

Regulation on deforestation-free products

In November 2021, the European Commission tabled a proposal to tackle deforestation and forest degradation linked to specific commodities and products placed on or exported from the EU market. The provisional agreement reached by the co-legislators in trilogue awaits a vote during Parliament's April 2023 plenary session.

Background

Over the past 30 years, the world has lost [some 420 million hectares of forest](#) through deforestation. Particularly acute in tropical and sub-tropical regions, deforestation continues unabated, contributing to global warming and biodiversity loss. In October 2020, Parliament called on the Commission to address the role of EU consumption in global deforestation, and to propose [mandatory due diligence rules](#) for companies placing forest and ecosystem-risk commodities and derived products on the EU market.

European Commission proposal

The proposed regulation aims to curb deforestation and forest degradation driven by the expansion of agricultural land to produce certain commodities, namely cattle, cocoa, coffee, palm oil, soya and wood. Following up on Parliament's demands, the proposal would impose due diligence obligations on operators placing these commodities and some derived products on the EU market, or exporting them from the EU. Member States would be responsible for enforcement, and for setting penalties in cases of non-compliance. To facilitate due diligence and controls, a benchmarking system would identify countries as presenting a low, standard or high risk of producing non-compliant commodities or products.

European Parliament position and outcome of negotiations

Parliament adopted its negotiating [position](#) on 13 September 2022, based on a report from the Committee on Environment, Public Health and Food Safety (ENVI), seeking to extend the proposed regulation's scope, strengthen the protection of human rights, and increase checks and penalties.

Trilogue meetings, launched on 27 September 2022, concluded with a [provisional agreement](#) on 6 December. The co-legislators agreed to extend the regulation's scope to rubber, charcoal, printed paper products and several palm oil derivatives, as Parliament advocated. The potential inclusion of maize and of biofuels within its scope, the extension to other natural ecosystems and the need to impose specific obligations on financial institutions will be assessed no later than two years after the regulation's entry into force. The possibility to cover 'other wooded land' beyond forests will be assessed no later than one year after entry into force. Parliament successfully pushed for a wider definition of 'forest degradation'. It also ensured that, in the risk assessment conducted as part of the due diligence process, operators must take account of the consultation of indigenous peoples and of their existing claims regarding the use or ownership of the area used for production. Parliament further secured a higher and increasing level of checks on products, depending on the risk category of the country of production, a widening of the array of penalties applied for non-compliance, and publication of the list of non-compliant operators to increase accountability. Parliament also succeeded in maintaining access to justice provisions in the enacting terms. The agreed text, endorsed by Coreper and by the ENVI committee, now requires formal adoption by Parliament and Council. It is due to be put to the vote during the April 2023 plenary session.

First-reading report: [2021/0366\(COD\)](#); Committee responsible: ENVI; Rapporteur: Christophe Hansen (EPP, Luxembourg). For further information, see our 'EU Legislation in progress' [briefing](#).



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