

ARE YOU READY? THE EU DEFORESTATION REGULATION

After various delays and simplifications, the **EU Deforestation-free Products Regulation EU/2023/1115** (“EUDR”) is due to come into force on 30 December 2026 for large and medium enterprises, and on 30 June 2027 for micro and small enterprises.

Any global company seeking to generate revenue by selling products in, or exporting products out of, the EU should take active steps to closely scrutinise their supply chains and product usage, against the regime’s active obligations. Significant investment in time and resource is required to refine end-to-end supply chain traceability (or establish such from scratch), to segregate compliant and non-compliant products at each stage of the supply chain, to assess the deforestation-free status of plots of land, and crucially, to comply with the EUDR’s “legality” requirement (see row 2 below). This should include a holistic legal and technical risk assessment, and a cross-functional operations assessment across procurement teams, internal systems, software support, training and record keeping. Companies should also ensure that the right teams are familiar with the tariff classifications under the **Combined Nomenclature** to be able to determine whether a commodity (or its derivative) will fall in scope.

EUDR obligors should steam ahead with preparedness efforts, and should not delay implementing robust EUDR compliance protocols. Below are **10 points** companies need to know, and, below the table, a brief summary on the wider legal landscape relating to deforestation including across the EU, UK and U.S.

10 things to know

<p>1. Main objectives</p>	<p>The core ambitions of the EUDR are: (i) to minimise the EU’s contribution to global deforestation and forest degradation – whether legal or illegal – and (ii) to reduce the EU’s contribution to global GHG emissions and biodiversity loss.</p>
<p>2. ‘Central prohibition’</p>	<p>The EUDR prohibits relevant commodities and products from the EU market unless they meet the following three criteria:</p> <ul style="list-style-type: none"> ■ “Deforestation-free”: produced on land not subject to (legal or illegal) deforestation (and, for wood, without inducing forest degradation) after 31 December 2020. ■ “Produced in accordance with the relevant legislation of the country of production” – the “legality” requirement: commodities and products must comply with local applicable laws, including on land use, environmental protection, harvesting, labour and human rights, the principle of free, prior and informed consent (FPIC), tax, anti-corruption, trade and customs. ■ Covered by a due diligence statement (“DDS”) (or, a simplified declaration (“SD”) for micro and small primary operators): commodities and products must be covered by a specific statement confirming that the operator has carried out due diligence in accordance with the EUDR and that they have found “no or only a negligible risk” of non-compliance with the two requirements above.
<p>3. Scope – when?</p>	<p>Obligations under the EUDR will now apply from:</p> <ul style="list-style-type: none"> ■ 30 December 2026, for large and medium operators. ■ 30 June 2027, for micro and small operators. <p>Note that relating to the EUDR’s new application date of 30 December 2026, the EU Timber Regulation (“EUTR”) will be repealed. However, the EUTR will continue to apply for relevant products produced before 29 June 2023 and placed on the market after 30 December 2026, up until a long-stop date of 31 December 2029.</p>

<p>4. Scope – what?</p>	<ul style="list-style-type: none"> ■ The EUDR covers seven primary commodities (i.e., cattle, cocoa, coffee, oil palm, rubber, soya, and wood), as well as many derived “relevant commodities and products” listed in Annex I. These include meat products, chocolate, coffee, palm oil derivatives, glycerol, natural rubber and wood products. ■ There is no <i>de minimis</i> threshold: even minimal quantities trigger obligations. ■ Certain products from Annex I (<i>printed</i> products falling under Ch. 49 of the Combined Nomenclature including books, newspapers, pictures) have been excluded from scope. Other exclusions include recycled materials, with a carve-out for by-products of a manufacturing process where that process involved material that was not “waste”.¹
<p>5. Scope – who?</p>	<p>Obligations under the EUDR apply to EU/non-EU actors including:</p> <ul style="list-style-type: none"> ■ “Operators”: Any entity placing relevant products on the EU market or exporting them from the EU market. Includes: importers, EU producers (“primary operators”), and exporters. ■ “Downstream operators”: Any entity placing relevant products on the EU market or exporting them, which are covered by a DDS or SD. Includes: manufacturers and exporters. ■ “Traders”: Any entity making available relevant products on the EU market. Includes: retailers. ■ “Micro and small primary operators”: Any entity established in a low-risk country that places relevant products on the EU market or exports them, that it has produced itself (whether grown, harvested, obtained from or raised on the relevant plots of land). Includes: EU producers (“primary operators”), and exporters.
<p>6. Active obligations</p>	<p>Primary operators must:</p> <ul style="list-style-type: none"> ■ Exercise due diligence before placing on the market by collecting specific information² and assuming responsibility that the relevant products are deforestation-free and legally produced. ■ Submit a DDS (or a one-time SD for micro and small primary operators) to the Information System which includes required information under Annex III,³ and confirmation that there is “no or only a negligible risk”⁴ of deforestation and illegality. ■ Share SD “identifiers” with downstream actors who are required to collect and keep this information relating to the relevant products. <p>Downstream operators and traders must:</p> <ul style="list-style-type: none"> ■ Register in the Information System (<i>except for micro and small operators</i>). ■ Before placing on the market, or making available, or exporting, they must collect and maintain for five years: information on suppliers,⁵ and DDS reference numbers or SD identifiers <i>only if the supplier is a first downstream operator in a supply chain</i>. ■ Inform competent authorities and downstream actors to whom they have supplied if made aware of non-compliance. ■ Verify that due diligence was exercised if substantiated concerns arise (<i>except micro and small operators</i>).
<p>7. Benchmarking system</p>	<ul style="list-style-type: none"> ■ In May 2025, the Commission classified countries in three categories (high, standard and low risk) according to the level of risk of producing commodities that are not deforestation-free in such countries. ■ For now, “high risk” countries comprise Belarus, North Korea, Myanmar, Russia, with around 50 countries, including Indonesia, Malaysia and Brazil marked as “standard risk”. ■ “Low-risk” countries: Micro and small primary operators (which are, by the EUDR’s definition, from low-risk countries) benefit from simplified due diligence. As per row 6 above, this means that they are exempt from submitting DDS and instead may now submit a one-off SD to the Information System.
<p>8. Enforcement</p>	<ul style="list-style-type: none"> ■ Member States’ designated competent authorities will be responsible for enforcement; taking a risk-based supervisory approach in carrying out checks to assess diligence systems and procedures; and examining compliance records. ■ If a competent authority establishes that an operator or trader is in breach of the EUDR, it must require them to take “appropriate and proportionate” corrective action. This could include preventing the product from being placed on the market or withdrawing it immediately. ■ Competent authority “checks” may be carried out.⁶ These may include: (a) examination of due diligence systems, documentation/records demonstrating compliance, and corrective measures taken; (b) on-the-ground examination of relevant commodities; (c) any technical and scientific means adequate to determine the species or the exact place where the relevant commodity/product was produced, and/or whether they are deforestation-free; and (d) spot checks/field audits, including, where appropriate, in third countries.

9. Penalties

- The EUDR lays down penalties, the specific form of which is to be determined by Member States.
- Penalties may include: “proportionate” fines with an upper limit not lower than 4% of the obliged entity’s total annual turnover in the EU for the preceding year; confiscation of the relevant goods and income derived from them; a ban on participating in public tenders; or a ban on importing or exporting the relevant goods.
- Violators will be ‘named-and-shamed’ on the Commission’s designated database.

10. EUDR review dates

- The general review date for the EUDR will be 30 June 2030, subject to a “simplification review” slated for 30 April 2026.
- By 30 April, the Commission must present a report to the Parliament and Council indicating possible ways to address any identified issues, including through technical guidelines, improvements to the IT system, and may be accompanied by a delegated or implementing act, as appropriate.⁷
- While not expressly mandating it, the various changes under the December 2025 EUDR ‘Amending Regulation’ necessitate an overhaul of the Commission’s EUDR FAQs and Guidance, which could form part of the Commission’s report in April 2026, or be published separately this year.
- A revamp of the EUDR Information System is also on the cards. The Commission has imposed temporary limitations on access to the system from 16 February 2026 until at least mid-April 2026. During this time, the system will be upgraded in line with the December 2025 EUDR ‘Amending Regulation’.

Mapping the wider legal landscape

Broader EU considerations

Compliance with the EUDR will not sit in a due diligence vacuum, and it is important to understand how it will interact with, and may sometimes be complementary to, other EU laws. Obligations will need to be mapped against, and interoperate with other broader EU laws requiring (sometimes even stricter) supply chain due diligence, for example: sector and product-specific due diligence laws such as the **EU Conflict Minerals Regulation** (which covers tantalum, tungsten, tin and gold), or the **EU Batteries Regulation**, (which targets the responsible sourcing of cobalt, natural graphite, lithium and nickel); corporate sustainability laws such as the **EU Corporate Sustainability Due Diligence Directive** (as amended by Omnibus I); trade laws such as the **EU Forced Labour Regulation**, or green transition laws like the **EU Critical Raw Materials Act**.

Notably, the **EU Environmental Crime Directive (“ECD”)** entered into force in May 2024, and will apply from May 2026. The ECD establishes minimum rules for defining criminal offences and penalties for causing environmental harm. Novel key elements of the ECD include the “offence” of placing on the market / exporting relevant commodities and products in breach of the EUDR, except where such conduct concerns a negligible quantity.

UK perspective

The UK Government considers that the EU’s EUDR sits alongside its ‘efforts’ to take action to ensure the UK consumption of “forest risk commodities” is not driving deforestation. In the UK, **Schedule 17 of the Environment Act 2021** introduced a framework which – once (/if) implemented – would see a ban on the use of forest risk commodities and derivatives in the UK that have been produced with links to *illegal* deforestation only – a different approach to the EUDR. Secondary legislation is required to determine the scope, the requirements for reporting on due diligence systems, and implementation timeline. While secondary legislation was anticipated, as at the date of this client briefing – over four years after the passing of the Environment Act – this legislation has yet to be introduced.

Debates have taken place in the Houses of Parliament, including in July 2025, when a Government Minister **confirmed** that the UK is “committed to resetting the relationship with the EU [including] closer engagement on issues exactly like this on deforestation” and looking at how the UK “aligns with” the EUDR. Following the UK Government’s publication of its **“Nature Security Assessment on Global Ecosystems”** in January 2026, there have been renewed **calls to action** by NGOs, asking the Government to implement Sch. 17 of the Environment Act through ambitious legislation that will, at the very least, prohibit the use of commodities grown on illegally deforested land.

U.S. perspective

There is no equivalent regime to the EUDR in the U.S. While the U.S. FOREST Act of 2021 failed to advance despite bipartisan support, U.S. Congress reintroduced a similar bill in 2023 seeking to restrict imports linked to *illegal* deforestation. This bill contrasts with the EUDR, as it would only apply to products linked to illegal deforestation. The FOREST Act 2023 is progressing slowly through the legislative process. In the meantime, U.S. companies should still map regulatory requirements across existing trade compliance regimes such as EUDR (with its extraterritorial impact) and the Uyghur Forced Labor Prevention Act (UFLPA); particularly when trading in food and agricultural commodities.

Notably, the U.S. Trade Representative (“**USTR**”) has also involved itself directly in combatting illegal logging through various international fora. For example, the Forest Sector Annex of the United States – Peru Trade Promotion Agreement allows USTR to restrict timber imports from Peru linked to deforestation, through which the USTR has initiated enforcement action (**most recently in 2024**). In July 2025, USTR **announced** its initiation of a Section 301 investigation into Brazil's unfair trading practices, partly due to Brazil's “failing to effectively enforce laws and regulations designed to stop illegal deforestation, thereby undermining the competitiveness of U.S. producers of timber and agricultural products”. This development is now of much greater interest in light of the U.S. Supreme Court **decision** of February 20, 2026, finding that the International Emergency Economic Powers Act of 1977 (“**IEEPA**”) does not authorize the President to impose tariffs. As Section 301 investigations require specificity in the underlying unfair practice examined, it is possible that the administration will use any available avenue to impose Section 301 tariffs to replace the IEEPA tariffs.

There have also been repeated calls by the U.S. Government (under both the Biden and Trump administrations) to delay or revise the EUDR in light of its impact on U.S. companies. Starting in October 2023, 66 U.S. House members expressed concerns to USTR representative, Ambassador Tai, over EUDR. In March 2024, 50 U.S. senators **wrote** to Ambassador Tai, urging engagement with the European Commission on this issue. In June 2024, Ambassador Tai **wrote** to the Commission calling for the EUDR's postponement. Since then, in February 2025, 18 agricultural commissioners **called for** the federal government to address the European Parliament and Council to oppose EUDR, on grounds that despite the U.S. being “a low risk designated country [...] [it] is still subject to potentially overburdensome compliance which will create a significant economic impact”. In August 2025, the U.S. and the EU **published** a Joint Statement on its Framework Agreement, in which the EU committed to “work to address the concerns of U.S. producers and exporters regarding the [EUDR], with a view to avoiding undue impact on U.S.-EU trade”. It remains to be seen how the EU will seek to achieve this objective in practice.

¹ Reports suggest that a possible further exclusion for leather is being explored.

² More specifically, the following information must be collected about each product and its supply chain: geolocation coordinates of the plot(s) of land where the commodity was produced; date or time range of production; product type and quantity; supplier identity and relevant documentation; and evidence that the land use complies with the central prohibition.

³ A DDS is a formal declaration that: (i) due diligence has been properly conducted; (ii) the product is in compliance with EUDR; and (iii) supporting documentation is available upon request. The DDS must be submitted to the online EU centralised information system. It must be retained for at least five years. Micro or small primary operators must carry out the same due diligence as required for standard primary operators except that they must submit a one-time SD instead of a DDS.

⁴ Only products with an assessed “negligible risk” of being linked to post-2020 deforestation, or illegality, can be placed on the market. If the risk is not negligible, the company must take mitigation measures before proceeding. These may include: (i) requesting additional evidence or clarification from suppliers; (ii) conducting on-site audits or field inspections; (iii) using satellite imagery or other remote-sensing tools to verify land-use claims; and (iv) seeking third-party verification or independent assessments. The goal of mitigation is to reduce the risk to “negligible”. If that cannot be achieved, the product must not be placed on the market.

⁵ Identification information means relevant upstream DDS reference numbers if their supplier is an operator; in addition to relevant name, registered trade name / trademark; and postal, email and web address of operators, downstream operators or traders who supply the product to them and to whom they supply the product.

⁶ These checks will take account of, in particular: the relevant commodities, the complexity and the length of supply chains, including whether mixing of relevant products is involved, and the stage of processing of the relevant product, whether the plots of land concerned are adjacent to forests, the assignment of risk-level to countries (paying special attention to the involvement of a high-risk country), and their history of non-compliance.

⁷ Reopening the EUDR itself for further simplification seems unlikely. Commissioner Jessika Roswall stated in January 2026 that the Commission is “committed to make the ‘April 2026 review clause’ a success”. As reported by **Euractiv**, during the closed-door 39th meeting of the EUDR Expert Group, we should only expect “targeted tweaks” to be introduced, potentially via adoption of a Delegated Act amending Annex I (e.g., rumours have been circulating around the potential addition of palm oil soap and instant coffee to the list of in-scope products), and revisions of the Implementing Regulation on the Information System.

Useful Links

1. The Consolidated Text: Regulation (EU) 2023/1115 on deforestation-free products (see [here](#)).
 - a. The Consolidated Text incorporates changes made under:
 - i. the Amending Regulation as regards certain obligations of operators and traders adopted in December 2025 (see [here](#)).
 - ii. the Amending Regulation as regards provisions relating to the date of application adopted in December 2024 (see [here](#)).
2. The Benchmarking System: Commission Implementing Regulation laying down rules for the application of EUDR as regards a list of countries that present a low or high risk of producing relevant commodities (May 2025) (see [here](#) and Annex I [here](#)).
3. The Country Classification List (see [here](#)) and the Commission's Methodology (May 2025) (see [here](#)).
4. The Commission's Guidance Document on the EUDR (April 2025) (see [here](#)).
5. The Commission's FAQs on the Implementation of the EUDR (April 2025) (see [here](#)).
6. The Information System of the Deforestation Regulation (landing page on the Commission's website) (see [here](#)).
7. The Council Regulation (EEC) 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the common Customs Tariff (see [here](#)).

For More Information

For further information, including how Weil can support with next steps and compliance and / or to be notified of future Weil ESG publications, please contact the authors below.



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