EU DEFORESTATION REGULATION

EUDR: Scope and applicability

A practical guide for businesses supplying the EU market

What is EUDR?

The EU Deforestation Regulation (EUDR) aims to reduce the EU's contribution to global deforestation and forest degradation. Replacing the EU Timber Regulation (EU 995/2010), it requires businesses to show that certain commodities and derived products are legally produced and not linked to deforestation after 31 December 2020 before being placed on, or exported from, the EU market.

What the regulation requires

The three mandatory compliance conditions:

1	**Deforestation-Free**	Products must not originate from land deforested after 31 December 2020, and wood harvesting must not cause forest degradation after that date.
2	**Legal Production**	Commodities must be produced in full compliance with the relevant legislation of the country of production (e.g., land tenure, environmental, labour, and tax/customs laws).
3	**Backed by Due Diligence**	Relevant products must be covered by a Due Diligence Statement (DDS), or a Simplified Declaration where applicable, submitted through the EUDR Information System before they are first placed on the EU market or exported.

What commodities are affected?



These commodities and certain derived products listed in Annex I of the EUDR must prove that they originated from a deforestation free area.

Product Scope (CN/HS Codes): EUDR applies only where a product's specific Combined Nomenclature (CN) or Harmonised System (HS) code is listed in Annex I. A product is not automatically in scope simply because it contains a relevant commodity or material.

Packaging Distinctions

• **Standalone Packaging (Potentially In Scope)**: Paper, cardboard or wood packaging placed on the market or exported as a product in its own right, may fall within EUDR where its CN code is listed in Annex I, for example certain empty boxes or pallets.

• **Protective / Carrying Packaging (Exempt)**: Packing material presented with another product and used exclusively to support, protect or carry that product is not subject to EUDR.

Who is affected & compliance timelines

UK companies are not legally bound by EUDR, unless they are the company first placing the goods on the EU market.

EUDR Role	Compliance Deadline
Upstream Operator: first places an in-scope product on the EU market or exports it from the EU.	**30 December 2026** for Large/Medium entities.
Micro or Small Primary Operator: a micro or small producer in a low-risk country placing or exporting products it has produced itself.	**30 June 2027** for Micro/Small entities (except timber/EUTR products, which remain **30 December 2026**).
Downstream Operator: places or exports an in-scope product made from products that have already undergone EUDR due diligence. Additional requirements may apply depending on whether the downstream operator or trader is an **SME or non-SME**.	**30 December 2026** for Non-SMEs. **30 June 2027** for SMEs.
Trader: makes an in-scope product available on the EU market after it has already been placed on the market.	**30 December 2026** for Non-SMEs. **30 June 2027** for SMEs.

Operational due diligence: how it works

Step 1: Information Collection & Geolocation

Collect product descriptions, quantities, supplier/customer information, country of production and evidence of legal production. For standard operators, geolocation must be collected for all relevant production plots, using coordinates of at least six decimal digits; polygons are required for plots over four hectares, except for cattle. Qualifying micro or small primary operators may provide a postal address instead of geolocation data.

Step 2: Risk Assessment

Where full due diligence applies, assess the risk of non-compliance using factors including country risk classification, prevalence of deforestation, supply-chain complexity and the risk of circumvention or mixing.

Step 3: Risk Mitigation

If more than a 'negligible risk' is identified, businesses must take adequate mitigation measures (additional data collection, independent audits, supplier support) until the risk is reduced to a negligible level, before placing products on the market.

Action plan for producers & businesses

1. Perform CN/HS Code Audit

Map all raw materials, components, and finished SKUs against Annex I to classify which products are strictly in-scope.

2. Establish Geolocation Traceability

Put systems in place to collect and retain required geolocation data for sourcing plots, including polygon coordinates for plots exceeding four hectares where applicable.

3. Build Legality Documentation Registers

Compile verifiable evidence of compliance with national land rights, forestry, labour, tax, and environmental legislation.

4. Integrate Supply-Chain Data Sharing

Ensure systems can generate, record and retain DDS reference numbers or Simplified Declaration identifiers and provide them to the first downstream operator or trader where required.