Current Developments on the EU Deforestation Regulation (EUDR)

Dr. Julia Hörnig | 2 June 2026 | MS Teams

Cattwyk

Who we are

Our Topics

Trade Compliance
Economic Security
Sustainability

Chambers TOP RANKED Germany 2026 Cattwyk

Shortlisted Legal500 Germany Awards 2026 Up-and-coming Young Firm of the Year

JUVE AWARDS 2025 Kanzlei des Jahres für Außenwirtschaftsrecht

cattwyk

Agenda

cattwyk

Previously on EUDR & next steps

cattwyk

Latest Developments & Next steps

29 June 2023
Entry into force of the Regulation (EU) 2023/1115 on deforestation-free supply chains (EUDR)

26 December 2025
Amendments entered into force with Regulation (EU) 2025/2650

27 April 2026
EC Spokesperson announced that EUDR revision package would be published in the coming days

4 May 2026
Publication of Delegated Act amending Annex I, Updated Guidance Document, FAQ Document and Simplification Report

1 June 2026
Deadline for the Consultation on Delegated Act amending the Annex I

Once the Commission adopts the DA →
2 months of scrutiny for Parliament and Council to object to DA

30 December 2026
Date of Application for large and medium undertakings

30 June 2027
Date of application for small and micro operators

cattwyk

Scope of the EUDR and recent changes

Scope of application

→ applicable from **30 December 2026** for companies ("operators"), and

→ from **30 June 2027** for small and micro enterprises *(established before the 31 December 2024)*

1. The scope of application is product-related:
   - products listed in Annex I
   - produced after 29 June 2023

EUDR follows a listing principle → only explicitly listed products are covered by EUDR

! regardless of the quantity!

This includes all listed **relevant products**, that contain a listed **relevant raw material**

Wood	4401 Fuel wood, in logs, in billets, in twigs, in faggots or in similar forms; wood in chips or pa whether or not agglomerated in logs, briquettes, pellets or similar forms 4402 Wood charcoal (including shell or nut charcoal), whether or not agglomerated 4403 Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared 4404 Hoopwood; split poles; piles, pickets and stakes of wood, pointed but not sawn lengthwis turned, bent or otherwise worked, suitable for the manufacture of walking sticks, umbrellas, tool h 4405 Wood wool; wood flour 4406 Railway or tramway sleepers (cross-ties) of wood

2. Placing on the market, making available on the market and export of commodities and products

Commodities and products covered

Commodities	Relevant Products (Selection)
Cattle	Live cattle/fresh/frozen
Cocoa	Cocoa beans, cocoa butter, chocolate
Coffee	Coffee, coffee beans
Palm oil	Palm oil, palmitic acid and stearic acid
Rubber	Pneumatic tyres, inner tubes, gloves, conveyor belts
Soy	Soya as cattle feed, soya beans, soya oil
Timber	Wooden furniture, paper, raw timber

Proposed exceptions

- Bamboo products or components (proposed Annex I)

(4) in the column ‘Relevant commodity’, the following table note (4) is added after the entry ‘Wood’:

‘(4) This Regulation does not apply to bamboo, rattan and other materials of a woody nature and therefore it does also not apply to relevant products listed under the relevant commodity ‘Wood’ to the extent that those products are made of bamboo, rattan and other materials of a woody nature.’.

- Items of correspondence (proposed Annex I)

(not including items of correspondence and marketing and information materials exclusively accompanying another product made available on the market or exported, or supplied for marketing or information purposes free of charge)’;

- Samples and testing products (proposed Annex I)

(5) in the column ‘Relevant products’, the following table note (5) is added to the heading ‘Relevant products’:

‘(5) This Regulation does not apply to:

(a) Samples of products, which are of negligible value and quantity and can be consumed or used only to solicit orders for goods of the type they represent under the condition that the manner of presentation and quantity, for products of the same type or quality, rule out its consumption or use for any purpose other than that of seeking orders;

(b) Products which are to undergo examination, analysis or tests to determine their composition, quality or other technical characteristics for purposes of information or industrial or commercial research under the condition that the products to be analysed, examined or tested are either completely used up or destroyed in the course of the examination, analysis or testing, or kept or returned for no other reason and purposes than complying with legal or contractual obligations related to examination, analysis or testing.’;

Exceptions on packaging, waste, second-hand, „ex“-Codes remain

cattwyk

Proposed exclusions

- Hides and skins, leather
- Retreated rubber tyres

Important change in December: HS Chapter 49 (books, prints, etc.) is being removed from Annex I!

Simplification Report, 4 May 2026

Second, the **product scope has been refined** in the draft Delegated Act ([2]) published for public feedback to ensure a more coherent application of the Regulation, including proposed additions of selected downstream products, such as soluble coffee and certain palm oil derivatives (including soap made with palm oil) as well as some proposed exclusions of the scope, such as leather, samples and retreaded tyres.

Proposed Annex I, 4 May 2026

(c) the entries 'ex 4101 Raw hides and skins of cattle (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared), whether or not dehaired or split', 'ex 4104 Tanned or crust hides and skins of cattle, without hair on, whether or not split, but not further prepared' and '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 4114' are deleted;

Proposed Annex I, 4 May 2026

(u) the entry 'ex 4012 Retreaded or used pneumatic tyres of rubber; solid or cushion tyres, tyre treads and tyre flaps, of rubber' is replaced by the following:

'ex 4012 90 30 Tyre treads';

cattwyk

Proposed inclusions

- Various palm oil products, particularly soap
- Beef tongues
- Coffee extracts, concentrates and essences
- Instant coffee

(l) after the entry 'ex 2915 90 Saturated acyclic monocarboxylic acids, their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives, other than formic acid, its salts and esters, acetic acid and its salts; acetic anhydride, esters of acetic acid, mono-, di- or trichloroacetic acids, their salts and esters, propionic acid, its salts and esters that have been synthesized using oil palm, butanoic acids, pentanoic acids, their salts and esters and palmitic acid, stearic acid, their salts and esters, that have been synthesized using oil palm' the following entries are inserted:

ex 3401 11 00 Soap in the form of bars, cakes, moulded pieces or shapes for toilet use (including medicated products), that contain or have been made using oil palm

ex 3401 20 Soap in forms other than bars, cakes, moulded pieces or shapes, that contain or have been made using oil palm';

(6) Soluble coffee is a type of coffee made from brewed coffee beans that have been processed and dried into a powder or granules. While roasted or green coffee beans are included in the product scope of Regulation (EU) 2023/1115, soluble coffee is not, despite its contribution to deforestation and forest degradation. The exclusion of soluble coffee from the scope of Regulation (EU) 2023/1115 creates a fragmented and incoherent approach for the coffee sector for operators placing the relevant goods on the Union market, as soluble coffee may be placed on or exported from the Union market without complying with the obligations of Regulation (EU) 2023/1115, and may result in the relocation rather than the elimination of the deforestation risk, ultimately undermining the objectives of that Regulation of fighting deforestation and forest degradation. Therefore, HS Code '2101 11 00 Extracts, essences and concentrates of coffee' should be added to Annex I to that Regulation.

cattwyk

Scope changes for palm-oil products

14 NEW entries in Annex I

9 entries AMENDING existing HS codes

DELETED: ex 2905 45 (glycerol ≥95% purity) replaced by ex 1520 00

ex 1516 20	Hydrogenated/inter-esterified palm oils, not further prepared
ex 1518 00	Chemically modified palm oils; inedible mixtures containing palm oil
ex 1520 00	Crude glycerol, glycerol waters and lyes from palm oil
ex 2905 16	Octanol (octyl alcohol) and isomers, synthesized using palm oil
ex 2905 17 00	Lauryl, cetyl and stearyl alcohol, synthesized using palm oil
ex 2905 19 00	Other saturated monohydric alcohols, synthesized using palm oil
ex 2915 39	Esters of acetic acid (with exclusions), synthesized using palm oil
ex 2916 19 10	Undecenoic acids, its salts and esters, synthesized using palm oil
ex 2921 19	Acyclic monoamines and derivatives (with exclusions), synthesized using palm oil
ex 2923 90 00	Quaternary ammonium salts and hydroxides (with exclusions), synthesized using palm oil
ex 2924 19 00	Acyclic amides, carbamates and their salts (with exclusions), synthesized using palm oil
ex 3401 11 00	Soap (bars/cakes/toilet use), containing or made using palm oil
ex 3401 20	Soap in other forms, containing or made using palm oil
ex 3824 99	Other chemical products/preparations containing or made using palm oil
ex 3907 29	Other polyethers in primary forms, made using palm oil

Transitional Period & Customs

30 December 2026

Start of the application of EUDR for medium and large enterprises

29 June 2023

Entry into force of the EUDR

30 June 2027

Start of the application of EUDR for small and micro size enterprises

Transitional period for relevant products that are being placed on the market

Content of Customs Declaration (Art. 26 (4) EUDR):

- HS-Code of relevant products
- TARIC Document Code C716
- Universal Referencenumber(s) (also for re-import)
- Dedicated TARIC certification code for export

cattwyk

Roles according to the EUDR

Reminder: new roles and new obligations (since Dec 2025)

Updated text clearly separates "downstream operator" from "first operator":

- **(First) Operator** *"any natural or legal person who, in the course of a commercial activity, places relevant products on the market or exports them, excluding downstream operators"*

- **Downstream Operator** *"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"*

- ***Trader*** *"means any person in the supply chain other than the operator or downstream operator who, in the course of a commercial activity, makes relevant products available on the market;"*

Updated text creates a new category:

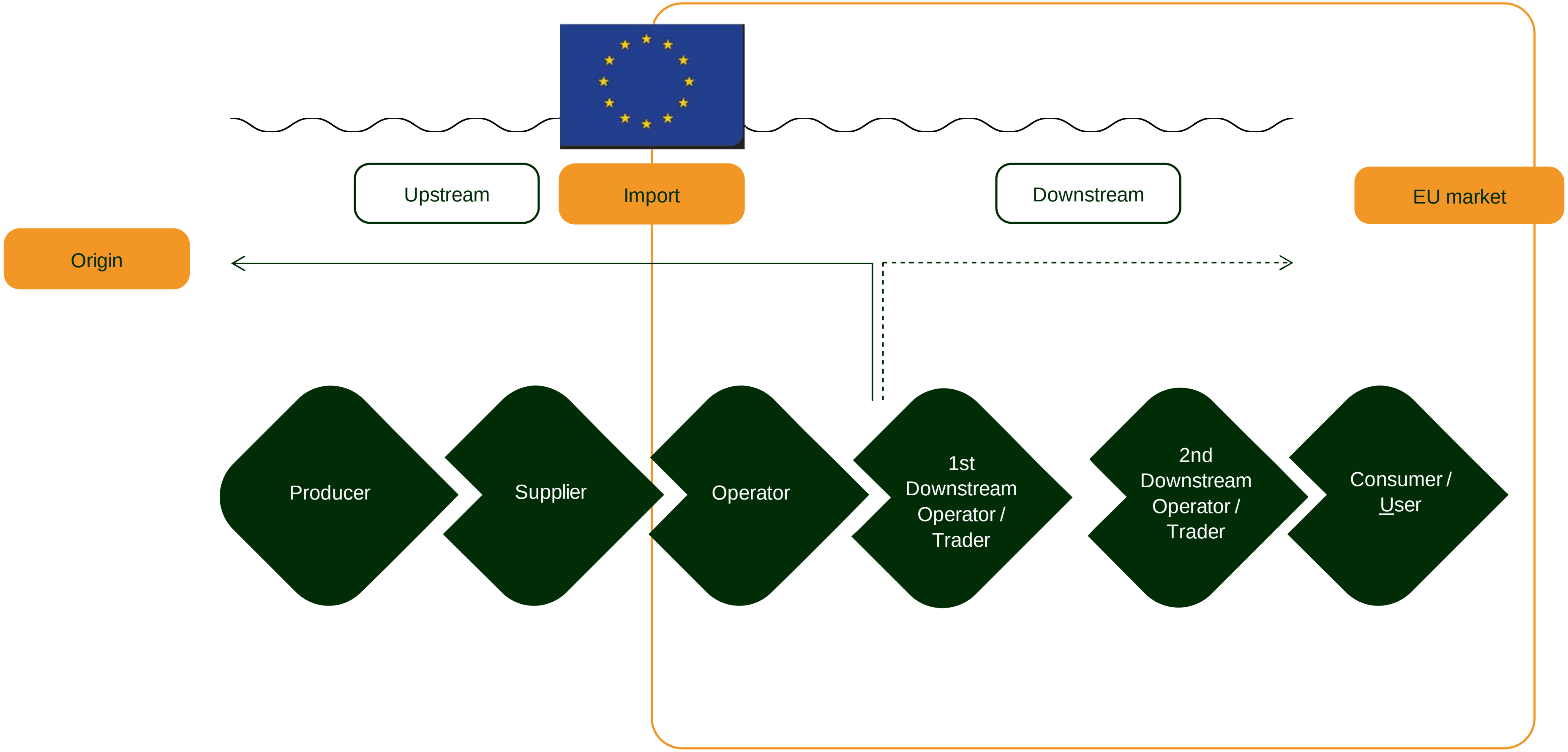
- **Micro and small primary operator "**a natural person or a micro- or small-sized undertaking, irrespective of its legal form, established in a low-risk country, and who, in the course of a commercial activity, places on the market or exports relevant products that this operator itself has grown, harvested, obtained from or raised on relevant plots of land, or, as regards cattle, on establishments."

Application (scope) remains unaltered

Scope of Obligations will change

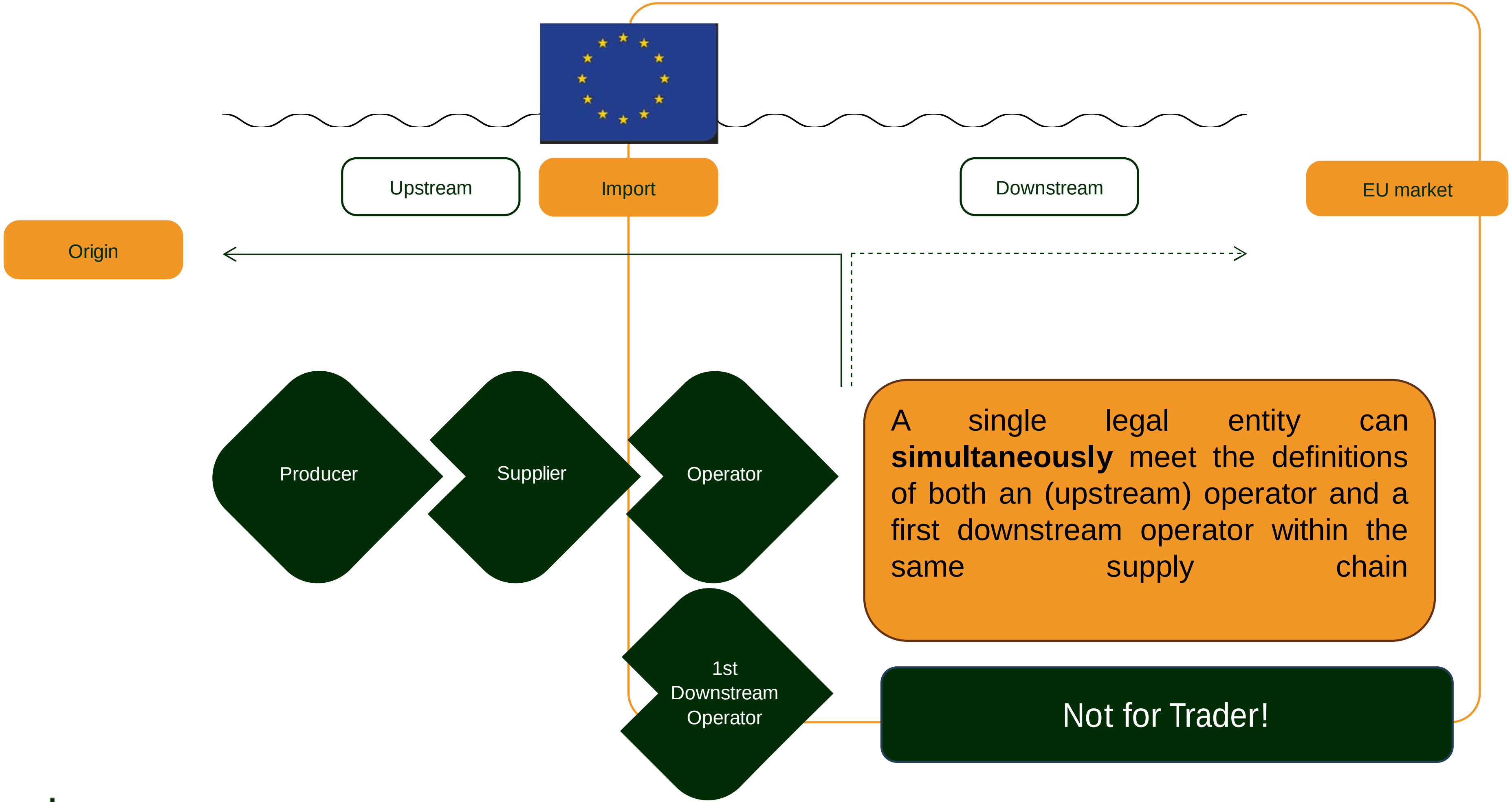
New simplifications

Roles under EUDR



cattwyk

Roles under EUDR



Roles under EUDR – special case Art. 7 EUDR

Import

EU market

Non-EU

Supplier

EU

Operator

FAQ No 3.7

The first person established in the Union that is deemed to be an operator according to Art. 7 EUDR is subject to the obligations of "upstream operators" (see FAQs 3.1 and 5.1 for more information). Art. 5 EUDR does not apply to the first person established in the Union. The purpose of Art. 7 EUDR, as set out in Recital 30, is that in every supply chain in the Union there is an operator who is established in the Union and can be held accountable in the event of non-fulfilment of the obligations under the EUDR.

Applies also to group of companies

Please note: Art. 7 EUDR!

Exception: EU company does not place it on the market (further), e.g. consumption, processing into non-relevant products

Clarification: Dual Roles

A single legal entity can **simultaneously** meet the definitions of both an (upstream) operator and a first downstream operator within the same supply chain

Example: a company **imports** a relevant product (operator) and **then transforms** it into a derived relevant product (downstream operator) **before** placing it on the market

- The company is **not required to communicate** the reference number of its initial import DDS **to its subsequent clients**
- Because both roles reside within the same legal entity, the **necessary reference numbers** or declaration identifiers **are already available internally** to meet record-keeping obligations

3.8. Can a person be both an operator and a downstream operator with regard to the same product in the same supply chain? (NEW)

It is generally possible that one legal entity meets both the definition of operator and downstream operator in the same supply chain: when an entity places a product on the market and then transforms the product into a derived relevant product which it places on the market, it can meet both the role of (upstream) operator and first downstream operator. In this case, the legal entity does not need to communicate the reference number pursuant to Art. 4(7) EUDR in case the derived product is supplied to another downstream operator or trader.

cattwyk

Obligations of the Operators

Due diligence obligations – first operators (importers)

Article 9 EUDR: “sufficiently conclusive and verifiable information” that the products have been produced legally and without deforestation

Information collection and evaluation

Article 10 EUDR: The criterion is a negligible risk of non-compliance

Risk analysis

Article 11 of the EUDR: Requirement for additional information and compliance systems (including the EUDR Compliance Officer)

Risk mitigation measures

Due Diligence System

Simplified due diligence, Article 13 EUDR

- Applies only to products **produced** in a low-risk country (Art. 2(14) EUDR)
  → **The production area is the area where the raw material is harvested**

- Content:
  - Collection of information, in particular reasonably **conclusive and verifiable information,** confirming that products
    - have been produced without deforestation (collect geolocation data only)
    - in accordance with the legislation of the country of origin
  - Taking into account the complexity of the supply chain
  - Analysis of the risk of circumvention

It is still necessary to collect and evaluate information, data and documents!

cattwyk

Due Diligence System

- Commission makes reference to CJEU EUTR case law (JYSK-case) – relevance for due diligence systems under EUDR:
  - **Entity-level duty**: Each operator must actively apply its own due diligence system, group-wide access is not enough.
  - **No delegation to parent**
  - **Narrow exception**: Only recognised monitoring organisations under Art. 8 EUTR may take over updating and evaluation.

Erfordert komplexe Kommunikations- und Teilhabestrukturen

Article 12

Establishment and maintenance of due diligence systems, reporting and record keeping

1. In order to exercise due diligence in accordance with Article 8, operators shall establish and keep up to date a framework of procedures and measures to ensure that the relevant products they place on the market or export comply with Article 3 ('due diligence system').

2. Operators shall review the due diligence system at least once a year. Where operators become aware of new developments which could influence the due diligence system, they shall update the due diligence system to take account of those developments. Operators shall keep a record of such updates in their due diligence systems for five years.

3. Operators who do not fall within the categories of SMEs, including microenterprises, or natural persons shall, on an annual basis, publicly report as widely as possible, including via the internet, on their due diligence system, including on the steps taken by them to fulfil their obligations as set out in Article 8. Operators who fall also within the scope of other Union legal acts that lay down requirements regarding value chain due diligence may fulfil their reporting obligations under this paragraph by including the required information when reporting in the context of those other Union legal acts.

DDS Authorised Representatives

- Declaration in excess remains
- DDS-submission prior to harvest possible under certain circumstances:

  → Unchanged conditions in terms of legality and absence of deforestation or forest degradation

- Several companies may appoint an authorised representative (relevant for groups of companies)

4. With a due diligence statement, the operator confirms that due diligence was carried out for all relevant products jointly or individually that are intended to be placed on the Union market or exported and that there is no or negligible risks of non-compliance of the relevant products. Therefore, in principle a due diligence statement should cover commodities that have already been produced, i.e., grown, harvested, obtained from or raised on relevant plots of land or, as regards cattle, on establishments. In other words, in principle operators should be able to link a due diligence statement to existing commodities. As an exemption from this rule, when an operator sources from stable plots of land or establishments with unchanged conditions in terms of legality and absence of deforestation or forest degradation, the operator can exercise due diligence and submit a DDS prior to harvesting. On the other hand, it is not necessary that the individual product that will be placed on the market has already been manufactured: for example, in the case of declaring wooden furniture in a DDS, while the trees should have already been harvested at the time of DDS submission for the furniture, it is not necessary that the furniture has already been manufactured.

DDS-Submission and Authorised Representative

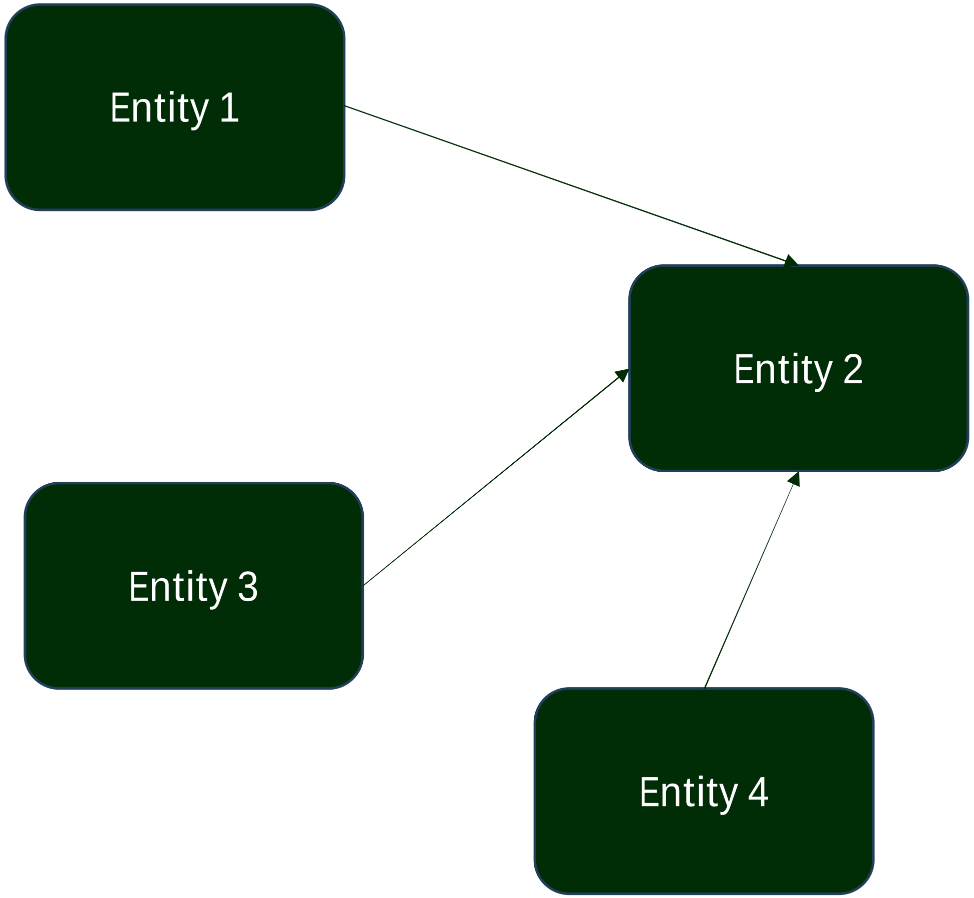
Due Diligence exercised

↓

Negligible risk

↓

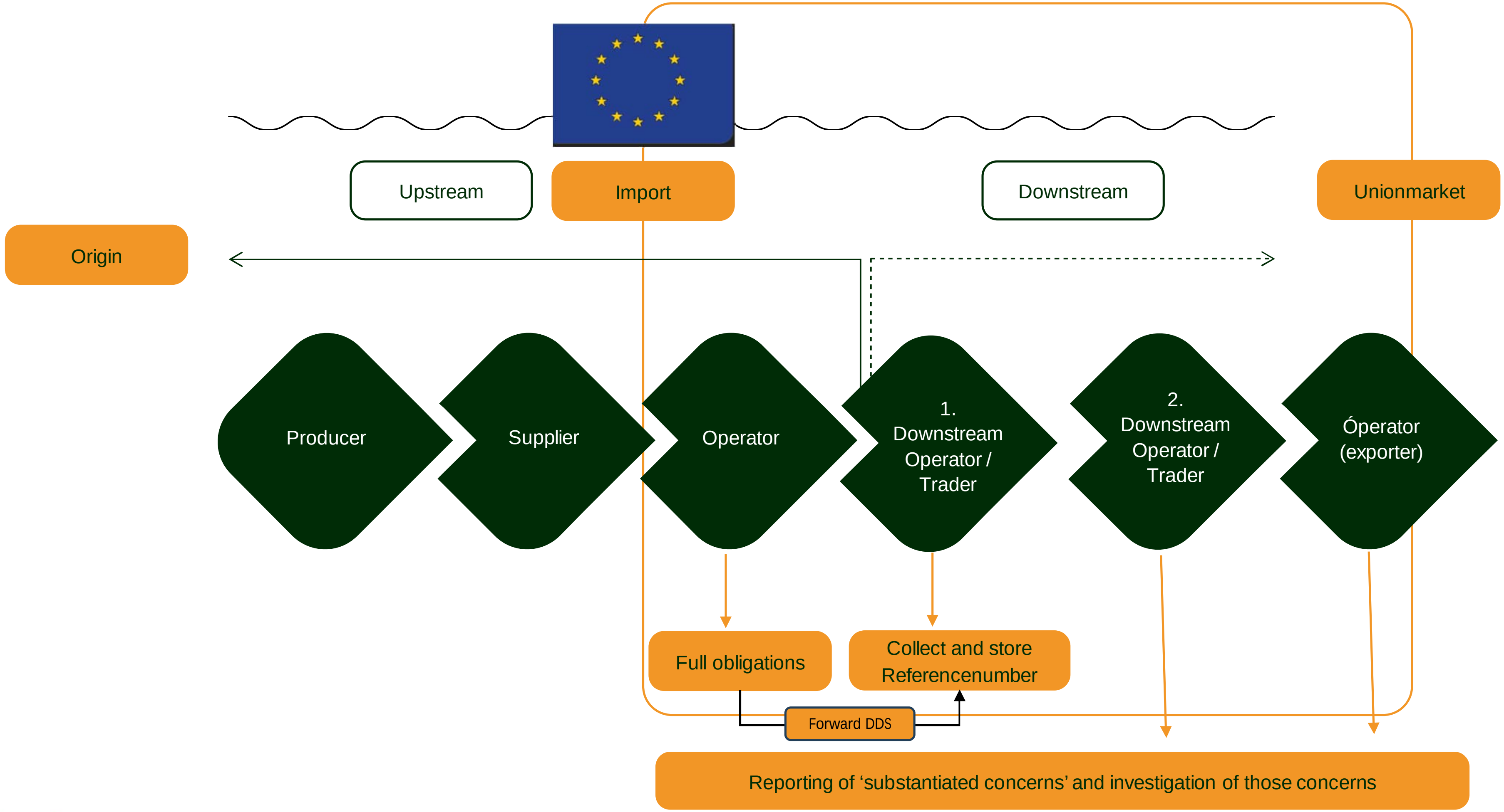
DDS-Submission: Multiple companies can mandate one authorised representative



Obligations of Downstream Operators and Traders

cattwyk

Roles and Obligations under EUDR



cattwyk

Obligations of ‘downstream operator’ and traders

- It is **no longer necessary to issue due diligence statement**. Instead, the first operator on the market is simply required to **pass on** the reference number to the first (EU) customer.

- The obligation to verify that due diligence has been observed in the upstream supply chain is removed, and the **responsibility** of the downstream operator or trader **for the conformity of the products in the event of justified concerns is limited.**

- All non-SME downstream operators and traders must register in **TRACES**

3. Downstream operators and traders shall collect and keep the following information relating to the relevant products they intend to place or make available on the market or export:

(a) the name, registered trade name or registered trade mark, the postal address, the email address and, if available, a web address of the operators, downstream operators, or the traders who have supplied the relevant products to them, as well as, only in the event that their supplier is an operator, the reference numbers of the due diligence statements or the declaration identifiers associated to those products;

(b) the name, registered trade name or registered trade mark, the postal address, the email address and, if available, a web address of the downstream operators, or the traders to whom they have supplied the relevant products.

cattwyk

Documentation obligations

- Collection of information in accordance with Article 5(3) of the EUDR (including for small and medium-sized enterprises)
- Collection of reference numbers by the first downstream operator or distributor only
- Collection and retention of records for 5 years

→ No specific format is prescribed for the records

Article 5

Obligations of downstream operators and traders

1. Downstream operators and traders shall place or make available on the market or export relevant products only if they are in possession of the information required under paragraph 3.

2. Downstream operators that are not SMEs ('non-SME downstream operators') and traders that are not SMEs ('non-SME traders') shall register in the information system referred to in Article 33 prior to placing or making available on the market or exporting relevant products.

3. Downstream operators and traders shall collect and keep the following information relating to the relevant products they intend to place or make available on the market or export:

(a) the name, registered trade name or registered trade mark, the postal address, the email address and, if available, a web address of the operators, downstream operators, or the traders who have supplied the relevant products to them, as well as, only in the event that their supplier is an operator, the reference numbers of the due diligence statements or the declaration identifiers associated to those products;

(b) the name, registered trade name or registered trade mark, the postal address, the email address and, if available, a web address of the downstream operators, or the traders to whom they have supplied the relevant products.

4. Downstream operators and traders shall keep the information referred to in paragraph 3 for at least five years from the date of the placing or making available on the market or export, and shall provide that information to the competent authorities upon request.

cattwyk

Export obligations for processors

- EU-based company **imports** cocoa (operator) and **processes** that cocoa into chocolate, which is then destined for **export**
- Actor Classification:
  - **At the point of entry:** the company acts as an operator
  - **At the point of export:** the company is classified as a downstream operator

→ **downstream operators** exporting relevant products **are not required** to provide a DDS reference number or declaration identifier **to customs authorities**

→ exporters can utilize a **dedicated TARIC certificate code** in their customs declaration

5.6.1. How does the Regulation apply to exports, and what are obligations of exporters? (NEW)

According to the definitions in Art. 2(15)-(15b) EUDR, any person exporting a relevant product in the course of a commercial activity is either an "operator" or a "downstream operator", depending on whether the product was already placed on the EU market previously by another entity qualifying as the (upstream) operator or not (see FAQ 3.1 for more information on these roles).

Example 2: Company B imports cocoa and processes the cocoa into chocolate which is exported. At the point of export, company B can be considered a downstream operator, meaning that B does not need to provide a reference number at export but can make use of a dedicated TARIC certificate code (see FAQ 3.8 for the dual role a person can have when processing and its implications).

cattwyk

Substantiated concerns

Definition:

"a duly reasoned claim based on objective and verifiable information regarding non-compliance with this Regulation and which could require the intervention of competent authorities"

Art. 5(6)

- prohibition to place, make available on the market, or export relevant products if **substantiated concerns regarding non-compliance** are raised

Art. 31(1)

- claims may also come from **third parties and groups**

Guidance, Pt. 4 d)

In case of awareness of relevant new information, including substantiated concerns, Article 5(5) obliges downstream operators and traders to immediately inform the competent authorities of the Member States in which they placed or made available on the market the relevant product as well as further downstream operators and traders to whom they supplied the relevant product. In the case of exports, downstream operators shall inform the competent authority of the country of production.

Additionally, downstream operators and traders that are non-SMEs are under the obligation to verify that due diligence was exercised and that no or only a negligible risk was found in case of substantiated concerns (Article 5(6)). Unless the verification demonstrates no or only a negligible risk of non-compliance, they shall not place or make available on the market or export relevant products.

cattwyk

Substantiated concerns

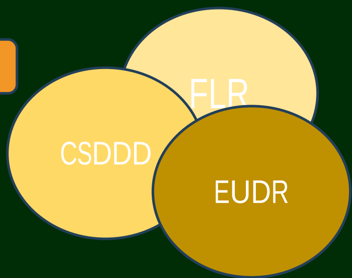
Must be justified through a:
- transparent,
- concrete, and
- logical chain of reasoning

The claim must **identify specific cases**

→ a general pattern of trade or a "modus operandi" in a region is insufficient

→ Remember synergies with FLR and CSDDD

FAQ 5.1.1



When submitting a substantiated concern, the informing party should include as many as possible of the following elements:

a. Information (full name, address, contact) on the subject of the substantiated concern (operator/downstream operator/trader), when known.

b. Information on the individual or organization submitting the substantiated concern, if applicable (full name and contact details), unless the information compromises or puts in danger the informing party in any way. When submitting a substantiated concern to a Competent Authority, Member States must provide for measures to protect the identity of the person submitting the substantiated concern, Art. 31(4) EUDR.

c. Identification of the alleged breach of the EUDR (e.g. commodities or products in breach of the legality or deforestation-free requirement / lack of a DDS or of a simplified declaration)

d. In the case of alleged illegality, identification of the relevant legislation in the country of production that was not complied with.

e. Where and when the alleged breach of the EUDR takes place or did take place (area and time of production).

f. The object of the alleged breach of the EUDR– identification of specific shipments, product species, quantity, characteristics etc.

g. Evidence about the alleged breach of EUDR. The evidence may consist of different types, e.g. photos, reports, witnesses, information from sources such as public authorities or civil society organisations in the EU or in third countries, audits of certification or third-party-verification schemes, etc.

h. Any other information that might be useful for the investigation of the alleged non-compliance with the EUDR.

SMEs – Simplifications

- ‘Downstream’ SMEs are not required to register with TRACES
- Importing SMEs, however, do not benefit from any simplifications!
- In the event of ‘substantiated concerns’, ‘downstream’ SMEs are not required to carry out a full conformity check on the products – they may continue to make the products available in the EU

cattwyk

Questions

Thank you!

Dr. Julia Hörnig

Lawyer | Counsel

j.hoernig@cattwyk.com