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A Burden or a Boost? Corporate Sustainability Due Diligence in European Agriculture

The next Common Agricultural Policy (CAP) cycle is being discussed amid geopolitical and global trade tensions, and a shift in focus (by the European Commission) to the competitiveness of the European Union (EU). The discussions are taking place in parallel with the introduction of certain sustainability measures of the *Green Deal*. These measures, such as the Corporate Sustainability Due Diligence Directive (CSDDD), are often presented as contrasting with competitiveness, or as an additional administrative burden. Instead, this policy brief highlights the potential benefits of the sustainability measures for European agriculture. It argues that, if applied astutely, the measures could boost the EU's competitiveness and food security, whilst easing regulatory burdens, and reinforcing the position of farmers in agri-food chains.

Introduction

Since the new European Commission started in December 2024, it has focused on the need to respond to the changing geopolitical and trade context. Its new direction is set out in a guiding document, the *Competitiveness Compass* (the Compass),¹ which was adopted in January 2025. With that, the sustainability objectives of the Green Deal that guided the previous Commission have become subordinated to the objective of making Europe more competitive,² as also outlined by the influential Draghi Report.

As part of the Compass,³ on February 19th 2025 the Commission has presented a flagship action programme called the *Vision for Agriculture and Food* (the Vision).⁴ In order for European agriculture to become more competitive, the Vision suggests improving the global level playing field based on international standards, and reducing administrative burdens. Furthermore, it underlines the importance of future-proofing the sector in connection with nature and the environment in order to increase the resilience of the agricultural sector.

The *Vision* forms the starting point of discussions on the new cycle of the Common Agricultural

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1 European Commission, [A Competitiveness Compass for the EU](#), (COM(2025) 30 final).

2 For example, the objectives of the Compass remain in line with the Paris Agreement and the objective of achieving climate neutrality by 2050 and a 55% reduction in Green House Gas Emissions (GHG) (relative to 1999) by 2030.

3 Which is part of one of its three pillars called *Joint Roadmap for decarbonization and competitiveness*.

4 European Commission, [Vision for Agriculture and Food](#), February 19, 2023.

Policy (CAP). However, it does not offer concrete ways to combine the objectives of competitiveness with those of environmental sustainability. For example, it remains unclear how the focus on competitiveness will affect the greening measures of the CAP. In addition, it is unclear how the “horizontal enablers” outlined in the Compass, such as the due diligence sustainability measures of the Green Deal, will play out with respect to the CAP. This lack of clarity probably has to do with the fact that the sustainability measures themselves are currently under discussion. In fact, on February 26th 2025 a proposal by the Commission for the harmonisation and simplification of EU due diligence legislation has been presented in the so-called *Omnibus Package*.⁵

In this highly volatile context, how could the sustainability of European agri-food translate into concrete measures, without compromising its competitiveness, and ensure the resilience of European agri-food also in the long term? This policy brief attempts to provide an initial impetus for the development of concrete solutions. It focuses on synergies between the sustainability policy frameworks of the *Green Deal* (i.e. the environmental due diligence conduct requirements under the CSDDD as proposed by the European Commission) and the greening measures of the CAP. Firstly, it discusses the sustainability aspects of both policy frameworks. Secondly, it addresses the margins for alignment between them. Finally, it argues that the creation of mutually reinforcing synergies between those policy frameworks will contribute to fewer regulatory burdens, more stable supply chains, and sustainable outcomes.

This policy brief thus attempts to show how the CSDDD could be transformed into a boost for the implementation of the *Vision on Agriculture and Food* by aligning it with the CAP. More in general,

5 European Commission, *Proposal for a Directive of the EP and of the Council amending Directives 2006/43/EC, 2013/34/EU, (EU)2022/2464 and (EU)2024/1760 as regards certain corporate sustainability reporting and due diligence requirements*, (COM(2025)81 final/0045(COD)), February 28, 2025, 8.

the policy brief advocates for the introduction of a due diligence approach to EU agri-food,⁶ as a way to accelerate collaborative agri-food chain solutions and to make agri-food chains more resilient.

The CAP and the green transition

Since its inception in 1957, the main objectives of the CAP,⁷ i.e. increasing productivity and food security, have basically remained unchanged. Environmental measures have been added over the years, mostly to the second pillar of the CAP, and separate from the production-enhancing mechanisms. Since 2014, the mainstreaming of sustainability practices has officially become part of EU policy.

The Green Deal has introduced even more ambitious measures. Its *Farm-to-Fork* strategy (starting from 2020) has ensured that sustainability has a more holistic approach in the CAP.⁸ Farmers basically have three ways to achieve those objectives: Firstly, through practices based on EU minimum conditions and requirements based on *Good Agricultural and Environmental Conditions* (GAECs), and *Statutory Management Requirements* (SMRs) for which they receive direct payments. Secondly, through additional, and voluntary, short-term eco schemes. Thirdly, through voluntary, long-term *Agri-environment-climate Measures* (AECMs), related to biodiversity and the preservation of the rural environment.

In the current CAP cycle a new governance model has been introduced. It provides a common responsibility for various Directorates General of the European Commission (i.e. for

6 Provided that it is in line with the OECD Guidelines for Responsible Business Conduct and is coherent with other policies.

7 European Union, [Treaty on the Functioning of the European Union, art 39](#), now art. 32.

8 For the period 2023-2027, the CAP has pursued the objective to support and strengthen environmental protection through climate change action and sustainable energy; sustainable development and efficient management of natural resources; and the preservation of the landscape and biodiversity.

DG SANTE, DG AGRI and DG ENV), and leaves support for the implementation of those measures to the Member States via the *National Strategic Plans* (NSPs). Through this transfer of competences to the national level, the Member States have obtained a certain degree of freedom to decide how to make their agricultural sector more sustainable.⁹

So far, the results of the *Farm-to-Fork* strategy, in terms of the uptake and upscaling of sustainability measures, and the deployment of new initiatives, are widely considered to be somewhat modest.¹⁰ Some attribute this to international pressure (which is based on the argument that productivity growth and sustainable farming are a zero-sum game), resulting in an important setback for the acceptance of the *Farm-to-Fork* framework in Europe.¹¹ Another explanation is that the greater freedom for the Member States to implement the green schemes under the CAP has resulted in less ambitious green activities than expected.¹² Last but not least, the lack of any alignment between the *Farm-to-Fork* and other policies has been identified as a reason why the greening of the CAP does not match its ambitions. For example, Wolberink and Baayen argue that the greening of the CAP has been hindered by competition law and state aid regulations.¹³

The European Court of Auditors has pointed at the lack of alignment between the *Farm-to-Fork* strategy and other parts of the Green Deal, and the lack of quantified estimates of the National Plans' contribution to the Green Deal targets.¹⁴

The limited success of the *Farm-to-Fork* strategy has been exacerbated with the introduction of the simplification package of the CAP in May 2024. This simplification has been introduced in reaction to farmers' protests in the EU against the administrative burden of the CAP, in combination with growing geopolitical tensions and supply chain disruptions due to the war in Ukraine. This has resulted in an additional dilution of the green ambitions of the CAP through an increase in flexibility for the Member States, a reduction of the sustainability requirements by introducing some exceptions to the GAECs,¹⁵ and a (re)orientation towards productivity.

From a diluted strategy to a new vision for agriculture

In an attempt to avoid further discontent and to create broader support for the new CAP cycle, the Commission initiated, in late 2024, the *Strategic Dialogue on the Future of EU Agriculture*.¹⁶ A year later, participants in this Dialogue, organised through the *European Board on Agriculture and Food* (EBAF), were offered the opportunity to provide input to the Vision. This has resulted in a relatively balanced document regarding its sustainability elements and the ambition for more competitiveness.

9 H.Guyomard, C. Détang-Dessendre, P. Dupraz, L. Delaby, C. Huyghe, J.L. Peyraud, X. Reboud, C. Sirami, "[How the green architecture of the 2023–2027 Common Agricultural Policy could have been greener](#)", *Ambio*, 52 (2023)1327–1338.

10 European Court of Auditors, "[Common Agricultural Policy Plans](#)", Special report 20/2024: September 30, (2024). Moreover, some initiatives, such as the *Framework for Sustainable Food Systems*, have not been implemented at all. See: [Sustaining our quality of life: food security, water and nature | Legislative framework for sustainable food systems](#).

11 Aubert P.M., "[De la ferme à la table : raisons de l'échec et comment rebondir](#)", *L'Economie Politique*, no 101 (2024) : 73-101.

12 Lamy P., G. Pons, S. Caiati, and A. Pratelli, "[Towards a Sustainable Agri-Food System in Europe](#)", *Policy Brief Europe*, Jacques Delors, 2024.

13 Wolberink, C.L., and R.P. Baayen. "[De regelgeving van de Europese Unie voor de duurzaamheidstransitie in de landbouw](#)". *Tijdschrift voor Levensmiddelenrecht*, no. 1 (February 2024): 40–53.

14 European Court of Auditors, "[Special report 20/2024: Common Agricultural Policy Plans](#)", 30 September 2024.

15 Which were subsequently used by many Member States, see Zwaan P., "[Exemptions to the Enhanced Conditionality of the Common Agricultural Policy](#)", *Policy Brief Clingendael Institute*, 10 February 2025.

16 *Strategic Dialogue on the Future of EU Agriculture*, "[A shared prospect for farming and food in Europe](#)", 4 September 2024 under the leadership of Prof. Strohschneider. While the stakeholders underlined in their report the need for fewer regulatory burdens, they pointed out that this should not be to the detriment of the green ambitions for the European agri-food sector.

The *Vision* offers a road map for adjusting the CAP mechanisms. It aims to create an agri-food sector which is competitive, sustainable, and fair for current and future generations. For example, it suggests better rewarding ecosystem services for farmers in order to make them more financially viable, and to offer them the needed margins for investments in sustainability initiatives. Also, it favours a stronger position for farmers in agri-food chains, which is supposed to contribute to the resilience and stability of agri-food chains in the long run. Finally, it suggests that a better integration of measures (as opposed to measures which are conceived and implemented in parallel) will result in fewer administrative burdens and fewer contradictory requirements for farmers.¹⁷

At the same time, the *Vision* remains fairly unclear as to how the objectives should be fleshed out. For example, whereas it advances the idea of an agri-food chain approach by the CAP and builds on recent measures which aim to protect farmers within agri-food chains,¹⁸ it omits how this approach would apply to the green transition. In addition, while the global embeddedness of European agriculture is acknowledged, the focus of the *Vision* remains limited to actors within Europe. Similarly, the *Vision* does not provide details on what an agri-food chain approach would mean for the linkages between the CAP and policies which use a supply chain approach, such as the CSDDD. Given these gaps, some concrete measures to respond to the ambitions of the *Vision* will be presented below. They are based on the idea that more synergies are needed between the environmental measures of the CAP and the sustainability due diligence approach of the CSDDD.

The CSDDD and the European agri-food sector

Inspired by international and voluntary standards for responsible business conduct such as the *UN Guiding Principles on Business and Human Rights*, and the *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct*,¹⁹ European due diligence legislation expects large companies operating in the Internal Market, irrespective of their position in the value chain, to carry out due diligence by identifying, mitigating and remediating the negative environmental (and social) impact of their activities. For this, companies need to apply a six-step due diligence process, similar to the OECD Guidelines for MNEs.

Environmental due diligence is an effective way to involve the private sector in the green transition. Due diligence performance is also considered with regard to its positive effect on the stability and transparency of global supply chains due to enhanced cooperation.²⁰ In the EU, due diligence legislation is expected to contribute to more legal certainty for companies, while fostering sustainable investments and green technology transfers,²¹ and to potentially also benefit low-income trading partners and the resilience of global supply chains and food security. Due diligence requirements can come with challenges as well, such as high transition costs, the risk of shifting the burden up the chain, in relation to a lack of clarity about due diligence expectations, priorities, and methods for collecting data.

17 On 14 May 2025, this has culminated in a proposal by the Commission for a CAP simplification package.

18 For example through support for producer and interbranch organizations for farmers.

19 [OECD Guidelines for Multinational Enterprises on Responsible Business Conduct](#), 2023.

20 OECD, [Making Better Policies for Food Systems](#) OECD Publishing, Paris, (2023):62.

21 European Commission. [Directive \(EU\) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on Corporate Sustainability Due Diligence and Amending Directive \(EU\) 2019/1937 and Regulation \(EU\) 2023/2859](#).

The CSDDD is cross-sectoral.²² It applies to all EU-based companies and parent companies with collectively more than 1,000 employees and a global turnover of more than €450 million, and to non-EU-based companies and parent companies with the same turnover in the EU. The Commission estimates that around 6,000 European companies and 900 large non-EU companies meet the CSDDD threshold criteria.²³ European companies covered by the CSDDD mainly operate in manufacturing (24.6%), services (19.1%), and the wholesale and retail sector (16.2%).²⁴

The CSDDD is part of the Green Deal which focuses on the green transition of business and financing institutions.²⁵ Other elements are the *Sustainable Finance Disclosure Regulation*, the *Taxonomy Regulation*, and the *Corporate Sustainability Reporting Directive (CSRD)*. Although there is strong consistency, and in some areas there is an overlap between those four elements, the differences in the stages of their adoption, their approach and their scope are considered to be confusing for the actors in supply chains. Henceforth, similar to the simplification of the *Farm-to Fork strategy*, the Green Deal for business and finance is currently under revision. Discussions are taking place on the basis of the proposed *Omnibus Package*. On April 3rd 2025, the first part of this package, postponing the entry into force of

various due diligence pieces of legislation, has been approved by the European Parliament. The second part is still under negotiation and entails a change to the content and scope of sustainability reporting and due diligence requirements. Opening up the negotiations has been accompanied by growing criticism of the administrative burdens of the CSDDD for companies. This has resulted in a call for the abolishment of the CSDDD by the French President Macron and the German Chancellor Merz.²⁶ Advocates of the CSDDD argue that for the necessary greening of the EU economy, the due diligence approach would be the least burdensome for businesses. Here it is argued that in order to reduce the burden of the CSDDD and to enhance its positive outcomes, it would suffice to create more synergies between the CSDDD and existing policies, such as the CAP.

According to the current Omnibus Proposal by the European Commission, the CSDDD only affects the direct business relations of within-scope companies (as opposed to all business relations).²⁷ Direct business relations may be requested by within-scope companies to provide (traceable) information (for example on their impact on biodiversity or GHG emissions) or to mitigate risks within the business in question²⁸. In the case of a direct business relation with less than 500 employees, or indirect business relations suspected of having an adverse impact, the maximum demands by a within-scope company are specified by standards set out in Article 29a of the CSRD. These standards are still to be developed by the Commission and will be

22 For example, in the Netherlands it is expected that of 415 Netherlands-based companies which are within the scope of the Directive, the CSDDD will apply to 54 Dutch agri-food businesses (including horticulture) and will have an impact (to a various extent) on their 1656 subsidiaries. See: Vreman, M., and I. Miralles, *CSDDD compliance requires collaboration between value chain actors on a global scale: A first interpretation of the Corporate Sustainability Due Diligence Directive and the implications for Dutch agri-food companies, their suppliers and other stakeholders*. Wageningen: WUR, October 2024.

23 This is equal to over 50% of 2000 of the world's most influential companies providing vital food, energy, housing, internet facilities, transportation and financial services. World Business Alliance, "[CSDDD-Readiness - WBA-Social-Benchmark](#)", 2024.

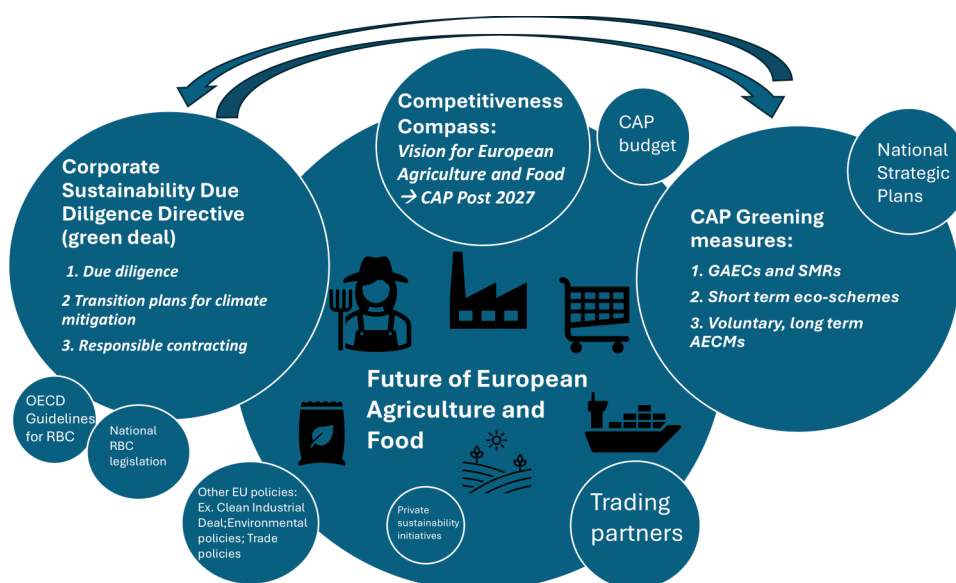
24 SOMO, "[CSDDD Datahub reveals law covers fewer than 3,400 EU-based corporate groups](#)", 21 January 2025.

25 European Commission, [Corporate sustainability due diligence](#).

26 Giorgio Leali, Paul de Villepin and James Fernyhough, "[Macron and Merz call to abolish EU law on ethical supply chains](#)", *Politico*, May 20, 2025; Max Griera and James Fernyhough, "[Macron clashes with allies over call to scrap EU ethical supply chain law](#)", *Politico*, 22 May, 2025.

27 This approach differs from the OECD Guidelines. Whereas the due diligence obligation under the CSDDD applies to direct business relations, the OECD Guidelines apply to all business relations and should be carried out through a prioritisation of the most severe risks to be dealt with first.

28 Some indirect business relations could exceptionally be included, provided that there would be plausible information suggesting that an adverse impact has arisen or may thereby arise.



based on the voluntary sustainability reporting for SMEs (VSME) by EFRAG.²⁹

In addition, the Commission’s proposal requires within-scope companies to adopt transition plans for climate mitigation as prescribed by the CSRD.³⁰ It furthermore requires the establishment of contractual guarantees throughout the value chain. The contracts aim to effectively address adverse impacts and to support a context-specific and dynamic process for due diligence requirements.

Direct business relations can be both downstream and upstream. In the case of a within-scope trader of oilseeds, for example, the direct business relation could be the producer of oilseeds outside of the EU. In many cases, the direct business relation will operate within the EU. A direct business relation could be a European dairy farm delivering its milk to a within-scope European dairy processing

company, or a meat packing enterprise supplying a within-scope European retailer.

Various European agri-food actors, be they in the form of a within-scope company or a direct business relation, will be faced with environmental due diligence requirements. At the same time, they will also be confronted (directly or indirectly) with the environmental measures of the CAP. Creating more synergies between the two policy frameworks is therefore likely to reduce the burden and to establish clearer expectations. In addition, the creation of synergies is expected to have some spillover effects on the balance between farmers and agri-food businesses within the chain. Exploring the creation of those synergies is timely, given that both the CSDDD and the CAP are currently under review. Negotiations are expected to be concluded by the end of 2025.³¹ This will be elaborated upon below.

29 EFRAG. [Voluntary reporting standard for SMEs \(VSME\), Concluded](#). 17 December 2024.

30 The CSRD aims to ensure that investors have the information they need to understand and manage the risks to which investee companies are exposed from climate change and other sustainability issues. It also aims to ensure that investors and other stakeholders have the information they need on the impact of companies on people and the environment.

31 Member States have time to transpose the CSDDD until 26 July 2028. By July 2029 all companies falling within its general scope will need to comply with those national laws.

Synergies between CAP and CSDDD: a burden or a boost?

Although on paper no inconsistencies between the CSDDD and the CAP seem to exist, the lack of alignment between the due diligence requirements and the greening measures of the CAP could in practice create burdens for the actors involved. Farmers and agri-food businesses fear a multitude of parallel green requirements emanating from the two policy frameworks, which would only add to already existing business-induced demands.³² The numerous requirements are expected to exacerbate the uncertainty concerning compliance priorities and the lack of trust among stakeholders in agri-food chains, resulting in a lack of predictability, and ultimately a watering down of greening efforts. Moreover, there is a fear that due diligence requirements for businesses will be shifted to upstream actors.³³

Synergies between the environmental measures of the CAP and those of the CSDDD, on the other hand, are expected to result in positive outcomes.³⁴ Examples mentioned by agri-food actors are a reduction of conflicting greening requirements; a simplification of EU regulation by avoiding double requirements; a stronger position for farmers in the chain thanks to green requirements applying to farmers and agri-food businesses at the same time; the possibility for farmers to improve their income through the accumulation of payments for green services; and the maintenance of competitiveness thanks to a global level playing field, through better support for producing countries when it comes to complying with due diligence requirements.³⁵

The creation of synergies would be facilitated by the fact that both frameworks use a performance- and results-based approach that

takes account of local conditions and needs. Alternatively, the differences in focus between the policy frameworks (a focus on farmers versus one on agri-food chain stakeholders) could be used to create complementarities between the policy frameworks in order to improve equilibrium among the stakeholders in the agri-food chain. Synergies could be established in the following fields:

Firstly, the existing gaps between the sustainability requirements of the CSDDD for agri-food companies, on the one hand, and the GAECs criteria applying to farmers, on the other, could be reduced. This could be done by applying the GAECs criteria to due diligence requirements related to the agri-food sector. In addition, by applying the same hierarchy for those criteria to both the CAP (including the support measures under the Common Market Organisation Regulation - CMO³⁶) and the CSDDD.

The established hierarchy of the GAECs (depending on national or regional situations) could be integrated in the VSMEs which are currently under development by the European Commission in relation to the CSDDD and the CSRD.³⁷ For example, the standards used to help preserve soil carbon stocks and to reduce emissions in arable and grassland systems under the GAECs could also be listed as important requirements for large agri-businesses and their “small” direct business relations under the CSDDD. This would create the same need, among farmers and businesses, to tackle those issues (collectively), and would reduce conflicting requirements.

It would furthermore strengthen the position and income of farmers vis-à-vis agri-food businesses as envisaged by the Vision, i.e., when using the same sustainability criteria, farmers’ income from direct payments could be topped up, thanks to the requirement of the CSDDD to

32 Ministry of Foreign Affairs of Finland. *The Cumulative Effects of EU Sustainability Legislation: Impacts on Finnish Firms*, (25 januari 2025): 36-37.

33 Expert meeting organised by the Clingendael Institute, The Hague, January 2025.

34 Some of which are reflected in the Vision.

35 Expert meeting organised by the Clingendael Institute, The Hague, January 2025.

36 The ‘Common Market Organization’ (CMO) Regulation introduces changes to the rules governing the common market organization in agricultural products, the EU quality schemes (geographical indications) and the support measures for remote regions.

37 This would also require an alignment with sectoral interventions through the CAP Strategic Plans Regulation.

financially and practically support their first-tier business relations in arable and grassland systems. Higher and more stable incomes for those farmers, together with the involvement of agri-food businesses interested in developing new business models (for example around carbon farming), would generate new revenues for the stakeholders involved. More revenue would square the expected costs of the green transition and incentivise additional activities under the voluntary schemes of the CAP.

Secondly, the streamlining and prioritisation of objectives between the two policy frameworks would be greatly facilitated by the development of a single measurement system which would produce interoperable data on the impact of greening measures at the farm/business level.³⁸ Such a method would be needed throughout the agri-food chain and provide the possibility to identify the greenest products, suppliers, and techniques used by each firm. It would reduce compliance costs for farmers and businesses and facilitate the identification of the greening activities required. For this, the development of more suitable types of measurement methodology with which to establish a common benchmark for agri-food chains would need to be accelerated.³⁹

Thirdly, the envisaged improved balance between the different actors in agri-food chains could be supported by creating synergies between the expectations of responsible contracting under the CSDDD, and the rules on CMOs regarding the provisions on contracts involving farmers. This could strengthen the bargaining position of farmers and, at the same time, create incentives for voluntary sustainability schemes benefiting farmers.

38 Complementary to the idea of a voluntary benchmarking system for on-farm sustainability assessments as presented in the Vision, [Vision for Agriculture and Food](#), box, p. 19.

39 OECD, [Measuring Carbon Footprints of Agri-food Products | OECD - 2025](#). So far, progress has been made with some of the components thereof, such as the *Ecolabel Food* developed by WUR: [Ecolabel food: game changer for more sustainable food - WUR](#). The *Ecolabel* assesses the total environmental impact through a life cycle assessment (LCA).

Finally, the synergies between the CAP and the CSDDD would need to address the aspect of ensuring a global level playing field that is required for maintaining the competitiveness of European agri-food on the world market. This would require a situation in which also non-EU stakeholders would be in a position to comply with the sustainability requirements. This could be done by offering trading countries capacity-building programmes and sector-specific guidance on due diligence expectations (for example, with the OECD-FAO Guidance on Responsible Agricultural Supply Chains⁴⁰). In addition, Team Europe Initiatives directed at the agri-food sector would need to focus their accompanying measures on compliance with the greening targets of the CAP and CSDDD, while complementing the supporting efforts by within-scope European businesses towards their direct business relations outside the EU.⁴¹ These measures would need to go hand in hand with broader human rights-related capacity building programmes, in order to support producing countries in fulfilling the CSDDD requirements.

In sum, synergies could be established through the streamlining of criteria and the prioritisation of objectives between the two policy frameworks, while providing for a complementary rewarding system for farmers coming from the CAP budget and within-scope companies. The streamlining of criteria could be supported by a single measurement system at farm/firm level in order to provide information on the sustainability of each phase of the production process. Synergies could also be established between the rules for contracting between both policy frameworks, thereby reinforcing the position of farmers in agri-food chains. Finally, trading partners could be supported by accompanying measures to be streamlined with the CAP and CSDDD criteria priorities, thus enhancing a global level playing field.

40 OECD, [OECD-FAO Guidance for Responsible Agricultural Supply Chains](#), 2016.

41 See: Team Europe Initiative, [Sustainability in Global Value Chains](#).

Conclusion

The current geopolitical tensions, the announced decline of world economic growth due to trade tensions and tariffs,⁴² and the negative impact of global climate change on agricultural yields, highlight the high level of the integration of European agriculture in global food systems, and the urgency to act in order to maintain stable and resilient agri-food chains. Competitiveness and sustainability are intertwined in European agriculture. Both thrive in a situation of international cooperation. The current situation calls for policies which take those elements better into account. One obvious way to achieve this is through the creation and support of synergies between the greening measures of the CAP and the CSDDD which would enable farmers and agri-food businesses to align their greening efforts, thereby creating more efficiencies, and freeing capital for innovation. The enhancement of more collaborative efforts is expected to contribute to the long-term resilience of European agriculture.

This policy brief is intended to provoke thinking about ways to strengthen the synergies between the CAP and the CSDDD. Some elements for action are offered:

- Align the greening mechanisms, targets, and priorities of the CSDDD and the CAP;
- Support compliance with those standards by means of the CAP budget, and through support by businesses for their first-tier relations;
- Develop a harmonised single measurement system of greening with farm/firm-level data to be used throughout agri-food chains;
- Streamline the rules for responsible contracting between the CAP and the CSDDD;
- Restructure and streamline sector-specific support for trading countries and exporters in order to facilitate compliance, to create a global level playing field, and to ensure stable agri-food chains.

In the current quest for a reduction of administrative burdens, the CSDDD has come under heavy pressure. Dismissing the CSDDD altogether would be a missed opportunity for making the European agri-food sector more competitive and green. Instead, by carefully designing its implementation in alignment with existing policies, such as the CAP, the administrative burden will be reduced, and a mutually reinforcing dynamic among stakeholders of agri-food chains will be triggered. In this way, instead of being a burden, the CSDDD will rather boost the competitiveness and sustainability of the European agri-food sector.

42 [World Economic Outlook, A Critical Juncture amid Policy Shifts](#), April 2025, 23.

