



2021/0366(COD)

17.5.2022

OPINION

of the Committee on International Trade

for the Committee on the Environment, Public Health and Food Safety

on the proposal for a regulation of the European Parliament and of the Council on the making available on the Union market as well as export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010 (COM(2021)0706 – C9-0430/2021 – 2021/0366(COD))

Rapporteur for opinion: Karin Karlsbro

(*) Associated committee – Rule 57 of the Rules of Procedure

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AMENDMENTS

The Committee on International Trade calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation

Recital 9

Text proposed by the Commission

(9) In 2019, the Commission adopted several initiatives to address the global environmental crises, including specific actions on deforestation. In its Communication ‘Stepping up EU Action to Protect and Restore the World’s Forests’²³, the Commission identified as a priority the reduction of the Union consumption footprint on land and encourage the consumption of products from deforestation-free supply chains in the Union. In its Communication of 11 December 2019 entitled ‘The European Green Deal’²⁴, the Commission set out a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient and competitive economy, where there are no net emissions of greenhouse gases in 2050, where economic growth is decoupled from resource use and no person or place are left behind. It aims to protect, conserve and enhance the Union's natural capital, and protect the health and well-being of citizens and future generations from environment-related risks and impacts. Furthermore, the European Green Deal aims to provide citizens and future generations with, among others, fresh air, clean water, healthy soil and biodiversity. To that end, the EU Biodiversity Strategy for 2030²⁵, the Farm to Fork Strategy²⁶, the EU Forest Strategy²⁷, the EU Zero pollution action plan²⁸ and other relevant strategies²⁹ developed under the European Green Deal, further highlight the

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importance of action on forest protection and resilience. In particular, the EU Biodiversity Strategy aims to protect nature and reverse the degradation of ecosystems. Finally, the EU Bioeconomy Strategy³⁰ enhances the protection of the environment and ecosystems while addressing the growing demand for food, feed, energy, materials and products by seeking new ways to produce and consume.

²³ COM(2019) 352 final.

²⁴ Communication from the Commission to the European Parliament, The European Council, The Council, The European Economic and Social Committee and the Committee of the Regions, The European Green Deal, COM(2019) 640 final.

²⁵ Communication from the Commission to the European Parliament, The European Council, The Council, The European Economic and Social Committee and the Committee of the Regions, EU Biodiversity Strategy for 2030 Bringing nature back into our lives, COM/2020/380 final.

²⁶ Communication from the Commission to the European Parliament, the Council, the European Council, The European Economic and Social Committee and the Committee of the Regions, A Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system, COM/2020/381 final.

²⁷ Communication from the Commission to the European Parliament, the Council, The European Economic and Social Committee and the Committee of the Regions, A new EU Forest Strategy: for forests and the forest-based sector, COM(2013) 659 final.

²⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions,

developed under the European Green Deal, further highlight the importance of action on forest protection and resilience. In particular, the EU Biodiversity Strategy aims to protect nature and reverse the degradation of ecosystems. Finally, the EU Bioeconomy Strategy³⁰ enhances the protection of the environment and ecosystems while addressing the growing demand for food, feed, energy, materials and products by seeking new ways to produce and consume.

²³ COM(2019) 352 final.

²⁴ Communication from the Commission to the European Parliament, The European Council, The Council, The European Economic and Social Committee and the Committee of the Regions, The European Green Deal, COM(2019) 640 final.

²⁵ Communication from the Commission to the European Parliament, The European Council, The Council, The European Economic and Social Committee and the Committee of the Regions, EU Biodiversity Strategy for 2030 Bringing nature back into our lives, COM/2020/380 final.

²⁶ Communication from the Commission to the European Parliament, the Council, the European Council, The European Economic and Social Committee and the Committee of the Regions, A Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system, COM/2020/381 final.

²⁷ Communication from the Commission to the European Parliament, the Council, The European Economic and Social Committee and the Committee of the Regions, A new EU Forest Strategy: for forests and the forest-based sector, COM(2013) 659 final.

²⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions,

Pathway to a Healthy Planet for All EU Action Plan: 'Towards Zero Pollution for Air, Water and Soil', COM/2021/400 final.

²⁹ e.g. Communication from the Commission to the European Parliament, the Council, the European Council, The European Economic and Social Committee and the Committee of the Regions, A long-term Vision for the EU's Rural Areas - Towards stronger, connected, resilient and prosperous rural areas by 2040, COM (2021) 345 final.

³⁰ Communication from the Commission to the European Parliament, the Council, The European Economic and Social Committee and the Committee of the Regions, A sustainable bioeconomy for Europe, Strengthening the connection between economy, society and the environment: updated bioeconomy strategy, Updated Bioeconomy Strategy, COM(2018) 273 final.

Pathway to a Healthy Planet for All EU Action Plan: 'Towards Zero Pollution for Air, Water and Soil', COM/2021/400 final.

²⁹ e.g. Communication from the Commission to the European Parliament, the Council, the European Council, The European Economic and Social Committee and the Committee of the Regions, A long-term Vision for the EU's Rural Areas - Towards stronger, connected, resilient and prosperous rural areas by 2040, COM (2021) 345 final.

³⁰ Communication from the Commission to the European Parliament, the Council, The European Economic and Social Committee and the Committee of the Regions, A sustainable bioeconomy for Europe, Strengthening the connection between economy, society and the environment: updated bioeconomy strategy, Updated Bioeconomy Strategy, COM(2018) 273 final.

Amendment 2

Proposal for a regulation Recital 14

Text proposed by the Commission

(14) The Union imported and consumed one third of the globally traded agricultural products associated with deforestation between 1990 and 2008. Over that period, Union consumption was responsible for 10% of worldwide deforestation associated with the production of goods or services. Even if the relative share of EU consumption is decreasing, EU consumption is a disproportionately large driver of deforestation. The Union should therefore take action to minimise global deforestation and forest degradation driven by its consumption of certain commodities and products and thereby seek to reduce its contribution to greenhouse gas emissions and global biodiversity loss as well as

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promote sustainable production and consumption patterns in the Union and globally. To have the greatest impact, Union policy should aim at **influencing** the global market, not only supply chains to the Union. Partnerships and efficient international cooperation with producer and consumer countries are fundamental in that respect.

promote sustainable production and consumption patterns in the Union and globally. To have the greatest impact, Union policy should aim at **global net deforestation reduction by promoting sustainable production in high-risk areas and disincentivising new deforestation in all areas. Union Policy should also influence** the global market, not only supply chains to the Union. **A trade policy built on openness and sustainable rule-based free trade is an effective tool to affect global change, if properly aligned with the Green Deal objectives. Multilateral and bilateral** partnerships and efficient international cooperation, **including free trade agreements**, with producer and consumer countries, **taking into account the inputs from all relevant stakeholders** are fundamental in that respect.

Amendment 3

Proposal for a regulation Recital 14 a (new)

Text proposed by the Commission

Amendment

(14 a) Any partnership or cooperation with a trade partner should always allow for the full participation of all stakeholders, including civil society, Indigenous people, local communities, local authorities and the private sector including SMEs and smallholders.

Amendment 4

Proposal for a regulation Recital 18

Text proposed by the Commission

Amendment

(18) As a member of World Trade Organisation (WTO), the Union is committed to promoting a universal, rule-

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based, open, transparent, predictable, inclusive, non-discriminatory and equitable multilateral trading system under the WTO, as well as an open, sustainable, and assertive trade policy. The scope of this Regulation will therefore include both commodities and products produced within the Union and commodities and products imported to the Union.

based, open, transparent, predictable, inclusive, non-discriminatory and equitable multilateral trading system under the WTO, as well as an open, sustainable, and assertive trade policy. ***Any measures introduced by the Union that affects trade must be WTO compliant. Further, all measures introduced by the Union that affect trade must take into account the possible response of the Union's trade partners and ensure that the enforcement of the measure is not unduly restrictive nor disruptive to trade.*** The scope of this Regulation will therefore include both commodities and products produced within the Union and commodities and products imported to the Union ***as well as focus on commodities and products most at risk of leading to deforestation and forest degradation.***

Amendment 5

Proposal for a regulation Recital 18 a (new)

Text proposed by the Commission

Amendment

(18a) The challenges the world is facing in climate change and biodiversity loss can only be dealt with by global action. The Union should be a strong global actor both leading by example and taking the lead in international cooperation to create an open multilateral system where sustainable trade acts as a key enabler of the green transition to both fight climate change and stop biodiversity loss.

Amendment 6

Proposal for a regulation Recital 19

Text proposed by the Commission

Amendment

(19) This Regulation also follows the

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Commission’s Communication on “An Open, Sustainable and Assertive Trade Policy”³⁸ which stated that with new internal and external challenges and more particularly a new, more sustainable growth model as defined by the European Green Deal and the European Digital Strategy, the EU needs a new trade policy strategy –one that will support achieving its domestic and external policy objectives and promote greater sustainability in line with its commitment of fully implementing the UN Sustainable Development Goals. Trade policy must play its full role in the recovery from the COVID-19 pandemic and in the green and digital transformations of the economy and towards building a more resilient Europe in the world.

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³⁸ Communication from the Commission to the European Parliament, the Council, the European, Economic and Social Committee and the Committee of the Regions, Trade Policy Review - An Open, Sustainable and Assertive Trade Policy, COM(2021) 66 final, 18 February 2021.

³⁸ Communication from the Commission to the European Parliament, the Council, the European, Economic and Social Committee and the Committee of the Regions, Trade Policy Review - An Open, Sustainable and Assertive Trade Policy, COM(2021) 66 final, 18 February 2021.

Amendment 7

Proposal for a regulation

Recital 20

Text proposed by the Commission

(20) This Regulation should be complementary to other measures proposed

Amendment

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in the Commission Communication ‘Stepping up EU Action to Protect and Restore the World’s Forests’³⁹, in particular: 1) working in partnership with producer countries, to support them in addressing root causes of deforestation, such as weak governance, ineffective law enforcement and corruption, and 2) strengthen international cooperation, with major consumer countries, *to promote* the adoption of similar measures to avoid products coming from supply chains associated with deforestation and forest degradation being placed on their markets.

³⁹ COM(2019) 352 final.

in the Commission Communication ‘Stepping up EU Action to Protect and Restore the World’s Forests’³⁹, in particular: 1) working in partnership with producer countries, to support them in addressing root causes of deforestation, such as weak governance, ineffective law enforcement and corruption, and 2) strengthen international cooperation, with major consumer countries *by, amongst other actions, promoting trade agreements that include forest conservation provisions and encourage trade in agricultural and forest-based products that have not caused deforestation, and* the adoption of similar measures to avoid products coming from supply chains associated with deforestation and forest degradation being placed on their markets.

³⁹ COM(2019) 352 final.

Amendment 8

Proposal for a regulation Recital 21

Text proposed by the Commission

(21) The Commission should continue to work in partnership with producer countries, and more generally in cooperation with international organisations and bodies, and should be reinforcing its support and incentives with regard to protecting forests and transition to deforestation-free production, acknowledging the role of indigenous *people*, improving governance and land tenure, increasing law enforcement and promoting sustainable forest management, climate-resilient agriculture, sustainable intensification and diversification, agro-ecology and agroforestry. In doing so it should acknowledge the role of indigenous *people* in protecting forests. Building upon the experience and lessons learned in the

Amendment

(21) The Commission should continue to work in partnership with producer countries, and more generally in cooperation with international organisations and bodies *as well as relevant stakeholders active on the ground*, and should be reinforcing its support and incentives with regard to protecting *and restoring* forests and transition to deforestation-free production, acknowledging the role of Indigenous *peoples and local communities*, improving governance and land tenure, increasing law enforcement and promoting sustainable forest management, climate-resilient agriculture, sustainable intensification and diversification, agro-ecology and agroforestry *without neglecting the*

context of the already existing initiatives, the Union and the Member States should work in partnership with producer countries, upon their request, to exploit the multi-functionalities of forest, support them in the transition to sustainable forest management, and address global challenges while meeting local needs and paying attention to the challenges faced by smallholders *in line* with the Communication to Stepping up Action to Protect and Restore the World's Forests. The partnership approach should help producer countries in protecting, restoring and sustainably using forest, hence contributing to the objective of this Regulation to reduce deforestation and forest degradation.

national frameworks on sustainable forest management. In doing so it should acknowledge the role of Indigenous ***peoples and local communities*** in protecting forests. Building upon the experience and lessons learned in the context of the already existing initiatives, the Union and the Member States should work in partnership with producer countries, upon their request, to exploit the multi-functionalities of forest, support them in the transition to sustainable forest management, and address global challenges while meeting local needs and paying attention to the challenges faced by smallholders *in line* with the Communication to Stepping up Action to Protect and Restore the World's Forests. ***Any rules and requirements must aim to minimise the burden on smallholders in third countries and prevent barriers to their access to the Union market and to international trade.*** The partnership approach should help producer countries in protecting, restoring and sustainably using forest, hence contributing to the objective of this Regulation to reduce deforestation and forest degradation ***as well as supporting forest restoration.***

Amendment 9

Proposal for a regulation Recital 22

Text proposed by the Commission

(22) Another important action announced in the Communication is the establishment of the EU Observatory on deforestation, forest degradation, changes in the world's forest cover and associated drivers ("EU Observatory") launched by the Commission in order to better monitor changes in the world's forest cover and related drivers. Moreover, building on already existing monitoring tools, including Copernicus products, the EU

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Observatory will facilitate access to information on supply chains for public entities, consumers and business, providing easy-to-understand data and information linking deforestation, forest degradation, and changes in the world's forest cover to EU demand/trade for commodities and products. The EU Observatory will thus directly support the implementation of this Regulation by providing scientific evidence in regard to global deforestation and forest degradation and related trade. The EU Observatory will cooperate closely with relevant international organisations, research institutes, and third countries.

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Amendment 10

Proposal for a regulation Recital 23 a (new)

Text proposed by the Commission

Amendment

(23a) To ensure that the total level of regulatory burden is not unduly increased for operators and traders in the sectors covered by this Regulation the Commission should, no later than three years after the entry into force of this Regulation, evaluate the cost of additional administrative burdens imposed on operators and traders by this Regulation, and present a report to the European Parliament and the Council accompanied, if appropriate, by a legislative proposal to minimise burdens, especially for small and medium-sized enterprises. This evaluation should be conducted in close cooperation with affected stakeholders.

Amendment 11

Proposal for a regulation
Recital 29

Text proposed by the Commission

(29) Obligations concerning relevant commodities and products should be laid down by this Regulation in order to effectively combat deforestation, forest degradation, and to promote deforestation-free supply chains.

Amendment

(29) Obligations concerning relevant commodities and products should be laid down by this Regulation in order to effectively combat deforestation, forest degradation, and to promote deforestation-free supply chains ***as well as to promote the protection of human rights, and the rights of Indigenous peoples and local communities.***

Amendment 12

Proposal for a regulation
Recital 32

Text proposed by the Commission

(32) To strengthen the Union's contribution to halting deforestation and forest degradation, and to ensure that commodities and products from supply chains related to deforestation and forest degradation are not placed on the Union market, relevant commodities and products should not be placed or made available on the Union market, nor exported from the Union market unless they are deforestation-free and have been produced in accordance with the relevant legislation of the country of production. To confirm that this is the case, ***they*** should always be accompanied by a due diligence statement.

Amendment

(32) To strengthen the Union's contribution to halting deforestation and forest degradation, and to ensure that commodities and products from supply chains related to deforestation and forest degradation are not placed on ***nor exported from*** the Union market, relevant commodities and products should not be placed or made available on the Union market, nor exported from the Union market unless they are deforestation-free and have been produced in accordance with the relevant legislation of the country of production ***and in compliance with international human rights, Indigenous peoples and local communities, adopted by the country of production.*** To confirm that this is the case, ***relevant commodities and products*** should always be accompanied by a due diligence statement.

Amendment 13

Proposal for a regulation
Recital 35

Text proposed by the Commission

(35) In order to recognise good practice, certification or other third party verified schemes could be used in the risk assessment procedure, however, they should not substitute the operator's responsibility as regards due diligence.

Amendment

(35) In order to recognise good practice, certification or other third party verified schemes could be used in the risk assessment procedure ***and in risk mitigation***, however, they should not substitute the operator's responsibility as regards due diligence.

Amendment 14

Proposal for a regulation Recital 39 a (new)

Text proposed by the Commission

Amendment

(39a) The Commission should present detailed and user-friendly sector specific guidelines for how operators and traders can set up their due diligence systems to ensure that they can produce due diligence statements that live up to the requirements of this Regulation. These guidelines should cover all three conditions for fulfilment as stated by this Regulation, namely that commodities and products should be deforestation free, be produced according to the relevant laws in the country of production and with the respect of international human rights and the rights of indigenous peoples and local communities and be accompanied by a due diligence statement. The guidelines should be developed in close cooperation with relevant stakeholders from both the Union and our trading partners and regularly reviewed.

Amendment 15

Proposal for a regulation Recital 41

Text proposed by the Commission

Amendment

(41) The effective and efficient implementation and enforcement of this Regulation are essential to achieving its goals. To this end, the Commission should set up and manage an information system to support the operators and the competent authorities in presenting and accessing the necessary information on relevant commodities and products placed on the market. The operators should submit the due diligence statements to the information system. The information system should be accessible to competent authorities and customs authorities to facilitate fulfilling their obligations under this Regulation. The information system should also be accessible for a wider public, with the anonymised data provided in an open and machine-readable format in line with the Union's Open Data Policy.

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Amendment 16

Proposal for a regulation Recital 47 a (new)

Text proposed by the Commission

Amendment

(47a) To ensure that this Regulation does not create unnecessary restriction to trade the Commission should cooperate with countries which are identified to present standard or high risk, and relevant stakeholders in these countries, to work towards reducing the level of risk. This cooperation should also include assistance for ways to remediate the reasons for why the given country is not a low risk country.

Amendment 17

Proposal for a regulation

Recital 48

Text proposed by the Commission

(48) Competent authorities should carry out checks at regular intervals on operators and traders to verify that they effectively fulfil the obligations laid down in this Regulation. Moreover, competent authorities should carry out checks when in possession of and based on relevant information, including substantiated concerns submitted by third parties. For a comprehensive coverage of the relevant commodities and products, the respective operators and traders and the volumes of their share of commodities and products, a twofold approach should apply. Competent authorities should thus be required to check on a certain percentage of operators and traders, whilst also covering a specific percentage of relevant commodities and products. Such percentages should be higher for relevant commodities and products from high-risk countries or parts thereof.

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Amendment 18

Proposal for a regulation

Recital 50

Text proposed by the Commission

(50) In case the risk analysis of the due diligence statements reveals a high risk of non-compliance of specific relevant commodities and products, the competent authorities should be able to take immediate interim measures to prevent their placing or making available on the Union market. In case such relevant commodities and products were entering or leaving the Union market, the competent authorities should request from customs authorities the suspension of the release for

Amendment

(50) In case the risk analysis of the due diligence statements reveals a high risk of non-compliance of specific relevant commodities and products, the competent authorities should be able to take immediate interim measures to prevent their placing or making available on the Union market ***or their export from the Union.*** In case such relevant commodities and products were entering or leaving the Union market, the competent authorities should request from customs authorities the

free circulation or the export to enable competent authorities to carry out the necessary checks. Such request should be communicated by means of the interface system between customs and competent authorities. Suspension of the placing or making available on the Union market, of the release for free circulation or of export should be limited to three working days except where the competent authorities require additional time to assess the compliance of the relevant commodities and products with this Regulation. In that case, the competent authorities should take additional interim measures to extend the suspension period or request such extension to customs authorities in case of relevant commodities and products entering or leaving the Union market.

suspension of the release for free circulation or the export to enable competent authorities to carry out the necessary checks. Such request should be communicated by means of the interface system between customs and competent authorities. Suspension of the placing or making available on the Union market, of the release for free circulation or of export should be limited to three working days, ***or three weekdays for fresh commodities and products at risk of spoilage***, except where the competent authorities require additional time to assess the compliance of the relevant commodities and products with this Regulation. In that case, the competent authorities should take additional interim measures to extend the suspension period or request such extension to customs authorities in case of relevant commodities and products entering or leaving the Union market.

Amendment 19

Proposal for a regulation Recital 51

Text proposed by the Commission

(51) The plan for checks should be regularly updated on the basis of the results of its implementation. Those operators showing a consistent track record of compliance should be subject to a reduced frequency of checks.

Amendment

(51) The plan for checks should be regularly updated on the basis of the results of its implementation. Those operators showing a consistent track record of compliance ***in all Member States where they have been active*** should be subject to a reduced frequency of checks ***and those operators not showing a consistent track record of compliance in all Member States where they have been active should be subjected to an increased frequency of checks.***

Amendment 20

Proposal for a regulation Recital 51 a (new)

Text proposed by the Commission

Amendment

(51a) The Commission should, if it has reason to believe that a Member State does not conduct sufficient controls to ensure the enforcement of this Regulation, in dialogue with this Member State be mandated to introduce changes to the plan of checks in that Member State to rectify the situation.

Amendment 21

Proposal for a regulation Recital 52

Text proposed by the Commission

Amendment

(52) In order to ensure implementation and effective enforcement of this Regulation, Member States should have the power to withdraw and recall non-compliant relevant commodities and products and take appropriate corrective actions. ***They*** should also ensure that infringements of this Regulation by operators and traders are sanctioned by effective, proportionate and dissuasive penalties.

(52) In order to ensure implementation and effective enforcement of this Regulation, Member States should have the power to withdraw and recall non-compliant relevant commodities and products and take appropriate corrective actions. ***Such actions should always be as economically and environmentally efficient as possible. The Member States should also, without prejudice to the actions taken to ensure effective enforcement of this Regulation,*** ensure that infringements of this Regulation by operators and traders are sanctioned by effective, proportionate and dissuasive penalties.

Amendment 22

Proposal for a regulation Recital 55

Text proposed by the Commission

Amendment

(55) In order to ensure that information requirements with which operators have to comply and which are set out in this Regulation remain relevant and in line with scientific and technological developments, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of supplementing the information requirements necessary for the due diligence procedure, the information and criteria of risk assessment and risk mitigation with which operators have to comply which are set out in this Regulation and the list of goods set out in Annex I of this Regulation. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council should receive all documents at the same time as Member States' experts, and their experts should systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

Amendment 23

Proposal for a regulation

Recital 57

Text proposed by the Commission

(57) Regulation (EC) No 2173/2005 lays down Union procedures for the implementation of a FLEGT licensing scheme through bilateral Voluntary Partnership Agreements (VPAs) with timber-producing countries. To respect bilateral commitments that the European

(55) In order to ensure that information requirements with which operators have to comply and which are set out in this Regulation remain relevant and in line with scientific and technological developments, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of supplementing the information requirements necessary for the due diligence procedure, the information and criteria of risk assessment and risk mitigation with which operators have to comply which are set out in this Regulation and the list of goods set out in Annex I of this Regulation. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level **and with stakeholders**, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council should receive all documents at the same time as Member States' experts, and their experts should systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

Amendment

(57) Regulation (EC) No 2173/2005 lays down Union procedures for the implementation of a FLEGT licensing scheme through bilateral Voluntary Partnership Agreements (VPAs) with timber-producing countries. **VPAs are intended to foster systemic changes in the**

Union has entered into and to preserve the progress achieved with partner countries that have an operating system in place (FLEGT licensing stage), this Regulation should include a provision declaring wood and wood-based products covered by a valid FLEGT license as fulfilling the legality requirement under this Regulation.

forestry sector aimed at sustainable management of forests, eradicating illegal logging and supporting worldwide efforts to stop deforestation. VPAs provide an important legal framework for both the EU and its partner countries, made possible with the good cooperation and engagement by the countries concerned; new VPAs with additional partners should be promoted. This Regulation should build upon the work done under the FLEGT Regulation that continues to serve as an important mechanism to protect the world's forests. To respect bilateral commitments that the European Union has entered into and to preserve the progress achieved with partner countries that have an operating system in place (FLEGT licensing stage) *and incentivise other partners to work towards reaching this stage*, this Regulation should include a provision declaring wood and wood-based products covered by a valid FLEGT license as fulfilling the legality requirement under this Regulation, *thus ensuring that this part of the due diligence requirement will be easily verified. The VPA partnerships should be supported with adequate resources and specific administrative and capacity building support. The FLEGT Regulation will also remain an important system to provide frameworks for multi-stakeholder consultations.*

Amendment 24

Proposal for a regulation Recital 57 a (new)

Text proposed by the Commission

Amendment

(57a) To ensure that this Regulation is not unduly restrictive nor disruptive to trade, especially with LDC's and SMEs, the Commission should supply specific administrative and capacity building support to governments, local governments, civil society organisations

and producers, particularly small producers, in third countries aimed at facilitating for these actors to live up to the administrative requirements of this Regulation .

Amendment 25

Proposal for a regulation Recital 58 a (new)

Text proposed by the Commission

Amendment

(58a) The Commission should continuously monitor any changes to the pattern of trade of the products and commodities included in the scope of this Regulation. Where those changes are found to have insufficient due cause or economic justification other than to avoid obligations laid down in this Regulation, including replacing those products and commodities with slightly modified products which are not included in the scope of this Regulation but are similar, such changes should be considered to be circumvention. Whenever circumvention is detected, the Commission should adopt a delegated act, or, where appropriate, present a new legislative proposal, to amend this Regulation in order to prevent future circumvention.

Amendment 26

Proposal for a regulation Recital 60

Text proposed by the Commission

Amendment

(60) Since the objective of this Regulation, fighting against deforestation and forest degradation by reducing the contribution of consumption in the Union, cannot be achieved by the Member States individually and can therefore, by reason of its scale, be better achieved at Union level,

(60) Since the objective of this Regulation, fighting against deforestation and forest degradation by reducing the contribution of consumption in the Union, **and by incentivising deforestation reduction in producing countries**, cannot be achieved by the Member States

the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.

individually and can therefore, by reason of its scale, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.

Amendment 27

Proposal for a regulation Article 3 – paragraph 1 – point b

Text proposed by the Commission

(b) they have been produced in accordance with the relevant legislation of the country of production; and

Amendment

(b) they have been produced in accordance with the relevant legislation of the country of production ***and with the respect of international human rights and the rights of Indigenous peoples and local communities***; and

Amendment 28

Proposal for a regulation Article 4 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. Operators shall have a system in place for receiving substantiated concerns from interested parties and shall thoroughly investigate all substantiated concerns introduced to this system.

Amendment 29

Proposal for a regulation Article 4 – paragraph 6

Text proposed by the Commission

Amendment

6. Operators that have received new

6. Operators that have received new

information, including substantiated concerns, that the relevant commodity or product that they have already placed on the market is not in conformity with the requirements of this Regulation shall immediately inform the competent authorities of the Member States in which they placed the relevant commodity or product on the market. In the case of exports from the Union market, the operators shall inform the competent authority of Member State which is the country of production.

information, including substantiated concerns *as referred to in paragraph 5a that indicates a non-negligible risk*, that the relevant commodity or product that they have already placed on the market is not in conformity with the requirements of this Regulation shall immediately inform the competent authorities of the Member States in which they placed the relevant commodity or product on the market *as well as traders to whom they have supplied the relevant commodity or product in view of preventing further circulation on, or export from, the internal market*. In the case of exports from the Union market, the operators shall inform the competent authority of *the* Member State which is the country of production

Amendment 30

Proposal for a regulation Article 6 – paragraph 4

Text proposed by the Commission

4. Traders which are SMEs that have received new information, including substantiated concerns, that the relevant commodity or product that they have already made available on the market is not in conformity with the requirements of this Regulation shall immediately inform the competent authorities of the Member States in which they made available the relevant commodity or product on the market.

Amendment

4. Traders which are SMEs that have received new information, including substantiated concerns *that indicates a non-negligible risk*, that the relevant commodity or product that they have already made available on the market is not in conformity with the requirements of this Regulation shall immediately inform the competent authorities of the Member States in which they made available the relevant commodity or product on the market.

Amendment 31

Proposal for a regulation Article 7 – paragraph 1

Text proposed by the Commission

In case a natural or legal person established

Amendment

In case a natural or legal person established

outside the Union places on the Union market relevant commodities and products, the first natural or legal person established in the Union who buys or takes possession of such relevant commodities and products shall be considered operator within the meaning of this Regulation.

outside the Union places on the Union market relevant commodities and products ***intended for commercial use***, the first natural or legal person established in the Union who buys or takes possession of such relevant commodities and products shall be considered operator within the meaning of this Regulation.

Amendment 32

Proposal for a regulation

Article 7 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

Online marketplaces shall comply with the obligations set out in Article 4 for goods and commodities they facilitate the sale of when there is no operator connected to the sale established in the EU.

Amendment 33

Proposal for a regulation

Article 10 – paragraph 1

Text proposed by the Commission

Amendment

1. Operators shall verify and analyse information collected in accordance with Article 9 and any other relevant documentation, and on this basis carry out a risk assessment to establish whether there is a risk that the relevant commodities and products intended to be placed on or exported from the Union market are non-compliant with the requirements of this Regulation. If the operators cannot demonstrate that the risk of non-compliance is negligible, they shall not place the relevant commodity or product on the Union market nor export it.

1. Operators shall verify and analyse information collected in accordance with Article 9 and any other relevant documentation, and on this basis carry out a risk assessment to establish whether there is a risk that the relevant commodities and products intended to be placed on or exported from the Union market are non-compliant with the requirements of this Regulation. ***The operator shall be able to request clarification or assistance in the implementation from the competent authority if it is not able to adequately collect the information required by this Regulation.*** If the operators cannot demonstrate that the risk of non-compliance is negligible, they shall not

place the relevant commodity or product on the Union market nor export it.

Amendment 34

Proposal for a regulation

Article 10 – paragraph 2 – point e

Text proposed by the Commission

(e) concerns in relation to the country of production and origin, such as level of corruption, prevalence of document and data falsification, lack of law enforcement, armed conflict or presence of sanctions imposed by the United Nations Security Council or the Council of the European Union;

Amendment

(e) concerns in relation to the country of production, ***or parts thereof in accordance with Article 27***, and origin, such as level of corruption, prevalence of document and data falsification, lack of law enforcement, ***violation of rights of or violence against Indigenous Peoples, local communities or other customary land tenure rights holders, as well as human rights defenders***, armed conflict or presence of sanctions imposed by the United Nations Security Council or the Council of the European Union;

Amendment 35

Proposal for a regulation

Article 10 – paragraph 2 – point e a (new)

Text proposed by the Commission

Amendment

(ea) the existence of claims to or disputes regarding the use of or ownership of tenure rights on the area used for the purpose of producing the relevant commodities and products;

Amendment 36

Proposal for a regulation

Article 10 – paragraph 2 – point e b (new)

Text proposed by the Commission

Amendment

(eb) the presence of Indigenous peoples, local communities and other

customary land tenure rights holders in the area of production of the relevant commodity or products;

Amendment 37

Proposal for a regulation

Article 10 – paragraph 2 – point f

Text proposed by the Commission

(f) the complexity of the relevant supply chain, in particular difficulties in connecting commodities and/or products to the plot of land where they were produced;

Amendment

(f) the complexity of the relevant supply chain, in particular difficulties in connecting ***the supply chain of*** commodities and/or products to the plot of land where they were produced;

Amendment 38

Proposal for a regulation

Article 10 – paragraph 2 – point g

Text proposed by the Commission

(g) the risk of mixing with products of unknown origin or produced in areas where deforestation or forest degradation has occurred or is occurring;

Amendment

(g) the risk of mixing with products of unknown origin or produced in areas where deforestation or forest degradation ***as well as violations of the relevant law*** has occurred or is occurring;

Amendment 39

Proposal for a regulation

Article 10 – paragraph 2 – point h a (new)

Text proposed by the Commission

Amendment

(ha) the outcome of multi-stakeholder dialogues where impacted parties, such as smallholders, Indigenous peoples and local communities, SMEs, has been invited to actively participate;

Amendment 40

Proposal for a regulation
Article 10 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. Operators shall meaningfully engage with relevant stakeholder groups, including but not limited to Indigenous peoples, local communities, smallholders and other customary tenure rights holders, SMEs, throughout the risk assessment and risk mitigation process. They shall engage with these stakeholders prior of taking any decisions impacting them.

Amendment 41

Proposal for a regulation
Article 10 – paragraph 6 – point a

Text proposed by the Commission

Amendment

(a) model risk management practices, reporting, record-keeping, internal control and compliance management, including for operators that are not SMEs, the appointment of a compliance officer at management level;

(a) model risk management practices, **including by those undertaken by certification or other third-party-verified schemes**, reporting, record-keeping, internal control and compliance management, including for operators that are not SMEs, the appointment of a compliance officer at management level;

Amendment 42

Proposal for a regulation
Article 10 – paragraph 8

Text proposed by the Commission

Amendment

8. The Commission may **adopt delegated acts in accordance with Article 33** to supplement paragraphs 2, 4 and 6 as regards relevant information to be obtained, risk assessment criteria and risk mitigation measures that may be necessary to supplement those referred to in this Article to ensure the effectiveness of the

8. The Commission may **present legislative proposals** to supplement paragraphs 2, 4 and 6 as regards relevant information to be obtained, risk assessment criteria and risk mitigation measures that may be necessary to supplement those referred to in this Article to ensure the effectiveness of the due diligence system.

due diligence system.

Amendment 43

Proposal for a regulation Article 12 a (new)

Text proposed by the Commission

Amendment

Article 12 a

Sector specific due diligence guidelines

In order to provide support to companies or to Member State authorities on how companies should fulfil their due diligence obligations the Commission shall no later than six months from the entry into force of this Regulation present sector specific guidelines on how due diligence systems as referred to in Article 11(1) can be set up and how to fill out their due diligence statements as referred to in Article 4(2). Specifically the Commission shall, for each sector covered by this Regulation, provide guidance on how operators and traders can fulfil all three conditions referred to in Article 3 of this Regulation. The guidelines shall be developed in close cooperation with relevant stakeholders from the Union and trading partners and with international bodies with expertise on due diligence, such as the OECD, and shall be easily understandable and take due account of the UN Guiding Principles on Business and Human Rights. The Commission shall regularly, and at least every three years, review and if appropriate update those guidelines.

Amendment 44

Proposal for a regulation Article 12 b (new)

Text proposed by the Commission

Amendment

Article 12 b

*Harmonisation of Union due diligence
legislation*

- 1. The due diligence obligations laid down in this Regulation are complementary to any existing and future EU due diligence legislation.*
- 2. Within six months of the adoption of the Union due diligence legislation, the Commission shall conduct a comprehensive impact assessment to analyse whether any amendments to this Regulation are necessary to ensure alignment and coherence between this Regulation and any future EU due diligence legislation. If appropriate, the Commission shall come forward with a review of the Regulation to make necessary adaptations.*

Amendment 45

**Proposal for a regulation
Article 14 – paragraph 1**

Text proposed by the Commission

1. The competent authorities shall carry out checks to establish whether operators and traders comply with their obligations under this Regulation and whether the relevant commodities and products placed or made available on the Union market or exported from it are compliant with the requirements of this Regulation.

Amendment

1. The competent authorities shall carry out **sufficient** checks to establish whether operators and traders comply with their obligations under this Regulation and whether the relevant commodities and products placed or made available on the Union market or exported from it are compliant with the requirements of this Regulation.

Amendment 46

**Proposal for a regulation
Article 14 – paragraph 3**

Text proposed by the Commission

3. To carry out the checks referred to

Amendment

3. To carry out the checks referred to

in paragraph 1, the competent authorities shall establish a plan based on a risk-based approach. The plan shall contain at least risk criteria to carry out the risk analysis under paragraph 4 and thereby inform the decisions on checks. In establishing and reviewing the risk criteria, the competent authorities shall take into account in particular the assignment of risk to countries or parts thereof in accordance with Article 27, the history of compliance of an operator or trader with this Regulation and any other relevant information. Based on the results of the checks and the experience on implementation of the plans, the competent authorities shall review those plans and risk criteria on a regular basis in order to improve their effectiveness. When reviewing the plans, the competent authorities shall establish a reduced frequency of checks for those operators and traders who have shown a consistent record of full compliance with the requirements under this Regulation.

in paragraph 1, the competent authorities shall establish a plan based on a risk-based approach. The plan shall contain at least risk criteria to carry out the risk analysis under paragraph 4 and thereby inform the decisions on checks. In establishing and reviewing the risk criteria, the competent authorities shall take into account in particular the assignment of risk to countries or parts thereof in accordance with Article 27, the history of compliance of an operator or trader with this Regulation, ***the quantity of relevant commodities and products being placed or made available on the market by the operator or trader, the period of time since the risk assessment for the relevant commodities or products was completed*** and any other relevant information. Based on the results of the checks and the experience on implementation of the plans, the competent authorities shall review those plans and risk criteria on a regular basis in order to improve their effectiveness. When reviewing the plans, the competent authorities shall establish ***an increased frequency of checks for those operators and traders who do not have a consistent record of full compliance with the requirements of this Regulation in all Member States where they have been active and*** a reduced frequency of checks for those operators and traders who have shown a consistent record of full compliance with the requirements under this Regulation.

Amendment 47

Proposal for a regulation Article 14 – paragraph 7

Text proposed by the Commission

7. The suspensions referred to in paragraph 6 shall end within 3 working days unless the competent authorities, based on the result of the checks conducted

Amendment

7. The suspensions referred to in paragraph 6 shall end within 3 working days, ***three weekdays for fresh commodities and products which are a the***

within that period, conclude that they require additional time to establish whether the relevant commodities and products comply with the requirements of this Regulation. In such case, the competent authorities shall extend the period of suspension by means of additional interim measures taken under Article 21 or, in the case of relevant commodities or products entering or leaving the Union market, by notifying the customs authorities of the need to maintain the suspension under Article 24(6).

risk of spoilage, unless the competent authorities, based on the result of the checks conducted within that period, conclude that they require additional time to establish whether the relevant commodities and products comply with the requirements of this Regulation. In such case, the competent authorities shall extend the period of suspension by means of additional interim measures taken under Article 21 or, in the case of relevant commodities or products entering or leaving the Union market, by notifying the customs authorities of the need to maintain the suspension under Article 24(6).

Amendment 48

Proposal for a regulation Article 14 – paragraph 9

Text proposed by the Commission

9. Each Member State shall ensure that the annual checks carried out by their competent authorities cover at least 5% of the operators placing, making available on or exporting from the Union market each of the relevant commodities on their market as well as 5% of the quantity of each of the relevant commodities placed or made available on or exported from their market.

Amendment

9. Each Member State shall ensure that the annual checks carried out by their competent authorities ***are sufficient to statistically significantly ensure that relevant commodities and products made available on or exported from the Union market comply with the requirements of this Regulation. Such checks shall be based on the risk analysis under paragraph 4 and*** cover at least 5% of the operators placing, making available on or exporting from the Union market each of the relevant commodities on their market as well as 5% of the quantity of each of the relevant commodities placed or made available on or exported from their market.

Amendment 49

Proposal for a regulation Article 14 – paragraph 11

Text proposed by the Commission

Amendment

11. Without prejudice to the checks under paragraphs 5 and 6, competent authorities shall conduct checks referred to in paragraph 1 when they are in possession of evidence or other relevant information, including based on substantiated concerns provided by third parties under Article 29, concerning potential non-compliance with this Regulation.

11. Without prejudice to the checks under paragraphs 5 and 6, competent authorities shall, ***without undue delay,*** conduct checks referred to in paragraph 1 when they are in possession of evidence or other relevant information, including based on substantiated concerns provided by third parties under Article 29, concerning potential non-compliance with this Regulation.

Amendment 50

Proposal for a regulation Article 14 – paragraph 12

Text proposed by the Commission

12. Checks shall be carried out without prior warning of the operator or trader, except where prior notification of the operator or trader is necessary in order to ensure the effectiveness of the checks.

Amendment

12. Checks shall be carried out without prior warning of the operator or trader, except where prior notification of the operator or trader is necessary in order to ensure the effectiveness of the checks, ***and be conducted in close cooperation with stakeholders.***

Amendment 51

Proposal for a regulation Article 14 – paragraph 13

Text proposed by the Commission

13. The competent authorities shall keep records of the checks indicating in particular their nature and results, as well as on the measures taken in case of non-compliance. Records of all checks shall be kept for at least 5 years.

Amendment

13. The competent authorities shall keep records of the checks indicating in particular their nature and results, as well as on the measures taken in case of non-compliance. Records of all checks shall be kept for at least 5 years. ***Records of checks carried out under this Regulation and reports of their results and outcomes shall constitute environmental information for the purpose of Directive 2003/4/EC, without prejudice to business confidentiality.***

Amendment 52

Proposal for a regulation Article 14 – paragraph 13 a (new)

Text proposed by the Commission

Amendment

13a. If the Commission has a reason to believe that a Member State does not conduct sufficient controls to statistically significantly ensure that relevant commodities and products made available on or exported from the Union market complies with the requirements of this Regulation it shall, in dialogue with the Member State concerned, be mandated to introduce changes to the plan referred to in paragraph 3 of that Member State to ensure that the situation is rectified.

Amendment 53

Proposal for a regulation Article 15 – paragraph 1 – point c

Text proposed by the Commission

Amendment

(c) examination of documentation and records that demonstrate the compliance ***of a specific product or commodity that the operator has placed, intends to place on or export from the Union market*** with the requirements of this Regulation;

(c) examination of documentation and records that demonstrate the compliance with the requirements of this Regulation;

Amendment 54

Proposal for a regulation Article 15 – paragraph 1 – point d – paragraph 1

Text proposed by the Commission

Amendment

and, where appropriate,

and, where appropriate ***to ensure the compliance with this Regulation,***

Amendment 55

Proposal for a regulation
Article 15 – paragraph 1 – point f

Text proposed by the Commission

(f) any technical and scientific means adequate to determine the **exact** place where the relevant commodity or product was produced, including isotope testing;

Amendment

(f) any technical and scientific means adequate to determine the place where the relevant commodity or product was produced, including isotope testing;

Amendment 56

Proposal for a regulation
Article 15 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The checks shall be carried out in the manner which is the least disruptive to trade and to the operations of the operators and traders, while still ensuring compliance with this Regulation.

Amendment 57

Proposal for a regulation
Article 18 – paragraph 1

Text proposed by the Commission

Amendment

1. Competent authorities shall cooperate with each other, with authorities from other Member States, with the Commission, and if necessary, with administrative authorities of third countries in order to ensure compliance with this Regulation.

1. Competent authorities shall cooperate with each other, with authorities from other Member States, with the Commission, and if necessary, with administrative authorities of third countries in order to ensure compliance with ***and efficient functioning of*** this Regulation.

Amendment 58

Proposal for a regulation
Article 18 – paragraph 4

Text proposed by the Commission

Amendment

4. Competent authorities shall

4. Competent authorities shall

immediately alert competent authorities of other Member States and the Commission when they detect infringement of this Regulation and serious shortcomings that may affect more than one Member State. Competent authorities shall, in particular, inform competent authorities of other Member States when they detect a relevant commodity or product on the market that is not compliant with this Regulation, to enable the withdrawal or recall of such commodity or product from sales in all Member States.

immediately alert competent authorities of other Member States and the Commission when they detect ***an actual or potential*** infringement of this Regulation and serious shortcomings that may affect more than one Member State. Competent authorities shall, in particular, inform competent authorities of other Member States when they detect a relevant commodity or product on the market that is not compliant with this Regulation, to enable the withdrawal or recall of such commodity or product from sales in all Member States ***or to support enforcement action by these competent authorities.***

Amendment 59

Proposal for a regulation Article 22 – paragraph 1

Text proposed by the Commission

1. Without prejudice to Article 23, where competent authorities establish that an operator or trader has not complied with its obligations under this Regulation or that a relevant commodity or product is not compliant with this Regulation, they shall without delay require the relevant operator or trader to take appropriate and proportionate corrective action to bring the non-compliance to an end.

Amendment

1. ***In addition to the imposition of penalties in line with*** Article 23, where competent authorities establish that an operator or trader has not complied with its obligations under this Regulation or that a relevant commodity or product is not compliant with this Regulation, they shall without delay require the relevant operator or trader to take appropriate and proportionate corrective action to bring the non-compliance to an end ***within a specified and reasonable period of time.***

Amendment 60

Proposal for a regulation Article 22 – paragraph 2 – introductory part

Text proposed by the Commission

2. For the purposes of paragraph 1, the corrective action required to be taken by the operator or trader shall ***include at least***

Amendment

2. For the purposes of paragraph 1, the corrective action required to be taken by the operator or trader shall, ***as the first step, be to immediately seek to rectify any***

one or more of the following:

formal non-compliance, in particular with the requirements of Chapter 2 of this Regulation, and as the following steps where non-compliance has not been rectified, the corrective action shall be in the following order:

Amendment 61

Proposal for a regulation Article 22 – paragraph 2 – point a

Text proposed by the Commission

Amendment

(a) rectifying any formal non-compliance, in particular with the requirements of Chapter 2 of this Regulation;

deleted

Amendment 62

Proposal for a regulation Article 22 – paragraph 2 – point d

Text proposed by the Commission

Amendment

(d) destroying the relevant commodity or product ***or donating it*** to charitable or public interest purposes.

(d) donating the relevant commodity or product to charitable or public interest purposes ***or if not possible, recycling or destroying it.***

Amendment 63

Proposal for a regulation Article 22 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2 a. Irrespective of the corrective action taken in accordance with paragraph 2 the operator or trader shall seek to address any shortcomings in the due diligence system which may have led to the non compliance, in view of preventing the risk of further

infringements.

Amendment 64

Proposal for a regulation

Article 22 – paragraph 3

Text proposed by the Commission

3. If the operator or trader fails to **take** corrective action referred to in paragraph 2 or where the non-compliance referred to in paragraph 1 persists, competent authorities shall ensure that the product is withdrawn or recalled, or that its being made available on or exported from the Union market is prohibited or restricted.

Amendment

3. If the operator or trader fails to **complete the** corrective action referred to in paragraph 2 **within the period of time specified by the competent authority under paragraph 1** or where the non-compliance referred to in paragraph 1 persists **after that period of time ends**, competent authorities shall ensure that the **relevant commodity or** product is withdrawn or recalled, or that its being made available on or exported from the Union market is prohibited or restricted.

Amendment 65

Proposal for a regulation

Article 23 – paragraph 1

Text proposed by the Commission

1. Member States shall lay down rules on penalties applicable to infringements of the provisions of this Regulation by operators and traders and shall take all measures necessary to ensure that they are implemented. Member States shall notify the Commission of those provisions and without delay of any subsequent amendments affecting them.

Amendment

1. Member States shall lay down rules on penalties applicable to **all** infringements of the provisions of this Regulation by operators and traders and shall take all measures necessary to ensure that they are implemented. **Penalties shall be an addition to the market surveillance measures set out in Article 22.** Member States shall notify the Commission of those provisions and without delay of any subsequent amendments affecting them.

Amendment 66

Proposal for a regulation

Article 23 – paragraph 2 – point d

Text proposed by the Commission

(d) **temporary** exclusion from public procurement processes.

Amendment

(d) exclusion from public procurement processes **for a given period of time from the sentence.**

Amendment 67

Proposal for a regulation

Article 23 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. In case of serious or repeated infringement, the right to submit a due diligence statement in view of placing relevant commodities and products on the Union market, or of exporting them, shall be suspended for a given period of time from the sentence.

Amendment 68

Proposal for a regulation

Article 23 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. The operator or trader will have the right to appeal any penalty according to rules and procedures of the Member State where they carry out their commercial activities.

Amendment 69

Proposal for a regulation

Article 24 – paragraph 7 – point b

Text proposed by the Commission

Amendment

(b) Where the release for free circulation or export has been suspended in accordance with paragraph 6, the competent authorities have not requested,

(b) Where the release for free circulation or export has been suspended in accordance with paragraph 6, the competent authorities have not requested,

within the 3 working days indicated in Article 14(7), the need to maintain the suspension of the release for free circulation or export of that relevant commodity or product;

within the 3 working days, **or three weekdays for fresh commodities and products at risk of spoilage**, indicated in Article 14(7), the need to maintain the suspension of the release for free circulation or export of that relevant commodity or product;

Amendment 70

Proposal for a regulation Article 24 – paragraph 10

Text proposed by the Commission

10. Customs authorities may destroy a non-compliant relevant commodity or product upon the request of the competent authorities or where they deem it necessary and proportionate. The cost of such measure shall be borne by the natural or legal person holding the relevant commodity or product. Articles 197 and 198 of Regulation (EU) No 952/2013 shall apply accordingly. Upon request of competent authorities, non-compliant relevant commodities and products may alternatively be confiscated and placed by customs at the disposal of the competent authorities.

Amendment

10. Customs authorities may **donate the relevant commodity or product to charitable or public interest purposes and only if that is not possible recycle or** destroy a non-compliant relevant commodity or product upon the request of the competent authorities or where they deem it necessary and proportionate. The cost of such measure shall be borne by the natural or legal person holding the relevant commodity or product. Articles 197 and 198 of Regulation (EU) No 952/2013 shall apply accordingly. Upon request of competent authorities, non-compliant relevant commodities and products may alternatively be confiscated and placed by customs at the disposal of the competent authorities.

Amendment 71

Proposal for a regulation Article 26 – paragraph 1

Text proposed by the Commission

1. The Commission shall develop an electronic interface based on the EU Single Window Environment for Customs to enable the transmission of data, in particular the notifications and requests referred to in Article 24, paragraphs 5 to 8,

Amendment

1. The Commission shall develop an electronic interface based on the EU Single Window Environment for Customs to enable the transmission of data, in particular the notifications and requests referred to in Article 24, paragraphs 5 to 8,

between national customs systems and the information system referred to in Article 31. This electronic interface shall be in place at the latest **four** years from the date of adoption of the relevant implementing act referred to in paragraph 3.

between national customs systems and the information system referred to in Article 31, **including automatic transmission of data when changes are made in either system**. This electronic interface shall be in place at the latest **two** years from the date of adoption of the relevant implementing act referred to in paragraph 3.

Amendment 72

Proposal for a regulation

Article 26 – paragraph 2 – introductory part

Text proposed by the Commission

2. The Commission **may** develop an electronic interface based on the EU Single Window Environment for Customs to enable:

Amendment

2. The Commission **shall** develop an electronic interface based on the EU Single Window Environment for Customs to enable:

Amendment 73

Proposal for a regulation

Article 26 – paragraph 2 – point b a (new)

Text proposed by the Commission

Amendment

(ba) The transmission of information on any subsequent changes relating to operators, traders and their authorized representatives as well as to commodities or products originating from a specific geo-location to the information system referred to in Article 31 of this Regulation in order to ensure that all Member States have access to and get notifications about the latest updated information.

Amendment 74

Proposal for a regulation

Article 27 – paragraph 3 – introductory part

Text proposed by the Commission

Amendment

3. The Commission shall notify the **countries** concerned of its intent to assign a change to the existing risk category and invite them to provide any information deemed useful in this regard. The Commission shall allow the countries adequate time to provide a response, which **may** include information on measures taken by the country to remedy the situation in case its status or the status of parts thereof might be changed to a higher risk category.

3. ***The Commission shall have a continuous dialogue with countries identified to present standard or high risk, and relevant stakeholders, on how to improve their risk category. Before changing the risk category of a country or a part thereof*** the Commission shall notify the **country** concerned of its intent to assign a change to the existing risk category and invite them to provide any information deemed useful in this regard. The Commission shall ***also carry out a public consultation to gather information and views from interested parties, including in particular Indigenous Peoples, local communities, smallholders, women's organisations and civil society organisations. The Commission shall*** allow the countries ***and other interested parties*** adequate time to provide a response, which ***shall*** include information on ***possible*** measures taken by the country to remedy the situation in case its status or the status of parts thereof might be changed to a higher risk category.

Amendment 75

Proposal for a regulation

Article 27 – paragraph 3 – subparagraph 1 – introductory part

Text proposed by the Commission

It shall include in the notification the following information:

Amendment

It shall include in the notification, ***and in the consultation***, the following information:

Amendment 76

Proposal for a regulation

Article 27 – paragraph 3 – subparagraph 1 – point c

Text proposed by the Commission

(c) the consequences of its identification as a high or low risk country.

Amendment

(c) the consequences of its identification as a high, ***standard*** or low

risk country.

Amendment 77

Proposal for a regulation

Article 27 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. When the information provided by a country in response to the Commission's written intention to change that country or parts thereof to a higher risk category is deemed to be reliable and sufficient to remedy the cause behind the need for changed risk category, the Commission shall give that country sufficient time to enforce the response provided to the Commission.

Amendment 78

Proposal for a regulation

Article 28 – paragraph 1

Text proposed by the Commission

Amendment

1. The Commission shall engage with producer countries concerned by this Regulation to develop partnerships and cooperation to jointly address deforestation and forest degradation. Such partnerships and cooperation mechanisms **will** focus on the conservation, restoration and sustainable use of forests, deforestation, forest degradation and the transition to sustainable commodity production, consumption processing and trade methods. Partnerships and cooperation mechanisms may include structured dialogues, support programmes and actions, administrative arrangements and provisions in existing agreements or agreements that enable producer countries to make the transition to an agricultural production that facilitates the compliance of relevant commodities and products with

1. The Commission shall engage with producer countries, **local governments and interested parties** concerned by this Regulation, **in particular those exporting significant volumes of commodities listed in Annex I**, to develop partnerships and cooperation to jointly address **the root causes of** deforestation and forest degradation. Such partnerships and cooperation mechanisms **shall be supported by adequate resources and shall** focus on the conservation, restoration and sustainable use of forests, deforestation, forest degradation, **human rights protection**, and the transition to sustainable commodity production, consumption processing and trade methods, **good governance as well as protecting the lives and livelihoods of forest dependent communities including indigenous**

the requirements of this regulation. Such agreements and their effective implementation will be taken into account as part of the benchmarking under Article 27 of this Regulation.

peoples, local communities, other customary right holders and smallholders. Partnerships and cooperation mechanisms may include, ***but is not limited to,*** structured dialogues, support programmes and actions, administrative arrangements and provisions in existing agreements or agreements that enable producer countries to make the transition to an agricultural production that facilitates the compliance of relevant commodities and products with the requirements of this regulation. Such agreements and their effective implementation will be taken into account as part of the benchmarking under Article 27 of this Regulation.

Amendment 79

Proposal for a regulation Article 28 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The Commission and the Council shall engage further to implement and enforce trade agreements as well as concluding new free trade agreements that include strong provisions on sustainability, particularly for forests, and the obligation for effective enforcement of multilateral environmental agreements, such as the Paris Agreement and the Convention on Biological Diversity.

Amendment 80

Proposal for a regulation Article 28 – paragraph 2

Text proposed by the Commission

Amendment

2. Partnerships and cooperation should allow the full participation of all stakeholders, including civil society, indigenous ***people***, local communities and the private sector including, SMEs and

2. Partnerships and cooperation should allow the full participation of all stakeholders, including civil society, ***Indigenous peoples***, local communities, ***women*** and the private sector including,

smallholders.

SMEs and smallholders.

Amendment 81

Proposal for a regulation

Article 28 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. To ensure that the enforcement of this Regulation is not unduly restrictive nor disruptive to trade, especially with LDC's, the Commission shall supply specific administrative and capacity building support to governments, local governments, civil society organisations, including trade unions, and producers, particularly small producers, in third countries aimed at facilitating for these actors to live up to the administrative requirements of this Regulation. The Commission shall ensure that there are sufficient resources to support smallholders in third countries to comply with the requirements of this Regulation and facilitate their access to the EU market.

Amendment 82

Proposal for a regulation

Article 28 – paragraph 3

Text proposed by the Commission

Amendment

3. Partnerships and cooperation shall promote the development of integrated land use planning processes, relevant legislations, fiscal incentives and other pertinent tools to improve forest and biodiversity conservation, sustainable management and restoration of forests, tackle the conversion of forests and vulnerable ecosystems to other land uses, optimise gains for the landscape, tenure security, agriculture productivity and competitiveness, transparent supply chains,

3. Partnerships and cooperation shall promote the development of integrated land use planning processes, relevant legislations, ***including multi stakeholder processes to define the scope of relevant legislation***, fiscal incentives and other pertinent tools to improve forest and biodiversity conservation, sustainable management and restoration of forests, tackle the conversion of forests and vulnerable ecosystems to other land uses, optimise gains for the landscape, tenure

strengthen the rights of forest dependent communities including smallholders, indigenous peoples and local communities, and ensure public access to forest management documents and other relevant information.

security, agriculture productivity and competitiveness, transparent supply chains, ***protect the rights of ownership, tenure and access to land, and the right to give or withhold free, prior and informed consent*** strengthen the rights of forest dependent communities including smallholders, indigenous peoples and local communities, ***strengthen national systems of governance and law enforcement***, and ensure public access to forest management documents and other relevant information.

Amendment 83

Proposal for a regulation Article 28 – paragraph 4

Text proposed by the Commission

4. The Commission shall engage in international bilateral and multilateral discussion on policies and actions to halt deforestation and forest degradation, including in multilateral fora such as Convention on Biological Diversity, Food and Agriculture Organization of the United Nations, United Nations Convention to Combat Desertification, United Nations Environment Assembly, United Nations Forum on Forests, United Nations Framework Convention on Climate Change, World Trade Organisation, G7 and G20. Such engagement shall include the promotion of the transition to sustainable agricultural production and sustainable forest management as well as the development of transparent and sustainable supply chains as well as continue efforts towards identifying and agreeing robust standards and definitions that ensure a high level of protection of forest ecosystems.

Amendment

4. The Commission shall engage in international bilateral and multilateral discussion on policies and actions to halt deforestation and forest degradation, including in multilateral fora such as Convention on Biological Diversity, Food and Agriculture Organization of the United Nations, United Nations Convention to Combat Desertification, United Nations Environment Assembly, United Nations Forum on Forests, United Nations Framework Convention on Climate Change, World Trade Organisation, G7 and G20. Such engagement shall include the promotion of the transition to sustainable agricultural production and sustainable forest management as well as the development of transparent and sustainable supply chains as well as continue efforts towards identifying and agreeing robust standards and definitions that ensure a high level of protection of forest ecosystems ***and related human rights***.

Amendment 84

Proposal for a regulation
Article 32 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. *The Commission shall continuously monitor changes in the trade patterns of the products and commodities included in the scope of this Regulation. When changes in the pattern of trade are found to have insufficient due cause or economic justification other than avoiding obligations as laid down in this Regulation, including replacing those products and commodities with slightly modified products, which are not included in the list of products and commodities in Annex I but are similar this should be viewed as a practice of circumvention. Interested parties may inform the Commission of any perceived circumvention and the Commission shall investigate any substantiated claim introduced by an interested party.*

Whenever circumvention is detected the Commission is empowered to adopt delegated acts in accordance with Article 33, or if appropriate present a legislative proposal, to amend this Regulation in order to prevent future circumvention of this Regulation.

Amendment 85

Proposal for a regulation
Article 32 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. *The Commission shall continuously monitor the impacts of this Regulation on vulnerable stakeholders such as smallholders, Indigenous peoples and local communities, especially in third countries, also paying particular regard to the situation of women. The monitoring shall be based on a scientific and transparent methodology and shall take*

into account information provided by the interested stakeholders.

Amendment 86

Proposal for a regulation

Article 32 – paragraph 2 – introductory part

Text proposed by the Commission

2. No later than **five** years after the entry into force and at least every **five** years thereafter, the Commission shall carry out a general review of this Regulation, and shall present a report to the European Parliament and the Council accompanied, if appropriate, by a legislative proposal. The first of the reports shall include in particular, based on specific studies, an evaluation of:

Amendment

2. No later than **three** years after the entry into force and at least every **three** years thereafter, the Commission shall carry out a general review of this Regulation, ***including a detailed assessment of changes to the patterns of trade in the sectors covered by***, and shall present a report to the European Parliament and the Council accompanied, if appropriate, by a legislative proposal. The first of the reports shall include in particular, based on specific studies, an evaluation of:

Amendment 87

Proposal for a regulation

Article 32 – paragraph 2 – point a

Text proposed by the Commission

(a) the need for and feasibility of additional trade facilitation tools to support the achievement of the objectives of the Regulation including through recognition of certification schemes;

Amendment

(a) the need for and feasibility of additional trade facilitation tools, ***particularity for LDCs and countries identified as standard or high risk***, to support the achievement of the objectives of the Regulation including through recognition of certification schemes;

Amendment 88

Proposal for a regulation

Article 32 – paragraph 2 – point b

Text proposed by the Commission

Amendment

(b) the impact of the Regulation on farmers, in particular smallholders, indigenous peoples and local communities and the possible need for additional support for the transition to sustainable supply chains.

(b) the impact of the Regulation on farmers, in particular smallholders, indigenous peoples and local communities and the possible need for additional support for the transition to sustainable supply chains ***and for smallholders to comply with the requirements of this Regulation.***

Amendment 89

Proposal for a regulation

Article 32 – paragraph 2 – point b a (new)

Text proposed by the Commission

Amendment

(ba) the impact on trade patterns, deforestation and the legal possibility in relation to international trade rules to exclude relevant goods and commodities produced in countries, or parts thereof, which are considered not high risk from the obligation in Article 3(c) of presenting due diligence statements.

Amendment 90

Proposal for a regulation

Article 32 a (new)

Text proposed by the Commission

Amendment

Article 32a

Minimizing administrative burdens

No later than three years after the entry into force of this Regulation, the Commission shall evaluate the cost of additional administrative burdens imposed on operators and traders by this Regulation, and shall present a report to the European Parliament and the Council accompanied, if appropriate, by a legislative proposal to minimise burdens for businesses by paying special attention to the implications and costs of applying this Regulation, especially for small and

medium-sized enterprises. The evaluation shall be conducted in close cooperation with affected stakeholders.

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Making available on the Union market as well as export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010
References	COM(2021)0706 – C9-0430/2021 – 2021/0366(COD)
Committee responsible Date announced in plenary	ENVI 17.1.2022
Opinion by Date announced in plenary	INTA 17.1.2022
Associated committees - date announced in plenary	7.4.2022
Rapporteur for the opinion Date appointed	Karin Karlsbro 9.12.2021
Discussed in committee	22.3.2022
Date adopted	16.5.2022
Result of final vote	+: 26 –: 6 0: 10
Members present for the final vote	Anna-Michelle Asimakopoulou, Tiziana Beghin, Geert Bourgeois, Markus Buchheit, Jordi Cañas, Daniel Caspary, Arnaud Danjean, Paolo De Castro, Emmanouil Fragkos, Raphaël Glucksmann, Roman Haider, Christophe Hansen, Heidi Hautala, Danuta Maria Hübner, Herve Juvin, Karin Karlsbro, Danilo Oscar Lancini, Bernd Lange, Margarida Marques, Gabriel Mato, Sara Matthieu, Emmanuel Maurel, Carles Puigdemont i Casamajó, Samira Rafaela, Catharina Rinzema, Inma Rodríguez-Piñero, Massimiliano Salini, Ernő Schaller-Baross, Helmut Scholz, Sven Simon, Dominik Tarczyński, Mihai Tudose, Kathleen Van Brempt, Marie-Pierre Vedrenne, Jörgen Warborn, Jan Zahradil, Juan Ignacio Zoido Álvarez
Substitutes present for the final vote	Anna Cavazzini, Svenja Hahn, Agnes Jongerius, Miapetra Kumpula-Natri, Angelika Winzig

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

26	+
NI	Carles Puigdemont i Casamajó
PPE	Anna-Michelle Asimakopoulou, Daniel Caspary, Arnaud Danjean, Christophe Hansen, Danuta Maria Hübner, Gabriel Mato, Massimiliano Salini, Sven Simon, Jörgen Warborn, Angelika Winzig, Juan Ignacio Zoido Álvarez
Renew	Jordi Cañas, Svenja Hahn, Karin Karlsbro, Samira Rafaela, Catharina Rinzema, Marie-Pierre Vedrenne
S&D	Paolo De Castro, Agnes Jongerius, Miapetra Kumpula-Natri, Bernd Lange, Margarida Marques, Inma Rodríguez-Piñero, Mihai Tudose, Kathleen Van Brempt

6	-
ID	Markus Buchheit
The Left	Emmanuel Maurel, Helmut Scholz
Verts/ALE	Anna Cavazzini, Heidi Hautala, Sara Matthieu

10	0
ECR	Geert Bourgeois, Emmanouil Fragkos, Dominik Tarczyński, Jan Zahradil
ID	Roman Haider, Herve Juvin, Danilo Oscar Lancini
NI	Tiziana Beghin, Ernő Schaller-Baross
S&D	Raphaël Glucksmann

Key to symbols:

+ : in favour

- : against

0 : abstention