

# European Model Contract Clauses (EMCs)

## Overview and Consultation Process

The European Working Group is pleased to announce the publication of the Zero Draft of the European Model Contract Clauses (EMCs) for consultation. The European Model Clauses (EMCs) are a set of model clauses that aim to support effective human rights and environmental due diligence (HREDD). They are designed to be in alignment with the requirements of the new [EU Corporate Sustainability Due Diligence Directive \(CSDDD\)](#), which entered into force in July of 2024.

### What Are the EMCs?

- The EMCs are a set of pan-industry and modular model contract clauses that can be incorporated into companies' supply chain contracts to improve human rights and environmental performance in global supply chains.
- The Zero Draft of the EMCs was prepared by the European Working Group, an independent group of legal practitioners and academics from across Europe.

#### The EMCs are designed to:

- Meet the requirements of the CSDDD and other mandatory HREDD legislation
- Conform to the contract law of various European jurisdictions
- Support the implementation of effective HREDD

### Key Principles and Provisions of the EMCs

The EMCs are aligned with the CSDDD, the UN Guiding Principles on Business and Human Rights (UNGPs), as well as with the OECD Guidelines for Multinational Enterprises, the OECD Guidance on Due Diligence for Responsible Business Conduct, and the Guidance for Responsible Supply Chains in the Garment & Footwear Sector.

Key provisions of the EMCs include:

1. A joint commitment by both parties to cooperate in carrying out HREDD, as distinct from the traditional, one-sided guarantees of perfection
2. Buyer obligations to engage in responsible purchasing practices (e.g., pricing, modifications, providing assistance, responsible exit)
3. Prioritisation of human rights remediation over traditional contract remedies, such as contract termination; exit only as a last resort; and a joint commitment to responsible exit

### EMCs and the EU Corporate Sustainability Due Diligence Directive (CSDDD)

Article 18 of the CSDDD requires the EU Commission to adopt guidance on voluntary model contractual clauses that companies can use to meet the law's requirements. The guidance is due to be developed within 30 months after the Directive enters into force. While the EMCs were not developed at the EU Commission's request, the European Working Group hopes that they will serve as a helpful resource for the Commission as it formulates the guidance.

## EMCs Consultation Process

The consultations for the Zero Draft are being coordinated by the Responsible Contracting Project with generous support from the German development assistance organisation, GIZ. They aim to ensure that the first official version of the EMCs (the EMCs 1.0) are the product of an inclusive, balanced, and legitimate process.

Various stakeholder groups, including in-scope companies and smaller companies in the Global North and the Global South, civil society organisations, academics, think tanks, national bar associations, law firms, consultancies, and national and international governmental organisations, are encouraged to submit feedback.

Feedback can be provided in writing (by [email](#) or by completing an [online questionnaire](#)), or by participating in virtual meetings and workshops. If you would like to participate in a consultation or for RCP to coordinate a session with or for you, please send an [email](#) request.

For up-to-date information on the schedule of consultation sessions, please visit [www.responsiblecontracting.org/emc](http://www.responsiblecontracting.org/emc)

### Event alerts: We have two upcoming consultation events taking place around the UN Business & Human Rights Forum in Geneva:

#### Tuesday November 26, 2024, 5:10pm - 5:35pm CET

**Address:** United Nations, [Room XXIV](#) (open to BHR Forum registrants)

"Snapshots series on practical approaches and tools on HRDD for business: The European Model Clauses and Responsible Contracting in Supply Chains"

**Speakers:** Zsofia Kerecsen, Team Leader Corporate Governance Policy, DG JUST, European Commission and Martijn Scheltema, Attorney-at-law and Partner, Pels Rijcken & Droogleeve Fortuijn N.V and head of the Working Group for the EMCs. [For more information](https://forumbhr2024.sched.com/event/1pc0C/snapshots-series-on-practical-approaches-and-tools-on-hrdd-for-business-the-european-model-clauses-and-responsible-contracting-in-supply-chains?linkback=grid) – (<https://forumbhr2024.sched.com/event/1pc0C/snapshots-series-on-practical-approaches-and-tools-on-hrdd-for-business-the-european-model-clauses-and-responsible-contracting-in-supply-chains?linkback=grid>)

#### Wednesday, November 27, 2024, 4:00pm - 5:30pm CET (light reception to follow until 6:30pm)

**Address:** White & Case, Geneva, 3rd floor, 3 Quai du Mont-Blanc, 1201 Geneva

**Please register [here](#), noting that space is limited to 25 participants.** (<https://www.responsiblecontracting.org/emcs/emcgenevaevent>)

This session will be dedicated to receiving feedback on the Zero Draft of the EMCs from participants. We will begin with a short presentation of the EMCs by members of the European Working Group, followed by a group discussion on the EMCs.

Use the QR Codes below to read the EMCs, Introductory Text and Commentary

The EMCs



Introductory Text



Commentary



## EMC Timeline

**2021:** Working Group begins development of the EMCs

**2023:** Publication of initial draft EMCs for online consultation

**May 2024:** Adoption of the CSDDD

**July 2024:** Entry into force of the CSDDD

**July - Early December 2024:** Consultation of the Zero Draft of the EMCs

**December 2024 - February 2025:** Integration of the feedback from the consultations

**February 2025 - March 2025:** Publication of the EMCs 1.0