

DEFORESTATION REGULATION

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

WHAT'S IN IT?

OBJECTIVE	GOOD PROSPECTS IN VIEW OF THE OBJECTIVE	MIXED PROSPECTS	A STEP BACKWARDS, UNDERMINING THE OBJECTIVE
Climate ambition in view of respecting the limit of 1.5°C global warming under the Paris Agreement			
100% renewables accelerating the phase-out of fossils and nuclear			
Fair participation of citizens in the benefits of the European Green Deal			

WHAT'S NEXT?

STATUS	MILESTONES
Entered into force	<ul style="list-style-type: none"> By December 2023 EU Member States to designate competent authorities (partly delayed) Since June 2024 European Commission impact assessment on extending the scope to wooded land delayed From January 2025 European Commission and EU Member States to start full implementation By June 2025 European Commission impact assessment on extending the scope to other commodities and ecosystems

WHAT TO WATCH OUT FOR?

RISKS	LIMITED RISK	MEDIUM RISK	HIGH RISK
Speed. Slowing down the EU law's progress or implementation.			
Money. Conflict on distributional effects or lack of finance for making this EU law impactful.			
Fossil fuels. Open door to supporting the use of fossil fuels.			
Nuclear power. Open door to supporting the use of nuclear power.			

NO RISK N/A NOT APPLICABLE



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eu.boell.org/green-deal-risk-radar

WHAT'S IN IT?

 **Climate ambition**

This Regulation limits the import, consumption and export of products made from cattle, cocoa, coffee, oil palm, rubber, soya and wood, so as to minimise the EU's contribution to deforestation and forest degradation, both in the EU and in the rest of the world, and subsequently to reduce greenhouse gas emissions and increase greenhouse gas removals within and beyond the EU territory. It is one of the few instruments tackling imported consumption emissions and hence has exceptional value in the climate change debate.

 **100% renewables**

As the Regulation aims at products such as wood and palm oil, it will likely impact the import and use of (unsustainable) bioenergy in the EU.

 **Fair participation**

No direct link to citizens' fair participation in the energy transition. Through partnerships with third countries, it envisages participation of stakeholders in reform processes enhancing forest governance and addressing domestic factors contributing to deforestation. Regular reviews of the Regulation will look at the impact on farmers, in particular smallholders, indigenous peoples and local communities, and the possible need for additional support for the transition towards sustainable supply chains.

WHAT TO WATCH OUT FOR? RISKS

 **Speed**  **Money**  **Fossil fuels**  **Nuclear power**

Both third countries (e.g., US, Canada, Malaysia and Indonesia), EU Member States (led by AT, FI, SE), MEPs (in particular from the EPP and right-wing parties) and industry/farmer groups (e.g., forest owners and the paper industry) have called for the (partial) suspension of the Regulation, asking for its implementation to be postponed and/or for limiting the application only to imports.

Until now, the European Commission has tried to accommodate concerns without giving in on the call to limit and/or delay implementation. There was no reference to the Regulation in European Commission President Ursula von der Leyen's political guidelines of July 2024.

'The European Commission absolutely must postpone the entry into force of the deforestation regulation and then use the transitional period to reduce bureaucracy in the text.' – PETER LIESE, MEP EUROPEAN PEOPLE'S PARTY (EPP), 27 JUNE 2024

'Postpone the application of the deforestation regulation and address problems related to its implementation.' – EPP DRAFT PAPER '5-POINT PLAN FOR A STRONG EUROPE THAT PROTECTS AND SHAPES THE FUTURE', JULY 2024

WHAT'S NEXT?



STATUS

Entered into force on 29 June 2023

- Full implementation should start in January 2025.
- The Regulation applies to small and micro-enterprises only from 30 June 2025.

Transposition by EU Member States

Member States shall designate by the end of 2023 one or more competent authorities responsible for fulfilling the obligations arising from this Regulation (as of 1 September 2024, 20 Member States have complied but CY, EL, HU, LV, MT, PL and RO are missing. These authorities must develop annual plans to monitor implementation of the Regulation by the end of 2024.

Revision clauses and reporting duties

By the end of June 2024, the European Commission (EC) shall present an impact assessment (possibly including a legislative proposal) to extend the scope of the Regulation to include other wooded land (as of 1 September 2024 this has not happened).

By the end of June 2025, the EC shall present an impact assessment (possibly including a legislative proposal) to extend the scope to other commodities (such as maize) and/or other natural ecosystems (such as grasslands, peatlands and wetlands). By end June 2028 and at least every five years thereafter, the EC shall carry out a general review of this Regulation.

Delegated acts and other related legislative action

Implementing act containing a list classifying all third countries based on high, medium or low risks. Under pressure from a range of countries, the EC, in March 2024, decided to postpone this act and treat all countries as medium risk.

The EC seems to be advancing quickly on the set up of an information system linked to the Regulation.

HOW TO IMPROVE IT? OPPORTUNITIES

The two reviews on expanding the scope of the Regulation offer opportunities to further expand its coverage and thus increase its impact to protect biodiversity and reduce greenhouse gas emissions in the EU and abroad.

FURTHER READING

- [FERN: What is the EU Regulation on deforestation free products?](#)