# FAQ
# EU Deforestation Regulation (EUDR)
Version: July 2026

**1. What is the EU Deforestation Regulation (EUDR)?**
The EUDR (EU Regulation 2023/1115) is a binding EU law that requires companies placing certain commodities and derived products on the EU market or exporting them from it to prove that those products did not contribute to deforestation or forest degradation after 31 December 2020. It came into force on 29 June 2023 and is part of the EU's European Green Deal. The regulation aims to minimise the EU's contribution to global deforestation, reduce associated greenhouse gas emissions, and protect biodiversity worldwide.

**2. When does the EUDR apply?**
The compliance deadline depends on company size:
- Large and medium-sized operators and traders: 30 December 2026
- Micro and small enterprises: 30 June 2027

These deadlines reflect amendments introduced by Regulation (EU) 2025/2650 in December 2025, which extended the original deadline. No further extensions are currently anticipated.

**3. What is the "cut-off date" and why does it matter?**
The cut-off date is 31 December 2020. Products must originate only from land that was not deforested or degraded after this date. Any commodity produced on land cleared after 31 December 2020 is non-compliant, regardless of where it was grown or processed.

**4. What is the difference between "deforestation" and "forest degradation" under the EUDR?**
"Deforestation" under the EUDR means the conversion of forest to agricultural use for example, clearing land for cattle grazing, cocoa farms, or palm oil plantations. "Forest degradation" refers to structural changes to a forest that reduce its carbon stock, biodiversity, or ecosystem functions such as converting primary forest into plantation forest through selective logging. Both are prohibited under the EUDR.

**5. Which commodities are covered by the EUDR?**
The EUDR covers seven commodities: cattle, cocoa, coffee, oil palm (palm oil), rubber, soya, and wood.

**6. Which derived products are in scope?**
Many products derived from the seven commodities fall within scope, including:
- Cattle: beef, leather, hides, and gelatine
- Cocoa: chocolate, cocoa butter, cocoa paste, and cocoa powder
- Coffee: roasted coffee, coffee extracts, and instant coffee
- Oil palm: palm oil, palm kernel oil, and glycerol
- Rubber: rubber sheets, tyres, gloves, and hoses
- Soya: soya flour, soya oil, soya meal, and tofu
- Wood: lumber, veneer, plywood, wood pulp, paper, and paperboard

The full list of in-scope products is set out in Annex I of the EUDR. Printed materials were removed from scope under the December 2025 amendments (Regulation EU 2025/2650).

**7. Are there exemptions from the EUDR?**
Yes. The following are exempt:
- Products produced before 29 June 2023 (the date the EUDR entered into force)
- Second-hand and recycled goods
- Products intended exclusively for personal, non-commercial use (including consumer-to-consumer transactions)
- Goods in transit through the EU that are not placed on the EU market

**8. Who is an 'operator' under EUDR?**
An operator is any business (company or individual) that is the first to place a relevant product on the EU market, or who exports it from the EU. Operators have the most responsibilities: they must gather all supply chain information, perform a risk assessment, take steps to reduce risk, and submit a formal Due Diligence Statement (DDS) before the product enters the EU.

**9. Do non-EU companies need to comply with the EUDR?**
Yes, if a non-EU company places relevant products on the EU market or exports them from it, it is treated as an operator and must comply in full, including submitting a DDS.
However, when an EU importer purchases goods from a non-EU supplier and is the first to place them on the EU market, the EU importer is the operator. The non-EU supplier does not submit a DDS directly, but must provide the EU importer with all information and documentation needed to complete the importer's due diligence including geolocation data, supplier details, and legality declarations.

**10. What does due diligence mean under the EUDR?**
Due diligence is the structured process operators must follow before placing relevant products on the EU market. It consists of three mandatory steps: (1) information collection, (2) risk assessment, and (3) risk mitigation. Completing this process results in a Due Diligence Statement (DDS), which operators submit electronically through the EUDR Information System before each shipment.

**11. What information must operators collect ?**
Operators must collect the following for each relevant product:
- Description of the product, the commodity it contains or is derived from, quantity, and country of production
- Geolocation coordinates (latitude and longitude) of all plots of land where the commodity was produced
- Names and contact details of all suppliers in the chain
- A declaration that the product is deforestation-free and was legally produced in the country of origin
- Supporting documents sufficient to allow independent verification

**12. What are the geolocation requirements?**
Operators must collect and submit GPS coordinates identifying the land where the commodity was produced. For plots larger than 4 hectares (other than cattle), a set of coordinates tracing the perimeter of the plot is required. For cattle, geolocation of all establishments (farms and ranches) in the supply chain is required. Geolocation mapping is one of the most demanding requirements for smallholder-dominated supply chains.

**13. Is EUDR a voluntary standard or a legal requirement?**
EUDR is a legally binding EU regulation. It is not optional. After the compliance deadlines pass, any

product that does not meet EUDR requirements can be banned from the EU market. Violations can result in large fines, confiscation of goods, and being excluded from EU trade for a period of time.

**14. Does an Indian exporter need to directly register with the EUDR system?**
Not necessarily. The DDS is submitted by the EU operator (your buyer). However, your EU buyer will require you to provide all the necessary documentation and data to submit their DDS. In practice, this means you need to have your farm mapping, traceability records, and legal documents ready even though you are not logging into the EU system yourself.

**15. What is the EUDR country benchmarking system, and what classification has India received?**
The European Commission has created a three-tier risk classification system for all countries that supply EUDR-regulated commodities. Based on factors like deforestation rates, forest protection laws, and governance, each country is classified as Low Risk, Standard Risk, or High Risk. India has been classified as Low Risk in the May 2025 benchmarking decision. This is a positive outcome for Indian exporters as it means EU companies buying from India face less stringent due diligence requirements and a lower inspection rate (1% of shipments, compared to 3% for standard-risk and 9% for high-risk countries).

**16. What are the penalties for non-compliance with EUDR?**
Penalties are set by each EU Member State but must meet minimum standards set by the EUDR. Possible consequences include:

- Fines of at least 4% of the operator's total annual turnover in the EU.
- Confiscation of all non-compliant goods.
- Confiscation of revenues generated from selling non-compliant products.
- Temporary ban on placing relevant products on the EU market.
- Exclusion from public procurement and public funding for up to 12 months for serious or repeated violations.