

**SUSTAINABLE DEVELOPMENT FESTIVAL 2022**

ASvis Alleanza Italiana per lo Sviluppo Sostenibile

UNIONE ITALIANA OLIO DI PALMA SOSTENIBILE

**PALM OIL AND SDGs**

**SUSTAINABLE NUTRITION AND ZERO DEFORESTATION GOAL**

**5** WEDNESDAY **OCTOBER**  
10:30 AM / 12:00 PM CEST

LIVE ON **zoom**

## The EU Regulation on deforestation free products

Davide Pettenella<sup>1</sup>, Elena Massarenti<sup>2</sup>, Nicola Andrighetto<sup>1,2</sup>, Mauro Masiero<sup>1</sup>

1: TESAF Department, University of Padova  
2: Etifor | Valuing Nature

8 DECENT WORK AND ECONOMIC GROWTH, 12 RESPONSIBLE CONSUMPTION AND PRODUCTION, 15 LIFE ON LAND

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## Outline

- Background
- The contents of the EUDR
- Open questions

These slides can be download from the web (search “pettenella”)

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## Outline

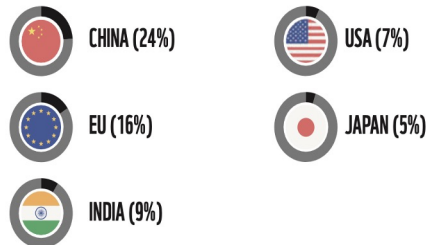
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## Background The impact of EU consumption on deforestation

- The EU is **the second largest importer (16%) of global trade-related deforestation** and associated emissions.
- The EU caused **more deforestation** than any other country through its imports **between 2005 and 2013**, before being overtaken by China in 2014.

### DEFORESTATION ASSOCIATED WITH INTERNATIONAL TRADE

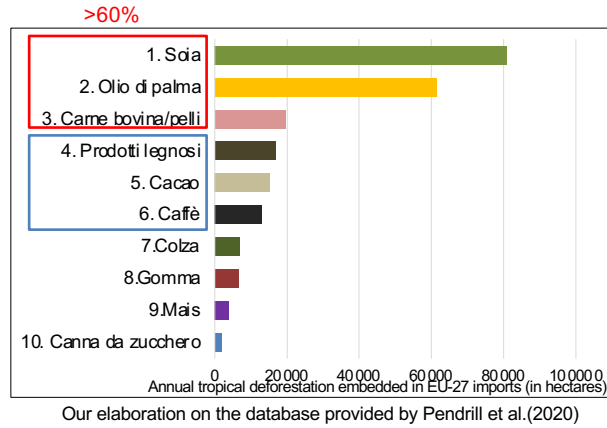


Source: WWF (2021):  
Stepping up

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## The impact of EU consumption on deforestation per product

90% of the deforestation caused by EU-27 imports is due to the production of 10 commodities

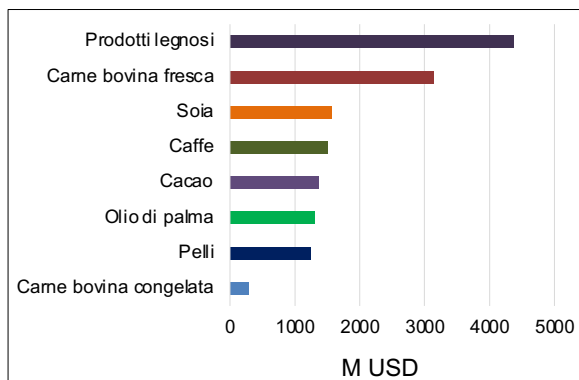


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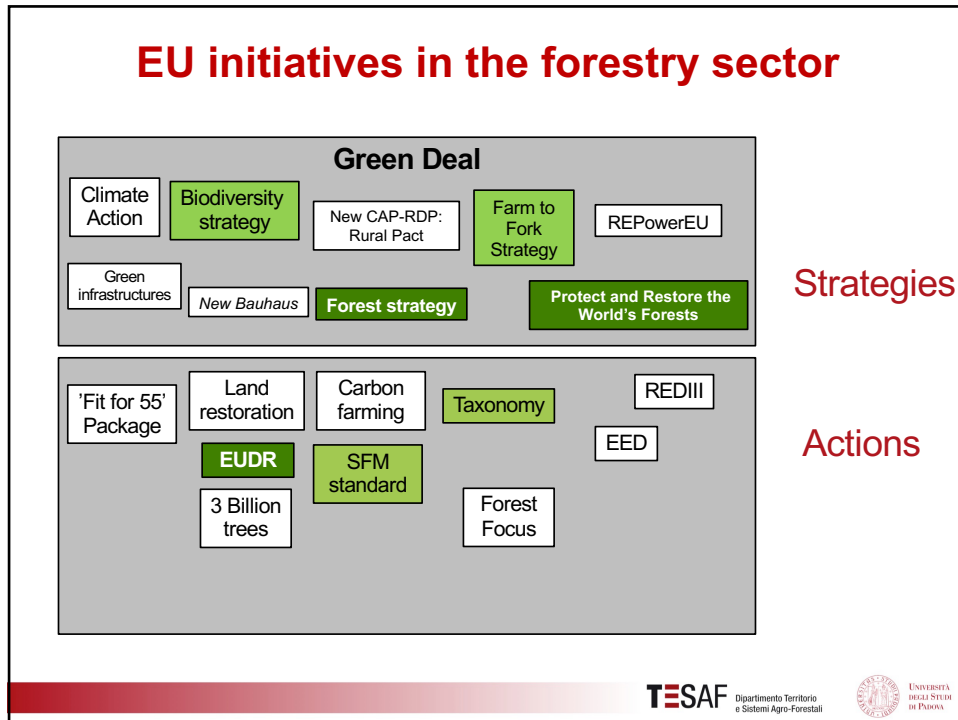
## The role of Italian imports

In terms of economic value (M USD)

in 2020: Italy among the top 3 European importers of beef, coffee and palm oil  
Among the top 5 European importers of soya and wood products



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## The Deforestation Regulation (EUDR)



Brussels, 17.11.2021  
COM(2021) 706 final  
2021/0366 (COD)

Proposal for a

**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**on the making available on the Union market as well as export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) No 995/2010**

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## Objectives, product scope and requirements

OBJECTIVE	Minimise consumption of products coming from supply chains associated with deforestation or forest degradation
PRODUCTS SCOPE	Cattle, cocoa, coffee, palm oil, soy, wood and derived products
MAIN REQUIREMENT	Commodities or products placed on the EU market should be: <ul style="list-style-type: none"> <li>• “deforestation free” (<i>not linked to land that has been deforested or degraded after December 31, 2020</i>) and legally produced</li> <li>• covered by a due diligence statement</li> </ul>

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## Main actors involved

- **Operators:** any natural or legal person that places relevant commodities on the Union market.
- **Traders:** any natural or legal person in the supply chain who, in the course of a commercial activity, makes available on the Union market relevant commodities and products.

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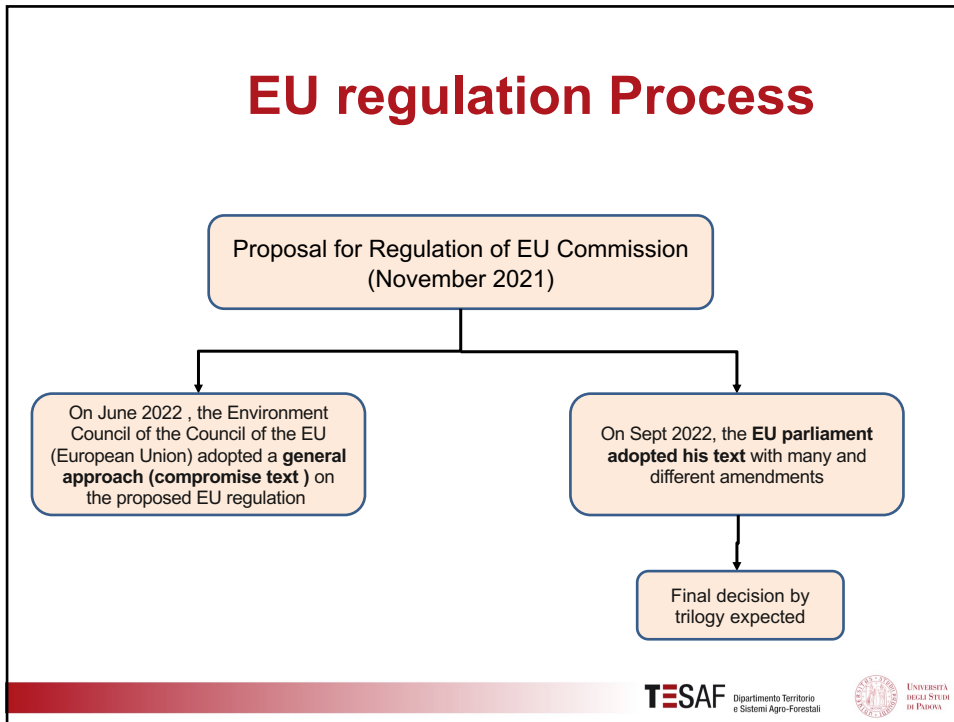
## Main requirements for the actors involved

Operators and Traders who are not SMEs	DUE DILIGENCE
Traders who are SMEs	TRACEABILITY

**TRACEABILITY=**  
collect a record of their suppliers and customers

**DUE DILIGENCE =**  
Access to information + Risk Analysis + Risk mitigation



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## Main amendements

	Text from EU Commission	Text from EU Parliament
<b>Defintion of deforestation</b>	"conversion of forest to agricultural use, whether human-induced or not"	"conversion whether human-induced or not, of forests or other wooded land to agricultural use or to plantation forest"
<b>'Non-compliant products'</b>	Commodities and products that were not produced in a 'deforestation-free' manner, or were not produced in accordance with the relevant legislation of the country of production, or both.	Not produced in a 'deforestation-free' manner, or not produced in accordance with the relevant laws and standards, including those on the <b>rights of indigenous peoples, tenure rights of local communities</b> , and the right to free, prior and informed consent, and which were not covered by an accurate due diligence statement.
<b>Cut-off date</b>	31 December 2020	<b>31 December 2019</b>
<b>Commodities scope</b>	Cattle, cocoa, coffee, oil palm, soya and wood and products that contain, have been fed with or have been made using these commodities	Cattle, cocoa, coffee, oil palm, soya, <b>swine, sheep and goats, poultry, palm-oil based derivates, maize, rubber, charcoal and printed paper</b>
<b>Financial institutions</b>	<b>Not included in the scope</b>	Shall exercise due diligence prior to providing services to customers whose economic activities consist, or are linked to, the trading or placing on the market of the commodities and products within the Regulation's scope

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- **Differentiated impacts** on exporting and importing enterprises (SME having more problems)
- **Dual market** creation (“good” products for the West economies; “un-qualified” products for the global South)
- **Interactions with civil society’s** initiatives (FSC, RSPO, RTRS, RSB, GRSB, ...):
  - **Legality** vs. **sustainability**
  - **Investments** already done by companies, NGOs, local authorities in standard development, certification of sites and CoC, ...
  - **Binding** regulation vs. **voluntary initiatives**

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Not a matter of the  
direction to be  
taken...



... but of the optimal tools to be used



FSC IFSA Job Fair 26 March 22

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