

FREQUENTLY ASKED QUESTIONS (FAQS) ON FSC & EUDR

SECTION 1: THE EUROPEAN UNION REGULATION ON DEFORESTATION-FREE PRODUCTS (EUDR)

1.1 What is the EU Regulation on Deforestation-free Products (EUDR)?

The EUDR is a new European Regulation addressing the problem of deforestation and degradation associated with certain commodities. It aims to encourage the creation of a "deforestation-free" market in Europe and globally.

1.2 Where can I find the EUDR legal text?

The EUDR legal text can be found in the [EU Commission official website here](#). The text is available in 24 languages.

1.3 Why was the EUDR introduced?

The EUDR was introduced to combat the significant environmental and social challenges posed by deforestation. It seeks to mitigate the adverse impacts of deforestation, such as biodiversity loss, climate change, and violations of human rights, by regulating the import/export of specific products linked to deforestation.

1.4 What are the key objectives of the EUDR?

- The main objectives of the EUDR are aligned with FSC's mission and ambitions. The EUDR goals are:
 - Promoting sustainable and responsible sourcing of commodities.
 - Preventing deforestation, forest degradation, and illegal logging.
 - Enhancing transparency and traceability within supply chains.
 - Ensuring that products placed on the EU market are deforestation-free.

1.5 Which commodities are covered by the EUDR?

The EUDR primarily focuses on products that are commonly associated with deforestation, including:

- Beef
- Soy
- Palm oil
- Cocoa
- Coffee
- Rubber
- Timber and wood products

Please note that wood is the only commodity that has to be legal, deforestation-free, and "degradation-free" under the EUDR.

If you are unsure about whether a derived product or material is included in the EUDR, selected derived products are outlined in Annex I of the Regulation. For instance, with regards to wood, pulp and paper falls within the EUDR scope. With regards to rubber, new pneumatic tires are part of the EUDR scope. The annex is available [here](#).

1.6 What does "deforestation-free" mean in the EUDR?

As per the EUDR definition, a "deforestation-free" product means:

“(a) that the relevant products contain, have been fed with or have been made using, relevant commodities that were produced on land that has not been subject to deforestation after 31 December, 2020; and

(b) in the case of relevant products that contain or have been made using wood, that the wood has been harvested from the forest without inducing forest degradation after 31 December, 2020.”

1.7 How does the EUDR work?

The EUDR places obligations on entities involved in the supply chain of covered commodities. These obligations include conducting due diligence to assess and mitigate the risk of deforestation, maintaining accurate records, and providing geo-location information to EU competent authorities.

1.8 What is due diligence under the EUDR?

Due diligence under the EUDR refers to a mandatory process by which operators (first placer or exporter) and traders (entities making the product available) assess and manage the risks of deforestation and degradation associated with their supply chains. It involves identifying potential risks, implementing mitigation measures, and regularly monitoring and reporting on these efforts. As a result, these actors need to provide data about the way the material has gone through supply chain as well as identified risks and mitigation measures.

1.9 How does due diligence relate to the new benchmarking systems?

Within 18 months (about 1 and a half years) since the EUDR entered into force (29 June 2023), the EU Commission will classify countries according to their level of risks for deforestation and degradation. Due diligence obligations will vary according to the level of risk a given country will be benchmarked with. For instance, if a country is classified as a "low risk", businesses sourcing products falling into the EUDR scope from that country will benefit from simplified due diligence.

1.10 Who is affected by the EUDR?

The EUDR affects a wide range of stakeholders, including entities that place, trade, or export covered commodities, and EU Competent Authorities responsible for enforcing the Regulation.

1.11 What are the consequences of non-compliance with the EUDR?

Non-compliance with the EUDR can result in penalties, fines, or restrictions on market access within the EU. The severity of consequences may vary depending on the extent of non-compliance and the specific provisions of the regulation.

1.12 Is the EUDR limited to the EU market?

While the EUDR primarily applies to products placed on the EU market, it is set to have a global impact by encouraging responsible sourcing practices throughout international supply chains.

1.13 How can businesses ensure compliance with the EUDR?

To ensure compliance with the EUDR, businesses should conduct thorough due diligence assessments, maintain accurate records, and stay informed about updates to the Regulation. They can also seek guidance from the [official EU Commission FAQ](#), industry associations, reliable and robust certification schemes, and experts in sustainable supply chain management. EU Competent Authorities in different EU Member States will be in charge of enforcing the EUDR and will be monitoring compliance.

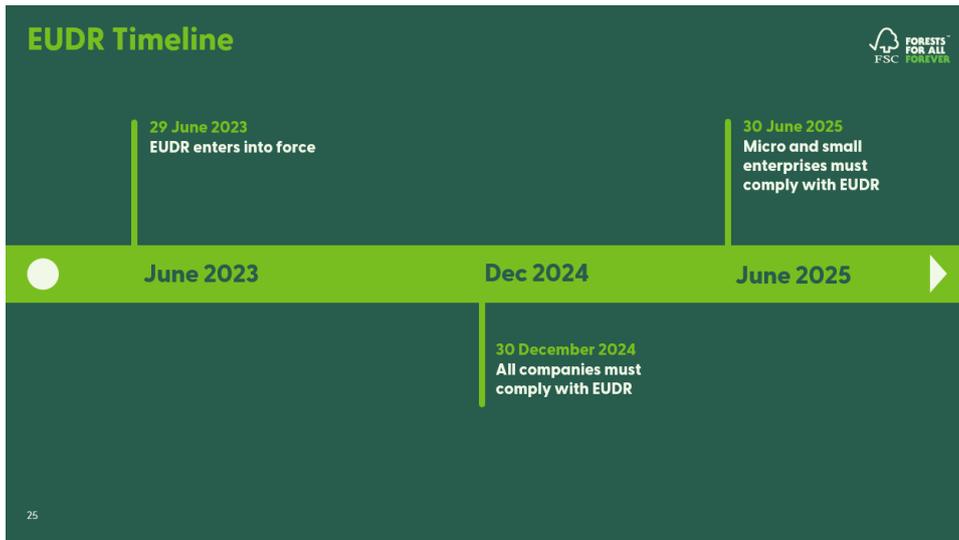
1.14 When will the EUDR Competent Authorities be nominated? And will they be the same entities in charge of enforcing the European Union Timber Regulation (EUTR)?

EU Member States are set to nominate EUDR Competent Authorities (CAs) by December 2023. The EUDR CAs may or may not be the same entities as those in charge of enforcing the EUTR.

1.15 Where can I find more information about the EUDR and its requirements?

Detailed information about the EUDR, including its provisions and guidance for compliance, can be found on the [official website of the European Union](#). Additionally, industry associations, credible and robust certification schemes, as well as experts in sustainable forestry value chains can provide valuable resources and support.

1.16 What is the EUDR timeline?



1.17 I would like to receive further information about the EUDR, where can I find it?

Stakeholders are encouraged to read the official EU Commission FAQ on the EUDR. The FAQ will be updated regularly by the EU Commission and can be found [here](#).

SECTION 2: The EUDR & FSC

2.1 What is the Forest Stewardship Council (FSC)?

The Forest Stewardship Council® (FSC®) – a nonprofit organization governed by environmental, social, and economic perspectives equally – covers more than 150 million hectares of certified forests and is the global benchmark for sustainable forestry. NGOs, consumers, and businesses alike trust FSC to protect and enhance healthy and resilient forests, for all, forever.

2.2 How do the EUDR and FSC relate to each other?

The EUDR and FSC are complementary initiatives with a shared goal of fighting illegal logging, preventing deforestation and degradation, as well as promoting sustainable sourcing. The EUDR and FSC are mutually reinforcing.

2.3 Can businesses use FSC certification to automatically comply with the EUDR?

No, certification schemes cannot automatically exempt businesses from undertaking their due diligence duties under the EUDR. At the same time, companies can use credible and robust certification systems for that purpose provided these systems are aligned with EUDR requirements and provide the geo-location coordinates of relevant products. FSC can actually help companies meet these EUDR due diligence requirements. See answers below.

2.4 How does FSC certification support businesses in complying with the EUDR?

For more than ten years, FSC has been involved in implementing the EU Timber Regulation (EUTR), the predecessor of the EUDR. This makes FSC familiar with the EU due diligence concept. FSC provides a trusted and recognized system for businesses to prove that their forest-based products come from responsibly managed forests, recycled materials and other controlled sources, meeting both the EUDR legality and sustainability requirements.

2.5 What products does FSC certification cover, and how does it align with the EUDR's scope?

FSC primarily covers forest-based products, such as timber, wood products, pulp and paper, as well as rubber. While FSC certification may not apply directly to non-forest-based products like soy or beef, it offers lessons and principles that can be applied to various supply chains to meet EUDR requirements.

2.6 Is FSC certification mandatory for EUDR compliance?

FSC certification is not mandatory under the EUDR. However, it is recognized as a valuable tool for demonstrating compliance with the EUDR legality, sustainability, and traceability requirements.

2.7 To what extent is FSC aligned with the EUDR?

FSC is already strongly aligned with the EUDR legality and sustainability requirements. As a system striving for continuous improvement, we are currently working to further align our standards and procedures to relevant global and European sustainability legislations, including the EUDR. To follow FSC's journey toward further EUDR conformity, visit [FSC.org/EUDR](https://www.fsc.org/EUDR).

2.8 Is FSC revising/developing new compliance tools in response to the EUDR?

FSC is actively reviewing its normative framework not only to ensure alignment with relevant European and global sustainability initiatives, including the EUDR, but also to create

additional value for our certificate holders. This includes updating its standards and certification procedures, as well as developing a voluntary add-on standard to support affected businesses in complying with the EUDR. In the future FSC will offer not only tools that help to gather and aggravate information about sourcing, but also tools to perform Risk Assessments easily and quickly.

2.9 What role does geo-location play in verifying compliance with EUDR and FSC?

Geo-location involves pinpointing the exact location of production or sourcing areas. It helps verify that products originate from areas with responsible forest management, aligning with EUDR and FSC goals.

2.10 How can FSC support businesses to comply with EUDR traceability requirements?

FSC Chain of Custody Certification currently verifies that FSC standards are upheld at all points along the supply chain. From early 2024, FSC Blockchain will enable companies to transmit product origin data throughout the entire supply chain, thereby meeting EUDR traceability requirements.

2.11 How can FSC support businesses to comply with EUDR geo-location data requirements?

Many FSC-certified forests are already providing geospatial data on FSC-certified forest areas. By June 2024, FSC will additionally provide guidelines for companies to collect geospatial boundary coordinates of all FSC-certified forests, and technology platforms to manage that geo-spatial data. This will support companies to meet EUDR geo-location requirements. The data can then be presented to Competent Authorities via the Due Diligence Statement.

2.12 How can FSC Certification Bodies assess conformity with both FSC standards and EUDR requirements?

FSC is regularly in touch with relevant Certification Bodies. They will be revising their auditing and certification processes to incorporate EUDR criteria. This provides FSC certificate holders with more confidence that they can meet EUDR compliance with their FSC certification.

2.13 What is the added value of FSC under the EUDR?

FSC is already strongly aligned with the EUDR. It offers unique features, making it one of the most robust and credible systems that actors can use to fight deforestation and communicate about their deforestation-free commitments. Selected examples of FSC's unique features are highlighted below:

- Multi-stakeholder platform: balancing environmental, economic, and social interests while providing a platform for their different representatives to exchange
- Continuous improvement: delivering forest solutions on the ground while keeping FSC standards up to date and improved on a continuous basis
- Environmental and social requirements: strongly emphasising on both environmental (deforestation and degradation-free) and social (respect for and upholding of Indigenous Peoples' rights, e.g. FPIC) requirements
- Cutting edge solutions: piloting new tech solutions to enable geo-location and traceability of relevant forest products, e.g. blockchain
- Transparency and integrity: offering a third-party verified system proving assurance and integrity

2.14 How can businesses, Competent Authorities, governments, smallholders and Indigenous Peoples benefit from FSC within the EUDR?

Businesses participating in the FSC system benefit from incentives for adopting sustainable practices, access to worldwide label trusted by consumers, reduced regulatory burden, and EU market access. FSC helps facilitating EUDR compliance and demonstrating commitment to sustainability.

EU Competent Authorities can use FSC as strong, trustworthy risk mitigation evidence that the product is legal, deforestation-free, and degradation-free.

Governments, in Europe and globally, can employ FSC as a tool to help implement their policies on the ground, as well as demonstrating compliance with relevant forestry regulatory initiatives, to which FSC is aligned with.

FSC has 30 years of experience working with smallholders to responsibly manage their forests for enhanced market access. By getting certified, smallholders and supporting

organizations, benefit from existing tools and solutions that include due diligence support, traceability, and documentation and capacity building; each an integral component towards EUDR compliance.

2.15 How can businesses make sure they are using FSC certification effectively to support EUDR compliance?

Businesses can ensure they use FSC certification effectively for that purpose by maintaining accurate records, conducting due diligence assessments, and keeping up with updates and changes to EUDR regulations. They can also engage with certified suppliers and seek guidance from industry experts.

2.16 Where can businesses find additional guidance on using FSC certification to support EUDR compliance?

For additional guidance on using FSC certification to support EUDR compliance, businesses can consult with FSC International, FSC National Offices, industry associations, and experts in supply chain management and sustainability. Additionally, businesses can consult the "[EUDR & FSC](#)" webpage, as well write to the following email address: EUDR@fsc.org