

Food and Drinks Federation



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Official Journal of the European Union

9.6.2023

#### REGULATION (EU) 2023/1115 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 31 May 2023

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 and repealing Regulation (EU) No 995/2010

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION



Dr Meera Cush Senior Managing Consultant







### **Professional Registrations**

UK Registered Toxicologist (UKRT) European Registered Toxicologist (ERT) Chartered Biologist (CBiol) and assessor



### Education

1997 - 2000**University of London - Wye College** (Imperial College) BSc (Hons) Biochemistry

2001 - 2002 **University of Surrey** MSc Toxicology

2003 - 2006**University of Surrey** PhD Molecular Toxicology



### Relevant experience

2006 - 2007WRc plc Mammalian Toxicologist

2008 - 2013**Public Health England** 

Toxicologist

2013 - 2016

**Delphic HSE Limited** 

Senior Toxicologist

2016 - present

**Ramboll UK Limited** 

Managing Consultant

2020 - present

**Committee on Carcinogenicity of Chemicals in Food, Consumer Products** and the Environment (UKHSA)

**Expert Member** 

2024 - present

**Committee on Toxicity of Chemicals in** Food, Consumer Products and the **Environment (Food Standards Agency)** 

**Expert Member** 

2024 - present

**Advisory Committee on Novel Foods and Processes (Food Standards Agency)** 

**Expert Member** 



Martin Broderick
Remote Sensing Lead,
Principal Consultant







### Education

2005 – 2008 **University of Plymouth**BSc (Hons) Marine Biology and Oceanography

2014 – 2015 **University of Southampton** MSc Environmental Monitoring and Assessment



### Relevant project experience

2018 – 2021

Major Infrastructure Client

Mapping habitats along the Strategic Road

Network using remote sensing and machine learning

Project Manager

2018 - 2021 **Major Infrastructure Client** 

Invasive plant species mapping across the Strategic Road Network using remote sensing and machine learning Project Manager

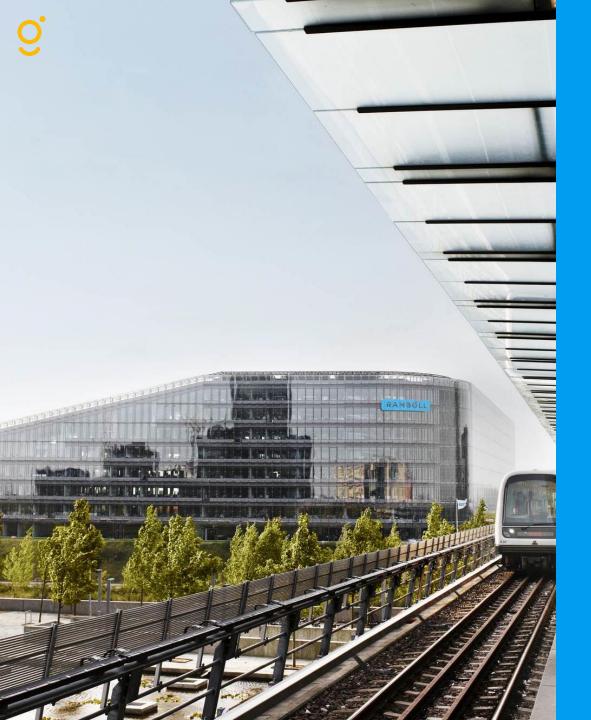
2022 – present

Major Infrastructure Client

Environmental Sustainability Strategy –

Network Level Strategic Opportunity Mapping
using Geospatial Analysis

Project Manager



# Ramboll in brief

- Independent architecture, engineering and consultancy company
- Founded 1945 in Denmark
- Present in 35 countries
- >18,000 experts
- Creating sustainable solutions across Buildings, Transport, Energy, Environment & Health, Water, Management Consulting and Architecture & Landscape.
- Owned by Rambøll Fonden The Ramboll Foundation

# Our approach

Our scientific bench strength—including many experts at the top of their fields—insight to policy and regulation, and ability to interpret these to match commercial imperatives allows us to provide relevant science- and risk-based advice to clients around the world.

Trusted advisor	Global reach	A holistic approach
Deep expertise in a range of disciplines including:  Complex Regulatory Frameworks  Toxicology  Chemistry  Epidemiology  Exposure assessment  Industrial hygiene  Engineering  Economics  Microbiology	With offices around the world and deep technical and regulatory expertise in many geographies, we can quickly scale support for complex projects with broad geographic footprints.	To provide unique, holistic solutions, our experts work closely with colleagues across disciplines such as:  • Climate change  • Air quality  • Circular economy  • Waste reduction  • Sustainability  • Biodiversity

# Agenda



#### **NEWS**

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### Wildlife numbers fall by 73% in 50 years, global stocktake finds



Wildlife populations have plummeted, mainly due to habitat loss, WWF figures reveal

#### Victoria Gill and Helen Briggs

Science correspondents, BBC News

10 October 2024 · ₱ 555 Comments

Human activity is continuing to drive what conservation charity the World Wide Fund for Nature (WWF) calls a "catastrophic" loss of species.

From elephants in tropical forests to hawksbill turtles off the Great Barrier Reef, populations are plummeting, according to a stocktake of the world's wildlife.

The Living Planet Report, a comprehensive overview of the state of the natural world, reveals global wildlife populations have shrunk by an average of 73% in the past 50 years.

The loss of wild spaces was "putting many ecosystems on the brink", WWF UK head Tanya Steele said, and many habitats, from the Amazon to coral reefs, were "on the edge of very dangerous tipping points".



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**NEWS & EVENTS** 

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Home News First-of-its-kind study definitively shows that conservation actions are effective at halting and reversing biodiversity loss

25 APR 2024



First-of-its-kind study definitively shows that conservation actions are effective at halting and reversing biodiversity loss

BIOLOGY CONSERVATION ENVIRONMENT MATHEMATICAL, PHYSICAL AND LIFE SCIENCES RESEARCH SUSTAINABILITY

#### Download images

A new study published online today, April 25, in the scientific journal Science provides the strongest evidence to date that not only is nature conservation successful, but that scaling conservation interventions up would be transformational for halting and reversing biodiversity loss—a crisis that can lead to ecosystem collapses and a planet less able to support life—and reducing the effects of climate change.



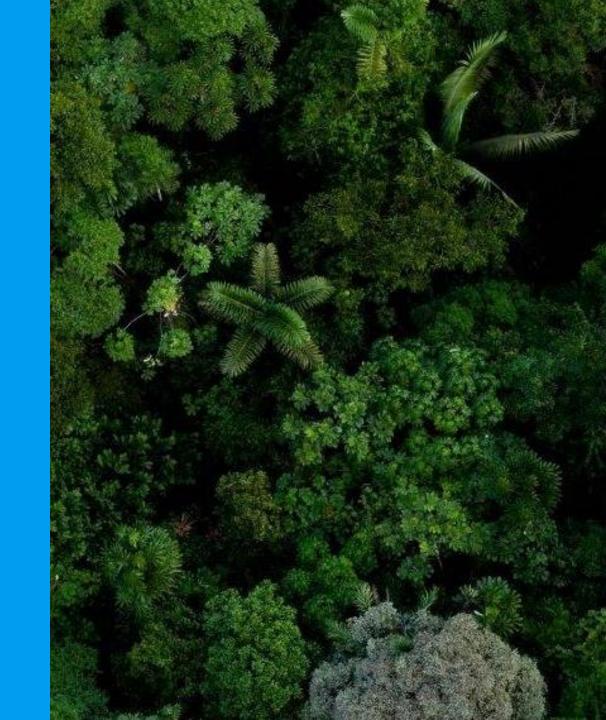
# How

Ultimate goal – reduce greenhouse gas emissions and biodiversity loss

### Do this by:

- promoting consumption of deforestation-free products
- reduce EU's impact on global deforestation and forest degradation

The Regulation on deforestation-free products repeals the EU Timber Regulation.



# EUDR Scope - old



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# EUDR Scope - new

SME: Full implementation for SMEs 30 June 2026 Full Implementation for Large Enterprises **30 December 2025** Entry to force 29 June 2023

Microenterprise: balance sheet total does not exceed €350,000, net turnover does not exceed €700,000 and average number of employees during the financial year is equal to or lower than 10.

Small enterprise: balance sheet total does not exceed €4,000,000, net turnover does not exceed €8,000,000 and average number of employees during the financial year is equal to or lower than 50.

Medium enterprise: balance sheet total does not exceed €20,000,000, net turnover does not exceed €40,000,000 and average number of employees during the financial year is equal to or lower than 250.

### **EUDR** SCOPE

- Comprehensive due diligence requirements to protect global forests against deforestation and exploitation.
- 'Operator' any natural or legal person who, in the course of a commercial activity, places¹ relevant products on the market or exports them.
- 'Trader' 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.

Cattle	Cocoa	Coffee	Palm Oil	Rubber	Soy	Wood

<sup>&</sup>lt;sup>1</sup> First make the commodity available in the European market

### Three cumulative requirements:

- 1. Deforestation-free definition according to two categories (Art. 2 para. 13):
  - Must not contain/be fed with/be made using commodities produced on land that has been subject to deforestation after 01.01.2021.
  - b. May not contain wood/be made of wood which it harvest lead to forest degradation after 01.01.2021.

2. Compliance with relevant legal provisions in the country of production (Art. 2 para. 40).

Economic operators must comply with the requirements related to:

- · Land use,
- · Environmental protection,
- Forest requirements including forest management and biodiversity conservation,
- · Third party rights,
- · Labour law,
- · Internationally protected human rights,
- · Rights of indigenous groups,
- Tax,
- · Anti-corruption,
- · Trade and customs law.

- 3. Submission of a due diligence declaration (Art. 4 para. 2)
  - Applies to all operators designated as primary duty holders. Operators shall not place relevant products on the market or export them without prior submission of a due diligence statement to the national competent authority
  - This declaration must reflect the conclusion of the measures taken to determine no risk or negligible risk that deforestation or forest degradation has occurred in relation to the products concerned. Companies that submit statements will be assigned an individual reference number per declaration, in a database yet to be established.
  - The reference number assigned in this context must then in turn be communicated in the supplier communication (Art. 4 para. 8 and Art. 4a para. 3 of the Regulation).

# **Obligations for Operators and Traders**



#### **Gather information**

Collect detailed information that demonstrates the products comply with the EUDR;

### Only if country of origin is not **low risk**



#### **Assess Risk**

Conduct risk assessment (incl. human rights) according to the EUDR for each product to ascertain the risk of noncompliance with the EUDR.



### If risk is higher than negligible -> Mitigate risks

Carry out independent surveys/audits, gather additional documentation, or work with suppliers through capacity building and investments.



#### Due diligence (DD)

Establish and maintain a DD system' of procedures to ensure relevant products comply with the EUDR. Keep records for 5 years from the date products were placed on the market.





# **Information Requirements**

### 1. Collect information referred (Article 9):

- Description of the commodity or product which they intend to place (or make available in case of non-SME traders) on the market or export,
- Quantity
- including under customs procedures 'release for free circulation' and 'export',\*
- Supplier (name, postal address and email address),
- Trader (name, postal address and email address)
- country of production,
- evidence of legal harvest,
- Evidence of production in accordance with the relevant legislation of the country of production,
- geographic coordinates of the plots of land where the relevant commodity was produced and provide relevant information – product, CN code, quantity, country of production, geolocation coordinates

# Risk Assessment/Risk Mitigation



Feed the information gathered under step 1 into the risk assessment pillar of their Due Diligence Systems to verify and evaluate the risk of non-compliant products entering the supply chain, taking into account the criteria described in Article 10.



Operators need to demonstrate how the information gathered was checked against the risk assessment criteria and how they determined the risk.



Operators shall not place the relevant products on the market or export them, except where the risk assessment reveals no or only a negligible risk that the relevant products are non-compliant.

# Due Diligence Statement

#### Due diligence statement

Information to be contained in the due diligence statement in accordance with Article 4(2):

- Operator's name, address and, in the event of relevant commodities and relevant products entering or leaving the market, the Economic Operators Registration and Identification (EORI) number in accordance with Article 9 of Regulation (EU) No 952/2013.
- 2. Harmonised System code, free-text description, including the trade name as well as, where applicable, the full scientific name, and quantity of the relevant product that the operator intends to place on the market or export. For relevant products entering or leaving the market, the quantity is to be expressed in kilograms of net mass and, where applicable, in the supplementary unit set out in Annex I to Regulation (EEC) No 2658/87 against the indicated Harmonised System code or, in all other cases, expressed in net mass specifying a percentage estimate or deviation or, where applicable, volume or number of items. A supplementary unit is applicable where it is defined consistently for all possible subheadings under the Harmonised System code referred to in the due diligence statement.
- 3. Country of production and the geolocation of all plots of land where the relevant commodities were produced. For relevant products that contain or have been made using cattle, and for such relevant products that have been fed with relevant products, the geolocation shall refer to all the establishments where the cattle were kept. Where the relevant product contains or has been made using commodities produced in different plots of land, the geolocation of all plots of land shall be included in accordance with Article 9(1), point (d).
- 4. For operators referring to an existing due diligence statement pursuant to Article 4(8) and (9), the reference number of such due diligence statement.
- 5. The text: 'By submitting this due diligence statement the operator confirms that due diligence in accordance with Regulation (EU) 2023/1115 was carried out and that no or only a negligible risk was found that the relevant products do not comply with Article 3, point (a) or (b), of that Regulation.'.
- 6. Signature in the following format:

'Signed for and on behalf of:

Date:

Name and function: Signature:'.

# Due Diligence





The Information System - will contain the due diligence statements submitted by operators and traders to comply with the requirements of the Regulation.



Registration to use the system will begin in November 2024 and the system will be opened to all users in December 2024.



The operator and the trader may mandate authorised representatives to submit a due diligence statement on their behalf. In this case, the operator and trader will retain responsibility for the compliance of the relevant products.



If the operator is a natural person or microenterprise, it may mandate the next operator or trader in the supply chain to act as its authorised representative, provided it is not a natural person or micro-enterprise. In this case, the mandating operator retains responsibility for the compliance of the product.

# Authorised Representative

### Documentation should be kept for:



<u>Five years</u> from date of placing on the market or export – information gathering



Five years after the due diligence exercise was carried out – information on due diligence



Five years from the date when the due diligence statement is submitted in the Information System – record of the statement.



Five years - SME traders must keep the information listed in Article 5 (3), including the due diligence reference numbers from the date of the making available on the market or export of relevant products.

### Checks



Competent authorities shall carry out checks within their territory



At least 9% of operators will be checked



Action will be taken if no due diligence statement is available



Suspension of release for free circulation or export of those relevant products



# Penalties for non-compliance

Confiscation of products and revenue.

Fines of up to 4% of annual turnover.

Temporary exclusion from public procurement, processes and commercial activities within EU.

For serious or repeated infringements, temporary prohibition from dealing those items in the EU.

# What does the EUDR mean for UK businesses?

The EUDR applies to all UK companies wishing to import or export in-scope commodities from the EU.

Regardless of legal form or entity size, and includes traders supplying such products in the supply chain.

Micro and small enterprises will have until 30 June 2026 to comply, while large and medium-sized companies will have a until 30 December 2025.

# Reporting Process



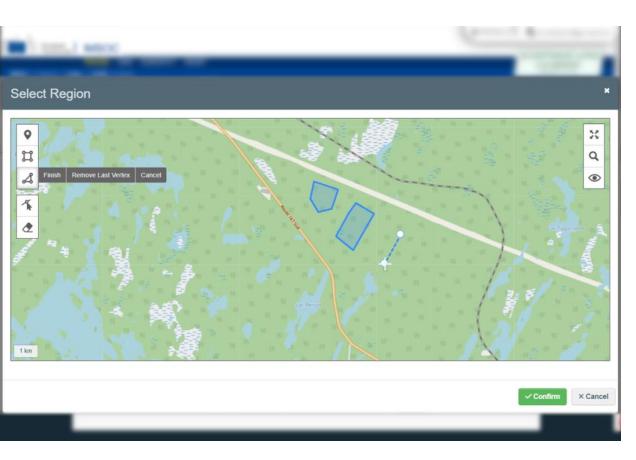
# Traceability

For plots of land of more than 4 hectares used for the production of commodities other than cattle, the geolocation must be provided using polygons.

For plots of land under 4 hectares, operators (and traders which are not SMEs) can use a polygon or a single point of latitude and longitude of six decimal digits to provide geolocation.

Establishments where cattle are kept can be described with a single point of geolocation coordinate.

# Reporting – Online Registry



### Indicate the origin of materials

Operators should indicate the exact origins of products and materials by drawing areas on a map, or by providing coordinates individually or in bulk.

To make the process as simple as possible for companies working with products from multiple locations, there are options for uploading, copying or re-using location information.



# Reporting – Verification

Operators and traders which are not SMEs need to verify and be able to prove that the geo-location is correct.

Verifying the accuracy of geolocations is a crucial aspect of the responsibilities that operators and traders must fulfil.

Providing incorrect geolocations would constitute a breach of the obligations of operators (and traders that are not SMEs) under the Regulation.

Remotely sensed information may be used for verifying if the geolocation of declared commodities and products are linked to deforestation.



# The value of remote sensing imagery

When working with these commodities, supply chains will inevitably become complex and global.

Information and data required to support this due diligence will need to be commensurate with this complexity.

There is a wealth of remote sensing data available out there and the quality of this information is constantly evolving



# The value of remote sensing imagery

A range of satellites offer high temporal resolution imagery to support the monitoring of activities in forested areas



**European Space Agency** 





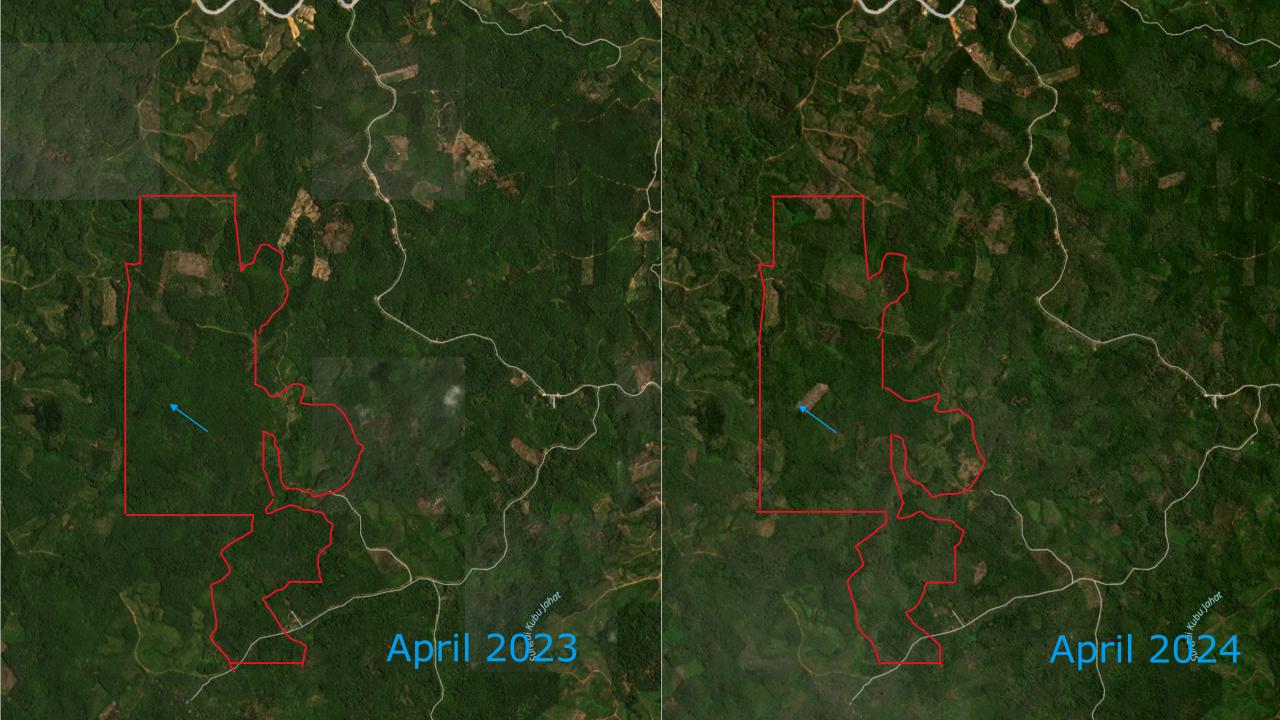
# Galago – Ramboll's Digital Innovation Team

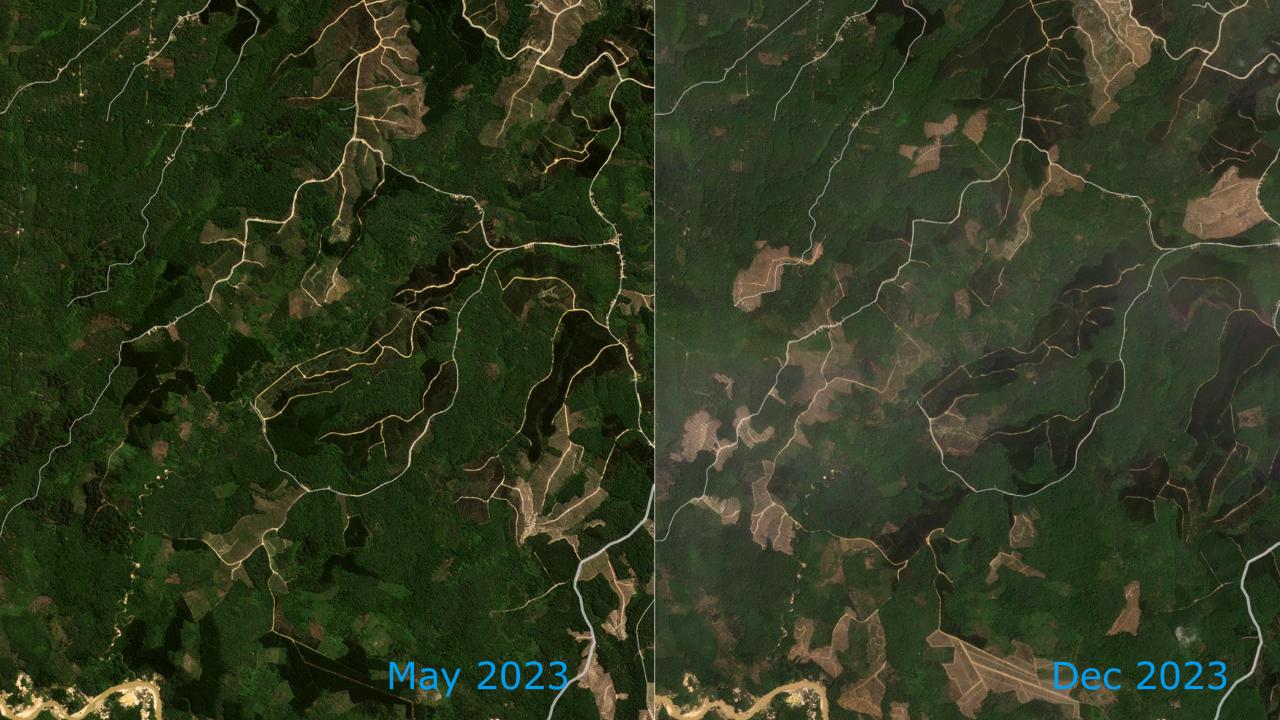
- Launched from Ramboll's Innovation Accelerator
- Focus on the use of remote sensing data to answer key environmental, natural resource, and nature-related questions
- Applying the latest generation geospatial analysis and machine learning solutions
- Delivered projects on six continents globally for more than 50-clients

RAMBOLL

INNOVATION ACCELERATOR 2019

DISCOVERY LAB: MARCH 4 - MARCH 29









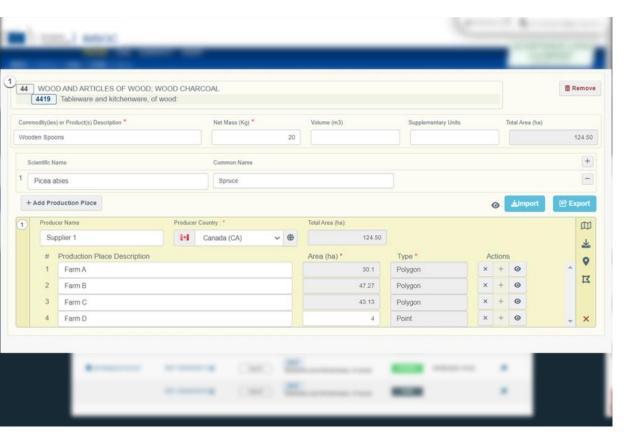


# What can this give you?

- Locate forests and commodities production
- Characterise forests
  - Extent, intactness and condition
  - Proximity to high-risk areas
  - Monitor change over time
- If desired, assess ecological impacts of raw materials production and embodied ecological impacts in supply chains
  - Can agriculture and forestry be regenerative?



# Reporting – Online Registry

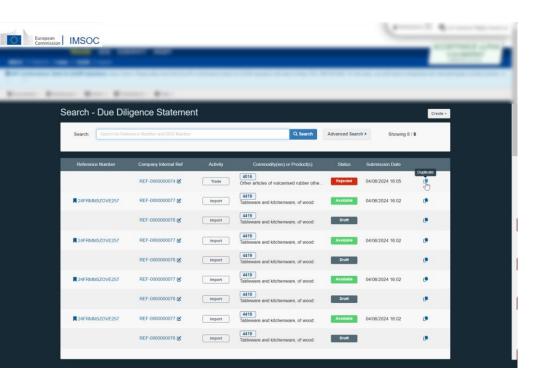


### **Provide details of the products**

To create the Due Diligence Statement, the operator selects the type of product and indicates characteristics such as quantity and volume.

Operators further down the supply chain (such as traders within the EU) can refer back to Statements created previously.

# Reporting – Online Registry



# Use the dashboard to view and manage Due Diligence Statements

Operators can view and manage their Due Diligence Statements in a dashboard. The status of the statement will be updated as it is processed by the competent authorities.

### Manage statements in bulk through an API

If you are a large operator dealing with many products and suppliers, you will be able manage your Due Diligence Statements in bulk using a machine-to-machine connection to the Registry via an Application Programming Interface (API).

# Summary

# Key requirements of EU Deforestation Regulation

### Commodities covered















Some derived products (detailed scope in Annex)

- Applies to 7 commodity categories plus some derived products (detailed scope in Annex I based on custom codes)
- Applies to all companies placing these commodities and derived products on the EU market for the first time or exporting them from the EU market – obligations for 'operators' and 'traders'
- Key requirements

Ramboll

- 1. Prohibition to place on the EU market (or export) unless:
  - Deforestation-free
  - Produced in accordance with relevant legislation is country of production
  - Covered by a due diligence statement
- 2. Exercise due diligence system and procedures \*Certain exemptions for SMEs

businesses must comply





9<sup>th</sup> Jun 2023

Published in EU Official Journal 29<sup>th</sup> Jun 2023

Enters into force

30<sup>th</sup> Dec 2025

Member States to implement nationally 30<sup>th</sup> Jun 2026

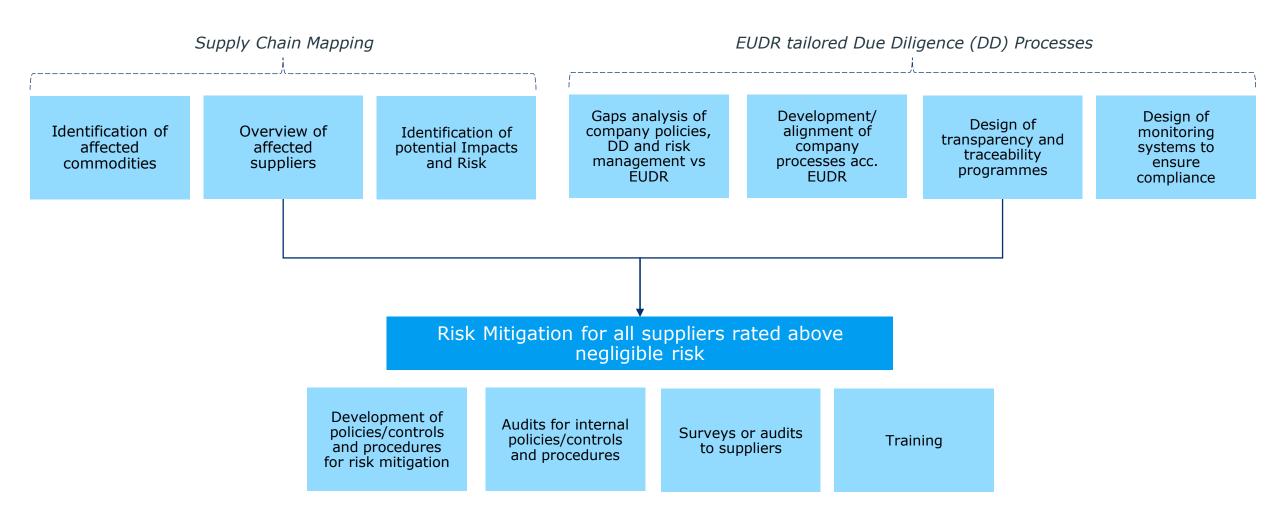
SME operators

18 months

**24 months:** Applies to SME operators established before 30<sup>th</sup> Dec 2020 (except wood products included in EUTR)

Source: **EU Deforestation overview** 

# Ramboll's EUDR Services Summary



# Biodiversity & Ecosystems

Other regulations and voluntary frameworks

### Regulatory

- Corporate Sustainability Reporting Directive from 1 January 2025
- Empowering <u>Consumers</u> for the Green Transition through Better Protection against Unfair Practices and Better Information published on 6 March 2024 ("Greenwashing Directive")
- *Proposed* Green Claims Directive substantiating and communicating environmental claims about products, first reading adopted on 12 March 2024
- UN Treaty on Plastics Pollution (December 2024)

### Voluntary

- **Science**-based targets for nature (SBT-N), TNFD, GRI, etc.
- Assess five drivers of biodiversity loss (e.g. land use change)
- Evidence to underpin claims and avoid greenwashing
- Advice on regenerative production, supply chains, resource management (circular economy)



Ramboll's Shane Hughes authored the SBT for Nature guidance on setting science-based targets within the FLAG sectors dealing with the complexities in calculating and addressing the GHG emissions and climate impacts



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Galago - Europe Lead
Digital and Innovation
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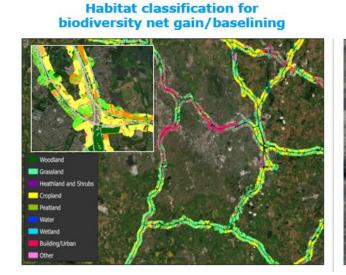
### Biodiversity & Ecosystems

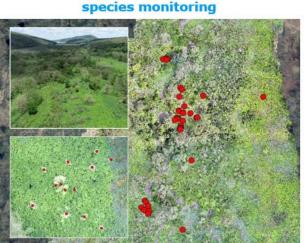
### **Deforestation Regulation**

- Locate forests and commodities production
- Characterise forests
  - · extent, intactness, condition and monitor change
  - Galago technology for long-term monitoring, surroundings (e.g. illegal clearance)
- If desired, assess ecological impacts of raw materials production and embodied ecological impacts in supply chains
  - Can agriculture and forestry be regenerative?

### Ramboll's Galago remote sensing and AI tools for sustainable land management

**Automated invasive** 







Tree dieback

# What support is available

# Multi-Stakeholder Platform on Protecting and Restoring the World's Forests (Register of Commission expert groups and other similar entities (europa.eu))

Continuous dialogue between EU Member States, selected interested parties (mainly trade and business associations and NGOs), third countries and the European Commission

The platform meets frequently to present and discuss the main strands of work and identify best practices Agenda, presentations and summary records are publicly available

### **EU observatory on deforestation and forest degradation (**<u>EU Forest Observatory (europa.eu)</u>)

Facilitate access to information on supply chains for businesses, public entities and consumers.

Publicly available maps and datasets on changes in the world's forest cover and associated drivers.

Main components: global forest monitoring and production and trade of commodities.