



EUDR

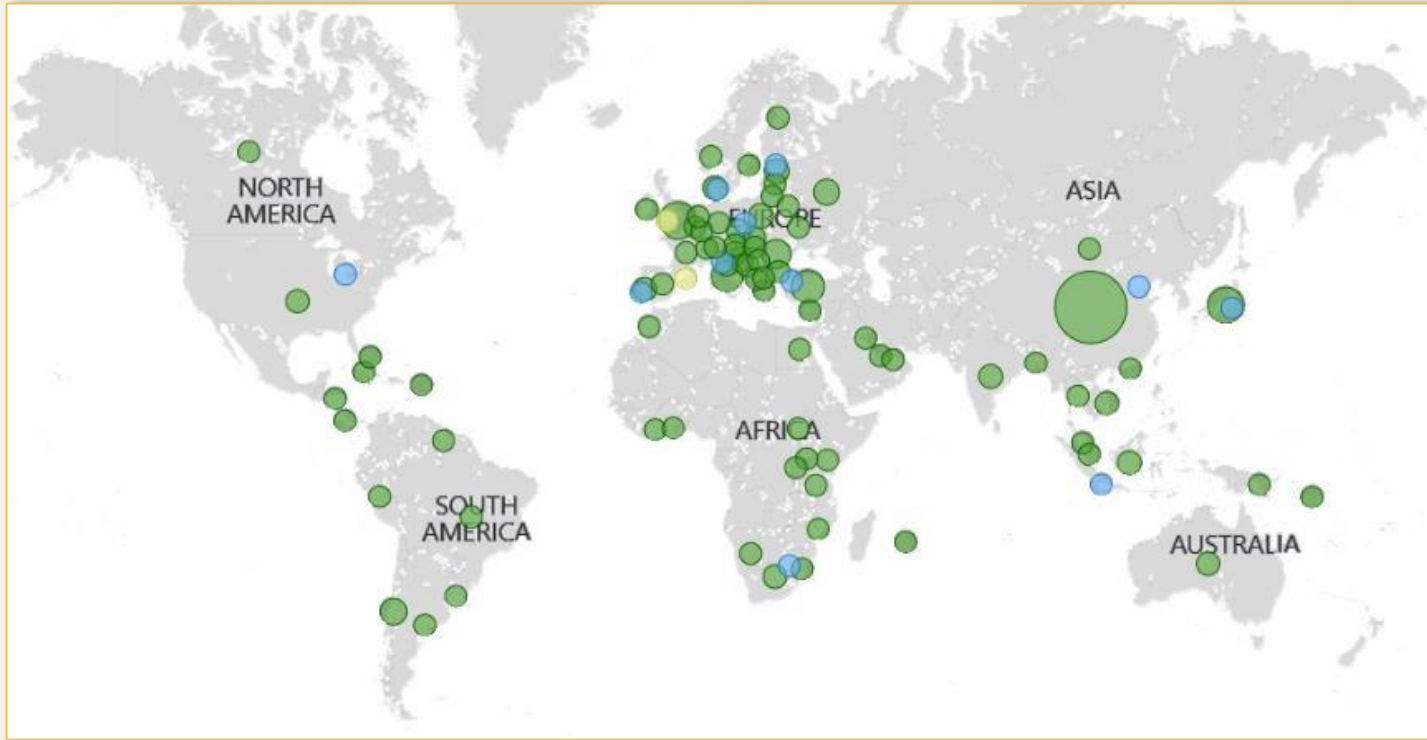
Introduction, updates and UK impacts

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Soil Association Certification

Who are Soil Association Certification?



28.6m
hectares of forests
certified in
37
countries

4,915
Chain of Custody
certificates in
60+
countries



Wilder Carbon
Native habitats. Natural solutions.



Climate and Landscape team

Carbon schemes: Validation, verification and training

Natural capital, biodiversity and nature markets

Responsible Sourcing

- Training: EUDR, EU/UKTR
- Due Diligence: Gap analysis, 3rd party verification
- Partnership with TDUK for RPP audits of all UKTR operators
- Due Diligence Certification: Monitoring Organisation status



**PEATLAND
CODE** 

The logo for Peatland Code, consisting of the text "PEATLAND CODE" in a bold, sans-serif font, followed by three small icons: a sun, a swan, and a tree.

Why EUDR is needed

Existing timber regulations have not succeeded in reducing illegal logging, or overall deforestation.

Deforestation isn't driven by timber

Agricultural expansion drives almost 90% of global deforestation

- 50% for cropland

- 40% for livestock grazing

Source: EUDR

Deforestation for agriculture is legal in many countries

Between 2013 and 2019, around 30 % of deforestation for commercial agriculture in tropical countries was legal

Source: Forest Policy Trade and Finance Initiative 2021

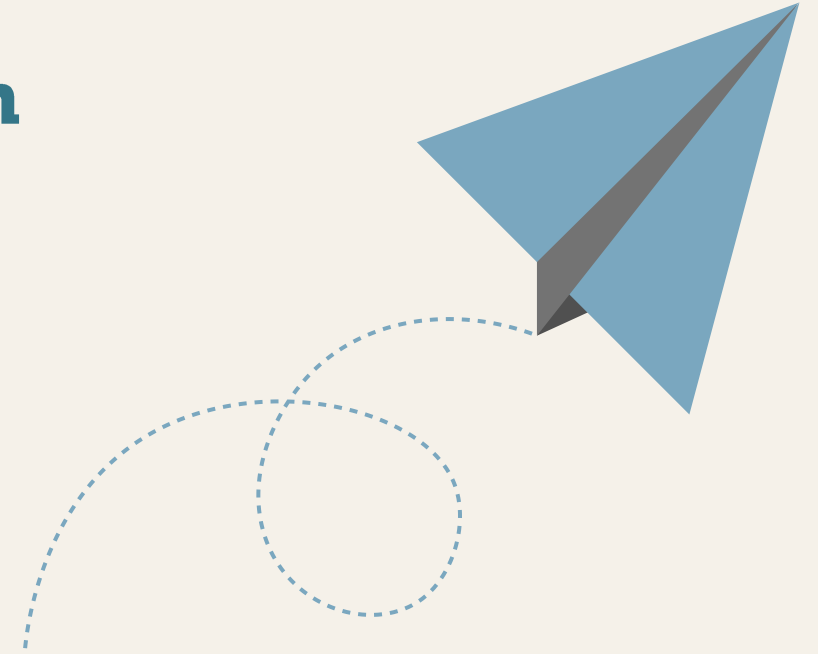


What is the EU Deforestation Regulation

To trade, companies must produce verifiable evidence that their products are:

1. Deforestation & degradation free
2. Legally produced
3. Covered by Due Diligence Statement (Annex II)

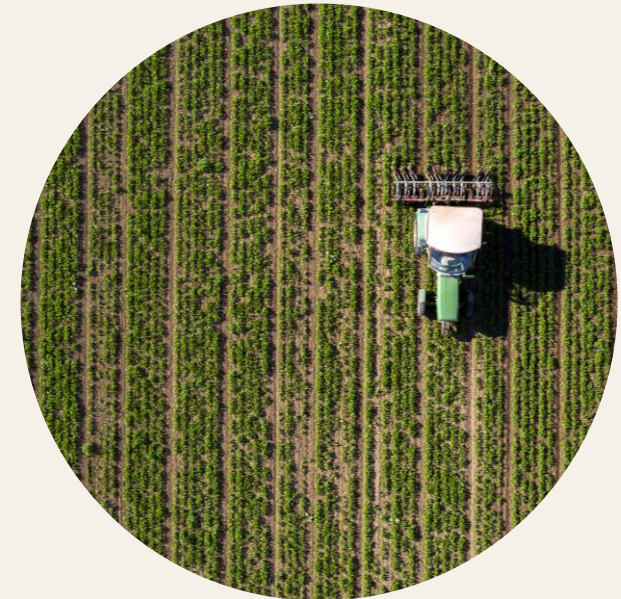
Companies must use a Due Diligence System



Definitions



'deforestation'
means the
conversion of
forest to
agricultural use



Definitions

'forest degradation' = structural changes to forest cover

(a) primary forests or naturally regenerating forests into plantation forests



(b) primary forests into planted forests;



Forest Risk Commodities in scope



Wood



Soya



Cocoa



Coffee



Cattle



Rubber



Palm Oil

Includes derivative, products that contain or have been fed with these commodities

Wood in scope – Annex 1



Wood

4401-4420

- Fuel logs, **charcoal (new)**
- Sawn, chipped, sheets
- Particle board, fibreboard, plywood, densified wood
- Frames, packing cases, pallets (**excl use as packaging**)
- Casks, barrels, tools, kitchenware, ornaments, inlay

4421 Other articles: Shelves, fencing, planks, skewers

9401, 9403 Wooden furniture: office, kitchen, residential, shop and parts, **seats (new)**

9406 Prefab buildings

47xx, 48xx, 49xx

- Paper, paper board, paperpulp pulp *excl* recovered
- **Printed materials (new)**; books, newspapers, products of printing industry



Timeline



● Deforestation cut off date

● EUDR published

● Entry into force

● Country risk benchmarking

● Information System

● EUTR repealed

● Entry into force (small and micro)

● Review of scope incl biofuels

● EUTR no longer applicable to any material

EUTR transition

The EU Timber Regulation (EUTR) will be replaced by the EUDR once it comes into force on **30 December 2024**.

However, the EUTR will still apply for **three years** for wood products that meet these conditions:

- The trees were harvested before the EUDR was published (**June 2023**),
and
- The wood product is placed on the EU market on or after the EUDR becomes applicable (**30 December 2024**).



EU/UKTR vs EUDR



Wider definition of 'applicable legislation'



Exports also in scope



Requirements for an 'independent audit function'



New definitions of Operators and Traders



Includes deforestation legal in country of harvest



Geolocation and harvest date requirements



EC's next steps

Preparing for implementation

Country benchmarking for national risk levels

Information System for DD statements

Assigning CAs, regulatory reform of enforcement architecture

EU Observatory – public information for monitoring deforestation

Implementation guidance on remaining questions

Geolocation data sharing protocol



Country benchmarking

Updates

Consultant has been assigned

Criteria includes

- Forest cover
- Deforestation, agricultural trends
- Info from NGOs, governments, stakeholders
- Forestry governance

Will the UK be low risk?

All countries **standard risk** until assessments are complete

Methodology not yet published

If low risk, EU customers still need geolocation.

Low risk = "simplified DD"

Due Diligence Statements – Annex II

What is it?

The information that operators submit into an online portal called the Information System.

Accessible by Competent Authorities, not businesses.

What information is required?

1. Company details
2. Product details
3. Geolocation of forest/farm
4. Supplier's DD statement reference numbers, if used.
5. Negligible risk declaration



Traceability & Geolocation

The **geolocation** of all plots of land is **mandatory information** for the due diligence statement

Dates: Time range of harvest activities are also required for due diligence (but not included on the statement)

< 4 hectares, single latitude/longitude point required

> 4 hectares, series of latitude and longitude points to describe the perimeter (AKA polygon mapping)



Composite & mixed products



All relevant inputs to the manufacturing process must be from known origin.



The commodities cannot be mixed at any step of the process with commodities of unknown origin



Products of unknown origin are prohibited and treated the same as products from deforested land



No mass balance



Traceability

Linking specific products with specific plots of land?

Segregation

Operationally difficult

Restrictions arising from the supply chain infrastructure

Aggregated list of all suppliers

“Declaration in excess”

Difficult to maintain, increasing confidentiality challenges



Declaration in excess (FAQ 15)

Operators including land that did not produce the commodity is termed "declaration in excess".

Considered easier by some upstream companies, as it reduces the need for segregation

but

Operator has to take **full responsibility** for compliance of all declared land

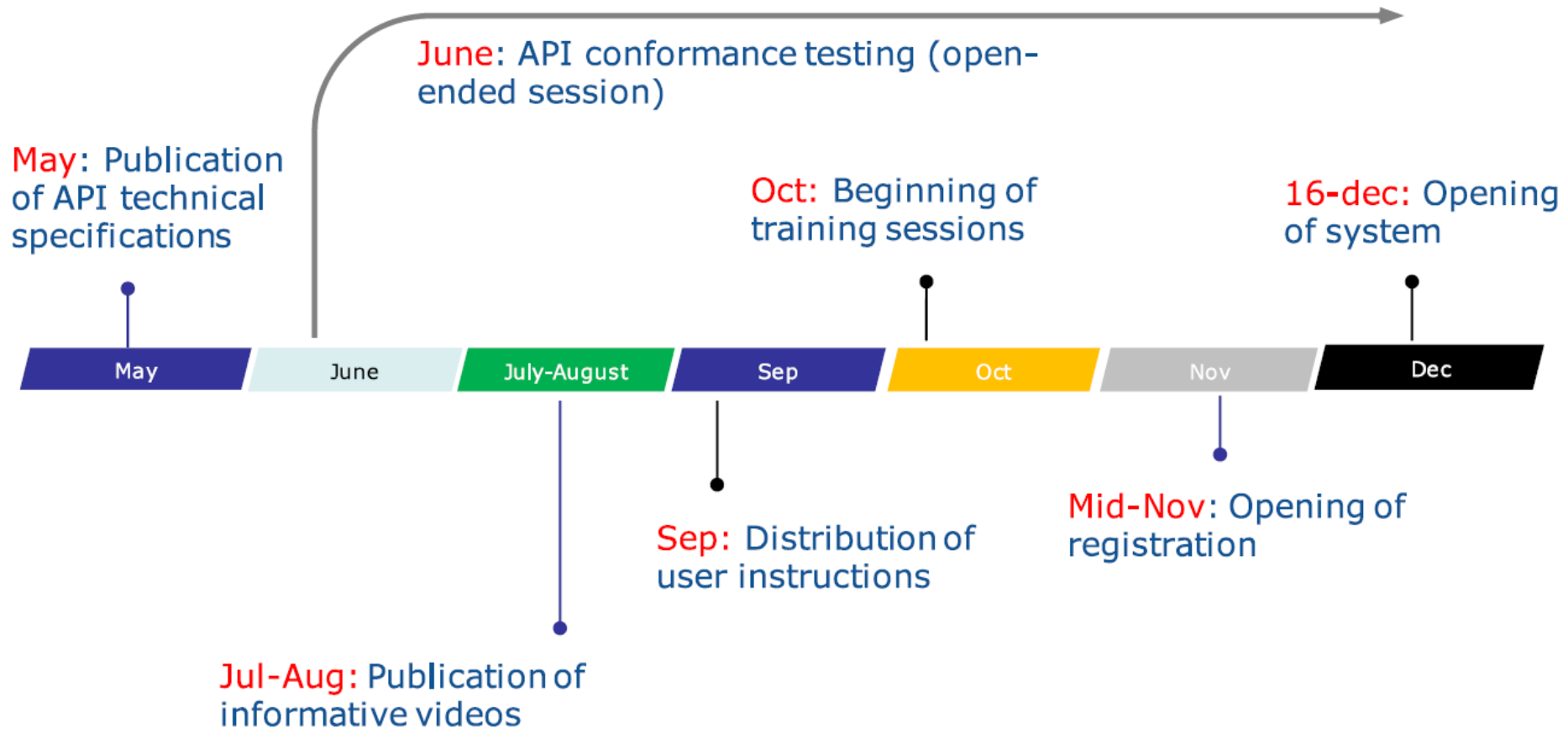
Increases the volume of data moving through system

More due diligence, evidence of negligible risk needed for a larger area.

One non-compliant plot makes the whole consignment of product non-compliant.



DDS Information System - Next steps



EUDR system – Geolocation data

Geolocation data

- ❖ The industry standard GeoJson file format will be used to import geolocation data
- ❖ Coordinates must be provided in conformance to the WGS84 standard with EPSG:4326 projection system regardless of the input method (UI or API)
- ❖ Geolocation files are provided per commodity of the DDS
- ❖ A limit of geolocation data file size will be introduced (based on a maximum of coordinate pairs that a DDS can contain) and cannot exceed 25 MB per DDS
- ❖ The following additional properties can/must be added to the geolocation data:
 - ❖ Producer Country
 - ❖ Producer name, Production Place Name, Area for points in ha (optional)
- ❖ When geolocation data is large, the User Interface will not display them (impractical to display thousands of rows in a browser window)

Will there be a delay?

Law is already adopted

Any changes to dates would require a change of law

EU elections in June

Industry lobbying & pushbacks

Businesses must assume they will be required to comply by end of 2024



What does this mean for UK businesses?



Trading within GB → no direct legal obligations



EU operations → due diligence obligations



Products destined for EU → information requests.



UK companies will need to share geolocation data and harvest dates to allow EU customers to comply with EUDR.



Failure to cooperate will result in exclusion from the EU market



Northern Ireland – no official announcements



What should all companies do now?

Understand exposure

Direct/indirect impact

Products in scope

Place in the EU supply chain

Origin & supply chain risks

Review and revise

Company procedures, policies, operational activities

Risk assessment, DDS, traceability system

Staff capacity & knowledge

What resources are needed?

Take action

Implementation plan

Engage and educate your suppliers

Map supply chains

Information gathering requests, geolocation & date of harvest

How can Soil Association help you?

EUDR expert training courses (next is [June 5th](#))

Due diligence system auditing & certification

More information:

ResponsibleSourcing@SoilAssociation.org

<https://www.soilassociation.org/certification/forestry/responsible-sourcing/>

