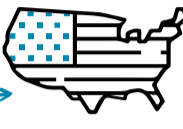




EU Deforestation Regulation (EUDR): Implications & How to Comply


The EU Deforestation Regulation (EUDR) prohibits products that are not deforestation-free from being imported into or exported out of the EU.

SCALE, CONSEQUENCES & REMEDIES

In just over **100 YEARS** the world lost as much forest as it had in the previous **9,000 YEARS**  An area the size of the United States.¹

4.8 BILLION TONNES  of carbon dioxide from deforestation a year, contributing to global warming.⁵

1.25 BILLION PEOPLE  around the world rely on forests for shelter, water, livelihoods, fuel, and food security.⁴

 **2,400 TREES** are cut down EVERY MINUTE.³

100+ MILLION HECTARES OF FOREST  have been lost in the past two decades.²



100+ COUNTRIES making up 85% of the world's forests, pledged to **STOP & REVERSE DEFORESTATION** by the end of the decade.⁵

WHAT THE EUDR COVERS

The EUDR prohibits importing into or exporting out of the EU products that:

-  Are **not** deforestation-free
-  Have **not** been produced in accordance with relevant legislation of the country of production
-  Are **not** covered by a due diligence statement

Commodities governed by the EUDR (plus their derivatives) include:



CATTLE



COFFEE



PALM OIL



WOOD



SOY



COCOA



RUBBER

CATTLE Cattle ranching for export is fuelling deforestation in the Brazilian Amazon.

COFFEE Coffee accounts for over 7% of EU-driven deforestation.⁶

WOOD Fewer than 40% of paper companies have a deforestation policy.

PALM OIL The largest driver of deforestation in Indonesia and Malaysia, where 70% of the EU's palm oil imports originate from.⁷

SOY 1+ million tons of soya used by UK livestock farmers could have been linked to deforestation.⁸

WHAT THIS MEANS FOR BUSINESS

Operators and traders are required to **trace commodities to the plot of land where they were produced.**

They must carry out sufficient due diligence to confirm their products are deforestation-free.

- 1. Information gathering:** Collect data on your product's supply chain
- 2. Risk assessment:** Assess the data to determine risk of deforestation
- 3. Risk mitigation:** Implement remedial actions to reduce risk (e.g. scientific product testing)

Penalties for non-compliance may include:



Fines of at least **4%** of a company's EU turnover



Loss of access to **public funding** and procurement

Timeframes to ensure EUDR compliance:



Large companies
31st December 2024



Small companies
30th June 2025
(fewer than 50 employees and below €8 million annual turnover)

PROVING PRODUCT ORIGIN SUPPORTS COMPLIANCE

Pinpointing product origin is integral to compliance. Businesses need visibility over their entire supply chain. Oritain's scientific traceability verifies the true origin of products and raw materials. We work with some of the world's leading brands to achieve regulatory compliance, reduce reputational risk, and meet market demand.



Origin samples collected and analyzed



Fingerprint of origin sample is determined



Client samples are tested against fingerprints to verify origin



Forensically verified results of a sample's origin are shared with the client

1 <https://ourworldindata.org/deforestation>
2 <https://forestdeclaration.org/resources/forest-declaration-assessment-2023/>
3 <https://sites.lsa.umich.edu/twentytwentyone/research/deforestation/>
4 <https://www.worldwildlife.org/threats/deforestation-and-forest-degradation>
5 <https://earth.org/deforestation-facts/>

6 ECF-paper-coffee-deforestation-initiatives.-Feb-22.pdf
7 <https://ourworldindata.org/palm-oil>
8 <https://www.theguardian.com/environment/2020/dec/01/uk-imported-1m-tonnes-of-soya-with-deforestation-risk-in-2019>

Prove EUDR compliance and protect your brand with Oritain
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