



### EU DEFORESTATION REGULATION (EUDR)

31 MAY 2023

Future of forestry and forest-based industries in a sustainable bioeconomy

21-23 SEPTEMBER 2023

# EU Regulation on "Certain commodities and products associated with deforestation and forest degradation"

- Union consumption is a considerable driver of deforestation and forest degradation on a global scale. The impact assessment of this Regulation estimated that without appropriate regulatory intervention, the Union's consumption and production of six commodities (cattle, cocoa, coffee, oil palm, soya and wood) alone would rise to approximately 248 000 hectares of deforestation annually by 2030.
- The Union imported and consumed one third of the globally traded agricultural products associated with deforestation between 1990 and 2008. Over that period, Union consumption was responsible for 10 % of worldwide deforestation associated with the production of goods or the provision of services. To have the greatest impact, Union policy should aim at influencing the global market, not only supply chains to the Union. Partnerships and efficient international cooperation, including free trade agreements, with producer and consumer countries are fundamental in that respect.



#### **EUDR- Some highlights**

- 11 December 2019: the European Green Deal
- 20 May 2020: EU Biodiversity Strategy for 2030
- 20 May 2020: Farm to Fork Strategy
- 16 July 2021: new EU Forest Strategy for 2030
- 12 May 2021: the Pathway to a Healthy Planet for All, EU Action Plan: 'Towards Zero Pollution for Air, Water and Soil
- 30 June 2021: long-term Vision for the EU's Rural Areas
- 11 October 2018: a sustainable Bioeconomy for Europe



#### **EUDR- Some highlights**

- The existing Union legal framework focuses on tackling illegal logging and associated trade and does not address deforestation directly.
- Available reports confirm that a sizeable part of ongoing deforestation is legal in accordance with the laws of the country of production. A report by the Forest Policy Trade and Finance Initiative published in May 2021 estimates that between 2013 and 2019, around 30 % of deforestation destined to commercial agriculture in tropical countries was legal.



#### **EUDR- Some highlights**

 Taking into account the request made by the European Parliament in its resolution 'An EU legal framework to halt and reverse EU-driven global deforestation' of 22 October 2020 and that made by the vast majority of the almost 1,2 participants in the Commission's consultation, the Commission should focus its evaluation and any future legislative proposal on an extension of the scope of this Regulation to non-forest ecosystems and their conversion and degradation.



#### Subject matter and scope (Art 1)

- This Regulation lays down rules regarding the placing and making available on the Union market as well as the export from the Union of relevant products, as listed in Annex I, that contain, have been fed with or have been made using relevant commodities, namely cattle, cocoa, coffee, oil palm, rubber, soya and wood, with a view to:
- (a) minimising the Union's contribution to deforestation and forest degradation worldwide, and thereby contributing to a reduction in global deforestation;
- (b) reducing the Union's contribution to greenhouse gas emissions and global biodiversity loss.



#### **Prohibition (Art 3)**

Relevant commodities and relevant products shall not be placed or made available on the market or exported, unless all the following conditions are fulfilled:

- (a) they are deforestation-free;
- (b) they have been produced in accordance with the relevant legislation of the country of production; and
- (c) they are covered by a due diligence statement.





#### **Assessment of countries (Art 29)**

This Regulation establishes a three-tier system for the assessment of countries. Member States and third countries, shall be classified into one of the following risk categories:

- high-risk; low-risks, and standards risks;
- On 29 June 2023, all countries shall be assigned a **standard level of risk**. The Commission shall classify countries as **a low** or **high risk**, no later than 30 December 2024.





#### Review (Art 34)

- No later than 30 June 2024, the Commission shall present an impact assessment accompanied, if appropriate, by a legislative proposal to extend the scope of this Regulation to include other wooded land.
- No later than 30 June 2025, the Commission shall present an impact assessment accompanied, if appropriate, by a legislative proposal to extend the scope of this Regulation to other natural ecosystems, including other land with high carbon stocks and with a high biodiversity value such as grasslands, peatlands and wetlands





#### Review (Art 34)

• By 30 June 2028 and at least every five years thereafter, the Commission shall carry out a general review of this Regulation, and shall present a report to the European Parliament and the Council accompanied, if appropriate, by a legislative proposal.





## Entry into force and date of application (Art 38)

- This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.
- Articles 3 to 13, Articles 16 to 24 and Articles 26, 31 and 32 shall apply from 30 December 2024.
- ....the Articles referred to in paragraph 2 of this Article shall apply from 30 June 2025.
- This Regulation shall be binding in its entirety and directly applicable in all Member States.





### Entry into force and date of application

- The EUDR applies to goods produced on or after 29 June 2023 (except for timber and timber products, which are covered if produced before that date and placed on the EU market from 31 December 2027).
- However, it does not apply to goods produced entirely from material that has completed its lifecycle and would otherwise have been discarded as waste

