

# The new EU Deforestation Regulation (EUDR)

Basics & Requirements

## About us

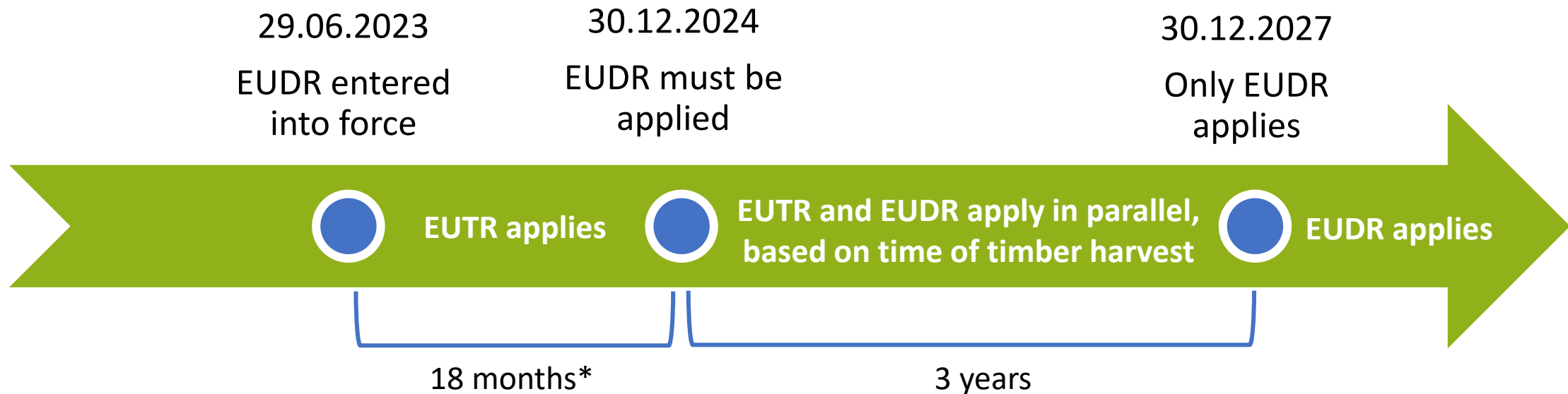
- Subsidiary of GD Holz (German Timber Trade Federation)
- Consultants for EU Timber Regulation (EUTR)
- More than 10 years of experience with EUTR
- Own due diligence system (DDS) for EUTR, currently developing digital solution for EUDR

Contact: [eudr@gdholz.de](mailto:eudr@gdholz.de)



# Timelines

# Timeline for the implementation of EUDR



\*24 months for small enterprises – but only for products not affected by EUTR

EUTR continues to apply for:

- Wood harvest before 29.06.2023
- Placing on the market between 30.12.2024 and 30.12.2027

EUDR applies for wood harvested from 29.6.2023

# What about goods in stock?

Goods in stock (already placed on the EU market before 30.12.2024):

- EUDR doesn't have to be applied after 30.12.2024
- Proof is required (invoices etc.)
- Also applies if old stocks are processed after 30.12.2024
- Source: [Commission FAQ](#)

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# Delay in implementation

- EU Commission [proposal](#) of 02.10.2024: Postpone EUDR by one year  
→ EUDR would thus apply from 30.12.2025
- Votes:
  - Council already agreed on 16.10.2024
  - Parliament will vote next week
- No other changes planned (but demanded by some countries)
- Planned publication of country benchmarking: 30.06.2025

# Affected products and companies

# Scope

- EUDR applies to **relevant products** made from **relevant commodities**
- Relevant commodities: cattle, cocoa, coffee, oil palm, rubber, soya and wood
- Relevant products: listed in Annex I of the EUDR based on HS Codes
  - Includes entire HS-chapter 44 (Wood and articles of wood)
  - Doesn't include packaging (if used as such), recycled products, bamboo, WPC etc.



# Who needs to fulfil EUDR?

- EU importers
- EU exporters
- EU forest owners
- EU wood processors
- EU non-SME-traders
- EU SME-traders

Operators – obligations depend on company size and position in the supply chain

Traders

→ Non-EU companies are not covered by EUDR, but need to provide EU importers with the necessary data

→ Also relevant if customers sell to EU importers!

# Obligations

## Importers and EU forest owners (all sizes)

- Exercise a **Due Diligence System (DDS)** prior to placing on the market or exporting relevant products
- Aspects to be considered in DDS:
  - Deforestation
  - Forest degradation
  - Production (= logging) according to local laws
- Need coordinates of all plots where wood could have been harvested!
- Prepare due diligence statement (DD statement)
- Communicate information along the supply chain (reference number of DD statement, evidence that DDS has been applied).



## SME traders and processors

Definition: Small and medium enterprises trading/processing wood that someone else has already placed on the market

- Collect information about suppliers and customers (including reference numbers of DD statements)
- Store information for five years
- Forward information (including reference numbers) to customers

## Non-SME traders and processors

Definition: Large enterprises trading/processing wood that someone else has already placed on the market

- Collect information about suppliers and customers (including reference numbers of DD statements)
- Ascertain that EUDR has been fulfilled by suppliers
  - Do suppliers have a sufficient DDS?
  - Are they applying their DDS properly, including risk mitigation measures?
  - Yearly audit should be sufficient
  - Coordinates not mandatory!

## Non-SME traders and processors

- Prepare DD statement, based on reference numbers received from suppliers
- Store information for five years
- Forward information (including reference numbers) to customers
- Non-SMEs who are referring to a supplier's DD statement assume responsibility for compliance with EUDR!

# Exporters

- SMEs: No DDS or DD statement needed, can use reference number of their suppliers
- Non-SMEs: Must apply a DDS and submit a DD statement



# Conclusion



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- If required information isn't available, EUDR-compliant trade is not possible!
- Heavy bureaucratic burden
  - We are fighting for simplifications and clear information
- Implementation depends on Competent Authorities
  - Level playing field?
- A lot of false or incomplete information circulating - be careful!
  - Communicate with your suppliers and customers

# Thank you for your attention!

Contact: [eudr@gdholz.de](mailto:eudr@gdholz.de)