

Federal Office for the Environment FOEN

## **Factsheet**

# EU Regulation on Deforestation-Free Products (EUDR) – key elements

Swiss companies that export to the EU commodities that fall under the EUDR must adhere to the EUDR<sup>1</sup> This EU Regulation does not apply in Switzerland; the placing of timber on the market in Switzerland continues to be governed by the Timber Trade Ordinance (HHV)<sup>2</sup> in force.

This factsheet provides Swiss companies with an overview of the EUDR requirements for making commodities available on the EU internal market. The EU Commission and member states are responsible for the implementation and content of the EUDR. Compliance with the requirements of the EUDR in the EU is the responsibility of the companies concerned. The Federal Administration cannot provide any binding guidance regarding the implementation of the EUDR.

#### **Background**

The EU Regulation on Deforestation-Free Products (EUDR) came into force on 29 June 2023. The start of validity was postponed by one year. From 30 December 2025, large companies and, from 30 June 2026, small companies will only be able to make relevant commodities available on the EU market or export them from the EU if they comply with the requirements of the EUDR. The EUDR replaces the European Union Timber Regulation (EUTR); however, the EUTR will continue to apply until 31 December 2028 for wood and wood products produced before 29 June 2023. The EUDR applies to the commodities coffee, cocoa, soya, palm oil, cattle, rubber and timber and products made from them such as chocolate, coffee capsules, furniture, paper and car tyres (see Art. 1 and Annex I EUDR). These commodities may only be made available on the market in the EU if the following three conditions are met (see Art. 3 EUDR):

- 1) they were produced on land that has not been subject to deforestation or forest degradation since 31 December 2020 (see Art. 2 para. 13 EUDR)
- 2) the relevant legal provisions of the country of production have been complied with (see Art. 2 para. 40 EUDR); and
- 3) a declaration of due diligence is submitted.

The 'operator' must exercise due diligence with regard to these commodities (information collection, risk assessment and, if necessary, risk mitigation) and submit a due diligence declaration **to the EU information system**. Any natural or legal person who, in the course of a commercial activity, places these commodities on the EU market or exports them from the EU is deemed to be an operator according to the definition in the EUDR (see Art. 2 para. 15).

Regulation (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 concerning the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation, OJ 150, 9.6.2023, p. 206.

<sup>&</sup>lt;sup>2</sup> Ordinance of 12 May 2021 on Placing Timber and Wood Products on the Market (<u>Timber Trade Ordinance, TTO; SR 814.021</u>).



By submitting a due diligence declaration, the operator confirms that it has fulfilled the due diligence obligation in accordance with the EUDR (see Art. 8 ff. EUDR) and that there is no or only a negligible risk for this import in regard to the requirements of the EUDR. The due diligence declaration also includes information on the country of production and the geo-location of all plots of land on which the relevant commodities were produced or harvested (see Annex II EUDR).<sup>3</sup>

## Impact on Switzerland

Swiss companies may be affected by the EUDR *directly* or *indirectly*:

- They are *directly* affected if they have a commercial presence in the EU and are therefore involved in placing commodities on the market or making them available as an operator. They are responsible for observing due diligence. Swiss companies without a commercial presence in the EU that place relevant commodities on the EU market are also directly affected. Together with the first natural or legal person who places relevant products on the EU market (see Art. 7 EUDR, <u>Guidance page 5</u>, <u>FAQ 3.7</u>), they are regarded as operators and are responsible for ensuring due diligence. Provided that they have an EORI number, <sup>4</sup> they can submit a due diligence declaration independently (<u>FAQ 3.7</u>).
- Companies that harvest relevant commodities, process them into products or trade in them are indirectly affected if these commodities are placed on the EU market by a company downstream in the supply chain (acting as an operator in this case). As a link in the supply chain of these relevant commodities and products, they must provide the distributor or operator with the relevant information and data they require to fulfil their due diligence obligations.

The **EU Commission** has developed a **three-stage** risk assessment system on the deforestation risk posed by the relevant commodities in the individual countries of origin. It <u>was released on 22 May</u> 2025 (<u>Country</u> <u>Classification List</u>). Countries are categorised as 'high risk', 'normal risk' and 'low risk' (see Art. 29 EUDR).

Switzerland was classified by the EU Commission, based on a purely quantitative methodology, in the low risk category. This classification is also based on forestry legislation and comprehensive enforcement, understandable. The Federal Administration has produced a factsheet on deforestation risk in Switzerland. (see Factsheet - Proof of compliance for Commodities produced in Switzerland).

### **Checks and sanctions**

The **EU member states' inspection authorities** will analyse the data from the information system in order to carry out risk-based controls. They monitor **compliance with the new EUDR rules** in accordance with EU regulations and **impose administrative or penal measures and sanctions**. The EUDR contains clear specifications on the number of checks to be carried out. For example, one per cent of operators with imports from low-risk countries, three per cent of operators with imports from normal-risk countries, nine per cent of operators with imports and nine per cent of the quantity of imports from high-risk countries must be checked each year (see Art. 16 EUDR). The EU member states must impose a penalty, e.g. a fine, in cases in which the EUDR is infringed; the **amount of the fine is proportionate to the extent of the environmental damage and the value of the relevant commodities**. It will be increased gradually in the event of repeated violations. The

<sup>&</sup>lt;sup>3</sup> For cattle and cattle products, the geolocation of all establishments associated with rearing, including grazing areas and slaughterhouses, must be given.

<sup>&</sup>lt;sup>4</sup> The EORI number is required in the EU for various business activities. (Further information: <a href="https://www.bazg.admin.ch/bazg/en/home/informationen-firmen/einfuhr-in-die-schweiz/eori-nummer.html">https://www.bazg.admin.ch/bazg/en/home/informationen-firmen/einfuhr-in-die-schweiz/eori-nummer.html</a>)



maximum amount for legal entities is set at least four per cent of the company's total annual turnover in the EU and is gradually increased in the event of repeated infringements (see Art. 25 EUDR).

## **Further information**

- European Commission official EUDR webpage
- <u>EUDR Regulation text</u>
- Guidance document for Regulation (EU) 2023/1115 on deforestation-free products
- EUDR Frequently Asked Questions: <u>FAQs</u>
- EU Information System of the Deforestation Regulation
- Examples of different stages in the supply chain explained: EUDR compliance Publications Office of the EU
- Geolocation coordinates of Swiss sites: All publicly accessible federal and cantonal administration systems are listed at <a href="https://www.cadastre.ch">www.cadastre.ch</a>.

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