Parliament adopts new law to fight global deforestation

• An area larger than the EU was lost to deforestation between 1990 and 2020, with EU consumption causing around 10% of losses
• Cattle, cocoa, coffee, palm-oil, soya, wood, rubber, charcoal and printed paper products are covered by the new rules
• Human rights and the rights of indigenous people added as additional requirements
To fight climate change and biodiversity loss, the new law obliges companies to ensure products sold in the EU have not led to deforestation and forest degradation.

While no country or commodity will be banned, companies will only be allowed to sell products in the EU if the supplier of the product has issued a so-called “due diligence” statement confirming that the product does not come from deforested land or has led to forest degradation, including of irreplaceable primary forests, after 31 December 2020.

As requested by Parliament, companies will also have to verify that these products comply with relevant legislation of the country of production, including on human rights, and that the rights of affected indigenous people have been respected.

Products covered

The products covered by the new legislation are: cattle, cocoa, coffee, palm-oil, soya and wood, including products that contain, have been fed with or have been made using these commodities (such as leather, chocolate and furniture), as in the original Commission proposal. During the negotiations, MEPs successfully added rubber, charcoal, printed paper products and a number of palm oil derivatives.

Parliament also secured a wider definition of forest degradation that includes the conversion of primary forests or naturally regenerating forests into plantation forests or into other wooded land.

Risk-based controls

The Commission will classify countries, or parts thereof, as low-, standard- or high-risk based through an objective and transparent assessment within 18 months of this regulation entering into force. Products from low-risk countries will be subject to a simplified due diligence procedure. The proportion of checks is performed on operators according to the country’s risk level: 9% for high-risk countries, 3% for standard-risk and 1% for low-risk.

The competent EU authorities will have access to relevant information provided by the companies, such as geolocation coordinates, and conduct checks with the help of satellite monitoring tools and DNA analysis to check where products come from.

Penalties for non-compliance shall be proportionate and dissuasive and the maximum fine must be at least 4% of the total annual turnover in the EU of the non-compliant operator or trader.

The new law was adopted with 552 votes to 44 and 43 abstentions.

Quote

After the vote, rapporteur Christophe Hansen (EPP, LU) said: “Until today, our supermarket shelves have all too often been filled with products covered in the ashes of burned-down rainforests and irreversibly destroyed ecosystems and which had wiped out the livelihoods of
indigenous people. All too often, this happened without consumers knowing about it. I am relieved that European consumers can now rest assured that they will no longer be unwittingly complicit in deforestation when they eat their bar of chocolate or enjoy a well-deserved coffee. The new law is not only key in our fight against climate change and biodiversity loss, but should also break the deadlock preventing us from deepening trade relations with countries that share our environmental values and ambitions.”

A press conference with Mr. Hansen is scheduled for today at 14.30. You can follow it live here.

Next steps

The text now also has to be formally endorsed by Council. It will then be published in the EU Official Journal and enter into force 20 days later.

Background

The UN Food and Agriculture Organization (FAO) estimates that 420 million hectares of forest — an area larger than the EU — were converted from forests to agricultural use between 1990 and 2020. EU consumption represents around 10% of this global deforestation. Palm oil and soya account for more than two-thirds of this.

In October 2020, Parliament made use of its prerogative in the Treaty to ask the Commission to come forward with legislation to halt EU-driven global deforestation. The deal with EU countries on the new law was reached on 6 December 2022. In adopting this legislation, Parliament is responding to citizens’ expectations concerning enforcement of responsible forest management to protect and restore biodiversity as expressed in Proposals 5(1), 11(1), 1(1) and 2(5) of the conclusions of the Conference on the Future of Europe.

Further information

- Adopted text will become available here (19.04.2023)
- Procedure file
- EP research: Regulation on deforestation-free products (12.04.2023)
- EP research: the European Union and Forests
- EP research: Brazil and the Amazon Rainforest: Deforestation, biodiversity and cooperation with the EU and international forums
- Commission Fact Sheet on deforestation
- Infoclip: Common products associated with deforestation and forest degradation
- EP Multimedia Centre: free photos, video and audio material
- Committee on the Environment, Public Health and Food Safety