



The EU Deforestation Regulation

FEP webinar
19 November 2024

EUDR: Objectives and scope

- To prevent placement on the EU market of products from deforestation and forest degradation (supersedes the EU Timber Regulation)
- To minimise the Union's contribution to deforestation and forest degradation worldwide; in other words, to clean up EU businesses' supply chains
- **Books/journals are in the scope** (Chapter 49 of the Combined Nomenclature: Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans) – as well as paper, cardboard, and many other wood products (and other products and commodities)
- Entry into force 29/06/23; application 18 or 24 months later (large & medium companies / small & micro): **30 December 2024 / 30 June 2025**
 - **This will likely change (more later)**
- Obligations for operators and traders – esp. for publishers who buy paper / print books outside EU, and for exporters
- Core requirements: **deforestation-free** (as of 31/12/2020); **accordance with relevant legislation** of country of production; **Due Diligence Statement (DDS)**

Implementation support by the European Commission

- Set of [FAQs](#) (updated regularly)
- [Guidance](#) on the EUDR
- [SME factsheet](#)
- [Myth buster](#)
- Development of an Information System to allow information flow (aka the Deforestation Due Diligence Registry)
 - For uploading and accessing DDS
- Training and user manuals
- Benchmarking of countries based on levels of risk of deforestation
 - Impact on number of controls
 - Impact on obligations
- EU Observatory on deforestation and forest degradation
- JRC published a [Map of Global Forest Cover 2020](#)

The view of FEP

- **Some questions still open**

- IS planned to be ready just weeks before entry into application – and will it be adequate?
- Benchmarking might not be ready at all before then
- Clarifications needed on several elements, including “placing on the market”, “shipment”, “ascertaining the due diligence”, etc.
- Guidance and FAQs provided some answers, and an additional year of delay was proposed by the Commission

- **FEP**

- Sustainability Working Group
- Joined Commission’s Deforestation Multistakeholder platform
- Initiated a deforestation WG within the Print Media Group (with CEPI, Intergraf, ENPA/EMMA, NME)
- Joined calls for additional transition time

- **Publishers/PAs**

- Start preparing now!
 - Talk to your suppliers
 - Rely on EU Timber Regulation compliance tools as much as possible
 - Get in touch with your surveillance authorities
- ▶ More in-depth information below...

Roles and obligations

Operator	
A natural or legal person who places relevant products on the market (incl. via an import) in the course of commercial activity. This definition also covers companies that transform one relevant product (already been the object of due diligence) into another relevant product.	
Non-SME	SME
<p>Due Diligence System</p> <ul style="list-style-type: none">✓ Information & Due Diligence Statement✓ Risk assessment✓ Risk mitigation <p>For low-risk countries: simplified due diligence (no risk assessment/mitigation).</p>	<p>Due Diligence System</p> <ul style="list-style-type: none">✓ Information & Due Diligence Statement✓ Risk assessment✓ Risk mitigation <p>For low-risk countries: simplified due diligence (no risk assessment/mitigation).</p>

Roles and obligations

Downstream Operator	
Operators further down the supply chain (“downstream” operators) are those who transform a relevant product (already been subjected to due diligence) into another relevant product or export it.	
Non-SME	SME
Due Diligence Statement (can reference upstream Due Diligence Statement upon “ascertaining” it complies with Regulation).	No due diligence and no DDS (for products/parts thereof already subject to it – otherwise full DD). Provide due diligence reference numbers obtained from previous steps in the value chain.
Trader	
A person in the supply chain, other than an operator, who makes the products concerned available on the market in the course of a commercial activity.	
Non-SME	SME
Due Diligence Statement (can reference upstream Due Diligence Statement upon “ascertaining” it complies with Regulation).	No due diligence and no DDS. Collect information on upstream and downstream operators/traders and DDS reference numbers.

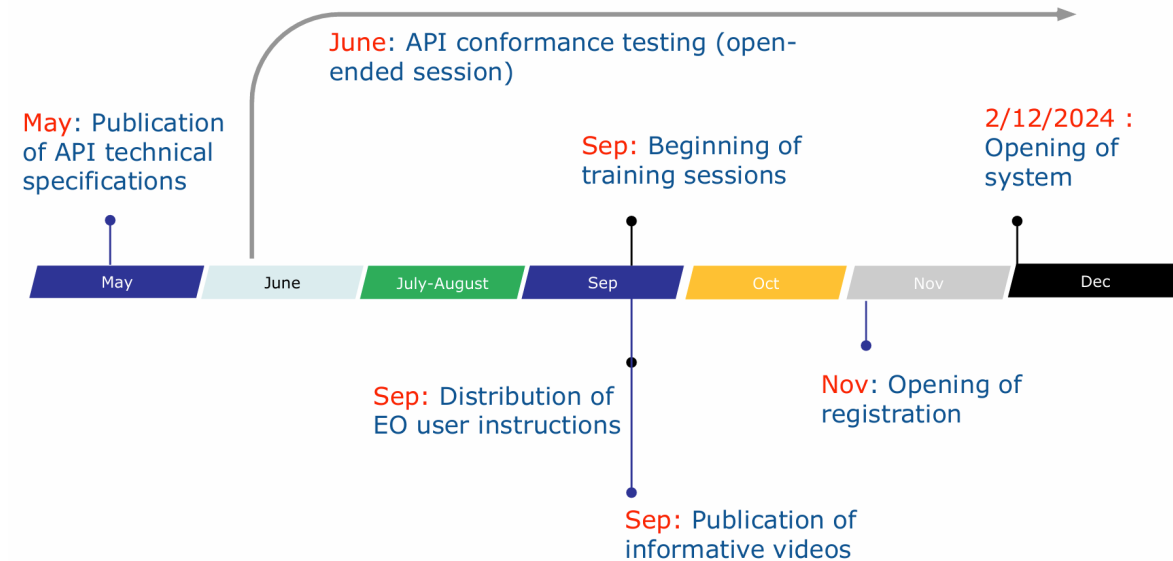
Some practical information

- All operators and non-SME traders retain **responsibility** for the compliance of the products they place or make available on the market
- If an operator or non-SME trader is not able to obtain the required information from its supplier(s), they must **refrain** from placing or making available the products on the market
- All information required under the EUDR of any subject entities must be kept for **five years**
- **Packaging** used as such (and not sold in its own right) is not subject to the Regulation
 - Exception: containers giving a product its essential character (ex.: gift boxes)
- In the case of **composite products** containing multiple different relevant commodities or products, due diligence is needed only on the main commodity and (derived) products
 - Example: leather-bound books
- **Certification schemes** can be used to help with risk assessment to the extent the certification covers the information needed to comply with the obligations
 - Several providers (FSC, PEFC) are adapting
- Operators which are not SMEs will have to **publicly report** on their due diligence system annually

The Information System

- Timeline
 - Registration is open
 - Tutorials and instructions online; training sessions
- Specialised online tool to streamline creation of and access to DDS
- Operators can manage DDS **in bulk** connecting machine-to-machine to the Registry via an Application Programming Interface (**API**)
- Testing
 - Pilot testing ran until January 2024
 - API testing ongoing, technical specifications available (FEP circulated info pack – publishers participate!)
 - Testing of manual interface also possible
 - GeoJSON files testing ongoing

DDS Information System - Roadmap



The DDS

- DDS must include: operator's name & address, EORI n°; Harmonised System code, scientific name, quantity; country of production & **geolocation**; reference n° of upstream DDS if applicable
- DDS required before placing on market; DDS n° must be in customs declaration
- Geolocation data in GeoJSON format
- Geolocation data can be hidden down the supply chain; Competent Authorities will always have access

The screenshot displays the EUDR Statement web interface for 'EUDR Statement - 24BEZDJSR43432 / 0001'. The interface is divided into several sections:

- 1. Reference Number:** Input field containing '24BEZDJSR43432'.
- Verification Number:** Input field with a masked value '*****'.
- 2. Activity:** Radio buttons for 'Import', 'Export', and 'Domestic'.
- 3. Operator/Trader name and address:** Name field 'Federation of European Publishers' (Valid), Country 'Belgium', and ISO Code 'BE'.
- 4. Place of Activity:** Country of activity 'Belgium', ISO Code 'BE', and Country of entry fields.
- 5. Additional Information:** A large empty text area.
- 6. Commodity(ies) or Product(s):** A table showing commodity details.

	Net Mass (Kg)	Volume (m3)	Supplementary Units	Area (ha)
Totals:	150.00	0.00	0	102.24

Commodity(ies) or Product(s) Description *	Net Mass (Kg) *	Volume (m3)	Supplementary Units	Total Area (ha)
12 1201 OIL SEEDS AND OLEAGINOUS FRUITS; MISCELLANEOUS GRAINS, SEEDS AND FRUIT; INDUSTRIAL OR MEDICINAL PLANTS; STRAW AND FODDER 1201 Soya beans, whether or not broken	150			102.24

#	Production Place Description	Area (ha) *	Type *	Actions
1	champs du leu	46.83	Polygon	
2	champs-rieux	22.45	Polygon	
3	terre-pointe	20.64	Polygon	

#	Producer Name	Country of Production *	Total Area (ha):	Actions
1	ferme leuze	Belgium (BE)	89.92	

#	Producer Name	Country of Production *	Total Area (ha):	Actions
2	ferme grand metz	Belgium (BE)	12.32	

The interface also includes an 'Export' button and a 'PUBLISHERS EUROPÉENS' logo in the bottom right corner.

Checks and penalties

- Member States must ensure competent authorities carry out **annual checks** covering at least:
 - 3% of operators/traders dealing with relevant products (for products/ commodities from standard-risk countries)
 - 1% of operators/traders dealing with relevant products (for products/ commodities from low-risk countries)
 - 9% of operators/traders dealing with relevant products and 9% of product quantities (for products/ commodities from high-risk countries)
- Member States must set up effective, proportionate and dissuasive **penalties**, including:
 - fines up to 4% of the company's EU turnover
 - confiscation of relevant products and revenues gained
 - temporary exclusion from public funding or contracts
 - temporary prohibition to trade relevant product

Some clarifications

- **Ascertaining**

- Ascertaining that due diligence was properly carried out may not necessarily imply having to systematically check every single DDS submitted upstream; a downstream non-SME operator could verify that upstream operators have an operational and up-to-date due diligence system in place
- No need to reintroduce or check geolocation data (unless reason to doubt)

- **Placing on the market (who is an operator/trader? Not sure yet)**

- Supply: transfer of ownership of product; production or manufacturing, no matter if for purpose of processing, distribution to customers or use in the business
- Operator: the person that owns the product at the point of selling; in case of import, however, whoever imports is an operator
- Operator: a person that distributes or uses products in the course of commercial activity once they have been produced; a person that transforms a relevant product into another relevant product (new HS code)
- No obligations on those supplying logistical services along the supply chain

- Frequency of DDS – a DDS can cover multiple physical **batches/shipments**; to note:

- quantity of all relevant products must be submitted prior to placement on market
- DDS should cover items already produced
- quantities declared must correspond to those placed on the market
- larger DDS may trigger more checks
- larger DDS increases risk of non-compliance
- maximum period coverage 1 year

Timelines and transitions

- 31/12/2020: threshold date for deforestation (areas of origin of supply chains must be deforestation-free after that date; no retroactivity)
- 29/06/23: entry into force
- 31/12/24, 30/06/25: main obligations start applying to operators (dates subject to change) – no compliance required for products placed on the EU market before (operator bears burden of proof, also in all similar cases)
- Goods produced before and placed on the market after entry into application
- Goods placed on the market after entry into application derived from commodities placed after entry into force
- Supply chains with medium/big and micro/small players in-between application dates
 - no obligations for small and micro enterprises during the 6-month transition period
 - this also exempts medium and large operators and traders further down the supply chain
 - if a small/micro operator places on the EU market after 30/06/25 (or new date) a relevant product made with a relevant commodity or relevant product placed on the EU market during the transitional period, no compliance required
 - this also exempts medium and large companies downstream who place or make available products placed by a small/micro enterprise before 20/06/25 (or new date)

Non-EU operators

- Still subject to some clarification
- There are no legal obligations applicable to non-EU countries
- Non-EU based operators are not subject to the Regulation unless they place relevant products on the market via an import procedure
 - In this case, there will be two operators within the meaning of the Regulation – one established outside and one inside of the EU
- Non-EU based operators will only have access to the Information System if they have a valid EORI number; only in this case will they need to submit a DDS, after having conducted due diligence prior to lodging a customs
- Non-EU operators selling to end customers in the EU are not subject to the Regulation
- Non-EU operators that supply EU operators will need to provide the necessary information to them (but no legal obligation)
- EDItEUR released a new version of ONIX which allows inclusion of EUDR-relevant information

The legislative process

- On 2 October, the Commission proposed a Regulation **amending the EUDR with regard to the date of application**
 - entry into application would be postponed by a further year (30/12/25 and 30/06/26 respectively)
 - the deadline for completing the benchmarking would be moved to 30/06/25
 - no changes of substance
- On 16 October, the Council approved the proposal and wrote to the EP recommending it did the same without further amendments
- In the European Parliament:
 - 14/10: presentation of the proposal in ENVI committee
 - 23/10: plenary agrees on urgent procedure
 - vote in plenary on 14 November: amendments introduced ('no risk' country category and application subject to benchmarking)
- **The file must now undergo trilogue negotiations**
 - risks and delays

In any case, **everybody must get ready now!**