BLOG POST

'Up the creek without a paddle: intermediaries in sustainability due diligence'

Key insights from the 3 December Mediate workshop 'Mediating uncertainty: The Role of Intermediaries in Human Rights and Environmental Due Diligence'

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Abrupt halts in the due diligence landscape with contradictory signals from institutions and sudden political reversals have made it impossible to know what's coming next and how best to adapt. In some cases, the sudden legislative changes have taken us completely off guard.

On 3 December 2025, the MEDIATE project organized a workshop on '*Mediating Uncertainty - The Role of Intermediaries in Human Rights and Environmental Due Diligence*'. The workshop was organized around two panels to discuss how Voluntary Sustainability Standards(VSS), or close-related multistakeholder initiatives (MSI), and civil society organizations (CSOs) have responded to the wave of due diligence legislation and the more recent simplifying and weakening of sustainability and due diligence regulations in the European Union. In the first panel on VSS, chaired by Dr. Axel Marx, Fanny Gauttier of Rainforest Alliance, Cameron Please of Roundtable on Sustainable Palm Oil, and Claudia Kersten of the Global Organic Textile Standard discussed the varying responses of VSS. In the second panel, chaired by Prof. Dr. Huib Huyse, representatives from two trade unions, Annick Aerts of IndustriAll and Maurice van Beers of CNV International, along with Sarah Vaes of Oxfam Belgium shared perspectives from CSOs.

In the first panel, we heard that the regulatory momentum of recent years created clear expectations for VSS' alignment with the due diligence approach. These were expectations that VSS invested in, adapted to, and even reorganized themselves around. In the second panel, we saw how CSOs also made significant changes in response to the evolving regulatory context, with some embracing what Huib Huyse (KU Leuven) referred to in the event introduction as a 'guide dog' role, others doubling down on advocacy and litigation, and others leveraging due diligence legislation as a tool to strengthen their collective bargaining processes. But we also heard that the current environment is marked by hesitation, weakening political signals, and the risk of what Fanny Gautier (Rainforest Alliance) described as key legislation 'going straight into a hole'.

The shifting political direction has created ambiguity and a lot of confusion. But in the midst of this confusion, intermediaries, including VSS and MSI, trade unions, NGOs, and others, are playing a crucial role in reducing uncertainty, translating expectations, and operationalizing due diligence. Companies turn toward these intermediaries for much-needed guidance. As Claudia Kersten from GOTS colorfully depicted in the first panel: as companies face stormy waters, they turn to intermediaries like they might turn to the coast guard.

Insights from Panel I: Voluntary Sustainability Standards

In panel 1, we learned that although VSS have been contributing to responsible business conduct for many years before the first due diligence legislation came on the scene, the overlaps and common threads between voluntary standard principles and due diligence meant that VSS felt compelled to react to changes in the regulatory landscape. For some VSS, increased competition from new 'service providers' also pushed them to innovate and differentiate themselves, especially by doubling down on strengthening or communicating their credibility.

Thus, the past few years of regulatory development in many jurisdictions has accelerated alignment efforts across many VSS systems. This included strengthening or refining standard criteria, adjusting audit and assurance processes including through new guidance for auditors; developing guidance, support and capacity building for certified entities; and taking up lobbying work.

We heard how Rainforest Alliance has made a major institutional shift from a zero-tolerance policy to a due diligence approach. We heard that Global Organic Textile Standard morphed into "the Global Standard' and made due diligence mandatory for certified entities, as well as underwent an alignment assessment with the OECD. We heard that RSPO introduced or improved procedures and data availability to assist certified entities with compliance. We also heard that many VSS are now requiring certified entities to have their own grievance mechanisms.

Many of these changes were made at considerable cost and institutional effort. But as we heard from the panelists, there is no intention to weaken or retract many of these changes. In other words, they are here to stay.

Second, the panel reflected on how VSS organizations are adapting to today's weakened or uncertain regulatory trajectory. While they wait to see what happens next, they are not just waiting around. Instead, they are:

Improving internal processes, including data collection and business intelligence;

Continuing exchanges with certified entities;

Forming and strengthening strategic partnerships with other organizations and other voluntary sustainability standards, including harmonizing frameworks;

Engaging in lobbying and advocacy for stronger and clearer legislation, and even mobilizing certified entities to do so.

A third insight concerned the reaction from certified entities. According to the panelists, companies are, first and foremost, confused and uncertain as to how to plan investments

when they don't know whether new regulatory requirements will be implemented, postponed, diluted, or rewritten. Some are taking a 'wait-and-see' approach and others are already dis-investing or deprioritizing sustainability internally. As we saw in the panel, for many Certified Entities, stronger rules are not necessarily the problem; uncertainty is. So while they wait and see, they continue turn to VSS for guidance, clarity and stability.

Overall, an overarching takeaway from the first panel is that VSS can act as stabilizing intermediaries in turbulent times. They were here before, and they will continue on alongside or even in the absence of mandatory due diligence. They will not however, be the same. They have integrated concepts and principles from the due diligence approach and will carry these on to new contexts and jurisdictions going forward.

Insights from Panel II: Civil Society Organizations

In Panel II, we learned how CSOs have shaped but also adjusted to due diligence legislation, developing tools to engage with companies in identifying risks, raising awareness inside and outside the trade union movement, bringing workers' voices in, and, increasingly, as actors in direct implementation and providing company and sectoral guidance. For example, Annick Aerts emphasized how IndustriAll has shifted from reactive to proactive engagement with companies, which includes actively demanding a seat at the table when companies decide on their HREDD approach. Additionally, Sarah Vaes noted that Oxfam Belgium has contributed actively to different Coalitions on Corporate Accountability that have been central for information and resource sharing in the midst of regulatory turmoil. As the fair trade work of Oxfam Belgium involves a role as buyer of commodities, it also applies HREDD principles and practices in its own operations. CNV International developed practical tools, such as the FairWork monitor, to demonstrate how social dialogue should be part of meaningful HREDD.

The panelists also described how these roles are shifting as a result of simplification. But, importantly, the weakening of political commitment to sustainability and the protection human rights at the EU level has not prompted these organizations to retreat, but rather regroup and reposition themselves. Like voluntary sustainability standards, the current moment is forcing civil society groups to adapt their strategies but many of the tools and partnerships they developed are here to stay.

Moreover, the uncertainty has prompted new actions. Most importantly, perhaps, they are engaging with the targets of due diligence legislation, focusing on communicating why the due diligence approach can be beneficial to companies – why it's 'good business', as emphasized by Maurice van Beers. They are working to ensure that systems to ensure sustainability and human rights responsibility that companies have already invested in are not discarded in this moment of deregulation, but preserved and improved even in the absence of 'hard law'. They are also combatting disinformation and, as Sarah Vaes put it, 'fighting the bigger fight'.

Overall, the panel expressed a clear message that civil society remains indispensable to keeping due diligence principles alive, even when political momentum slows, because these principles are connected to the principles they have always championed, especially those outlined by Annick Aerts: transparency, accountability and amplifying stakeholder and worker voices.

Critical Functions of Intermediaries in Uncertain Times

Throughout both panels, we saw the extent to which intermediaries like VSS and CSOs can serve critical functions in uncertain times.

Five key functions emerged:

Translation: Intermediaries interpret evolving expectations, turning abstract principles into practices that companies can actually implement.

Stabilization: They help maintain continuity when policy signals are inconsistent, ensuring that due diligence does not collapse when legislation wavers.

Backstop to deregulation: Many of the processes, procedures and institutional adjustments that these actors are putting into place will remain in place, even if legislation 'goes into the hole'.

Advocacy: These organizations are continuing to push forward because environmental and social goals are built into their missions; these goals are part of their DNA.

Connection and partnership: VSS and CSOs are responding to this uncertainty by joining together, forging new strategic partnerships and seeking to harmonize principles and standards with the aim of simplifying procedures for businesses in order to ensure real changes on the ground.

Conclusion

Whether regulatory momentum accelerates or slows, the underlying need for responsible business conduct does not change. Workers still need protection. Forests still need safeguarding. Communities still need voice and power. And companies still need reliable frameworks for understanding, preventing and remedying harm.

In the face of deregulation and the uncertainty it brings, the panels showed that we are not back at square one. Civil society organizations and voluntary sustainability standards have integrated important principles of due diligence and these will remain in place, even if legislation does not.