

## JARO Institute Press Information:

# YouGov survey data: omnibus

### New survey finds nearly three in five (57%) large German companies believe due diligence rules favour EU suppliers

- Survey conducted by YouGov for JARO Institute shows majority of German firms believe due diligence laws bring competitive advantages and support EU-wide harmonisation of due diligence obligations as envisaged in the Corporate Sustainability Due Diligence Directive (CSDDD)
- Nearly **three in five (57%\*)** large companies - those with over 1000 employees - say that statutory due diligence rules favour suppliers from the European Economic Area
- **51%\*** of companies report that the EU's recent decision to revisit the directive is making planning more difficult
- **Nearly half (48%\*)** of business leaders say they are delaying investment decisions due to the uncertainty due to EU's Omnibus proposal to revise the directive
- Results show that German businesses consider mandatory diligence to be the *least* of their concerns when it comes to Germany's economic sluggishness, citing high energy costs, slow planning processes, and lagging digitalisation as leading barriers to growth
- News follows in wake of Chancellor Merz's call to scrap Germany's national Supply Chain Due Diligence Act and the EU's CSDDD

A new survey of over 1,300 corporate decision-makers across Germany reveals widespread business support for the EU's Corporate Sustainability Due Diligence Directive (CSDDD), in a finding that contrasts sharply with the Chancellor's current push to dismantle national and European supply chain laws.

Commissioned by the JARO Institute and conducted by YouGov, the poll indicates that many German firms do not view due diligence obligations as a burden, but rather as an opportunity to enhance competitiveness, spur investment in EU supply chains, and guide investment decisions.

According to the survey, many see due diligence rules as giving a competitive advantage to EU suppliers. Nearly **three in five (57%\*)** large companies say that statutory due diligence rules benefit suppliers from the European Economic Area, as compliance with human rights and environmental standards is easier to verify. This dynamic could boost growth within the struggling EU economy.

Surprisingly, **44%\*** of companies even believe the CSDDD will give the EU a long-term competitive edge over the U.S. and China, while less than a third (31%\*) disagree. **Half (50%\*)** say existing national rules, the Supply Chain Due Diligence Act or LkSG for short, have already given them an advantage over EU competitors in adapting to the incoming EU framework—rising to **54%** among firms with more than 1,000 employees.

Business attitudes also reflect frustration with the uncertainty surrounding the future of the CSDDD. **More than half (51%\*)** of companies agree that the EU's recent decision to revisit the directive is making planning more difficult, while **just 12%\*** of companies disagree. **Nearly half (48%\*)** even say they are delaying investment decisions as a result - rising to **53%\*** among larger firms.

These findings arrive at a politically charged moment. Chancellor Friedrich Merz has made clear his intention to repeal Germany's national Supply Chain Due Diligence Act (LkSG) and has called for the EU to scrap the CSDDD altogether. French President Macron has now also joined in the call to roll back the legislation. Merz's government has framed the law as bureaucratic overreach that could undermine European industry in global markets.

Yet the new data suggests that **most German business leaders do not see due diligence rules as the cause for Germany's economic woes**. Coming last in a list of priority areas, **just 8%** cited reductions in due diligence obligations as a top priority to unlock economic growth. By contrast, coming top of the list, **35%** pointed to tackling high energy prices, **27%** to speeding up planning processes, and **23%** to improving digitalisation.

Yvonne Jamal, Founder and CEO of the JARO Institute, the non-profit research organisation focused on sustainability and digitalization that commissioned the study, said:

*"This survey challenges the prevailing narrative that due diligence laws are a burden on German business. In fact, many companies see them as opportunities for competitive strength, investment and a driver of better business practices. The signal from the corporate world is clear: legal certainty, harmonisation, and robust standards are not obstacles to economic growth but enablers of future-proof supply chains and long-term prosperity."*

Regulatory alignment across the EU is seen as a positive step by many. **56%\*** of German companies support harmonisation of due diligence obligations across member states, while just 20%\* oppose it.

When it comes to the Omnibus simplification package, which proposes to reduce the scope of supply chain obligations to direct suppliers, German firms are sceptical. **Nearly two thirds (64%)** of large companies believe that human rights and environmental risks most likely occur deeper in the supply chain, beyond direct business partners. **Nearly half (46%\*)** of all surveyed companies believe that deviating from the OECD's risk-based approach would actually create more work for their organisations - a view that only 12% disagree with.

Crucially, the survey also reflects a cultural shift in how German companies approach human rights and environmental issues. **More than two thirds (69%\*\*)** now rate compliance with due diligence standards as important, while among companies with over 1,000 employees, **more than half (54%\*\*) say the importance of these standards has increased since the LkSG came into force. More than two in five companies (41%\*)** have already invested in human rights and environmental protection due to existing or forthcoming regulation.

Christian Göbbert, Chief Research & Science Officer, Nanostone Water GmbH said:

*"For a medium-sized industrial company with globally operations like Nanostone Water, compliance with human rights and environmental standards in complex supply chains is a challenge - but one that we are happy to take on. We see smart legislation, for example on binding due diligence obligations, as a support, not an obstacle. That is why we are in favour of a rapid agreement on European rules. What German SMEs need now is clarity and consistency - and not a step backwards. "*

Prof. Dr. Katharina Reuter, Managing Director of the German Association for Sustainable Business (BNW), said:

*"The business case for sustainable supply chains is stronger than ever. Companies like those in our membership want a clear, EU-wide framework that rewards transparency and levels the playing field. Greater alignment between overlapping regulations is needed - but without watering down existing rules. Repealing or weakening them now would not only undermine progress—it would create the very uncertainty that businesses are asking politicians to avoid. It's already impacting investment and will harm our long-term global competitiveness."*

**-ENDS-**

Notes to Editors:

To arrange interviews with spokespeople, please contact:

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The detailed findings are available upon request.

The data in this release is based on online interviews conducted by YouGov on behalf of the JARO Institute. A total of **1,350 corporate decision-makers in Germany** were surveyed between **April 15 and 28, 2025**. The sample was weighted by company size to ensure representativeness across the German business landscape. If you are reporting on this survey, **YouGov should be cited as the data-collecting and analysis-source**.

\* The % value is an aggregated value from two scale points (e.g. agree completely + agree somewhat)

\*\* The % value is an aggregated value from 5 out of 10 scale points

### **About the JARO Institute**

The JARO Institut for Sustainability and Digitalization is a non-profit organization based in Berlin, founded in 2018. Its mission is to make sustainable action a standard across business, public administration, and civil society. To achieve this, the institute provides practical knowledge, fosters collaboration, and supports the implementation of the UN's 17 Sustainable Development Goals. JARO focuses on applied research in sustainable procurement and tourism, particularly examining the role of digital transformation in these areas. The organization is known for its hands-on approach to bridging theory and practice, offering guides, training programs, and networking opportunities for stakeholders.

### **About Yvonne Jamal, Founder and CEO of the JARO Institute**

Yvonne Jamal is a business economist and expert in sustainable business with over 25 years of professional experience. As founder and CEO of the JARO Institute, she is committed to responsible supply chains and sustainable procurement. With practical guidelines, podcasts and specialist articles, she makes sustainability economically measurable and future-proof. She is also co-editor of the book "CSR und Beschaffung", which was published by Springer Verlag in 2024. She is also a volunteer on the regional board of the German "Association Bundesverband für Materialwirtschaft, Einkauf und Logistik" (BME) and is an advisor to various companies.