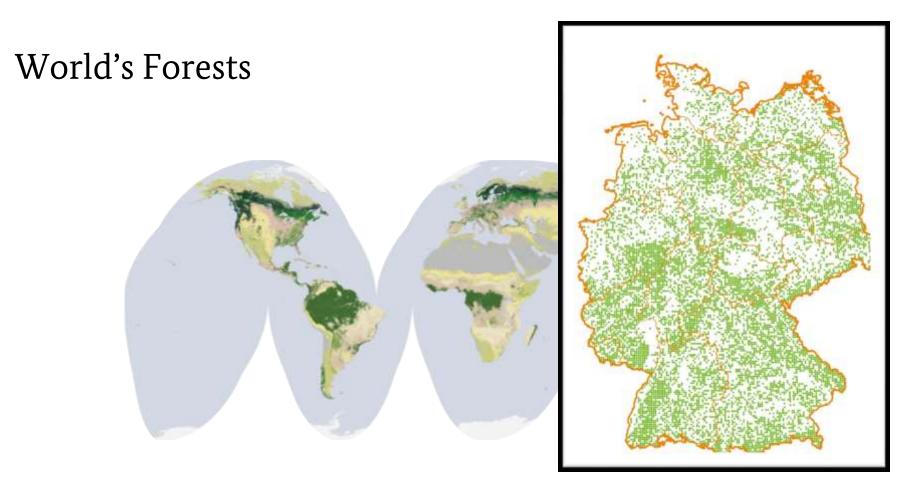


Bundesministerium für Ernährung und Landwirtschaft

EU-Regulation for deforestation-free products

Where do we stand? What are the advances in the implementation of the EUDR?

bmel.de 🔰 🔘



Regulation at a glance

Findings:

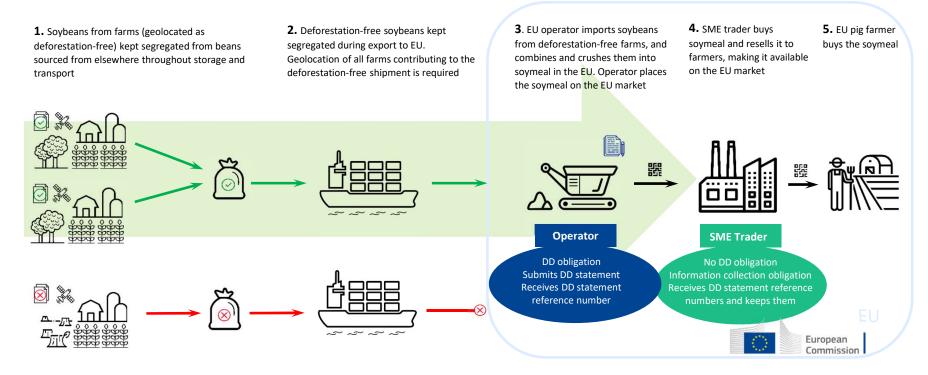
- > 90% of global deforestation is rooted in unsustainable agriculture
- ▶ few relevant commodities: oil palm, soy, cattle, cocoa, coffee, natural rubber and wood
- > EU is a major consumer of commodities associated with risk for deforestation and forest degradation
- > past measures have not been sufficient, to halt global deforestation
- need for "level playing field"

<u>EU-Regulation 2023/1115</u>: Minimise the EU's contribution to deforestation and forest degradation worldwide (entered into force in June 2023, entry into application in December 2024)

- Mandatory due diligence rules for all operators placing relevant products on the EU market or export them from the EU: products need to be both deforestation-free and legal
- > Building on international definitions, building on SDGs, WTO-compatibility
- > EU-wide consistent controls of due diligence of EU-operators and traders
- Strategic cooperation with partner countries



Example for sourcing livestock feed made from soybeans



Please note that infographic shows an example of a potential supply chain scenario and is not representative of all supply chains

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Content in the due diligence statement

- 1. Operator's name and address (EORI-number)
- 2. Harmonized System code (**HS-Code**) and **quantity** of the relevant product in net mass, volume or number of items
- **3. Country of production and the geolocation** of all plots of land where the relevant commodities were produced
- 4. For operators referring to an existing due diligence statement pursuant to Article 4(8) and (9), the **reference number of such due diligence statement**.
- 5. The statement: 'By submitting this due diligence statement the operator confirms that due diligence in accordance with Regulation (EU) 2023/1115 was carried out and that no or only a negligible risk was found that the relevant products do not comply with Article 3, point (a) or (b), of that Regulation.'
- 6. Signature/date

Implementation tasks - Preparation for application of the Regulation on deforestation-free products

<u>EU-Level</u>

- Information System
- Benchmarking System
- Q&A and Guidelines
- Exchange Platforms, like Deforestation Platform, Cap4Dev and Green Data Space

National level

- > National Multistakeholder Forum and further sector specific fora
- National implementing law for the enforcement of the regulation
- Developing the national competent authority

Implementation tasks - Preparation for application of the Regulation on deforestation-free products – cont.

National competent authority – GER: Federal Office for Agriculture and Food (BLE)

- Support of government; Building on more than 10 years of expertise (EUTR)
- Responsible for the overall enforcement of this Regulation with regard to a relevant product entering or leaving the market.
 - Control of operators and traders
 - Cooperation and exchange of information among authorities
 - Corrective action in the event of non-compliance
- Information for operators and traders: e.g. <u>www.ble.de/entwaldungsfrei</u>
- Contribution to methodological improvements

Level playing field

<u>EU-wide</u>

- Uniform obligations for operators and trades
- Uniform obligations for all member states, e.g.
 - Annual control plans
 - Minimum level of checks according to the risk of deforestation (1%, 3%, 9% of relevant operators and traders)
 - Reporting
 - Exchange in Expert Group



Efficiency measures, ex.

- "Benchmarking"-System
- Simplified due diligence (DDS and collection of informations)
- SME operators: relevant products that have already been subject to due diligence
- Non-SME Operators may refer to due diligence statements that have already been submitted after having ascertained that the due diligence was exercised
- Interface to Information System for Operators and Competent Authorities

Opportunities for cooperative action to jointly address the root causes of deforestation and forest degradation



October 2023



Strategic aim

A one-stop-shop for inclusive partnerships on deforestation-free value chains that:

 Contributes to Article 30 of the EUDR and the forthcoming comprehensive strategic framework for cooperation with partner countries.

 Focuses on the Global South and address all commodities and relevant products relating to the EUDR.

3. Facilitates an inclusive transition to deforestation-free and legal supply chains to the EU and thereby contribute to minimizing the EU's contribution to deforestation and forest degradation.

4. Coordinates existing and forthcoming initiatives and projects by the EU and Member States relevant to the operationalisation of the Deforestation Regulation.

Regulation between requirements and chances

<u>requirements</u>

- strengthened impact
 - scientific-based scope
 - legal and deforestation-free
 - strategic cooperation approach
- enhanced legal certainty
 - traceability / geolocation
 - EU-wide consistent controls
 - no circumvention
 - review
- Avoidance of losses by inaction

<u>chances</u>

- level-playing field
 - EU-wide consistent provisions and controls
 - avoidance of leakage

transparency in the supply-chain

- respect the request of the consumer
- enhance sustainability, reduce CO2 footprint
- enhance resilience, minimize disruptions
- > enjoy competitive advantages
 - new standard deforestation-free
 - advanced, sustainable concepts for conservation and use

Key takeaways

EUDR

- ➢ is an answer to SDG 15.2 (halting deforestation) not being reached;
- ➤ is based on following principles:
 - Transparency, accountability and sound scientific and methodological basis,
 - Consistency with agreed international commitments and builds on lessons learned,
 - Non-discrimination; domestic and imported commodities and products are treated equally, it covers both imports and exports;
- > allows an effective and legally certain enforcement;

Key takeaways – cont.

EUDR

- will have an impact on suppliers whether in the EU or abroad although not directly obliged;
- All relevant actors need to get ready for application by the end of 2024 the fastest to adapt will enjoy a competitive advantage;

EU&MS want to work closely with and support the partner countries' efforts to promote the transition to sustainable agricultural production, sustainable forest management and the development of transparent and sustainable supply chains;

Gracias por su atención Muito obrigado pela sua atenção Vielen Dank für Ihre Aufmerksamkeit

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