

Proposal for a Regulation on the making available on the Union market as well as export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/201



EU Regulations for wood

GENERAL

Reduce harvest and trade of illegal timber

(thus improving sustainable forest management and increasing revenue)

Regulations

FLEGT EU Timber Regulation



Objectives of Regulation proposal GENERAL

Minimise the EU's contribution to deforestation and forest degradation worldwide (thus reducing EU-driven GHG emissions and biodiversity loss)

Specific

Minimise the risk that products coming from supply chains associated with deforestation or forest degradation are placed on the EU market Increase EU demand for and trade in legal and 'deforestation free' commodities and products



Scope of Regulation proposal

- <u>Commodities selected</u>: Palm oil, soy, wood, cattle, cocoa, and coffee and some derived products (e.g. leather, chocolate, furniture)
- The Regulation applies both to domestically produced and imported commodities and derived products
- <u>Progressive scope</u> Initially covering selected commodities and derived products; to be updated regularly
- <u>'Cut-off date' of 31 December 2020</u>: Commodities not allowed to enter the EU market if produced on land subject to deforestation after that date



Main elements [1]

- Mandatory due diligence rules for all operators that place the commodities and 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 **existing definitions** (coming from EU legislation i.e. RED and from international work esp. FAO)
 - Strict traceability linking the commodity to the plot of land where it was produced



Main elements [2]

• **Benchmarking system** that allows to assign risk to countries according to the level of risk of deforestation [low, standard, high]. Dialogue / information exchange with partner countries concerned.

Main elements [3]

Cooperation with partner countries

- Imports of the commodities and products covered EUR 60 billion / year
- The Commission will **step up cooperation** to ensure that EU partners are able to reap the benefits of new EU rules on deforestation
- E.g. Forest Partnerships, cocoa dialogue
- The Commission will also intensify engagement with consumer countries such as China and USA as well as in international fora.



Key takeaways

- The Regulation aims to enhance trade in products from "deforestation-free" supply chains, creating more sustainable supply chains.
- It will have an impact on suppliers in their supply chain whether in the EU or in partner countries. The EU is ready to work closely with and support the partner countries' efforts to create deforestation-free supply chains.
- The Regulation is based on the following principles:
 - Transparency, accountability and sound scientific and methodological basis
 - Consistency with agreed **international commitments**, notably halting deforestation at the levels of December 2020 in line with SDG 15
 - **Non-discrimination**, as it equally treats domestic and imported commodities and products and covers both imports and exports.





- The Regulation is **part of a broader set of policies**. Communication on Stepping up EU Action to Protect and Restore the World's Forests (2019):
 - 1. Reduce the EU consumption footprint on land and encourage the consumption of products from deforestation-free supply chains in the EU
 - 2. Work in partnership with producing countries.
 - 3. Strengthen international cooperation.
 - 4. Redirect finance in support of more sustainable land-use practices.
 - 5. Support research, innovation and access to information.
- Partnerships and cooperation are important to promote the transition to sustainable agricultural production, sustainable forest management and the development of transparent and sustainable supply chains.



Thank you!

Learn more here:

https://ec.europa.eu/environment/publications/proposalregulation-deforestation-free-products_en



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