



EU Regulation on deforestation- and forest degradation free supply chains - EUDR



Context

- **420 million hectares** of forest worldwide – **an area larger than the EU** – have been lost between 1990 and 2020 (FAO).
- Deforestation and forest degradation are important drivers of **climate change** (IPCC: 11% of GHG emissions) **and biodiversity loss**.
- 90% of deforestation is provoked by the **expansion of agricultural land** (FAO), which is linked in particular to a series of commodities.
- A **significant share of that forest loss is legal** (Forest Trends) → Need to move beyond legality.
- The **EU is a major consumer of commodities** associated with deforestation and forest degradation: Imports of the commodities and products covered - **EUR 85 billion / year**.

Objectives of the Regulation

GENERAL

Minimise the EU's contribution to deforestation and forest degradation worldwide

(thus reducing global deforestation and forest degradation as well as greenhouse gas emissions and biodiversity loss)

Specific

Minimise risk from products/supply chains that are associated with deforestation / forest degradation are made available on the EU market or exported from it

Increase EU demand for and trade in legal and 'deforestation free' commodities and products

Timeline



Functioning of the Regulation

- Mandatory Due Diligence for all operators that place the relevant products on the EU market or export them from the EU
 - Only products that are both **deforestation-free and legal** would be allowed on or exported from the EU market – need to be covered by a **due diligence statement**
 - Based on **internationally-backed definitions** (FAO)
 - Main obligations applicable to **operators and non-SME traders**
 - **Strict traceability** linking the commodity to the plot of land where it was produced. Using **geolocation** coordinates is the simplest and most cost-effective way of obtaining the necessary geographic information.
 - **Legality**: Products will need to be legal according to the laws of country of production

Main elements



Commodities selected: Palm oil, soy, wood, cattle, cocoa, coffee, rubber and some derived products (e.g. chocolate, furniture, tyres, printed products)



selected objectively, based on best available scientific data, and the biggest EU impact



Non-discrimination: The Regulation applies both to domestically produced and imported commodities and derived products



Progressive scope: Initially covering selected commodities and derived products; to be updated regularly



'Cut-off date' of 31 December 2020: Aligned with UNSDG 15.2, aims to minimise disruption for smallholders and facilitate satellite monitoring

Main elements: Conditions

Relevant commodities and products placed on the EU market or exported from there must have been produced

deforestation-free

- no conversion of forests into agricultural use after 31 Dec 2020 (palm oil, rubber plantations & agroforestry are considered as agriculture)
- in the case of wood products, no forest degradation after 31 Dec 2020

→ Based on internationally agreed definitions (by FAO) and SDG 15

in accordance with the relevant legislation of the country of production

Amongst others: land use rights, environmental protection, third parties' rights, labour rights, the principle of free, prior and informed consent (FPIC), ...

Main elements: Due diligence

Main obligations applicable to operators* = companies that place relevant products on the EU market for the first time or export them from the EU market



Information requirements (Art. 9) Amongst others, geolocation must be collected → Strict traceability linking the commodity to the plot of land of production. Using geolocation coordinates is simplest and most cost-effective way of obtaining the necessary geographic information.



Risk assessment (Art. 10) Criteria amongst others: prevalence of deforestation, reasoned claims by indigenous peoples, risk of circumvention, certification,...



Risk mitigation (Art. 11) Amongst others, requiring additional information + supporting suppliers, in particular smallholders, through capacity building and investments

*also non-SME companies that trade with relevant commodities and products within the EU market must fulfill due diligence, but this is of lesser relevance for stakeholders in Southeast Asia

Benchmarking (Article 29)



Objective: benchmarking is a tool to help competent authorities in the EU Member States to focus scarce enforcement resources and also to focus EU support for bringing those risks down.



Development of the methodology of the benchmarking is ongoing. It is essential that the methodology is solid and based on objective factors



Transparent process foreseen

Cooperation with third countries



Cooperation with both producing and consumer countries

- Engagement with other major consumer countries such as China and the USA
- Technical mission to Brazil and Paraguay held in March 2024
- Commissioner's mission to Paraguay, Bolivia and Ecuador in March 2024 and to Ghana, Cote d'Ivoire and Uganda in April 2024



Political dialogue, public diplomacy and technical assistance

- Active outreach to stakeholders through Commission, EU Delegations, EU Member States
- Dedicated outreach project starting to enhance understanding in Southeast Asia and Latin America
- Enhanced cooperation to address potential challenges in producer countries
- Regular briefings in multilateral fora (WTO, FAO etc.)

Deforestation Multi-stakeholders Platform



- Interested producer and consumer countries invited
- Key sectorial associations and civil society organisations represented
- Working on implementation with a specific focus on traceability and smallholders
- Sharing of best practices and cooperation initiatives

Meetings:

24 April: 27th meeting Deforestation Platform – focus on Team Europe Initiative, Traceability and Smallholders

20 June: 28th meeting Deforestation Platform: focus on Information System

This year – Focus on Implementation

Clarifying operational questions via the Frequently Asked Questions

Working on Guidance Documents on technical legal matters

Setting up the IT System

Strengthening support tools to Producer Countries

Other strands: Deforestation Observatory, Risk Benchmarking etc.



Cooperation with third countries (selected initiatives)

- Global Team Europe Initiative for Deforestation-free Value Chains (70+ M€)
 - Sustainable Agriculture for Forest Ecosystems (SAFE) programme: ongoing in Brazil, Indonesia, Ecuador, Vietnam, Democratic Republic of Congo + 2-3 further countries upcoming (ca. 60 M€)
 - Technical Facility on deforestation-free value chains (7 M€)
 - Team Europe Initiative (TEI) Hub (ca. 3-5 M€)
- Sustainable cocoa initiative (since 2020, 3 countries, 25M€)
- AL Invest Verde (Latin America, 33 M€)
- Mark Up II, regional programme on coffee sector in East Africa (40M€)
- “Café y Bosques” sustainable coffee value chains in Central America (5M€)

Relevant links

Legal text of EU regulation on deforestation-free products

[Regulation - 2023/1115 - EN - EUR-Lex \(europa.eu\)](#)

Cooperation with partners

[Cooperation with partners - European Commission \(europa.eu\)](#)

EUDR implementation tools

[Deforestation Platform and other EUDR implementation tools - European Commission \(europa.eu\)](#)

Thank you!



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