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The European Union Deforestation Regulation framework

"EUDR"

Key concepts

VERNEY, ALAIN| ONF International

Regional Workshop on Wood Tracking Systems (WTS) and EU Deforestation Regulation (EUDR) Compliance: Strengthening Forest Governance in Eastern Partnership countries

Yerevan, Armenia, 23-24 October 2025

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Structure of the presentation

Introduction to EUDR

- Subject matter and scope
- History and context
- From EUTR to EUDR
- Scope

EUDR requirements

- Deforestation-free
- Legality
- Traceability
- Due diligence requirements
- Due Diligence Statement

Controls

- Checks by competent authorities
- Measures and penalties in the event of infringement

Key dates for implementation

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Introduction to EUDR

Subject matter and scope

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Global Objective : to **minimize the European Union's environmental impact globally** in terms of:

- Deforestation and forest degradation
- Greenhouse gas emissions
- Global biodiversity loss

Ensure that products purchased, used, or exported by Europeans are derived from key commodities that **do not contribute to deforestation and forest degradation,** both in the EU and globally.

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Introduction to EUDR

History and Context

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Under **growing pressure from European consumers** concerned about environmental and social impacts of imports, the EU has developed a number of initiatives and instruments

- **2003 FLEGT / VPA:** Agreements with timber producing countries, to halt illegal logging and enhance forest governance and related trade.
- **2013 EUTR:** Prohibiting illegally harvested timber and timber products in the UE market
- **2019 Green Deal:** Package of policy initiatives, setting EU on the path to a green transition, with goal of reaching climate neutrality by 2050

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Introduction to EUDR

From EUTR to EUDR

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The EU Timber Regulation (EUTR) (Regulation (EU) No 995/2010) entered into application on 3 March 2013 and remains applicable today

Main objective : Prohibit placement of illegally harvested logs and processed wood on the EU market.

It requires:

- EU operators (importers and loggers) to exercise **due diligence**
- EU traders to keep records of suppliers and customers to ensure **basic traceability**

It does not create a new customs procedure

It will be repealed when EUDR enters into force on 30 December 2025.

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Introduction to EUDR

Scope

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Relevant Products :

- **Wood and wood products**: as per EUTR, but extended to include charcoal, publishing products and new types of furniture and wooden objects.

- Six commodities and their derived products : **Coffee, cocoa, rubber, palm oil, soy, beef**

- Produced after 29 June 2023

- Listed in EUDR Annex I per their EU customs codes

Relevant wood products in the EUDR scope
4401 Fuel wood in logs, billets, twigs, faggots or similar forms; wood in chips or particles; sawdust and wood waste and scrap, whether or not agglomerated in logs, briquettes, pellets or similar forms
4402 Wood charcoal (including shell or nut charcoal)
4403 Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared
4404 Hoopwood; split poles; piles, pickets and stakes of wood; wooden sticks; chipwood and the like
4405 Wood wool; wood flour
4406 Railway or tramway sleepers
4407 Wood sawn or chipped lengthwise, sliced or peeled, of a thickness exceeding 6 mm
4408 Sheets for veneer of a thickness not exceeding 6 mm
4409 Wood continuously shaped along any of its edges, ends or faces, whether or not planed, sanded or end-jointed
4410 Particle board, oriented strand board (OSB) and similar board
4411 Fibreboard of wood or other ligneous materials
4412 Plywood, veneered panels and similar laminated wood
4413 Densified wood in blocks, plates, strips or profile shapes
4414 Wooden frames for paintings, photographs, mirrors or similar objects
4415 Packing cases, boxes, crates, drums and similar packings; cable- drums; pallets, box pallets and other load boards; pallet collars
4416 Casks, barrels, vats, tubs and other coopers' products and parts thereof, including staves
4417 Tools, bodies or handles, broom or brush bodies and handles; boot or shoe lasts and trees
4418 Builders' joinery and carpentry, cellular panels, assembled flooring panels, shingles and shakes
4419 Tableware and kitchenware
4420 Wood marquetry; caskets and cases for jewellery or cutlery, and similar articles; statuettes and other ornaments; wooden articles of furniture not falling in Chapter 94
4421 Other articles of wood
ex 47 and 48 Pulp and paper with the *exception of bamboo-based and recovered (waste and scrap) products*
ex 49 Printed books, newspapers, pictures and other products of the printing industry, manuscripts, typescripts and plans, of paper
ex 9401 Seats (other than 9402), whether or not convertible into beds, and parts thereof
9403 30, 9403 40, 9403 50 00, 9403 60 and 9403 91 Wooden furniture, and parts thereof
9406 10 Prefabricated buildings of wood

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Target stakeholders (natural or legal persons established in the EU):

Operators who **place products on EU market for the first time**, or who **export** them from EU

Traders **make products available on the EU market** (distribute or sell) as part of a commercial activity.

Note:

- Non-SME traders considered as non-SME operators
- Reduced obligations provided for SMEs and simplified for downstream companies

(SME : At least 2 criteria met: Balance sheet < €25M; Turnover < €50M; Staff < 250)

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EUDR – Requirements

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✓ Only products on EU market whose raw materials have been produced
- on **deforestation-free** areas and,
- in **accordance with relevant legislation of country of production**

✓ Establish/implement a **due diligence system** (operators/non-SME traders)

✓ Submit a '**Due Diligence Statement**' to EU information system to ensure product traceability control (except downstream SME operators and traders)

✓ Other requirements
- Archiving at least 5 years
- Communication of non-compliance to authorities and trading partners
- Annual report (non-SME companies)

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EUDR – Requirements

Deforestation Free

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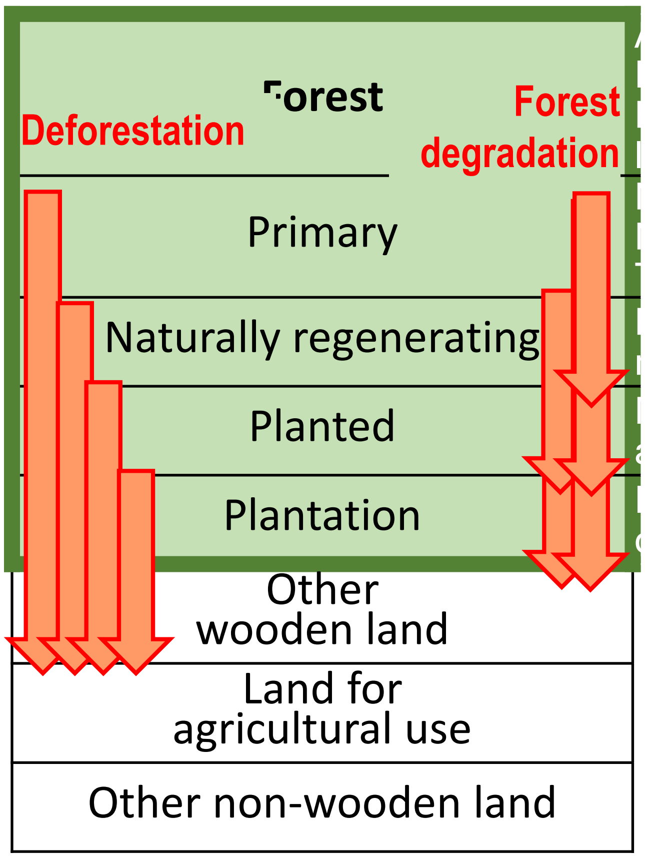

‘Deforestation-free’ means that the products are made using:

- **Any Relevant Commodity** produced on land not subject to **deforestation** after 31/12/2020
- **Wood** harvested from forests that have not been subject to **forest degradation** after 31/12/2020.

No commercialization, even if deforestation/forest degradation was carried out legally

EUDR Requirements

Legality

Relevant Legislation in the Producing Country concerning

Legal status of the area of production:

Land Use : Regulations governing land use.

Environment : Environmental protection laws, including forest management and biodiversity conservation related to wood harvesting.

Social: Rights of third parties, labor rights, human rights under international law, and the principle of Free, Prior, and Informed Consent (FPIC) as per the UN Declaration on Indigenous Peoples' Rights.

Economic Compliance: Tax, anti-corruption, trade, and customs regulations.

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EUDR Requirements

Traceability

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Commodities linked to each batch of relevant imported, exported or traded product must be **traceable back to place of production/harvesting**

Production:

- Geolocation of area where commodities were produced
- Commodity production date/time range

Trading and shipping:

- Mixing compliant and non-compliant commodities or commodities of unknown origin is not allowed. In such cases, the shipment would be non-compliant and cannot be placed on EU market.

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Placing on the EU market: Importers (“Operators”) must submit a Due Diligence Statement (DDS) with geolocation coordinates of all land plots.

Selling within the EU market: Processors and traders must verify upstream DDS; non-SME companies must also file their own DDS referencing all previous DDS numbers.

Note:

- Possible to declare more production plots than those from which products originate, provided none have been subject to deforestation.

- Maximum 1 year grouped declaration possible for products marketed in stages

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EUDR Requirements

Due Diligence System

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Operators must establish and maintain a DD System:

- Framework of formal procedures and measures
- Review at least once a year
- Archiving for 5 years

In addition, a Non-SME operator must:

- Appoint a compliance officer at management level
- Conduct independent audits to verify internal system
- Publish an annual report on their DD System.

Upon request the operator shall make **available to competent authorities'** information, documents and data generated/collected as part of DD process

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The DD system shall include:

Collection of information, data and documents

↓

Risk assessment measures

↓

Risk mitigation measures

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EUDR Requirements

Due diligence information gathering

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Products / Production

- Description (name, description, composition, quantity, …)
- Supplier and client identification
- Country and geolocation where originating commodities produced (GPS coordinates – No exception)
- Production period

Relevant forestry and legal references

- Administrative authorizations and certificates
- Relevant contracts and agreements with stakeholders

Information requested from producer

Other information

- Expert reports (EU Commission)
- Supplier history
- Substantiated concerns (stakeholders, press, etc.)
- Impact studies, management plans, environmental audit reports
- Third-party verification/certification of legality and/or sustainable management

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EUDR Requirements

Due diligence risk assessment

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Annual and documented for each product/supplier

Analysis should consider:

- EU Country benchmarking if country classified as low risk, further analysis required only if operator informed of any specific risk or substantiated concern

- Availability and quality of documentation provided (sources, relevance, consistency, authenticity)

- Product-specific risks

- Supply chain complexity (risk of mixing products, risk of circumvention of this Regulation)

Analysis should consider:

- Supply chain reliability with regard to illegality and deforestation

- Implementation of certification or third-party verification schemes

- Legality of production

- Country risk (corruption, falsification, law enforcement, human rights, armed conflicts, international sanctions)

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EUDR Requirements

Due diligence risk mitigation

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If assessed risk is non-zero and not negligible, operator must implement adequate risk mitigation measures before marketing/exporting products.

This includes documenting and annually reviewing decisions on risk mitigation.

Potential measures may involve:

- Requesting additional information or documents
- Conducting investigations or audits (second/third party)
- Building supplier capacity

Marketing is prohibited if risk remains non-zero and non-negligible.

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EU Country benchmarking

April 2025, the EC published classification of countries according to high, standard and low risk categories.

- 4 high-risk: Russia, Belarus, Myanmar, North Korea
- 70% low risk (including Armenia, Georgia, Ukraine and Moldova)

Low-risk countries:

- Simplified DD: no risk analysis for operators
- Reduced level of control of operators by Member States for products originating in these countries

To be reviewed 'as often as necessary on basis of new evidence', probably in 2026

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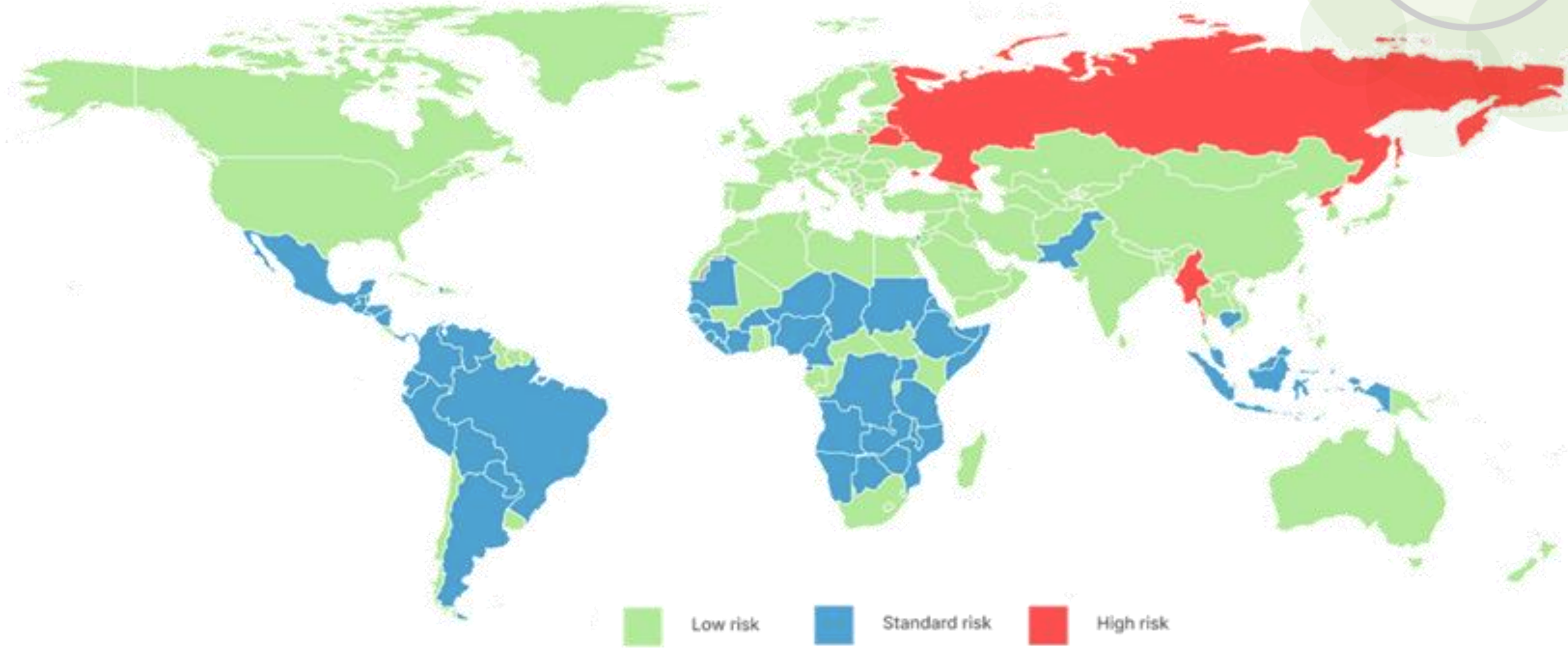

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EUDR Requirements

Due diligence statement

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Objective

- Ensure product traceability from plot of land to consumption.
- Facilitate checks by competent authorities.

Content

- Identification of operator.
- Identification of product and quantity.
- Geolocation of production plots.
- Upstream DDR reference (if applicable).
- Formal and legal DD confirmation.

Submission of declarations

- Non-SME operators and traders must collect the reference from their supplier and pass it on to their customers.
- In centralized EU computer system (Trace NT).
- Before placing on market and required for customs declarations,.
- Possibility of appointing an ‘authorized representative’

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Controls

Checks by competent authorities

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Competent authorities: administrative department appointed by each EU member country to:

- Verify compliance with DD and reporting obligations.
- Impose penalties in event of non-compliance

Control strategy : Risk-based approach, according to:

- Type of commodity
- Complexity and length of supply chain
- Proximity to forests
- Track record of operators/traders
- Opinions of international experts and organizations
- Substantiated concerns
- EU benchmark for country of production

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Minimum control rates set by EU benchmark for country of production, and by relevant commodity:

- Low risk: 1% of operators
- Standard risk: 3% of operators
- High risk: 9% of operators and volumes placed on the market.

Techniques:

- Checking completeness/consistency of DDS by accessing EU information system.
- Conducting surveys/audits of companies' DDS and records (on-site or remotely).
- Physical product inspections.

Technological tools:

- Satellite imagery to verify geographical coordinates.
- DNA/isotopic analysis to verify exact product origin (particularly timber) and their consistency with geolocation data.

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Controls

Measures and penalties in event of infringement

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Penalties determined by each Member State and include:

Financial: maximum amount set at 4% of operator's total annual turnover for serious or repeated infringements.

- Confiscation of products concerned
- Confiscation of income derived from these products.

Business:

- Temporary exclusion from public procurement procedures and access to EU public funding or funds.
- Temporary suspension of authorization to carry out commercial activities or access EUDR information system, blocking possibility of operating legally.

Criminal: Including imprisonment.

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Key dates for EUDR implementation

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Cut-off date recognition of deforestation/forest degradation	31/12/2020
Date of entry into force of EUDR (applies to products manufactured from this date onwards)	29/06/2023
Date of application for large and medium sized companies	30/12/2025
Date of application for micro and small companies (Two of: Balance sheet< €7,5M ; Turnover< €15M; Staff< 50)	30/06/2026
EUDR Scope review (commodities, products, ecosystems)	2026?
Country benchmarking review	2026?

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Latest news: On 21 October 2025, the Commission adopted a legal proposal for a targeted amendment to EUDR

- Postponement of date of application for small and micro-enterprises until 30/12/2026
- Six-month grace period for checks and enforcement of regulations for non-SME operators
- Simplified declarations for small and micro-operators (geolocation may be replaced by the postal address)
- Simplified declaration requirement for downstream operators (replacing the Due Diligence Statement)

It is still to be formally adopted by the European Parliament and the European Council

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