



# ARTICLE

## A NEW EUROPEAN REGULATORY FRAMEWORK TO FIGHT AGAINST DEFORESTATION AND FOREST DEGRADATION

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### INDUSTRY - INDUSTRIAL PROJECTS

On June 9th past, the Union published the Regulation *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*.

This regulation completes the arsenal of European environmental legislation and aims to reduce the European Union's contribution to deforestation and forest degradation worldwide by banning the import and export from the EU market of certain products such as cocoa, coffee, palm oil, soy, wood, rubber, cattle and their derivatives if these products originate from deforested land or degraded forests after December 31st, 2020.

It will only be possible to import or export these products from the European Union if they meet the following three cumulative conditions: (i) they are "*deforestation-free*", i.e., the products have been produced on land that has not been subject to deforestation after December 31st, 2020; (ii) they have been produced in accordance with the relevant legislation of the country of production; and (iii) a due diligence statement has been submitted for them.

The due diligence process includes the collection of information, documents and data (e.g. geo-location of production plots) attesting to the conformity of the products concerned and guaranteeing that the product poses a negligible or no risk of deforestation.

The operations of operators and traders will be monitored by the competent authorities in each Member State, depending on the country's risk level, in accordance with Article 29 of the Regulation: 9% for high-risk countries, 3% for standard-risk countries and 1% for low-risk countries.

Lastly, this control mechanism is accompanied by sanctions in the event of non-compliance, such as fines of at least 4% of the operator's or trader's annual turnover in the European Union, or temporary exclusion from public procurement processes and access to public funding.

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