

FSC & EUDR

Frequently Asked Questions

European Union Deforestation Regulation (EUDR)

1. What is the EUDR?

The European Commission has introduced the European Union Deforestation-free Regulation (EUDR) which aims to minimize EU-driven deforestation and forest degradation by promoting the consumption of 'deforestation-free' products and reducing the EU's impact on global forest deforestation and forest degradation.

(Source: [European Commission](#))

2. Why is the EUDR being introduced?

The main driver of deforestation and forest degradation is the expansion of agricultural land, which is linked to the production of commodities we import such as soy, beef, palm oil, wood, rubber, cocoa, and coffee. As a major economy and consumer of these commodities linked to deforestation and forest degradation, the EU is partly responsible for this problem – and it wants to answer the strong call of European citizens to lead the way to solve it.

The aim of the new rules is to prevent deforestation and forest degradation. This would also mean a reduction of at least 31.9 million metric tons of carbon emissions to the atmosphere every year due to EU consumption and production of the relevant commodities, which could be translated into economic savings of at least € 3.2 billion annually. (Source: [European Commission](#))

3. Which commodities/products does the EUDR apply to?

The EU Commission considers the main driver of deforestation and forest degradation is the expansion of agricultural land, which is linked to the production of commodities imported into the EU such as soy, beef, palm oil, wood, rubber, cocoa, and coffee.

Within each commodity, the regulation defines which products are included within the scope of the law, according to a list of EU customs codes. The list ([found in an Annex to the regulation](#)) also includes some derived products such as leather, chocolate, and furniture.

4. What are the main actions proposed in the regulation?

The EUDR requires that products need to be legal) and deforestation-free.

Before putting any product on the EU market, operators must produce a due diligence statement to ensure that only deforestation-free and legal products (according to the laws of the country of origin) are allowed on the EU market.

Due Diligence Process

1. Gather product information – Operators will be required to collect information regarding quantity, geolocation, legality, and deforestation. (Article 9, EUDR)
2. Conduct risk assessment – Operators will be required to conduct a risk assessment to establish whether there is a risk that the relevant products intended to be placed on the market or exported are non-compliant. This includes consideration for the presence of Indigenous Peoples in the area the product is produced. (Article 10, EUDR).
3. Mitigate risks – If the risk assessment reveals no, or only negligible risk, then risk mitigation may not be necessary. However, if there is reasonable doubt, operators will be required to develop risk mitigation procedures and measures such as independent audits. (Article 11, EUDR)

5. What are operators vs traders?

EUDR provides the following definitions:

- An ‘operator’ means any natural or legal person who, in the course of a commercial activity, places relevant products on the market or exports them;
- A “trader” means any person in the supply chain other than the operator who, in the course of a commercial activity, makes relevant products available on the market.
(Article 2, EUDR)

6. What are the EUDR definitions of deforestation and degradation?

Deforestation: the conversion of forest to agricultural use, whether human-induced or not.

Forest Degradation: structural changes to forest cover, taking the form of the conversion of:

- a. primary forests or naturally regenerating forests into plantation forests or into other wooded land; or
- b. primary forests into planted forests.

(Article 2, EUDR)

The definitions used by FSC are aligned with EUDR definitions.

7. Who is affected by the EUDR?

The Regulation sets common rules for any company – from the EU or from abroad – placing the products covered by the scope on the EU market.

The Regulation will guarantee that domestic and imported commodities are measured by the same standards. There will be no ban of any country or any commodity. Sustainable producers will continue to be able to sell their goods to the EU. (Source: [European Commission](#))

8. When will the regulation take effect?

The final text of the EUDR was published on 29 June 2023 which will provide companies with an 18 months before being required to implement the rules beginning 29 December 2024.

See more Frequently Asked Questions about EUDR on the [EU Commission's website](#).

FSC & EUDR

Is FSC aligned with the EUDR?

FSC certification is strongly aligned with the EU's Deforestation-free Regulation and can be used to meet EUDR requirements.

FSC is the world's most credible sustainable forestry solution and is aligned with the European Union Deforestation-free Regulation's (EUDR) aim to minimize deforestation and forest degradation.

Our system has always had strong social protections for Indigenous Peoples and workers; and strong standards that prevent deforestation and degradation. In addition, we have strategic partnerships and investments in new technologies to enable digital traceability, including geolocation and blockchain. These key features will help companies meet their obligations in the EU's Deforestation-free regulation.

With the aim to be the best compliance solution, FSC is currently conducting a rapid assessment to evaluate how our standards align with the final text of the EUDR (released in June 2023). This step will also identify which steps can be taken to further support organizations seeking compliance with the EUDR and other European Green Deal initiatives.

See this [chart](#) for details on how FSC aligns with EUDR requirements:

EUDR Requirements	FSC's alignment
Deforestation and degradation definitions	Aligned: The definitions used by FSC are aligned with EUDR definitions.
Cut-off date: 2020	Aligned: FSC is aligned with the EUDR cut-off date.

Legality requirements	Aligned: FSC's standards require certificate holders to meet all applicable legal obligations.
No deforestation requirements	Mostly aligned: FSC's conversion policy is aligned with the EUDR no deforestation requirements. FSC does, however, permit minimal conversion if it produces long-term conservation and social benefits, does not exceed five per cent of the certified forest area and does not threaten High Conservation Values. FSC does not consider the establishment of ancillary infrastructure, such as forest roads needed to support responsible forest management, conversion. FSC is currently assessing how this aligns with the EUDR definition.
No forest degradation requirements	Aligned: FSC Forest Management Certification prevents degradation.
Social requirements	Aligned: FSC already embeds strong social requirements protecting workers' rights, local communities, as well as Indigenous Peoples' rights (e.g., via the Free, Prior and Informed Consent otherwise known as FPIC).
Geo-location requirement	Partially aligned: Many FSC-certified forests are already providing geo-spatial data on FSC-certified forest areas. FSC is already working on introducing relevant rules and technology to support collection of geo-spatial data of all FSC certified forests.
Traceability	Solution imminent: FSC is developing FSC Blockchain as a means to transmit product origin data along the supply chain. The Next Generation FSC Blockchain should be ready for field tests in 2023 Q4, and will be rolled out to interested supply chains starting in 2024.

How will FSC help companies demonstrate respect of relevant environmental and social legislation?

FSC's strict standards for forest management prevent deforestation and degradation, which is the main focus of EUDR.

From its inception FSC has embedded strong social requirements protecting workers' rights, local communities, and Indigenous Peoples' rights. In particular, the FSC Principles and Criteria require the Free, Prior, and Informed Consent of Indigenous Peoples on management decisions. All FSC-certified forest owners and managers are also required to identify and uphold Indigenous Peoples' rights of land ownership, use of land, and access to resources the land may provide. FSC certification can therefore be a key tool in addressing the EUDR requirement for companies to assess and mitigate risks in relation to rights of Indigenous Peoples in a country of production.

How can FSC help meet EUDR due diligence requirements?

FSC certification is a robust and effective tool to help companies meet the EUDR due diligence requirements, both at the risk assessment and risk mitigation phases.

FSC has led the way in developing and maintaining comprehensive risk assessments (including mitigation measures) for more than 60 countries including aspects of legality, social and environmental sustainability, deforestation, and genetically modified trees. FSC will develop its next generation of risk assessments which will cover EUDR requirements. To do this, FSC will partner with other organizations working on the risk assessment for wood commodities while doing this work.

How can FSC support geolocation & traceability requirements?

FSC is harnessing new technologies which will help support the EUDR geolocation and traceability requirements.

GIS Mapping

Many FSC-certified forest managers are already providing geo-spatial data on FSC-certified forest areas. FSC is working on introducing relevant rules and technology to support collection of geospatial data of all FSC-certified forests.

At FSC, we use both data from satellite imagery and geographic information system (GIS) maps to measure the impact of organizations' conservation practices. We created the FSC GIS Portal, a geospatial web app to inform auditors worldwide in near real time about logging or other activities in areas of interest in and around certified forests. The geospatial data can then be combined with satellite imagery and be used to better identify risks when auditing against FSC standards. [Learn more here.](#)

FSC Blockchain

FSC chain of custody certification assures that wood and non-timber forest product originating from sustainably managed FSC certified forests can be properly identified throughout the supply chain. FSC is developing a new system called FSC Blockchain to transmit product origin data along the supply chain.

We're leveraging the power of blockchain technology to revolutionize material traceability and trade compliance in high-risk supply chains. Blockchain is a digital technology that registers transactions into a digital ledger that cannot be changed (a concept known as immutability). Combined with data encryption, this allows auditors and regulators checking the activities of downstream operators to verify and audit upstream transactions, whilst still protecting business confidentiality. FSC's Blockchain should be ready for field tests in late 2023 and will be rolled out to interested supply chains starting in 2024. [Learn more here.](#)

Other Questions

What will happen to the EU Timber Regulation (EUTR)?

The EUTR will be replaced by the EUDR and hence will be no longer be in force. However, the EUTR continues to apply for 3 years to wood products where:

- Trees were harvested before the EUDR came into force;
- The wood product is placed on the EU market on or after the EUDR becomes applicable to businesses.

Resources

- [Final text of the EUDR, European Commission](#)
- [Questions and Answers on the new rules for deforestation-free products, European Commission](#)
- [Frequently Asked Questions – EU Deforestation Regulation](#)
- [FSC ‘Wood you find it?’ event summary and webinar recording.](#)
- ‘Forest of the Future’ podcast episodes on EUDR:
 - [Episode 57: Setting the scene – Why requirements on geo location? \(Getting granular on EUDR, episode 1 of 3\)](#)
 - [Episode 58: How might we use existing technologies to comply? \(Getting granular on EUDR, episode 2 of 3\)](#)
 - [Episode 59: The global perspective on EUDR \(Getting granular on EUDR, episode 3 of 3\)](#)