



Corporate due diligence – a challenge and opportunity for companies worldwide

The services of Business Scouts for Development on sustainable supply
chain management

On behalf of



Federal Ministry
for Economic Cooperation
and Development

Implemented by

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH

Sustainable supply chains for long-term business success

Globalization offers many opportunities. However, not everyone benefits equally. Ecological damage to the environment and nature, child labor and exploitation, worsening social inequality and poverty are just a few examples of the consequences of international trade. These negative effects of globalization particularly affect the countries of the Global South.

One of the most important goals of German development policy is therefore to transform economic systems in developing and emerging countries in a sustainable and socially just way. The Business Scouts for

Development program supports this with a range of services for international business enterprises on sustainable supply chain management, as these play an essential role in overcoming the challenges. By ensuring sustainable supply chains they assume social responsibility. In doing so, they not only contribute to the strengthening of human rights and positive global economic development, but can also benefit from it themselves. By embedding sustainability aspects in their corporate structure, companies can minimize economic risks and differentiate themselves from traditional corporate structures. This can secure them a competitive advantage.

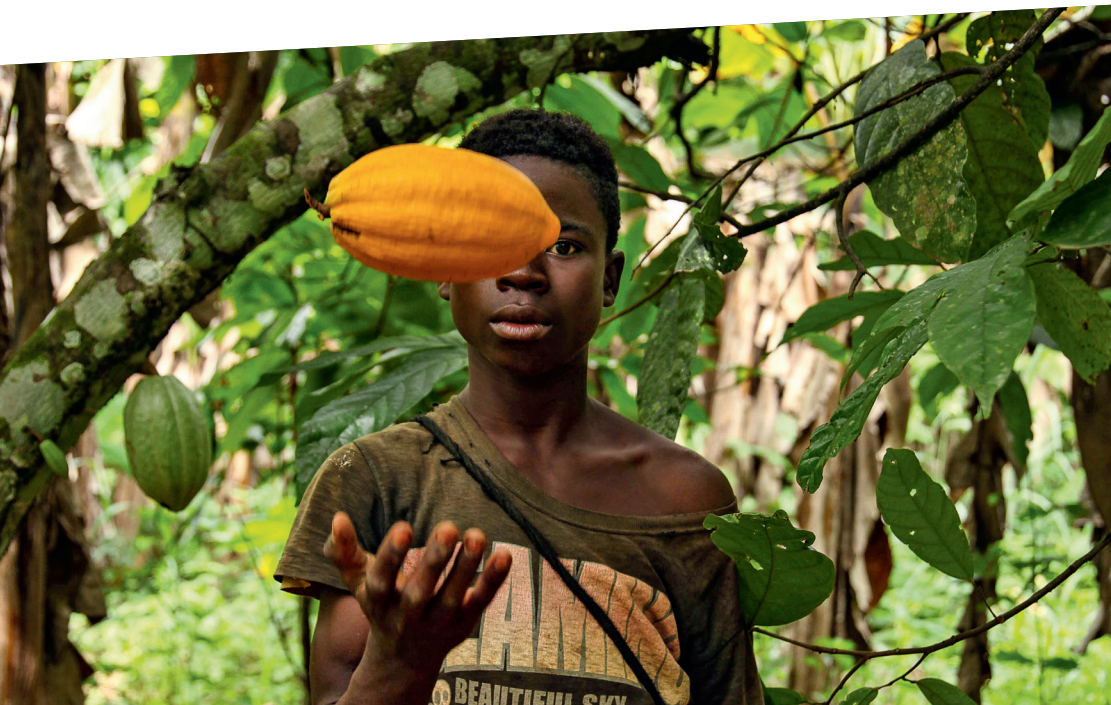


The Supply Chain Due Diligence Act sets new standards

Through the "Act on Corporate Due Diligence in Supply Chains" (Lieferkettensorgfaltspflichtengesetz, LkSG) passed in 2021, Germany is taking a pioneering role in combating human rights violations in international trade relations. From 2023, companies based in Germany will be required to establish a risk management system, anchor preventive measures, inhibit acute violations and report on compliance with due diligence obligations. The LkSG is intended to strengthen the binding nature of a company's sustainability management

and to guarantee legal certainty and fair competitive conditions.

The Business Scouts for Development programme supports companies in understanding the impact of the LkSG and advises on possible adjustments of supply chains in developing and emerging countries. In doing so, the program works closely with the [Helpdesk on Business & Human Rights](#).



Services for companies abroad



Consulting & Implementation:

Core element of the portfolio for corporate due diligence of the Business Scouts for Development programme abroad is the **initial consulting of companies and support in the implementation of innovative pilot projects** that foster sustainable supply chain management. The advice and support include **exchange formats** for companies and **country-specific risk analyses**.



Information & Awareness:

The new requirements of the supply chain due diligence act as well as recent global trends present many SMEs with structural challenges. The Business Scouts for Development programme raises companies' awareness of due diligence obligations, holds relevant **information events** and supports them with the expertise of the Business Scouts. **Round tables** with representatives of the business community allow for an opportunity to address the needs of companies. Peer learning formats network like-minded companies that are implementing sustainable supply chain management.



Training & Education:

To ideally support companies in their sustainability efforts, the Business Scouts for Development programme offers a range of **training and education measures** on corporate due diligence and sustainable supply chain management. These include **online-based seminar series, training on the United Nations Guiding Principles, and training from local certifiers**. With the unique certificate course "Sustainable Supply Chain Manager", which is offered in cooperation with chambers of industry and commerce in Germany and abroad, the Business Scouts for Development programme offers an innovative training course for multipliers in companies.

Services for companies in Germany

In Germany, the Business Scouts inform companies about current activities as well as financing and cooperation offers on sustainable supply chains. If necessary, Business Scouts match them with potential business partners and institutions that provide further

consulting services in Germany and abroad. Furthermore, Business Scouts organize events on the topic of sustainable supply chains and support the implementation of pilot measures in this focus area, such as training courses on corporate due diligence.





Agency for Business &
Economic Development

Helpdesk

Business & Human Rights

Since 2017, the Helpdesk on Business & Human Rights at the Agency for Business and Economic Development (AWE) has acted as a contact point for companies and associations on the topic of human rights and due diligence. As a support service provided by the German government, the helpdesk offers companies of all sizes and from all sectors free, individual and confidential advice on the implementation of human rights due diligence processes from experienced experts and provides information on the requirements of the Supply Chain Due Diligence Act. The advice is supplemented by an individual training, events, workshops and support for projects in the field of sustainable supply chain management. With the online tools SME Compass, CSR Risk Check, Standards Compass, Business & Human Rights Practice Guide and a free online training course, the helpdesk has also developed a comprehensive set of online services for companies. The helpdesk additionally informs companies about further initiatives and support services.

The Helpdesk is financed by the German Federal Ministry for Economic Cooperation and Development (BMZ) and implemented by DEG Impulse, a subsidiary of Deutsche Investitions- und Entwicklungsgesellschaft (DEG), and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

www.wirtschaft-entwicklung.de/en/helpdesk-on-business-human-rights



Examples of successful projects worldwide

MEXICO:

The comprehensive Inhouse Sustainability Manager training course prepares managers for the implementation of a sustainability strategy for their company that is developed as part of the course.

GERMANY:

To support companies in implementing supply chain standards, the Business Scouts for Development programme, in cooperation with the Chambers of Commerce and Industry in Potsdam and Düsseldorf, designed a certified IHK course. For the innovative design and quality of the course, the project received the German Award for Sustainability Projects 2022 in the service category.

GHANA:

Conducting trainings on the implications of the German Supply Chain Due Diligence Act for farmers, suppliers and companies involved in the shea butter business will secure long-term supply chains in the fast-growing market.

SOUTH AFRICA:

The "Sustainable Supply Chain Management" course successfully developed at the Chambers of Commerce and Industry in Potsdam and Düsseldorf was integrated into the service portfolio of the Southern African-German Chamber of Commerce and Industry in the form of a pilot project.

SERBIA:

In order to identify the needs of the private sector for the implementation of the Supply Chain Due Diligence Act, **roundtables** are held with companies. The results of the roundtables are incorporated into the consulting services offered by the Business Scouts.

INDIA:

Following a series of roundtables with German companies operating in the field, a **training and a toolkit** on corporate due diligence were developed. The course is offered on a regular basis.



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Business Scouts for Development work as experts for development cooperation in around 30 countries across the globe. On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), they advise companies from Germany, Europe and the project countries on funding instruments and business opportunities in developing and emerging countries. In addition, in cooperation with companies, they initiate and design projects as well as innovative solutions that aim at contributing to a socially just and ecological transformation of the economy. The Business Scouts for Development work closely with partners from the private sector, TVET organisations, foundation organisations and social partners worldwide.

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