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From voluntary to mandatory corporate accountability: The politics of the German Supply Chain Due Diligence Act

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Abstract

Following a long-standing and highly contested policy debate, in June 2021, the German parliament passed the Supply Chain Due Diligence Act requiring mandatory due diligence (MDD) of large companies, holding them accountable for the impacts of their supply chain operations abroad. Applying the discursive agency approach and using evidence from policy documents and 21 interviews with key stakeholders, we analyze the political strategies that paved the way toward MDD in Germany. The decisive strategy was an innovative benchmarking and monitoring mechanism that provided the legitimacy for a law and opened a window of opportunity for MDD supporters. Civil society and supportive politicians used this window of opportunity to build broad political coalitions that included the support of some companies. We discuss the ramifications of these findings for understanding the domestic politics behind the newly emerging norm of foreign corporate accountability.

Keywords: discursive agency, foreign corporate accountability, Germany, human rights, mandatory due diligence.

1. Introduction

On 24 April 2013, the Rana Plaza clothing factory in Dhaka, Bangladesh collapsed, killing more than 1100 Bangladeshi garment workers. As the factory produced mainly for international brands, it brought the working conditions in textile supply chains into the spotlight of global media. Tragedies such as the Rana Plaza collapse give rise to heated debates about the accountability of transnational companies for the labor conditions and environmental impacts of their supply chains. Gustafsson *et al.* determine foreign corporate accountability (FCA) as being at the core of these debates, defined as “the accountability of companies for negative impacts caused abroad by their subsidiaries or suppliers” (2023, p. 1). Transnational corporations have responded to the pressure to “clean up” their supply chains with a plethora of voluntary corporate governance initiatives (Bartley & Child, 2014). However, these private governance arrangements are criticized for a number of well-documented shortcomings. These include limited oversight by independent parties, lack of publicly disclosed accountability mechanisms, poor coverage, and ineffective implementation (Bartley, 2014, 2018; Carodenuto & Buluran, 2021; Moog *et al.*, 2015). In part to address these shortcomings, some states have passed laws that require companies to be accountable for the impact of their operations abroad through mandatory due diligence (MDD) (see Gustafsson *et al.*, 2023, for an overview on the European laws and regulations).

The question of why certain states have adopted MDD is still under-researched. According to Ruggie, “the voluntary/mandatory debate has been a constant feature of corporate responsibility discussions for

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decades” (2018, p. 318). Analyses of MDD policy-making processes have shown that debates on FCA are strongly contested between supporters of mandatory measures and those preferring voluntary engagement (Evans, 2020; LeBaron & Rühmkorf, 2019). Civil society organizations have been instrumental in arguing for legislative efforts (Evans, 2020; Partzsch & Vlaskamp, 2016), whereas businesses and business interest groups have mostly resisted them (Evans, 2020; Kinderman, 2016). In some cases, however, where corporate support for legislation emerged, it was essential for the success of the legislative proposal (LeBaron & Rühmkorf, 2019; Leipold et al., 2016). However, it has also been noted that business support tends to favor weaker and less stringent regulations (Bartley, 2018; LeBaron & Rühmkorf, 2019; Leipold et al., 2016). Relatedly, despite some progress, research has revealed serious deficiencies in the design and implementation of these laws, calling into question their contribution to effective FCA (Moser & Leipold, 2021; Partzsch, 2018; Schilling-Vacaflor & Lenschow, 2021). It is against this background that we examine the domestic politics behind the German Supply Chain Due Diligence Law (*Lieferkettensorgfaltspflichtengesetz*), which was passed by the German parliament on 16 June 2021. The German MDD obliges large companies (from 2023, companies with more than 3000 employees; from 2024, companies with more than 1000 employees) to exercise due diligence for human rights violations and some environmental impacts (*Lieferkettensorgfaltspflichtengesetz*, 2021; see Section 4.4 for more details).

The German case is an intriguing example on multiple levels. Already in 2006, German non-governmental organizations (NGOs) created the Corporate Accountability (CorA) network, which advocated for supply chain legislation (CorA, 2006). However, Germany has been strongly opposed to any laws on FCA. Kinderman shows that during the negotiations for the European Non-Financial Reporting Directive in 2014, Germany was “the most hardline opponent” (p. 674) against the law, where “positions of the German government and [the German] business organizations were virtually identical” (2020, p. 681). The German government was for the entire period from 2013 to 2021 governed by Chancellor Angela Merkel in a coalition of the center-right parties *Christlich Demokratische Union* (CDU) and *Christlich Soziale Union* (CSU) and the center-left *Sozialdemokratische Partei Deutschland* (SPD).

Based on this situation, the core question of this paper is: Which actions were taken to move a government fiercely opposed to FCA in 2014 toward adopting one of the EU’s farthest-reaching supply chain legislations seven years later? To answer this question, we analyze the politics around the German supply chain legislation as well as the German National Action Plan (NAP) on Business and Human Rights. This long-term analysis is justified because we argue that the answer to our question partly lies in the close link between the German supply chain law and its NAP (2014–2016).

NAPs are “soft” policy instruments that emphasize deliberation and goal setting instead of legal obligations (Blomqvist, 2016; Methven O’Brien et al., 2016). NAPs have been used as instruments to translate the United Nations Guiding Principles into national policies, being encouraged as instruments by the *European Commission* (2011) and the *European Council* (2012). In the literature, there is a widespread expectation that these NAPs would eventually contribute to legal reform and therefore a hardening of FCA (Bordignon, 2020; Cantú Rivera, 2019; Felice & Graf, 2015). For instance, Methven O’Brien et al. suggest that NAPs “could trigger government commitments to implement business and human rights standards” (2016, p. 121). These hopes, however, have mostly not materialized. As Bordignon notes in a recent comparative analysis of 20 NAPs, NAPs have led to “awareness raising, training, research, and other voluntary initiatives” (2020, p. 20), but the German NAP remains the only one that has led to legal reform. From this perspective, we provide an empirical examination of a unique NAP process, which we hope sheds light on the potential of NAPs to contribute to stronger FCA moving forward.

Based on an analysis of the politics of the German NAP and the supply chain legislation, we will (1) explain how the supporters of MDD institutionalized their policy preferences despite significant resistance, and (2) discuss the most critical factors leading to the law’s adoption. Addressing the widespread concerns regarding the effectiveness of MDD laws, we will (3) provide some tentative claims regarding the potential of the German law to contribute to an improvement of FCA.

2. Theoretical approach

We apply the discursive agency approach (DAA) to analyze the emergence and institutionalization of the German supply chain law. The DAA is embedded in the tradition of interpretive policy analysis (cf. Fischer &

Forester, 1993) and more specifically, interpretive discourse analysis (cf. Hajer, 1993; Leipold & Winkel, 2017). Approaches in this tradition focus on the way humans create meaning through the use of language, assuming that “our language does not simply mirror or picture the world but instead profoundly shapes our view of it” (Fischer & Forester, 1993, p. 1).

The DAA builds on Hajer’s Argumentative Discourse Analysis which understands discourse as “an ensemble of ideas, concepts and categories through which meaning is given to social and physical phenomena, and which is produced and reproduced through an identifiable set of practices” (Hajer, 2006, p. 67). Hajer is interested in policy change, assuming that policy change is initiated through story lines, condensed argumentative patterns that conceal discursive complexity by including, emphasizing, and excluding certain aspects of the social and physical world, ultimately creating a “more or less coherent whole” (2006, p. 70). These story lines are created and altered by political actors grouped into discourse coalitions, heterogenous groups of political agents that want to institutionalize their policy preferences.

The DAA shares this understanding yet adds an analytical heuristic to facilitate an empirical analysis of political agency. The DAA conceives of policymaking as a “struggle of agents over establishing their particular interpretation of an issue and the related political truth claim(s)” (Leipold, 2021, p. 1048). To shape the policy discourse, political actors need to create “subject positions” through which they are perceived as politically relevant actors offering politically relevant claims, a process defined as the quest for “discursive agency” (Leipold & Winkel, 2017, p. 524). The two core analytical categories to map out the process of acquiring discursive agency are thus actors and their strategic practices. In the pursuit of influential subject positions, actors ascribe individual (rhetoric skills, intelligence, commitment, etc.) and positional characteristics (professional position, mandate to act) to themselves and others. They further use different strategic practices, which are “all practices that target the creation (and institutionalization) of a particular political truth about an issue and one’s position in relation to it” (Leipold & Winkel, 2017, p. 525). Based on a review of the respective literature and interviews with policy professionals, the authors of the DAA identified a list of strategic practices that is open for further empirical engagement (see Table 1).

The DAA seems well-suited for the study of MDD processes. Gustafsson et al. (2023) suggest that (1) ideas and discourses, (2) actors and power, and (3) institutions are the central factors that shape the contextual conditions of the emergence and implementation of supply chain regulation. With its empirical focus on discourses and actors, the DAA thus facilitates an analysis of two of the three key contextual conditions. What is more, the DAA has already been used to analyze MDD laws regulating timber (Leipold et al., 2016; Leipold & Winkel, 2016). These analyses have traced the complex discursive dynamics that shaped the laws on timber import in the United States, the EU, and Australia, showing that these laws were the results of carefully planned coalitions between civil society and supportive industry groups.

Table 1 Overview of strategic practices, adapted from Leipold and Winkel (2017, p. 527)

Coalition building. Coalitions are fluid in membership and may, but do not necessarily, coordinate activities beyond sharing a similar story line.
Discursive strategies include all language- and symbol-bound activities that aim to create or prevent the need for political intervention:
The production of story lines: Through story lines, agents connect subject positions, patterns of problematizations, solutions and associated responsibilities in line with their policy preference.
Rationalization and scientification versus emotionalization, moralization, and polarization: agents may try to rationalize the debate (i.e., by substantiating their position with scientific evidence) or polarize discussions by mobilizing available emotional patterns in society.
Exclusion strategies contain the foreclosing or non-reference to a specific agent, problematization, or policy solution.
Delegitimization strategies render an opponent’s story lines or subject position as illegitimate.
Employing/invoking normative power means the connection of certain agents and policies with concepts that have a strong positive connotation in the overall political discourse.
Re- and de-issuing encompass the strategic re- and de-connection of a policy issue to/from a specific policy (solution).
Governance strategies target a restructuring of the policy process.
Organizational strategies target the organization of public administration.

A central feature of the DAA is its epistemological commitment to Bevir and Rhode's assertion that policy research is ultimately about "interpreting interpretations" (2006, p. 178). The DAA assumes that the subjectivity of the researchers is a central component of the research process. The analysis presented here constitutes a second-order interpretation, and is reconstructed "through the eyes of involved stakeholders and attempts to understand how their interpretations develop a collective logic and dynamic—the discourse—that shapes political outcomes" (Leipold *et al.*, 2016, p. 295). More concretely, in weighing which factors ultimately shaped the supply chain legislation, we closely relied on the accounts of the political actors themselves, which we gathered through interviews.

3. Methods and materials

In line with the theoretical tenets of the DAA, interviews with key stakeholders provided the main data source. In an initial desk research, we identified key organizations and their representatives as well as central events and themes. Following a purposive sampling strategy combined with snowball sampling, we interviewed 21 individuals representing all key stakeholder categories between December 2020 and July 2021 (see Appendix B for semi-structured interview questions). Toward the end of the interview phase, interviewees suggested stakeholders that had already been interviewed, which we interpreted as a sign of empirical saturation. However, some potential interview partners (i.e., center-right politicians, some companies) did not respond or declined the interview request. All interviews were held in German and we translated all empirical material we quote into English.

We coded the qualitative data using MAXQDA both deductively, applying the analytical categories of the DAA, and inductively, in order to incorporate new insights (Leipold & Winkel, 2017). We complemented the interview data with an analysis of over 120 additional documents (press releases, positions papers, reports, or legal documents, see Supporting Information).

The majority of the interviewees were representatives of the central organizations involved in the German NAP or the policymaking of the Supply Chain Law. Among the interviewees were four Members of the German Parliament (MPs), representatives of the central ministries, NGOs, business interest groups, unions, and businesses (see Appendix A). Interviewees were granted confidentiality. Through the confidentiality granted, we were able to gather high-quality in-depth data on the strategic planning of political actors and actions taken in spaces shielded from the public.

The theoretical and methodological approach of the DAA also bears some limitations. While we believe that our interpretation is thoroughly grounded through our interviews, it is still an interpretation based on document analysis and, more importantly, on the views of 21 key stakeholders. A second limitation concerns the ontological assumption of the DAA, which emphasizes the role of agency, whereas traditional discursive scholarship tends to assume a negligible role for individual agency (Leipold & Winkel, 2017). We argue that the case at hand provides strong evidence for the necessity to account for agency in discursive analyses of policymaking. Bearing in mind these limitations, however, other scholarly accounts should complement our analysis and shed light on empirical aspects that we sidelined, most notably the role of international norm cascading processes. In this regard, many interviewees spoke about the recent proliferation of laws on FCA in the United Kingdom, the Netherlands, and France; or the debates on a European directive that started in 2019. Most of them shared the conviction that these laws strengthened German MDD supporters. This claim is consistent with empirical observations that accountability legislations in one country affect other national constituencies (Evans, 2020; Leipold *et al.*, 2016; Partzsch & Vlaskamp, 2016). Theoretically, this phenomenon has been described as a norm diffusion process (Finnemore & Sikkink, 1998) and is in line with the central assumption of this Special Issue that a global norm diffusion on FCA has taken place (Gustafsson *et al.*, 2023). While acknowledging that external factors impacted the German debate and probably increased the chances of a law being passed, we focus hereafter on the complex domestic process in Germany that ultimately shaped the legislation.

4. Results

In the following section, we indicate characteristics and strategic practices as central analytical categories of the DAA in bold. Interviewees are referenced with their professional role and in aggregated stakeholder categories

(“P” = politics, includes MPs, MP staff, and ministry representatives; “C” = civil society, includes NGOs and union representatives and “B” = includes representatives of business interest groups and businesses). We indicate in brackets when various interviewees expressed support for a given statement, indicating the number of interviewees from each stakeholder categories: B, 2C, 3P indicates one interviewee from the business category, two from civil society and three from politics made statements supporting the respective claim.

4.1. Actors, story lines, and strategies

4.1.1. Actors

German civil society initiated the debates on corporate accountability. Already in 2006, NGOs and unions founded the CorA network with the main goal of advocating for “binding instruments that oblige companies to respect human rights and internationally recognized social and ecological standards and norms” (CorA, 2006, p. 1). Through CorA, German NGOs coordinated their activities intensely and acted most of the time as a unified actor (5C, 3P).

Their competitors were the three umbrella business organizations who fervently opposed the law. These three organizations coordinated their positions intensely, speaking most of the time as a unified actor (2B). This coalition reflects long-standing institutional arrangements, as these three organizations are the umbrella business interest groups that are involved as partners in all policy debates relevant to German businesses (2B, C).

As **governing parties** for the whole period 2013–2021, CDU, CSU, and SPD were the decisive actors in deciding whether a law should be passed or rather other action be taken. Whereas the social democrats supported MDD from 2016 onwards, the center-right parties were more reluctant and uniformly opposed to a law until 2018, when divisions in the CDU over supply chain legislation grew. Chancellor Angela Merkel (CDU) and her respective chancellery minister were identified with **the constitutional mandate** to determine the guidelines of politics which related to the expectation that the **chancellor and her chancellery minister acted as mediator between the different parties** (3B, 3C, 3P).

4.1.2. Story lines and associated strategies

The supporters of a law **built a “human rights” story line** (see Table 2) which places the links between German companies and human rights violations abroad center stage, arguing that German companies either contribute directly to such violations or fail to assume their responsibility for the prevention of such crimes. It follows a **moralizing strategy** that **invokes the normative power of universally acknowledged human rights**: “It is about fundamental human rights, no more and no less” (P, similarly 2B, 4C, 5P). This story line is linked to a **delegitimization** of its opponents as acting against the universally acknowledged norm of human rights: “You are being

Table 2 Actors and story lines during the German NAP (2016)

Position	Mandatory due diligence		Voluntary CSR measures	
Actors	Civil society Alliance of human rights, development, environmental, faith-based NGOs, and unions	SPD Center left governing party	CDU/CSU Center right governing parties (Significant changes in 2018)	Business interest groups and businesses Three umbrella organizations
Story lines	Human rights story line		Bureaucracy story line	
Major concern	Human rights violations linked to German companies		Competitiveness of German companies threatened by excessive bureaucracy	
Central claim(s)	MDD is necessary to prevent human rights violations in the Global South		<ol style="list-style-type: none"> 1. Voluntary measures are sufficient to prevent human rights violations 2. Obliging companies to exercise due diligence will have disastrous effects for German business 	

Until 2021, significant shifts of position occurred, particularly in the CDU/CSU, but also in the business sector.

put under general suspicion, both the interest groups and the companies, that you disregard human rights as a matter of principle” (B, similarly 3B, 3C, P).

The opponents of legal measures, center-right politicians and business associations, in turn used a specific story line, the **“bureaucracy” story line**, which focuses on the competitiveness of German companies that would become threatened by an increase of German bureaucracy already deemed excessive. Their position rests on two claims: (1) supply chain legislation would have disastrous consequences for the competitiveness of German companies, and (2) voluntary corporate measures are an effective response to human rights concerns. This story line is similarly connected to various strategies. It involves an **emotionalizing strategy** that emphasizes the negative consequences hard law might bear for German companies: “You must not go too far with regulative measures because otherwise there is the real danger that companies will be kicked out of the competition” (B). The negative impact on German companies was a central claim: “They moan that the end of the German industry is reached” (C, similarly 2C, P). This story line also **invoked the normative concept of practical feasibility**: “For us [the business interest groups] the most important argument is actually feasibility” (B). This refers to the preference that any measures taken need to be in line with the actual capabilities of German companies. A business group representative portrayed the presumable unfeasibility of MDD:

I've recently spoken to a big company who said that if we only look into tier-2 of our chain, then we immediately have 50,000 supplier companies. [...] You cannot assume the responsibility for that. (B, similarly 3B, 2C)

The importance of practical feasibility was further highlighted by **emotionalizing appeals** to the German *Mittelstand*, a standing term for Germany's small and medium-sized enterprises (SMEs), arguing that while bigger companies may have the financial and administrative structures to install due diligence procedures, this could not be expected from smaller companies: “For a *Mittelständler* [an SME] the challenges are much more difficult” (B). Many interviewees concurred that the capabilities of the *Mittelstand* occupied a central spot in the debates (3B, 3C, 2P). However, the supporters of this story line also reacted to the moralizing and delegitimizing strategies of the human rights story line: Companies and business interest groups emphasized the manifold positive contributions of German businesses, who are regarded worldwide as responsible actors that reportedly bring much needed and well-paid jobs to countries of the Global South while protecting human rights. The bureaucracy story line thus **positions German businesses and their interest groups as responsible, constructive, and socially aware actors** (2B, C, P). They pointed to voluntary corporate social responsibility initiatives as a more feasible and less damaging solution. Interviewees from all stakeholder groups shared the impression that the core of the debate was between mandatory or voluntary measures: “Can it be a binding regulation or is this all about voluntary measures? This has basically determined the debate from the beginning” (C, similarly B, 5C, 4P).

These story lines and associated strategies remained relatively stable over time. As the debate moved toward a proposed law, the debates focused more strongly on the design details. New events, particularly crises like the Rana Plaza factory collapse in 2013 and COVID-19 were incorporated into the story lines. However, new actors, in particular businesses and center-right politicians supporting a law, entered the political stage. In what follows, we present the chronological account of how the German NAP provided the direction toward MDD.

4.2. The German NAP (2011–2016)

4.2.1. Agenda-setting

Two distinct developments spurred the German NAP. The UN Guiding Principles on Business and Human rights including the subsequent calls to implement these by the European Commission (in 2011) and the European Council (in 2012) through NAPs “shaped and strongly influenced the debate” (C). In addition, between September 2012 and April 2013, three major factory accidents dominated the news: (1) the Ali Enterprises factory fire, (2) the Tazreen Factory Fire, and (3) the collapse of the Rana Plaza factory. These factories produced for German companies or companies that sold on the German market and “depicted catastrophic consequences of bad working conditions so drastically [...] that the topic really reached a broader public” (C). Particularly the Rana Plaza incident is “until today a reference point” (C, similarly 4C, 3P) and thus occupies a central spot in the **moralizing strategy** of civil society.

German NGOs incorporated these developments into their advocacy for a German NAP. Although they reached out to all political parties, there were particularly good links to the human rights and development politicians of the social democrats, which in 2013 was an opposition party (C, 3P). In September 2013, elections took place and soon after, the center-right and social democratic parties took up negotiations for a new coalition treaty. In these negotiations, the social democratic human rights politicians used their leverage in the negotiations to ask for a German NAP (2P), which the center-right parties accepted. An MP involved in these negotiations thus explained that “this clear message from the UN Human Rights Council” (P) was the decisive argument driving the agreement.

4.2.2. *The set-up of the German NAP*

Following the coalition negotiations, a new government was formed and initiated a NAP as a participatory multi-stakeholder-process. A steering group was established for the NAP that included representatives of six different ministries and representatives from civil society, unions, and business interest groups. The NAP started with a consultative phase that included 4 plenary conferences and 11 expert hearings with the goal to “enable a broad exchange of views and to provide spaces for ideas and comments” (Auswärtiges Amt, 2015, p. 4). The input received in these meetings was meant to inform a document that ultimately needed to be agreed upon by the Cabinet, the forum of federal ministers.

4.2.3. *The consultation phase*

The consultative phase lasted from November 2014 to November 2015. Here, 11 expert hearings included a wide range of topics, such as due diligence requirements, human rights violations in Germany, support for companies to implement due diligence or reporting. Some interview partners appreciated the deliberative quality of these events, highlighted the “balanced participation of both business side and civil society organisations” (B) or “the very exciting multi-stakeholder-process” (P). Others, however, believed that it was “quite a bit of occupational therapy” (P). These debates also focused on the mandatory-voluntary divide: “The action plan led to a narrowing down to the question of voluntary vs. mandatory” (P), which was also the topic of the final expert hearing.

4.2.4. *The negotiation phase*

Intense conflict shaped the negotiation phase (Kerkow & Seitz, 2018). The SPD had aligned itself with civil society, suggesting first steps toward MDD, which was adamantly opposed by CDU, CSU, and the business interest groups (3P). The social democrats proposed **a new governance strategy, a monitoring and benchmarking procedure**: By 2020, 50% of relevant German companies should properly execute due diligence. This should be monitored and, if the companies failed this benchmark, a law should be discussed again. Although this proposal was first deemed unacceptable by the center-right parties, they accepted this compromise after lengthy negotiations and an intervention by the center-right minister of chancellery in December 2016 (3P). This way, the NAP could be published in December 2016 which included the 50% benchmark and a monitoring of company performance in 2020.

4.3. **The NAP monitoring paving the road toward MDD (2017–2021)**

Between the publication of the NAP in 2016 and the final law in 2021, many relevant processes played out simultaneously. We thus order our analysis according to the central events, actors and their strategies: (1) the coalition negotiations in 2017; (2) new developments in civil society, companies, and the governing parties; and (3) the NAP-monitoring and the discussions on the design of a possible law.

4.3.1. *Coalition negotiations 2017*

After general elections in September 2017, SPD and CDU/CSU again entered coalition negotiations. The human rights and development politicians in the SPD wanted to push MDD (2P). They successfully used their leverage in the coalition negotiations to put the following sentence into the coalition agreement: “Provided the NAP monitoring fails the envisioned benchmark, we [the coalition partners] will take legal measures” (CDU et al., 2018, p. 156). The new coalition agreement from 2017 thus increased the stakes of the monitoring process and became a central reference point in the debates (5C, 2P).

4.3.2. *A new collective actor: The Initiative Lieferkettengesetz*

While the results of the monitoring were not expected until 2020, the NGOs organized in the CorA network realized that the NAP monitoring and the sharpened wording of the coalition agreement opened new strategic

avenues: “We saw that there is a time window for a law now” (C, similarly C). Hence, already in spring 2017 the idea for a common campaign was suggested during a CorA meeting, and, in autumn 2017, a first strategy workshop was held (2C). The new initiative was publicly introduced in September 2019 by a group of 64 civil society organizations under the name *Initiative Lieferkettengesetz* (initiative for a supply chain law ILG). These two years in advance provided civil society with new strategic opportunities. First, the time was helpful to pool financial resources: “Planning in advance was crucial, as the annual planning of organizations could consider the initiative and reserve the relevant resources” (C, similarly C). Second, the time was helpful to coordinate a common set of demands that was presented in September 2019 and to plan the communication strategy (C). The ILG sought to **position itself as a moderate and dialogue-oriented actor**: “Explicit in our demands, but very friendly in our appearance” (C). Hence, it was important to strike a balance between evocative campaigning and scientifically grounded communication: “There are the campaigning elements that are a bit more eye-catching, but then with our briefings we also provide the substance and are perceived with this” (C). To achieve this position, an important activity of the ILG was the publication of position papers, legal expertise, and background material; hence, **substantiating their position with scientific expertise** (B, 2C).

This was related to the central strategy of **coalition building**, as the initiators assumed that they “would need considerable reinforcement that goes beyond the CorA network” (C). Thereby, the *Initiative Lieferkettengesetz* positioned itself as a **broad alliance that simultaneously acted as a unified actor**. A representative of the business associations acknowledged that “through this merger they [the ILG] exercised a lot of pressure” (B, similarly B, 5C, 2P). Over time, membership grew: In 2021, the ILG included more than 120 organizations, including Germany’s biggest unions, faith-based organizations, environmental, development and human rights NGOs. Key members were Christian development organizations who organized support of faith-based organizations (3C). Many of Germany’s central Christian organizations, declared their support for a law in 2019 and 2020. The strategic importance of the churches was highlighted due to **the invocation of Christian values**, which was seen as an effective tool to address the center-right parties: “With the CDU/CSU, it is always [helpful] when the churches become active and the big churches have positioned themselves clearly in favor of a supply chain law” (P, similarly 2P). In line with the broad coalition building, the ILG devised further measures to **invoke the value of broad public support** (C, 2P), including collecting more than 200,000 signatures for a petition demanding supply chain legislation and commissioning a representative survey that indicated that 75% of the population are in favor of a supply chain law, including 90% of CDU/CSU voters (Infratest dimap, 2020).

A further positional characteristic of the ILG was **its public relations (PR) skills**. A representative of the business associations acknowledged that “they [The ILG] had a very good campaign and on the respective dates and time slots, where it was necessary, they [...] were a pretty loud megaphone on all channels” (B, similarly B, 2C, 2P). For this purpose, the ILG collaborated with a professional PR company, for which the priorly pooled financial resources were instructive (2C). This collaboration was closely related to the **strategy of seeking public resonance for their story line** (2B, 6C, P, a strategy not yet covered in the DAA typology). Interviewees highlighted one element as particularly influential: The ILG coined the more tangible term *Lieferkettengesetz*, supply chain law (2C, P). During the NAP negotiations, only the word *Sorgfaltspflichtengesetz* (due diligence law) was used. However, the more tangible term *Lieferkettengesetz* gained traction: “Hardly any other term for the law is being used anymore” (C). One MP confirmed: “I wondered ‘How can you make a topic NAP Business and human rights sexy, so that you can discuss it with people?’ And apparently, people relate more strongly to the term *Lieferkette*” (P).

4.3.3. Companies and practical feasibility

The coalition building of civil society also extended to companies. Supporters of a law shared an impression that “due to the conflict situation it will hardly be possible to advance with such a topic without a certain support from the business sector” (C, similarly 2C, P). Most interviewees mentioned the support of companies for a due diligence law as an important development (3B, 7C, 6P).

Civil society organizations thus contacted companies that either had expressed their position for a law or were known for having advanced due diligence measures (3C). The statement “Our responsibility in a globalized world” was published in December 2019 and initially included 40 companies who spoke out in favor of a law (Business and Human Rights Resource Center, 2019). However, some companies were active beyond this

statement or without endorsing it. The company that stood out most as an active supporter was Tchibo, a German company that mainly sells coffee, but also clothes and other objects of daily use (B, 2C, 3P). Our interviewees grouped the companies into three distinct categories. First, **smaller companies from the fair-trade and sustainability sector** who “basically have CSR as a business model” (B) and were seen as “acting out of conviction” (C, similarly B, 3C, 3P). Second, and often contrasted with the smaller ones, were the **“large companies that have long had sustainability strategies”** (C, similarly C, 4P). These included clothing companies like KiK and Primark, but also Tchibo, Nestlé Germany, and Hapag Lloyd (a logistics and shipping company). Third, many interviewees specifically referred to the German car industry as an important actor **representing “the core sector of the German economy”** (C, also 2C, 4P). Already in March 2019, BMW and Daimler announced their support for MDD following the breaking of the Brumadinho dam in Brazil. In December 2020, also Volkswagen expressed its support. The emergence of companies as supporters was linked **to the normative concept of the level playing field concept**. It suggests that responsible German companies that contribute to the prevention of human rights violations face a competitive disadvantage vis-à-vis their irresponsible competitors. Hence, governments need to create a level playing field between responsible and irresponsible companies. What is more, supporters of a law could now also **re-claim practical feasibility**: “Politics gives guidelines and we as a company show that it is possible” (P, similarly 3C, 2P). This was used to **counter and delegitimize the bureaucracy story line**:

It is not only civil society [...] but there is support from the companies as well, because this is always the first argument that is made: Yes, but economy and the businesses they move abroad or go bankrupt or whatever. (B)

Company support was also applied to **delegitimize the business associations**: “The companies are much further than [...] the lobby associations. Unfortunately, we have very backward-oriented business associations” (P, similarly 2C, 5P). A representative of the business associations acknowledged the relevance of this development:

That is one of the instruments the ILG used marvelously, that they found company allies, because then one can always say you do not represent the opinion of the economy, you do not represent all companies. (B)

Our interviewees discussed diverse motives for companies to support MDD. Many interviewees saw the desire for a level playing field as a core motivation:

What I see very clearly as the reason [for companies to support MDD] is the cost distribution [...] If I want to make genuine changes locally, I need to shorten my supply chain, [...] I need to work with trustful local partners. This is a cost factor that is incredibly huge. (C, similarly 2B, 3C, 2P)

Other interviewees assumed that some companies also appreciated the legal certainty a law could provide (C, 3P). Yet, others pointed out more critically that speaking out for MDD also offers companies a possibility to improve their reputation by presenting themselves publicly as human rights defending actors (2B, 2C, P), an argument that was also made regarding the support of German car companies: Following the diesel scandal, German car companies stood under high pressure to improve their public reputation (C).

4.3.4. An “unusual alliance”: New constellations in the governing parties

As civil society formed coalitions and company support slowly emerged, changes were also taking place among the governing parties. In 2018, Minister of Development Cooperation Gerd Müller from the CSU publicly expressed his support for MDD. From February 2019 onwards, he and Hubertus Heil, SPD’s Minister of Labor, and their respective ministries **formed a coalition**. Interviewees explained the emergence of this coalition by pointing to the fact that on an institutional level, both ministries, the *Bundesministerium für Arbeit und Soziales* (Federal Ministry for Labor and Social Affairs, BMAS) and the *Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung* (Federal Ministry for Economic Cooperation and Development, BMZ) had already been collaborating on the topic of working conditions in global supply chains (2P). Due to their positional characteristic as **federal ministers of the governing parties**, all interviewees mentioned them as central actors. **Their cross-party collaboration** further strengthened their position, as this was seen as a novel and “unusual” (B, P, similarly 2P) development. While Heil’s engagement was self-evident, given his party affiliation, Müller acted against the majority of his own party. His **position as representative of the party opposing a law**

was seen as a novelty (B, C, 3P) which brought him widespread recognition from MDD supporters. What is more, many interviewees ascribed to him the individual characteristic of a **strong personal conviction**. He was described as a “heart of Jesus marxist” (P) who “radicalized himself whilst being in office” (C, similarly 4C, P). While some saw his Christian beliefs as a source of his conviction (3P), others pointed out his personal dismay over the Rana Plana incident (2C, P). One year after the incident, Müller had initiated the *Textilbündnis* [textile alliance], a multi-stakeholder initiative to improve working conditions in German textile companies’ supply chains. Various interview partners explained that his advocacy for MDD was also a result of the strenuous and frustrating negotiations in the *Textilbündnis* in which many textile companies had resisted changing their practices (4P).

Overall, the positions of the two ministers were seen as similar to those of civil society: “It is a bit unusual, that we [civil society] slowly start supporting federal ministers in their work” (C, similarly C). They effectively supported the same story line, as a ministry representative explained:

Interestingly, we [civil society and BMZ/BMAS] do not differ that much. As a ministry, you are somewhat more pragmatic [...] and we do not polarize issues as much, as it is the job of civil society. (P)

The two ministers also followed similar strategies as civil society. For instance, they used “their ministerial office to raise awareness” (C, similarly B), in particular through a common journey to Ethiopia to **increase public resonance** about working conditions in global supply chains. The following excerpt from a speech in the German Bundestag Minister Müller highlights their argumentative strategies:

My colleague Heil and I suggest solutions that are feasible especially for the Mittelstand [...] I say to the representatives of the business associations: The German companies are much further than you are in your associations’ offices. (Deutscher Bundestag, 2020, p. 22118)

This quote underlines how Gerd Müller points toward company support to rebut the economic concerns for practical feasibility and SME capabilities and simultaneously delegitimizes the business associations, demonstrating how company support gave new discursive leverage to the governing politicians.

4.4. The monitoring results and the design of the supply chain legislation

While civil society built new alliances, companies spoke out in favor of MDD and CSU minister Gerd Müller became the unexpected center-right champion of MDD, everyone awaited the results of the NAP monitoring. In the discussions around a possible law, the business associations coordinated their positions closely with the CDU-led *Bundesministerium für Wirtschaft und Energie* (Ministry of Economic Affairs and Energy, BMWi) which had expressed strong opposition against a law.

The results of this monitoring were published on 14 July 2020 and indicated that **only 13%–17% of German companies properly executed human rights due diligence**. In a first reaction, the BMWi and the business associations still opposed a law. The Ministry of Economics and the business associations **re-issued the topic to the European level**: The Ministry of Economics suggested to advocate for a new European regulation, whereas the business associations proposed an adaptation of the existing EU non-financial reporting directive. What is more, they strongly **re-issued** their concerns in light of COVID-19, claiming that the pandemic provides an even stronger ground to refrain from new bureaucratic burdens (2P, 4C).

However, the supporters of a law now **invoked the value of prior agreement through the coalition treaty**: “Essentially, it is about implementing a promise given in the coalition treaty” (C, similarly 2C, 2P). Moreover, supporters of a law could now **present scientific evidence for the failure of voluntary measures**: “The results were devastating. Content wise, this was bad, but for the debate it was helpful” (P, similarly 4C, 2P). One social democratic MP explained that “now the economic wing of the CDU had one argument less against the supply chain law” (P).

At this point, chancellor Merkel intervened and decided on 15 July that a law needed to be passed and suggested that the three involved ministries—development, labor, and economics—had to find a compromise on the exact contents of the law. This moved the design of a law to center stage of the debates. The three ministries discussed three core and one minor issue. The three major questions were coverage (companies of which size?),

depth (how deep into their supply chain must companies check the risks?), and the sanctioning regime (civil liability or administrative enforcement?). The minor point of discussion was in how far environmental due diligence should be included as well.

4.4.1. Discussions on the design of a law

An overview on the different positions of actors and the final outcome is shown in Table 3. The public-facing perspective of companies was less clear. For example, the first company statement of December only specified that the law should address both environmental concerns and human rights. In March 2021, a second company statement only added that a law should address the entire supply chain and did not include references to civil liability (Business and Human Rights Resource Centre, 2021). Tchibo, whom many interviewees had described as the most visible company, clearly positioned itself against a civil liability which supporters of a more stringent design lamented (C, B). Overall, there was no major company supporting the demand for civil liability.

The most difficult point of contention was the sanctioning regime, where two options were discussed: administrative enforcement through a public agency, or civil liability. Civil society and the Ministries of Labor and Development demanded civil liability, which would give victims of human rights abuses the possibility of legal redress if they could prove that a German company did not exercise its due diligence correctly. The business associations and the BMWi now focused their **emotionalizing strategy** on the dreadful consequences that civil liability would entail (2B, 3C, P). Various interviewees suggested that this was linked to fears of reputational and financial losses that would come with such liability (2B, C).

As these differing positions could not be easily reconciled, negotiations took much longer than anticipated. In the negotiations, the Ministry of Economics insisted that civil liability is not acceptable. Time, however, was playing in the hands of the opponents of MDD, as the current legislative period was coming to an end in September 2021 and the time window to pass a law was about to close (P). Around the end of 2020, the Ministries of Labor and Development gave up on the idea of civil liability and instead thought about ways to devise administrative enforcement in an effective manner. They also consulted with the ILG about this question (P). One MP involved in the negotiations explained:

if it [a civil liability] would not come, what should come instead? And the position is to say indeed, we need a strong regulatory frame. [...] This is what is currently [as of December 2020] being discussed behind the scenes. (P)

This change of position ultimately facilitated a compromise. On 12 February 2021, the three ministers held a press conference in which they announced that they had reached a compromise. On 5 March, the Federal Cabinet passed the draft law which was then passed with only minor changes on 11 June in the German parliament.

Table 3 Different positions on design of the law

	Civil society	Ministries of labor and development	Final law	Business associations and ministry of economics
Coverage	All companies >250 employees + all companies from risk sectors	>500 employees	2023 >3000 employees, 2024 >1000 employees	>5000 or 10,000 employees
Depth	Entire supply chain	Entire supply chain	Tier-1, but further in case of “substantiated knowledge”	Tier-1
Sanctioning regime	Administrative enforcement + civil liability	Administrative enforcement + civil liability	Administrative enforcement + enhanced legal options for Unions and NGOs	Administrative enforcement
Environment	Fully included	Environment with link to human rights	Linked to Minamata, Stockholm, and Basel conventions	None

The final law coined “Supply Chain Due Diligence Law” clearly shows the compromise between the three ministries (cf. Table 3). Beginning in 2023, companies with more than 3000 employees (from 2024 onwards, it will be 1000) are obliged to conduct due diligence for risks in their supply chains and report annually. The law does not include civil liability, but administrative enforcement through the *Bundesamt für Wirtschaft und Ausfuhrkontrolle* (German Federal Office for Economic Affairs and Export Control, BAFA). The ILG also concluded that the law “creates a strong supervisory control and enforcement” (Initiative Lieferkettengesetz, 2021, p. 3), which indicates that the parties in favor of strong FCA successfully negotiated strong provisions on this aspect: BAFA is mandated to control that German companies exercise their due diligence correctly and can impose fines of up to 2% of the annual turnover and exclude companies from public contracts. Victims of human rights abuses can address the BAFA to investigate possible violations. Additionally, the law introduces new legal options for unions and NGOs to represent victims of human rights abuses in German courts through international private law. Regarding depth of the supply chain, companies only have to include their direct contractual partners in the risk analysis. However, in case of “substantiated knowledge of a possible violation” (LKSG, p. 2964), they need to extend their risk analysis further down the supply chain. A novel solution has been found for environmental due diligence. The law specifies that companies should adhere to duties and prohibitions according to three international conventions, the Minamata, Stockholm, and Basel conventions that regulate the proper use of various chemicals and waste products.

5. Discussion

This paper set out to (1) explain how the supporters of MDD institutionalized their policy preferences, (2) identify and discuss the most critical factors leading to the law’s adoption, and (3) provide a preliminary assessment of the law’s contribution to improved FCA.

5.1. How did the supporters of MDD move Germany to introduce a sector-wide MDD?

Our analysis has depicted the politics of FCA in Germany as a policy field coined by two opposed coalitions following different strategic practices. Supporters of MDD used a human rights story line that **emotionalized** human rights violations in the Global south, **invoked the concept of universally acknowledged human rights** and **delegitimized business actors as irresponsible**. Opponents of MDD focused their bureaucracy story line in an **emotionalizing strategy** on the drastic bureaucratic burdens a law would entail, invoking the normative concept of **practical feasibility** and in turn aimed to **position German businesses as responsible actors** who contributed to human rights through voluntary corporate initiatives. This set-up of two discourse coalitions, one focusing on rather idealistic and international concerns, the other focusing on national economic competitiveness, strongly resembles the coalitions that also shaped other MDD laws (cf. Evans, 2020; Gustafsson et al., 2023; Leipold et al., 2016).

Yet, in 2016, German politics stood at a gridlock, as center-left and center-right governing parties were both firmly positioned in their respective coalitions. Our results suggest that a convergence of strategies was necessary to overcome this gridlock. A NAP provided the entry point, where the governing parties agreed upon a benchmarking and monitoring mechanism that ended up offering long-term strategic options as well as discursive leverage for MDD proponents.

In the discursive struggles between 2016 and 2021, three strategies were essential to delegitimize the bureaucracy story line and to strengthen the human rights story line. First, the publication of the results of the **NAP monitoring** in June 2020 **provided scientific evidence** that companies had been adopting voluntary measures in an insufficient way, thereby countering and ultimately delegitimizing the proposition that private governance schemes are a sufficient response to human rights violations. These results also triggered a coalition promise that a failure to reach the 50% benchmark would lead to MDD. Second, civil society managed to **build alliances with companies who supported MDD**—not only by small fair-trade companies, but also that of well-known branded companies. These companies provided credible testimony that due diligence is feasible, and thus discursively delegitimized the bureaucracy story line’s second central claim regarding the insurmountable bureaucratic burden of MDD.

What is more, the supporters of MDD undertook a plethora of actions to substantiate the position of their own story line in the public discourse. The publication of the NAP results opened a window of opportunity toward which civil society used to **build broad political coalitions**, the third decisive strategy (cf. Kingdon, 2003). In civil society, the list of MDD supporters was enlarged and ultimately included an alliance of more than 120 organizations in the *Initiative Lieferkettengesetz*, Germany's central unions and central bodies of the Protestant and Catholic churches. In government center-right Minister Müller together with SPD minister Heil complemented this broad alliance. In addition to the strategies outlined above, two additional factors were crucial for the law's success. Firstly, the internationally emerging norm cascade strongly impacted the German discourse, most notably exemplified by the French *loi de vigilance* and strengthened the position of MDD supporters in 2021 (vis-à-vis 2016). Second, in the negotiations between the three ministries, the Ministry of Economics achieved a weakening of the law and thereby created a compromise that was also acceptable for the economic wing of the CDU.

5.2. What were the most critical factors leading to the law's adoption?

First, we argue that the monitoring and benchmarking mechanism agreed upon in 2016 provided the central impetus for a law. This provides strong empirical evidence confirming previous assertions that monitoring mechanisms foster the effectiveness of NAPs to support meaningful policy change (Bordignon, 2020; Felice & Graf, 2015; Methven O'Brien et al., 2016; Niebank, 2019). However, the monitoring in the German NAP was not simply the suggestion of a government seeking a means "to track and verify progress in implementation" (2015, p. 62), as Felice and Graf would suggest. Rather, it was the result of an intra-governmental struggle and a strategic choice by the supporters of supply chain legislation. This understanding bears important ramifications for future research. So far, the literature on NAPs mostly consists of textual comparative analyses of the final outcomes of NAPs (for instance Bordignon, 2020; Cantú Rivera, 2019; Felice & Graf, 2015; Methven O'Brien et al., 2016; Niebank, 2019). Such analyses cannot take account of the politicized contexts in which these NAPs take place and the outcome documents are produced. For a more in-depth understanding of the potential of NAPs for legal change and an improved FCA, it is essential to analyze the contextual conditions in which they emerged.

Second, civil society played a pivotal role for the German MDD, with their key actions including: agenda-setting for a NAP, building broad societal coalitions, orchestrating company support, and consulting with the governing parties for an effective design. This bears remarkable resemblance with the politics of other MDD processes, where the advocacy of civil society has similarly been identified as a key factor, for instance, the French *loi de vigilance* or the timber legality regime (Evans, 2020; Leipold et al., 2016). Relating this insight to the discussion of effective NAPs, the German case suggests that a key point of inquiry should be in how far civil society actors are granted discursive agency in these processes.

Third, the results show that corporate support is critical for MDD but comes with an important caveat. On the one hand, corporate support counters and delegitimizes the ubiquitous red tape argumentation that mandatory measures threaten companies' competitiveness, which has been shown to be the central argument against legislation not only in Germany, but in many other countries as well (Gustafsson et al., 2023). On the other hand, corporate support does not necessarily entail support for an effective and strong design. The German case confirms the assumption that company support can play a crucial factor for MDD (Bartley, 2018; Mares, 2010; Vogel, 2005; Zadek, 2004), which has been empirically proven for the laws on the import of illegal timber (Leipold et al., 2016) and the EU conflict minerals directive (Partzsch & Vlaskamp, 2016). At the same time, our case shows that corporate support does not necessarily translate into support for a strong design. In Germany, this revealed itself most strongly in the positions toward civil liability, which was a central demand of civil society that was not supported by the companies prominently supporting the law. Here, the German case shows strong parallels to Leipold et al.'s (2016) finding that the design of timber legality legislation had to reflect the expectations of the supporting industries and was thereby designed in a less stringent manner, as well as Bartley's (2018) reasoning that companies supporting MDD "would almost surely balk at binding penalties" (p. 281).

5.3. In how far will the law contribute to improved FCA?

As the law will only take effect in 2023, this assessment necessarily remains speculative. Building on Gustafsson et al.'s argument that the policy-making processes influencing the design of accountability laws (input

accountability) are inherently intertwined with their ability to effectively change company behavior (output accountability), we suggest three interrelated claims that may shed light on the potential output accountability of the German supply chain legislation.

First, the law is a result of intense negotiations between supporters and opponents of a stringent design. The resulting law is weaker than the original drafts put forth by the labor and development ministries, yet the law also includes strong provisions that were negotiated into the law by proponents of a strict enforcement mechanism. In some cases, ambiguous wording enabled this compromise; the exact interpretation is likely to remain a contested issue—the concept of “substantiated knowledge” being a case in point: In how far companies can genuinely be held account for their upstream supply chain beyond their contractual partners remains a question to be seen.

Second, the behavior of the supervising authority, the BAFA, will be a decisive factor for the effectiveness of the law. Leipold’s (2017) analysis of the German implementation of the European Timber Regulation, which similarly includes enforcement by a public authority, provides a word of caution in this regard. The analysis showed that the respective authority refrained from strong enforcement due to concerns relating to the competitiveness of German timber companies. From this perspective, it appears problematic that the BAFA is subordinate to the German Ministry of Economics, which was the key governmental actor opposing a strong design for precisely the same reason. Yet, with the new German government constituted in December 2021, a green politician has become minister of economics. As the Green Party has been a supporter of MDD for some time already, this also provides some ground for optimism that the law will be applied in a more stringent manner.

Our third claim is that the law has also created new options that grant more discursive agency to supporters of a strong FCA, and thereby provides fruitful grounds for the interactions of different accountability mechanisms. These new options include for instance the possibility for BAFA to impose sanctions and the improved options for civil society and victims of human rights abuses to seek legal redress. This likely offers new avenues to combine different logics of accountability (Grant & Keohane, 2005). For instance, alliances of NGOs and victims of human rights abuses may file complaints about human rights violations to the BAFA. In effect, this creates second-order accountability by creating the possibility to hold the BAFA accountable for the way in which it holds companies accountable. Additionally, civil society organizations may potentially use their new legal options for filing lawsuits (legal accountability). The BAFA can impose high penalties or exclude companies from public procurement (fiscal accountability). Simultaneously, the initiation of a complaint process against the BAFA or filing a lawsuit is likely to provide additional leverage to public pressure campaigns against these companies (invoking reputational accountability). This combination of accountability mechanisms may create stronger incentives for companies to properly implement due diligence measures.

6. Conclusion

Against the backdrop of the increasing proliferation of due diligence legislation in European countries, this study has shed light on the complex and contested politics that shaped the emergence of the German supply chain due diligence law. Our study highlights the political and discursive strategies that supporters of the law used to gain political majorities for MDD. These included an innovative benchmarking mechanism that demonstrated the deficiency of voluntary corporate approaches while building broad political alliances, including with progressive companies. These strategies ultimately shaped a law that, despite some deficiencies, can be expected to significantly improve accountability of companies for their supply chain operations.

Building on these findings, we suggest some avenues for future research. First, we suggest that the amount of MDD legislation already passed invites for more systematic comparative research into the politics of MDD. Such analyses could provide a more systematic account of discourses and strategies that shape MDD and tease out the most salient contextual factors. Second, the German case could benefit from further in-depth research. To give one example, our account suggests that company support was politically very powerful, even though supporting companies represented only a fraction of the German economy. The prominent role of the comparatively few supporting companies may be explained by the media’s tendency to (mis)-represent two sides of a debate as equal (“Balance as bias”) (Boykoff & Boykoff, 2004). This tendency may have benefitted the supporters of a law who created an impression of a divided business sector that did not reflect the actual share of companies in favor of and against regulation. Lastly, our research suggests that FCA will continue to remain a contested policy field in

which, however, the rules of the game have fundamentally shifted. How exactly the implementation of the German MDD will play out, and whether it may actually contribute to the prevention of future catastrophes like Rana Plaza, remains an important field for future research.

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Data availability statement

An overview of the analyzed texts that support the findings of this study is available in the supplementary material of this article. The interviews are not publicly available due to privacy or ethical restrictions.

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Gesetz über die unternehmerischen Sorgfaltspflichten in Lieferketten (Lieferkettensorgfaltspflichtengesetz—LkSG, German Due Diligence Supply Chain Act).

APPENDIX A**STAKEHOLDERS INTERVIEWED FOR THIS RESEARCH**

Stakeholder group	Code	In-depth interview (affiliation of individual at time of involvement in policymaking)
Government and political institutions	P	Ministry of Economic Cooperation and Development Ministry of Labor and Social Affairs Social Democratic Party (MP) Social Democratic Party (MP) Social Democratic Party (MP) Social Democratic Party (MP) Social Democratic Party (Scientific staff of MP) The Greens (Scientific staff of MP)
Civil society	C	Bread for the World Business and Human Rights Resource Centre European Center for Constitutional and Human Rights German Institute for Human Rights German Trade Union Federation Germanwatch Global Policy Forum Hamburger Stiftung für Wirtschaftsethik ver.di
Businesses and business organizations	B	Adidas Germany Association of German Chambers of Commerce and Industry Federation of German Industries Nestlé Germany

APPENDIX B

INTERVIEW QUESTIONS AND CORRESPONDING ANALYTICAL CATEGORIES

Analytical category	Primary questions and exemplary follow-up questions
Introductory questions, covering actors, positional characteristics, strategic practices (general)	Could you provide a historical overview on the German debate on business and human rights? What were the main events? How did the topic of a mandatory supply chain law enter the political agenda?
Actors + positional characteristics	Which actors and organizations have been important to the political process? Why?
Strategic practices (general)	How have these actors influenced the political process? What are the central conflict lines?
Strategic practices (discursive)	What are the conflict lines on the design of a law? What is in your opinion the most important argument of these actors?
Strategic practices (coalition building)	Which communication strategies were used? Which coalitions were built between different actors over time? How did the foundation of these coalitions come about?
Inductive question	Is there another aspect that you deem essential for the political process that we have not spoken about yet?
Iterative research, snowball sampling	Can you recommend further interview partners or documents that will help me to understand the political process?

Supporting information

Additional Supporting Information may be found in the online version of this article at the publisher's web-site:

Appendix S1. Supporting Information.