

**FESI Q&A on the EU Deforestation  
Regulation  
March 2026**

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## **1. Why EU Deforestation Regulation?**

The EU Deforestation Regulation (EUDR) seeks to prevent products sold on the European market, whether produced within the EU or imported, from contributing to deforestation or forest degradation either in the EU or globally. To achieve this, the Regulation prohibits placing products on the market that can be shown to have caused deforestation.

With this objective, the European Commission published its proposal for the EUDR on 17 November 2021, and the Regulation was adopted on 16 May 2023. After two delays in its applicability, on 21 October 2025, the European Commission issued a proposal to simplify its implementation. The proposal, which was amended by both the Parliament and Council, was approved by the two institutions on 17 and 19 December 2025 respectively.

## **2. When does the Regulation enter into application?**

The original Regulation was published in the Official Journal of the European Union on 9 June 2023, and it entered into force on 29 June 2023. It was originally scheduled to apply to all operators and traders, except those marketing timber products produced before 29 June 2023, starting on 30 December 2024. However, in December of that year, the EU introduced a 12-month additional transition period, postponing application to 30 December 2025 for large and medium-sized companies, and to 30 June 2026 for micro and small enterprises.

The interinstitutional negotiations concluded on 4 December 2025 established an additional 12-month transition period, postponing the Regulation's applicability as follows:

- For large and medium-sized undertakings: as of **30 December 2026**.
- For micro and small undertakings as of **30 June 2027**.

## **3. Which products are currently covered?**

The commodities and products under the scope of EUDR are contained in Annex I of the regulation, among which rubber and leather are included. For these products, certain operators and traders must demonstrate that (a) the products are deforestation-free; (b) they were produced in compliance with the relevant laws of the country of production; and (c) they are covered by a due diligence statement before exporting or placing them into the market.

In practical terms, this means that if you intend to place articles such as gloves containing rubber (included in Annex I of the Regulation) on the market, you must comply with the traceability obligations assigned to the category you belong to according to the definitions provided by the Regulation (see question 3).

#### **4. Who is included in the scope of the regulation?**

The Regulation sets out distinct obligations based on the category of the concerned entity, as follows:

- **Primary operator:** Any natural or legal person that places relevant products on the market or exports them, excluding downstream operators (see question 4).
- **Micro- and Small Primary Operator:** A micro- or small undertaking (as defined in Directive 2013/34/EU) **established in a low-risk country** that produces and places on the market or exports products grown, harvested, obtained, or raised on its own plots of land (or, for cattle, on its own establishment) located in that country. This category also includes companies that exceed at least two of the standard EU size thresholds (**balance sheet total, net turnover, number of employees**) but can demonstrate that the specific part of their business covered by this Regulation falls below at least two of those thresholds (see question 5).
- **Downstream Operator:** Any natural or legal person that places on the market or exports relevant products made using relevant products, provided that all such products are already covered by a due diligence statement or a simplified declaration (see question 6).
- **Trader:** Any person in the supply chain, other than an operator downstream operator, who makes relevant products available on the market during a commercial activity.
- **SME Trader:** Any person in the supply chain, other than an operator downstream operator, who makes relevant products available on the market during a commercial activity that falls under the definition of SME.
- **Downstream Trader:** Any trades who makes relevant products available on the market, provided that all such products are already covered by a due diligence statement or a simplified declaration (see question 6).

## **5. I am a primary operator intending to place a product covered by EUDR in the market. Which are my obligations?**

No product included in the scope of EUDR can enter the EU market, be made available in the EU or be exported until the operator has fulfilled its due diligence obligations, which include:

1. Establishing and maintaining a Due Diligence System.
2. Report on the content of due diligence.
3. Register and submit a Due Diligence Statement (DDS) on the IT System of the European Commission.

Only after the statement has been submitted, the relevant product placed in the market or exported.

### **5.1. How to establish and maintain a Due Diligence System compliant with EUDR?**

The Due Diligence System must be set and include three different steps:

- Step 1 (Article 9): Collection of information that demonstrate that products are deforestation-free and that they have been produced in accordance with the relevant legislation of the country of production.
- Step 2 (Article 10): Conduct of a risk assessment and assignment of a level of risk for products.
- Step 3 (Article 11): Establishment of risk-mitigation measures in cases where the risk assessment reveals a high risk for concerned products being non-compliant with EUDR.

Operators must review the due diligence system at least **once a year**, especially when they become aware of new developments which could influence the due diligence system. The established updates must be recorded and kept for **five years**.

#### **Step 1: Collection of relevant information**

Operators must collect the following information:

- **Description of the product** (trade name and typology), including a list of relevant commodities or relevant products contained therein or used to make those products.
- **Quantity of relevant products** (in kilograms of net mass and a supplementary unit, such as number of items or meters) as defined in Annex I of Regulation 2658/87,<sup>1</sup> if it is required

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<sup>1</sup> [Council Regulation \(EEC\) No 2658/87](#) of 23 July 1987 on the tariff and statistical nomenclature and on the Common Customs Tariff.

by the Harmonised System (HS) code.<sup>2</sup> In all other cases, quantity can be expressed as net mass, volume or number of items, depending on the nature of the product.

- **Country of production** and, where relevant, parts thereof.
- **Exact geolocation of every plot of land** involved in producing the commodity, as well as the **production date or time range**, additional geolocation for all cattle establishments, and an assurance that no deforestation or forest degradation occurred.
- **Name, postal address and email address** of any business or person from whom they have been supplied with the relevant products.
- **Name, postal address and email address** of any business, operator or trader to whom the relevant products have been supplied.
- Conclusive and verifiable **information that the relevant products are deforestation-free.**
- Conclusive and verifiable **information that the relevant commodities have been produced in accordance with the relevant legislation of the country of production**, including any arrangement conferring the right to use the respective area for the purposes of the production of the relevant commodity.

Operators shall collect, organise and keep this information, accompanied by evidence, for **five years** from the date of the placing on the market or export of the relevant commodities and relevant products.

### **Step 2: Conduct of a risk assessment and assignment of a level of risk**

A risk assessment and a risk-level assignment must be undertaken for relevant products, taking into consideration the following criteria:

- The **level of risk of the relevant country** of production or parts thereof.
- The **presence of forests in the country** of production or parts thereof.
- The **presence of indigenous peoples** in the country of production or parts thereof.
- The **consultation and cooperation in good faith with indigenous peoples** in the country of production or parts thereof.

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<sup>2</sup> The [nomenclature](#) is a classification of goods that is used uniformly by customs authorities around the world.

- The **existence of duly reasoned claims by indigenous peoples** based on objective and verifiable information regarding the use or ownership of the area used for the purpose of producing the relevant commodity.
- The **prevalence of deforestation or forest degradation in the country** of production or parts thereof.
- The **source, reliability, validity, and links to other available documentation** of the information referred to in Article 9.
- Any **concerns in relation to the country of production** and origin or parts thereof, such as level of corruption, prevalence of document and data falsification, lack of law enforcement, violations of international human rights, armed conflict or presence of sanctions imposed by the UN Security Council or the Council of the European Union.
- The **complexity of the relevant supply chain and the stage of processing of the relevant products**, in particular difficulties in connecting relevant products to the plot of land where the relevant commodities were produced.
- The **risk of circumvention** of this Regulation or of mixing with relevant products of unknown origin or produced in areas where deforestation or forest degradation has occurred or is occurring.
- The **conclusions of the meetings of the Commission expert groups** supporting the implementation of this Regulation, as published in the Commission's expert group register.
- Any **substantiated concerns** submitted by a natural or legal person, and information on the history of non-compliance of operators or traders along the relevant supply chain with this Regulation.
- Any **information that would point to a risk** that the relevant products are non-compliant.
- Any **complementary information**, such as that one supplied by certification or other third-party verified schemes, including voluntary schemes, provided that the information meets the requirements set out in Article 9 of this Regulation.

Based on this assessment the operator must assign the concerned product or commodity one of these levels for the product to be non-compliant with the Regulation: **no risk, negligible risk, non-negligible risk or high risk.**

### **Step 3: Establishment of risk-mitigation measures**

When a product or commodity is classified as non-negligible or high risk, risk mitigation measures must be put in place by the concerned operators or traders. Risk-mitigation measures can include:

- Requiring additional information, data or documents.
- Carrying out independent surveys or audits.
- Taking other measures pertaining to information requirements set out in Article 9.

In addition, operators must have in place adequate and proportionate policies, controls and procedures to mitigate and manage effectively the identified risks of non-compliance of relevant products, including:

- Model risk management practices, reporting, record-keeping, internal control and compliance management, including the appointment of a compliance officer at management level.
- An independent audit function to check the internal policies, controls and procedures.

The decisions on risk mitigation procedures and measures must be documented, reviewed at least on an annual basis and made available by the operators to the competent authorities upon request.

Operators must save, for at least **five years** after the due diligence exercise was carried out, the relevant documentation about the risk-mitigation measures put in place.

## **5.2. How to report on the content of Due Diligence?**

Operators must, on an annual basis, publicly report as widely as possible, including via the internet, on their due diligence system and the steps taken to fulfil their obligations under the regulation.

Operators who also fall within the scope of other Union legal acts that lay down requirements regarding value chain due diligence, such as the Corporate Sustainability Reporting Directive (CSRD), **can fulfil this reporting obligation by including the required information when reporting in the context of those other Union legal acts.**

The reporting about the Due Diligence System must include the following information:

- A summary of the information referred to in Article 9 as regards to:
  - The description of the product, including its trade name and typology.
  - The quantity of relevant products, respecting the instructions regarding the measurements.

- The Country of production and, where relevant, parts thereof.
- The conclusions of the risk assessment carried out pursuant to Article 10 and measures undertaken pursuant to Article 11 and a description of the information and evidence obtained and used to assess the risk.
- When applicable, a description of the process of consultation of indigenous peoples, local communities and other customary tenure rights holders or of the civil society organisations that are present in the area of production of the relevant commodities and relevant products.

Operators must keep for at least **five years** all documentation related to due diligence, such as all records, measures and procedures.

### **5.3. How and when to submit a Due Diligence Statement?**

**Operators and traders must submit the Due Diligence Statements (DDS)** for the relevant commodities and products under the scope of the Regulation before placing them on the market or export them, and after conducting and reporting the corresponding due diligence.

The DDS will be submitted through the information system established and maintained by European Commission.

For reimported goods, operators can reuse existing DDS, meaning less information must be submitted to the IT system.

### **5.4. Which information must the Due Diligence Statement include?**

The due diligence statement must include:

1. **Company identity information**, including the operator's name and address, and its **EORI number** (a registration number for companies that import/export in the EU), if the product is entering or leaving the EU market. Domestic operators/traders, who do not have an EORI number may register through one of the other identifiers supported by the system such as VAT number, National Company Number or Taxpayer Identification Number.
2. **Product information**, including the Harmonised System code (international customs classification code), a description of the product (including trade name), and the quantity of the product they want to place on the market or export. For imports/exports, the quantity must be given in kilograms (net mass) and possibly another unit specified in EU customs rules. Otherwise, it can be expressed in net mass, or percentage/volume/number of items if applicable.

3. **Origin and geolocation of the product**, meaning the country where the commodity was produced and the geolocation (GPS coordinates) of every plot of land where the raw materials were grown. For **cattle-derived products**, such as leather, geolocation must cover all farms/establishments where the cattle were kept, including those that produced their feed. If produced in multiple plots, all plot locations must be listed.
4. **Previous due diligence reference**, if the operator is using an earlier due diligence statement (as allowed by specific articles of the regulation).
5. **Statement of conformity** as included in Annex II of the regulation.
6. **Signature**.

Operators must store the statement and all related due diligence documents for **at least 5 years** and make them available to competent authorities on request.

### **5.5. Can someone submit a Due Diligence Statement on my behalf?**

Operators or traders required to submit a DDS can mandate an authorised representative to submit the due diligence statement on their behalf but retaining responsibility for the compliance of the relevant product with the regulation. This authorised representative can submit the due diligence statement on behalf of members of company groups.

### **5.6. Can a Due Diligence Statement be amended?**

Cancellation or amendment of submitted statements will be possible within 72 hours after the due diligence reference number has been provided by the System. However, cancellation or amendment will not be possible if the statement reference number has already been used in a Custom 28 declaration, in another statements, or if the corresponding product has already been placed or made available on the market or exported.

### **5.7. Who, when and how can conduct Simplified Due Diligence?**

Non-SME operators and traders can conduct a simplified due diligence if every relevant commodity and/or product in the supply chain:

- Comes from a country or region that has been officially classified as “low risk<sup>3</sup>”, **and**
- The operator can prove that there is no risk of mixing with non-low-risk sources, **and**

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<sup>3</sup> Country benchmarking system classifying countries according to their level of risk [here](#).

- There is no risk of circumvention (e.g., shipping high-risk products through a low-risk country).

In these cases, operators do not need to conduct a risk assessment or implement mitigation measures (steps 2 and 3 in the due diligence system process). However, even in cases in which negligible risk of mixing or circumvention is ensured, the operator must still:

- Collect Article 9 information, including geolocation, supplier, product quantity, legality documents, etc. (step 1 in the due diligence system process).
- Submit the due diligence statement.
- Provide documentation to authorities upon request.

If at any stage the operator receives any **relevant information** that the relevant products are **non-compliant**, or that the potential **risk of circumvention or mixing** with high-risk sources has changed, the operator must immediately **stop using the simplified due diligence** and perform all the required steps to conduct risk assessments and mitigation measures.

## **6. I am a micro- or small primary operator; which are my obligations?**

Micro- and small primary operators do not need to conduct due diligence nor submit a statement when importing or exporting a product from a low-risk country. They must submit a one-time simplified declaration in the information system before placing on the market products or exporting them.

If this information is already available in an existing EU or Member State database (other than the main information system), micro- and small primary operators do not need to submit the simplified declaration. Member States must ensure this information is made available in the information system.

### **6.1. How and when to submit a simplified declaration?**

Micro- and small primary operators must submit the one-time simplified declaration in the information system before placing on the market relevant products or exporting them. After its submission, a declaration identifier will be issued to the concerned operator.

### **6.2. Which information must the simplified declaration include?**

The information that must be submitted in the system is established in Annex III of the Regulation, and includes:

- The operator's identification details (name, address and, where applicable, EORI number).
- The Harmonised System code and description of the products
- An estimate of the annual quantity placed on or exported from the market.

Quantities should be reported mainly in kilograms (net mass), with estimates or deviations indicated and supplementary units used where applicable.

### **6.3. Can someone submit a simplified declaration on my behalf?**

Yes. In the same terms as for the Due Diligence Statement, a micro- or small primary operator can mandate an authorised representative to submit the simplified declaration on their behalf but retaining responsibility for the compliance of the relevant product with the regulation.

### **6.4. Can a simplified declaration be amended?**

Yes, a simplified declaration can be amended if there are material changes in the information provided (e.g., changes in supplier, product, or production data). Only if such important changes occur would the simplified declaration need to be updated or amended, but routine changes would generally not trigger a full new submission unless they materially affect compliance information

## **7. I am a downstream operator or trader. Which are my obligations?**

Downstream operators and traders do not have to submit a due diligence statement or a simplified declaration. They must only collect and keep **specific contact information** from their suppliers (**only in case the supplier is an operator**) and the operators or traders to whom they may supply the relevant product before placing it on the market. This information includes name or registered trade name/mark, postal and email address, and website if available), as well as the reference numbers of the due diligence statements or declaration identifiers linked to the supplied products.

Prior to this, non-SMEs downstream operators and traders must register in the information system established by the European Commission. There is no requirement for downstream operators to pass information on to subsequent downstream operators and traders.

An exception to this general rule occurs, notably, if a downstream operator or trader combines an imported commodity already covered by a due diligence statement with a newly imported commodity not yet covered by a due diligence statement to make a product. In this case, the

downstream operator/trader would need to submit a due diligence statement for that newly imported commodity. This is because for that newly imported commodity, that operator or trader would effectively be an upstream operator/trader.

## **8. How will authorities check compliance with EUDR?**

National competent authorities will use a risk-based approach to decide what checks to carry out on operators and traders, both primary and downstream. To identify the risk of non-compliance, authorities will consider factors such as the type of commodity concerned, the complexity or length of the supply chain (including mixing of products), the country or region's risk category (especially high-risk areas), among other categories.

The checks performed by the National authorities will be conducted based on specific targets depending on the origin of the product:

- 1% of operators dealing with products from low-risk countries
- 3% of operators dealing with products from standard-risk countries
- 9% of operators and 9% of each relevant product from high-risk countries

These checks are generally unannounced, unless prior notice is strictly necessary, and they can include:

- Reviewing the due diligence system (including risk assessment and risk mitigation procedures documentation and records showing the system works properly)
- Reviewing of related due diligence statements.
- On-the-ground checks of commodities/products to verify they match the due diligence documents.
- Review the scientific techniques (anatomical, chemical, DNA testing) used to identify the species or production location.
- Review the scientific methods to determine whether a product is deforestation-free, including satellite/Earth-observation data (e.g., Copernicus).
- Spot checks or field audits, including in third-country locations (if the third country agrees).

Member States may authorise their authorities to recover all costs related to non-compliance cases from operators or traders.

## 9. Corrective measures

If a competent authority determines that an operator or trader has not followed the EUDR, or that a product on the EU market is non-compliant (because, for example, is not deforestation-free, not legal, or due diligence is missing), they must immediately require the operator or trader to fix the issue within a reasonable, specified deadline. If the requirement is not met in due time by the concerned operator and/or trader, the national competent authorities are entitled to enforce such corrective measures.

## 10. Penalties

National competent authorities are entitled to impose **effective, proportionate, and dissuasive penalties** for breaking the EUDR, which may include:

- Financial penalties with a maximum amount for companies of at least **4 % of the operator's or trader's total annual Union-wide turnover** in the financial year preceding the fining decision, with the possibility to be increased, where necessary, to exceed the potential economic benefit gained.
- Confiscation of products from the operator and/or trader.
- Confiscation of revenues gained by the operator and/or trader from a transaction with the relevant products concerned.
- Temporary exclusion for a maximum period of 12 months from public procurement processes and from access to public funding.
- Temporary prohibition from placing or making available on the market or exporting relevant commodities and relevant products, in the event of a serious infringement or of repeated infringements.
- Prohibition from exercising the simplified due diligence procedure in the event of a serious infringement or of repeated infringements.

Member States must then notify the Commission of final judgments against companies for infringements of this Regulation and the penalties imposed on them, within 30 days from the date on which the judgments become final. Afterwards, the Commission will publish on its website a list of such judgments.

## 11. Useful links

- **Original text of Regulation (EU) 2023/1115** on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation (EUDR), available [here](#).
- **European Commission's proposal for a revision** of Regulation (EU) 2023/1115 (EUDR), available [here](#).
- **Draft interinstitutional agreement** (European Parliament and Council) on the proposal for a revision of Regulation (EU) 2023/1115 (EUDR), available [here](#).
- **3<sup>rd</sup> edition of the EUDR Guidance Document**, providing further clarification and example scenarios; available [here](#).
- **General EUDR Q&A document** (last update April 2025), available [here](#).
- **Guidance Document for Regulation on Deforestation-Free Products** (last update April 2025), available [here](#).
- **Factsheet for EUDR compliance**, available [here](#).
- **Factsheet for the application of EUDR for SMEs**, available [here](#).
- **List and contact details of national competent authorities**, available [here](#).
- **Tool from the Dutch Government to check whether a company falls under the scope of EUDR**, available [here](#).
- **Benchmarking system** classifying countries according to the level of risk of producing commodities covered by the scope of EUDR that are not deforestation-free, available [here](#).

### Annex I – Classification of some relevant products in scope of EUDR\*

#### **Cattle**

- ex 4107 Leather of cattle, further prepared after tanning or crusting, including parchment dressed leather, without hair on, whether or not split, other than leather of heading.

#### **Rubber**

- ex 4006 Unvulcanised rubber in other forms (e.g. rods, tubes and profile shapes) and articles (e.g. discs and rings).
- ex 4007 Vulcanised rubber thread and cord.
- ex 4010 Conveyer or transmission belts or belting of vulcanised rubber.



- ex 4015 Articles of apparel and clothing accessories (including gloves, mittens and mitts), for all purposes, of vulcanised rubber other than hard rubber

*\*This list does not include all the commodities and products mentioned in the Regulation. To check the exhaustive list, please refer to the legal text.*

#### LEGAL DISCLAIMER

*The information shared are provided for general informational purposes only. Nothing should be construed as legal, regulatory, or compliance advice from FESI or its representatives. For advice on specific issues, members should consult their own legal or compliance advisors.*