template takes stock of the distinct legal requirements across the three jurisdictions, including the administrative requirements of each jurisdiction and reporting timelines.

Initiatives are also underway to digitalise due diligence and sustainability reporting. The European Single Access Point will centralise financial and sustainability data published by companies, including disclosures made under the EU CSRD (2023) in standardised digital formats (XBRL). This is intended to reduce duplication and make data comparable across regimes. The implementation of product and market-based measures also raises questions for going paperless, digitalising border processes and how new information needs to be incorporated into existing customs declarations or whether entirely new documents are needed. Recent OECD research suggests that a 10% improvement for automating border processes, when accompanied by streamlining of documents and processes and increased co-operation among customs agencies, can deliver an increase of up to 18% in global goods exports (OECD, 2025^[18]).

Clearer guidance is needed to help businesses describe not only the actions they have taken in responding to due diligence measures **but also their effectiveness and the outcomes achieved**, e.g. reduced incidents, improved working conditions, or more resilient supply chains. Guidance should clarify expected levels of specificity, provide examples of relevant indicators, and outline methodologies for measuring progress and effectiveness of due diligence. Recent case law has clarified that disclosure of adverse impacts should focus on the most severe impacts rather than aiming for exhaustiveness, and that reporting on prevention and mitigation measures should focus on those actions implemented in response to the severe impacts identified (Tribunal Judiciaire de Paris, 2023^[19]). Guidance should also recognise that some impacts may require efforts over time before clear improvements can be demonstrated.

Supporting interoperability for data exchange and reporting across the supply chain

Public and private initiatives have emerged to streamline data collection, exchange, and reporting across supply chains by promoting interoperability at different stages of compliance. First, to enhance seamless exchange of verifiable due diligence and traceability data, efforts are underway to develop a universal information exchange protocol. At a global level, the UN Transparency Protocol establishes rules for promoting standardised and verifiable sharing of sustainability and supply chain data – using interoperable digital credentials, digital product passports, and traceability records – so companies can demonstrate due diligence across borders and systems (UNECE, 2025^[20]; UNECE, n.d.^[21]).

Second, interoperability is also being advanced by **centralising compliance data and creating single access points and digital public infrastructure (DPI)**. The EU Forced Labour Regulation (2024) creates a Single Portal, including a submission point for reporting alleged violations, a database of forced labour risks and decisions identifying banned forced labour products. Similarly, under due diligence product or market-based legislation, DPIs are being developed to address data access and exchange challenges: the GeoShare Platform pools geolocation data of cocoa and coffee farms in Cameroon and supports producers and exporters in sharing GPS co-ordinates of cocoa and coffee plantations with European buyers. Its launch was accompanied by outreach to smallholder farmers to support changes in agricultural practices and record-keeping in line with regulatory requirements (GIZ, 2025^[22]; Proforest, 2025^[23]).

In parallel, **digital solutions are being rolled out to support companies in streamlining data collection and reporting** under sustainability disclosure frameworks and regulations. For example, software solutions and platforms allow the use of a single underlying data set mapped to multiple standards and legislation (e.g. GRI, SASB, ISSB) to enable automated reporting. Machine learning and natural language processing are also being used to automate data parsing and interpretation from structured and unstructured sources, including from sustainability reports, press releases, earnings calls, regulatory filings, media articles, supplier questionnaires, product information, etc. (Majekodunmi, 2025^[24]).

Facilitating due diligence data provision from suppliers

While reporting entities bear responsibility for collecting and disclosing due diligence information, suppliers and other business relationships in global supply chains are at the frontline of generating and providing such data. In response, industry initiatives and public support measures have emerged to help standardise information requests and equip suppliers with the tools and resources needed to generate data. First, joint supplier questionnaires and standardised reporting templates can reduce duplication by enabling suppliers to respond to multiple requests using a single, recognised format. Industry initiatives like the Responsible Minerals Initiative have developed tools including the Conflict Minerals Reporting Template and the Extended Minerals Reporting Template, allowing suppliers to disclose information in a format accepted by hundreds of downstream companies. Questionnaires that are consistent, widely adopted and recognised and tied to practical guidance on how to complete them, can help alleviate reporting burdens on business relationships.

Multi-stakeholder initiatives, certifications and monitoring schemes in different sectors are also exploring **interoperability tools and frameworks and, in some cases, mutual recognition frameworks**. For example, the Responsible Business Alliance's Validated Assessment Program allows a single third-party audit to be accepted by multiple-member companies. Efforts to increase convergence around audit and data collection are also underway in textile manufacturing supply chains: recent research from the Better Buying Institute shows the impact of Social and Labour Convergence Program converged assessments, with reportedly 74% of savings from reduced audits reinvested into the workplace and 24% on higher wage (Better Buying, 2024^[25]). The OECD has explored the topic of recognition between sustainability initiatives in a previous paper (OECD, 2024^[26]).

Beyond industry-led efforts, governments are also developing **tools and guidance to support suppliers impacted by due diligence legislation**. The European Commission published guidance on compliance with the EU Deforestation Regulation (2024), clarifying how obligations apply based on company type (operator or trader), size (SME or non-SME), and position in the supply chain, illustrated through 11 supply chain scenarios (European Commission and UNEP-WCMC, 2025^[27]). Finally, the collection and exchange of supply chain data raise important issues **around data ownership, access, and potential monetisation**. Suppliers – particularly in trade partner countries – have expressed concerns about how data they provide may be used or commercialised by downstream companies or third-party platforms, often without corresponding incentives to support data generation and sharing (Ogbuke et al., 2022^[28]). These concerns underscore the need for clear arrangements governing data ownership and exchange across supply chains.

What can policymakers do?

- **Engage in international policy co-operation on due diligence policies and legislation.** Governments can leverage commonalities across legislation, including through publishing joint interpretative materials and identifying and signposting to equivalent concepts in related measures in guidance for business, including joint reporting templates.
- **Provide guidance on how reporting entities can credibly demonstrate the effectiveness of due diligence**, including with indicators to support prioritisation (and de-prioritisation), quantitative and qualitative indicators for measuring improvement over time, as well as indicators for demonstrating the effectiveness of prevention, mitigation and remediation measures.
- **Support, centralise and leverage initiatives aimed at facilitating data convergence and interoperability.** Policymakers can map, and where possible align, common data needs across

due diligence legislation, and provide clarification on the format, exchange protocols, mechanism for data re-use to enable information to travel seamlessly across the supply chains.

- To avoid shifting disproportionate burdens upstream, **policymakers should provide targeted support to suppliers through guidance, technical assistance and simplified tools.** Clear rules on data ownership, access, confidentiality and permissible use can build trust, create market incentive for generating and exchanging data and ensure due diligence requirements do not lead to market exclusion.

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Notes

¹ This brief was discussed during the second meeting of the OECD Inclusive Platform on Due Diligence Policy Co-operation, held on 27-28 October 2025. More information on the mapping can be found in OECD (2026_[11]).

² The UK Modern Slavery Act (2015) and the Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act (2024) require entities to describe the “part” of their operation or supply chain where there is risk of forced labour happening, but not to disclose individual impacts and risks. The Australia Modern Slavery Act takes a different approach by requiring entities to describe the “risks of modern slavery practices in the operations and supply chains”. The Statutory Guidance to the UK Modern Slavery Act (2015) specifies that “it is up to how they present information in the statement and how much detail they provide [...] information presented in the statement will be determined by the organisation’s sector, the complexity of its structure and supply chains, or the particular sectors and nations its suppliers are working in”.

³ The French Duty of Vigilance law (2017), the Norwegian Transparency Act (2022), the German Supply Chain Act (2023), the EU Batteries Regulation (2025) and the EU CSDDD (2024) all require reporting entities to disclose information related to significant (or severe) potential risks and actual impacts identified. The EU Conflict Minerals Regulation (2021) and the Swiss Ordinance (2022) however refer to the “risk of adverse impacts” or “risk of potential cases” implying that actual impacts are not in scope of the reporting requirement.

⁴ EU Conflict Minerals Regulation (2021), EU Deforestation Regulation (2023). Under the US UFLPA (2022), the Forced Labor Enforcement Taskforce provides a list of high-risk imports, including cotton, tomatoes, polysilicon, polyvinyl chloride (PVC), aluminium and seafood.

⁵ The OECD classifies due diligence legislation in three categories: disclosure measures that require companies to publicly disclose information on their due diligence; due diligence conduct measures that require companies to undertake due diligence on human rights, labour and/or environmental impacts in their operations, supply chains and business relationships; and product and market-based measures that prohibit the import, placing on the market, export and/or use of products or commodities associated with certain risks (e.g. deforestation or forced labour), often subject to demonstration of adequate due diligence.

⁶ The EU Batteries Regulation is distinct in requiring both entity level public reporting, as well as product level reporting, aspects of which are available to the public and aspects of which are only available to the Commission and national authorities.

⁷ Examples of product-level description the description of the mineral, including quantities and date of extraction in the EU Conflict Minerals Regulation (2021); examples of product origin information include the geolocation of all plots of land in the EU Deforestation Regulation (2023), certificate of origin in the US Tariff Act (1930); examples of product composition information include sample of isotopic testing in the U. Uyghur Forced Labor Prevention Act (2022) or carbon footprint and chemical composition the Digital Product Passport component of the EU Batteries Regulation (2024); examples of supply chain information include packing list, bill of lading and shipping manifest in the US Tariff Act (1930). Examples of expectations to provide information on sustainability initiatives and certifications are outlined in Article 6 of the EU Conflict Minerals Regulation, Article 48 of the EU Batteries Regulation (2023) or Article 10 of the EU Deforestation Regulation (2023).

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