

EU Commission proposes changes to EUDR



Sustainability

Cattwyk Rechtsanwaltsgesellschaft mbH & Co. KG

Hohe Bleichen 8, D-20354 Hamburg
Rue d'Arlon 25, B-1050 Brussels

Limited Partnership, registered with the commercial register of the Hamburg District Court under HRA 131507 |
Registered office: Hohe Bleichen 8, D-20354 Hamburg | Personally liable partner: Cattwyk Verwaltungs GmbH,
HRB 188095 | Represented by the management: Dr. Katja Göcke, Dr. Lothar Harings, Dr. Hartmut Henninger,
Franziska Kaiser, Marian Niestedt

EU Commission Announces Targeted Simplification of EUDR

Following the EU's Environment Council on 21 October 2025, EU Commissioner Jessika Roswall announced a targeted simplification package for the European Deforestation Regulation (**EUDR**).

Following her announcement, the Commission published a formal proposal to change the EUDR, including the introduction of a new Annex III ([link](#)). Although the Commission proposes substantive changes to the EUDR, **the date of application of the EUDR remains unchanged** under the proposal. The Commission only introduced a six-month delay for small and micro enterprises for 30 December 2026 (instead of 30 June 2026).

Substantive changes concern in particular so-called “downstream operators” and “micro and small primary operators”.

1. Date of Application and Date of Enforcement

The most relevant new information is that the EUDR, even in its proposed changed version, will start to apply for large and medium-sized enterprises as of **30 December 2025**. This means that the Commission has decided to withdraw from Commissioner Roswall's initial proposal to extend the implementation deadline of the EUDR by an additional year for all affected entities.

The initial plan to postpone the EUDR as voiced by Commissioner Roswall is now limited to **micro or small enterprises**. For them the obligations shall apply **from 30 December 2026**, which amounts to a six-month delay from the current date of application on 30 June 2026. A crucial proposed change concerns the relevant date at which a small or micro enterprise must have been established to benefit from the proposed delay: instead of 31 December 2020 the small and micro undertaking must have been established as such by **31 December 2024**.

For companies that are bound by the EUDR as of 30 December 2025, the Commission proposes a grace in period with regard to enforcement. The enforcement obligations of the competent authorities (laid down in Art. 16 to 19, and Art. 24 EUDR) shall apply from 30 June 2026 under the proposal. For small and micro undertakings, as well as micro and small primary operators, enforcement will begin 30 December 2026. During the grace period, competent authorities may issue warnings and recommendations, but they may not impose penalties or fines.

Regarding the repeal of the European Timber Regulation (EUTR), an amended Art. 37 in principle retains the provisions of the current Art. 37 EUDR; however, it grants slightly deviating periods for

micro and small primary operators or operators that by 31 December 2024 were established as micro-undertakings or small undertakings.

2. Obligations for Various Roles

The proposal introduces two new roles next to “operator” and “trader”, namely the “micro and small primary operators” and “downstream operators”.

2.1. Operator

The definition of “operator” will, according to the proposal, no longer include so-called “downstream operators” (see below **2.3**). This essentially means that most of the EUDR obligations shall be limited to the “first” operator, including those companies that source EUDR relevant products from outside the EU

The due diligence obligations of these first operators remain unaltered and apply as of 30 December 2025. Exceptions apply only for micro and small primary operators (see below **2.2**).

2.2. Micro and Small Primary Operators

The Commission proposal introduces the new role of a “micro and small primary operator”, whose obligations are limited to the submission of a one-off declaration. According to the proposal, micro and small primary operators as defined in a new Art. 2 (15)(a) do not have to comply with the obligations laid down in current Art. 4 Sec. 2, 3 and 4 lit. c) EUDR. Micro and small primary operators will only have to submit a **one-time simplified declaration** to the information system, for which they will be assigned a declaration identifier. The Commission proposes a new Annex III, which includes the information that micro and small primary operators must provide when submitting the simplified declaration. If all the information listed in Annex III is available in a system or database (other than the EUDR information system TRACES) that already exists under EU or Member States legislation, micro and small primary operators will not be required to submit a simplified declaration, and it will be the Member States who have to make this information available to the EUDR information system TRACES.

Finally, micro and small primary operators may replace the geolocation data by the postal address of all plots of where the relevant products were grown, harvested, obtained from or raised on.

2.3. Obligations for Downstream Operators and Traders

The proposal essentially consolidates all obligations of the newly defined “downstream operator” with those of the “trader” in a newly proposed Art. 5. According to the proposal, downstream operators are defined as:

“any natural or legal person who, in the course of a commercial activity, places on the market or exports relevant products made using relevant products, all of which are covered by a due diligence statement or by a simplified declaration”

This includes all traders and manufacturers that source from suppliers based in the EU. The Commission proposes deleting Art. 4 Sec. 8 to 10 EUDR, thereby revoking the obligation to ascertain that due diligence was carried out in the upstream supply chain. Additionally, the change would annul the responsibility of the downstream operator or trader for the conformity of the products. The new Art. 5 will be the sole basis for their obligations – comparable to the concept of obligations provided for under the EUTR.

According to the proposal, non-SME downstream operators and non-SME traders will no longer be required to submit due diligence statements. Instead, they must collect the reference number as well as certain information about their suppliers and customers and pass it on to their customer. Moreover, non-SME downstream operators and non-SME traders must register in the information system prior to placing or making relevant products on the market or exporting them. This means that, although no submission to the information system is necessary, the reference number must still be passed along the supply chain. Therefore, the new proposal still requires full traceability of relevant products along the supply chain.

The Commission proposes the introduction of a new provision, Art. 5 Sec. 7, stipulating that non-SME downstream operators and non-SME traders shall be prohibited from placing, making available, or exporting relevant products where there are substantiated concerns regarding non-compliance, unless such concerns have been duly verified and found to pose no risk or only a negligible risk of non-compliance.

It should be noted that, pursuant to Art. 16 of the EUDR, inspections conducted by competent authorities will continue to encompass downstream operators. Under the newly proposed Art. 19, such inspections may include the examination of documentation and records, as well as spot checks and audits. Furthermore, in accordance with the proposed Art. 25 Sec. 3, corrective measures - such as requiring remedial action - must address any deficiencies identified in the due diligence system, with the objective of mitigating the risk of future non-compliance with the Regulation.

3. Next Steps

The formal proposal will now have to be discussed in Parliament and Council. Both institutions will need to formally adopt the targeted amendments of the EUDR for the above amendments to the EUDR to come into effect. The Commission has called on the co-legislators to swiftly adopt the proposal by the end of year 2025. The next potential dates for the Parliament to vote in plenary session are 12-13 November or 24-27 November, and for the Council 17 or 24 November.

Dr. Lothar Harings

Rechtsanwalt | Managing
Director

l.harings@cattwyk.com

Max Jürgens

Rechtsanwalt | Counsel

m.juergens@cattwyk.com

Dr. Julia Hörnig

Rechtsanwältin | Senior
Associate

j.hoernig@cattwyk.com

Cattwyk Rechtsanwaltsgesellschaft mbH & Co. KG

Hohe Bleichen 8, 20354 Hamburg