



How to Address the Requirements of the New EU Deforestation-Free Regulation (EUDR)

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The European Green Deal – The Pledge **aiming to make the European Union (EU)** **climate neutral by 2050**

The new legislation against deforestation should contribute to the EU's ambition to reduce GHG emissions



- The EU imported and consumed a third of the globally traded agricultural products associated with deforestation between 1990 and 2008
- During this period, EU consumption accounted for 10% of global deforestation associated with the production of goods and services
- 7 commodities account for most of the deforestation caused by the EU: oil palm (34%), soya (32.8%), timber (8.6%), cocoa (7.5%), coffee (7%), beef (5%) and rubber (3%); Ecosystems such as wetlands, savannahs and peatlands are very important for global efforts to combat climate change
- To solve this problem, the Commission should assess the need and feasibility of extending the scope to other ecosystems and other commodities two years after entry into force

The new regulation¹ aims to minimize the EU's contribution to deforestation and greenhouse gas emissions



Oil Palm



Soy



Rubber



Wood



Coffee



Cacao



Cattle

EUDR, Article 3

Prohibition

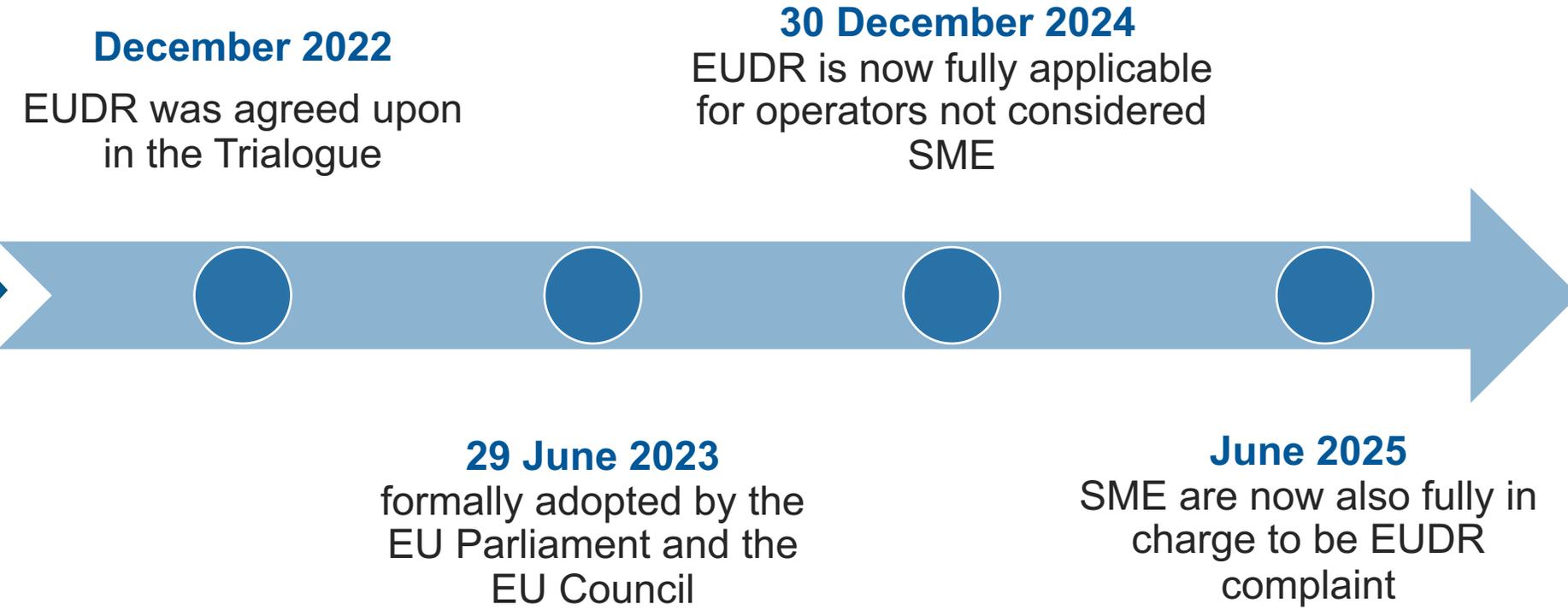
Relevant commodities and relevant products **shall not be placed or made available on the market or exported**, unless all the following conditions are fulfilled:

- a) they are deforestation-free;
- b) they have been produced in accordance with the relevant legislation of the country of production;
- c) they are covered by a due diligence statement.

¹Regulation (EU) 2023/1115 on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation.

The new regulation becomes effective end of next year, but will have impact on trade already much earlier

EUDR – The timeline



The EUDR requires proof of deforestation-free production and legality when importing goods into or exporting from the EU

Proof of deforestation free production

Production not on land deforested after 31st of December 2020

Forest: areas of more than 0.5 hectares with trees over 5 meters high and a canopy cover of more than 10% or with trees that can reach these values on the respective site, except for areas that are predominantly used for agricultural or urban purposes

For all deliveries the geocoordinates must be available

For croplands ≥ 4 ha, polygons must be collected and verified (including point coordinates)

Verification with satellite image data (Copernicus)

Proof of legality

- Compliance with relevant national laws during production
- Provide conclusive and verifiable information

Risk Analysis

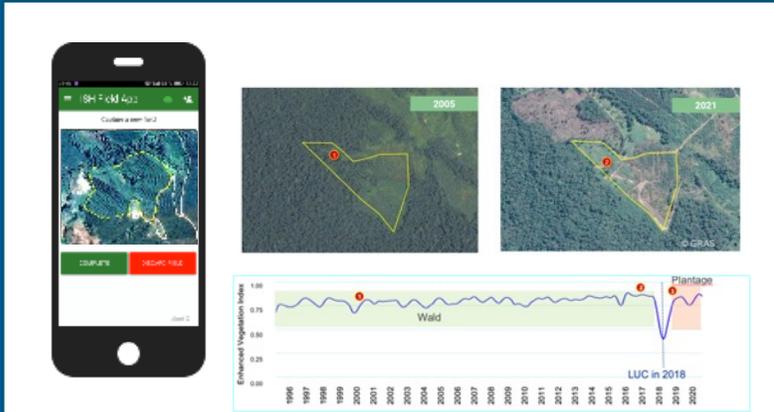
Traceability

- EU importer needs information from the supply chain
- Traceability back to producer necessary
- Segregation necessary

Due Diligence Statement

ISCC provides support to comply with EUDR requirements

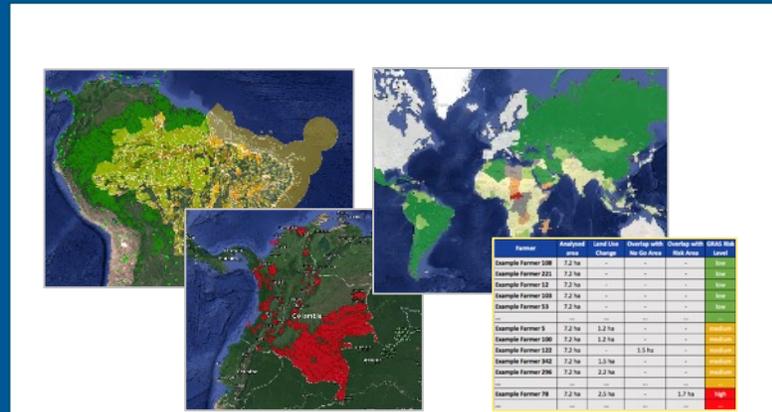
ISCC supports companies by developing an EUDR Add-On with the following components:



The image shows a smartphone displaying a map application, two satellite images of a forest area from 2005 and 2021 with a yellow boundary, and a line graph showing the Enhanced Vegetation Index (EVI) from 1996 to 2020. The graph highlights a sharp decline in 2018, labeled 'Plantage' and 'LUC in 2018'. A satellite icon and a location pin icon are also present.

- Collection of product information and geolocation data
- Conduct deforestation analysis based on remote sensing data
- Assessment on legality

Information Collection & Deforestation Analysis

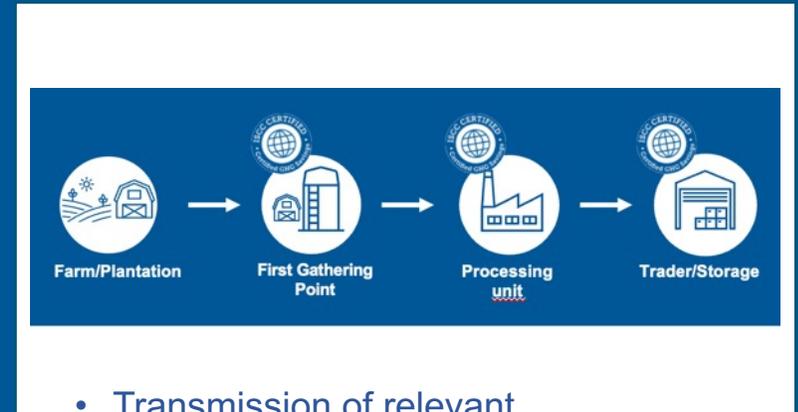


The image displays three maps: a satellite view of a forest, a world map with green and red regions, and a map of Europe with red hotspots. A table below the maps provides data for various farmer examples.

Farmer	Analysed Area	Land Use Change	Overlap with No Go Area	Overlap with Risk Area	OSRS Risk Level
Example Farmer 208	7.2 ha	-	-	-	Low
Example Farmer 221	7.2 ha	-	-	-	Low
Example Farmer 12	7.2 ha	-	-	-	Low
Example Farmer 108	7.2 ha	-	-	-	Low
Example Farmer 53	7.2 ha	-	-	-	Low
Example Farmer 5	7.2 ha	1.0 ha	-	-	Medium
Example Farmer 100	7.2 ha	1.0 ha	-	-	Medium
Example Farmer 122	7.2 ha	1.0 ha	-	-	Medium
Example Farmer 842	7.2 ha	1.0 ha	1.5 ha	-	High
Example Farmer 206	7.2 ha	1.0 ha	-	-	High
Example Farmer 78	7.2 ha	1.0 ha	-	1.0 ha	High

- Consideration of all relevant environmental and human rights criteria of the EUDR
- Identification of high risk hot spots
- Risk mitigation

Risk Assessment & Risk Mitigation

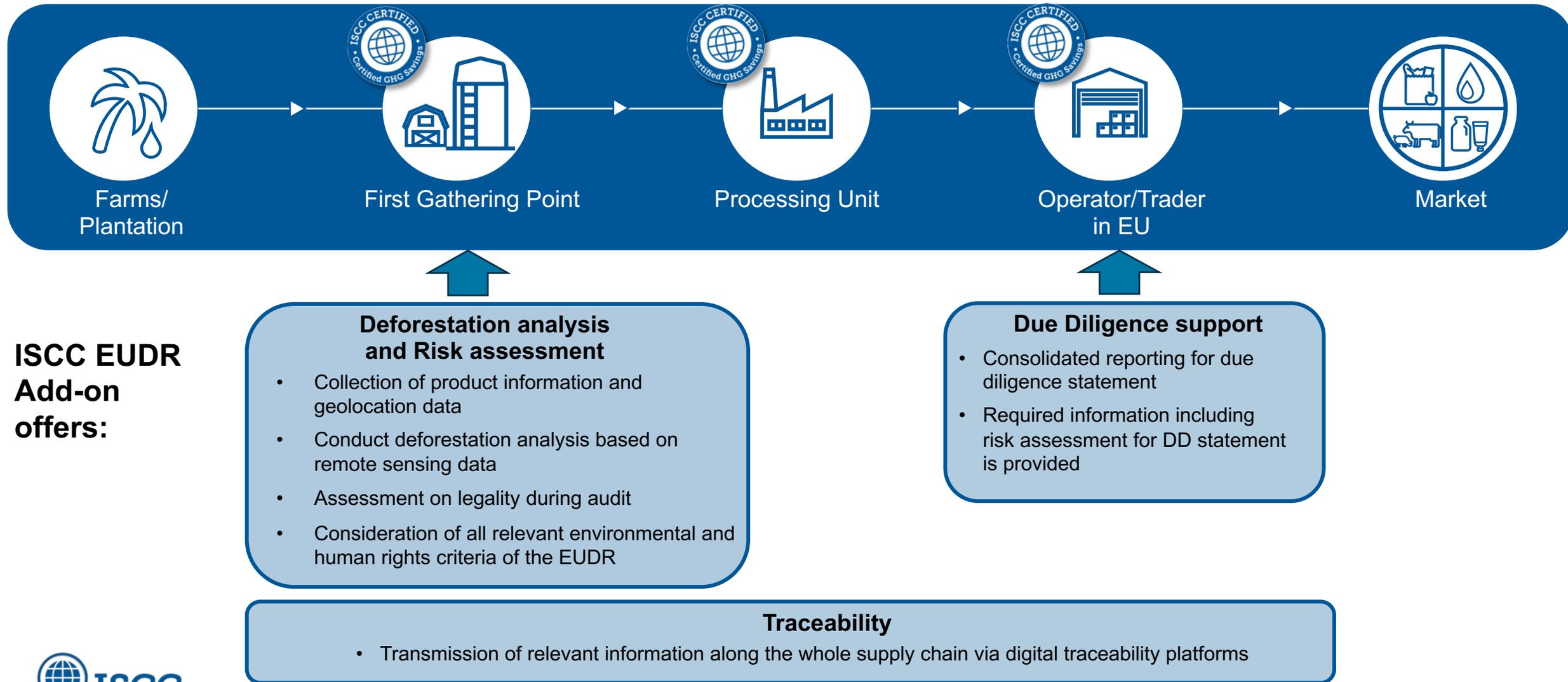


The image shows a flowchart of the supply chain process: Farm/Plantation → First Gathering Point → Processing unit → Trader/Storage. Each step is accompanied by an icon and a circular logo with a globe and the text 'ISCC CERTIFIED'.

- Transmission of relevant information along the supply chain via digital traceability platforms
- Option to export for due diligence statement

Digital Traceability Platform

Example of a simplified supply chain with ISCC certification Add-on





Thank you!

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