



15 September 2023

(23-6142)

Page: 1/4

Committee on Agriculture

Original: English

JOINT LETTER

EUROPEAN UNION'S REGULATION ON DEFORESTATION-FREE PRODUCTS (EUDR)

Submission by Indonesia, Brazil, and Malaysia

The following submission, dated 14 September 2023, is being circulated at the request of the delegations of Indonesia, Brazil, and Malaysia.

This joint letter is being circulated to the Committee on Agriculture for transparency purposes only.

Brussels, 7 September 2023

Honourable Roberta Metsola
President of the European Parliament

H.E. Charles Michel
President of the European Council

H.E. Ursula von der Leyen
President of the European Commission

H.E. Marcos Alonso Alonso
Permanent Representative of Spain to the European Union
Presidency of the Council of the European Union

Dear Excellencies,

We, the undersigned, wish to convey through this letter our deep concern regarding the recent entry into force of the European Union's regulation on deforestation-free products (EUDR), on June 29, 2023. As stated in the letter dated July 27, 2022 from a group of producing countries, this legislation disregards local circumstances and capabilities, national legislations and certification mechanisms of developing producer countries, their efforts to fight deforestation, and multilateral commitments, including the principle of common but differentiated responsibilities. It also establishes a unilateral benchmarking system that is inherently discriminatory and punitive, which is potentially inconsistent with WTO obligations.

Considering that despite multiple manifestations of concern, particularly from developing countries, the legislation will enter into application in less than 18 months, and that the EU is still working on its implementing acts and guidelines, we urge the Commission and other EU institutions to engage in a more meaningful and open dialogue with producing countries than what has been undertaken so far. The EU should work to repair this legislation, or, at a minimum, aim to mitigate its more harmful impacts through implementation guidelines that adequately value the current, as well as developing local sustainable practices in agricultural value chains, and avoid trade disruption including the excessive administrative burden related to the geolocation and traceability requirements, certifications, and customs procedures.

The EU's "one-size-fits-all" approach, implemented through this model of due diligence and traceability, ignores the different local conditions and will inevitably impose immense costs on exporting and importing countries alike, as well as on producers and consumers. While these costs are certain, we consider that the legislation, by itself, will bear no positive impact on deforestation rates and may even produce other adverse effects, such as increased poverty, diversion of resources, and hindrance of the attainment of SDGs.

Smallholders are especially vulnerable to the EUDR and require special support. The EU should acknowledge the efforts made by developing countries to improve their livelihood and sustainability practices as well as the significant challenges faced by them regarding limited access to financing schemes, new technologies and technical training and assistance.

Smallholders may end up being excluded from international value chains not because they have deforested their land but due to their inability to show compliance with the stringent requirements imposed by the EUDR. That would unfairly deprive smallholders of an important source of income and livelihood, and even impact their ability to adopt sustainable practices. We call, therefore, on the Commission to formulate clear and detailed implementing acts and guidelines that include differentiated compliance and due diligence regimes for commodities and products originating from smallholders in developing countries, considering that EU SMEs will be granted more flexible treatment.

In conclusion, we reiterate our commitment to the SDGs and to multilateral environmental agreements and goals. Given our shared objectives and the need to work together to tackle global challenges, we call on the EU to engage in effective cooperation and meaningful dialogue, with its partners in the areas of trade and sustainable development to jointly address the impact of EU legislation and its implementing instruments, including providing support to facilitate trade.

Please accept, Excellencies, the assurances of our highest consideration.

Sincerely yours,

H.E. Atilio Berardi Hueda
Ambassador of Argentina to the European Union

H.E. Pedro Miguel da Costa e Silva
Ambassador of Brazil to the European Union

H.E. Valeria Denisse Vilaseca Chumacero
Ambassador of Bolivia

H.E. Jorge Rojas Rodríguez
Ambassador of Colombia

H.E. Iván Emilio de Js. Ogando Lora
Ambassador of the Dominican Republic

H.E. Hernan Ponce Aray
Ambassador of Ecuador

H.E. José Lambour Peñalongo
Ambassador of Guatemala

H.E. Andri Hadi
Ambassador of the Republic of Indonesia

H.E. Dato' Ahmad Rozian Abd. Ghani
Ambassador of Malaysia

H.E. Rogelio Garanguillhome Morfin
Ambassador of Mexico

H.E. Obinna Chiedu Onowu
Ambassador of Nigeria

H.E. Rigoberto Gauto
Ambassador of Paraguay

H.E. Luis Enrique Chávez Basagoitia
Ambassador of Peru

H.E. Sek Wannamethee
Ambassador of Thailand

H.E. Harriet Sena Siaw-Boateng
Ambassador of Ghana

H.E. Abou Dosso
Ambassador of Ivory Coast

Viviane de Pierrefeu
CDA a.i. of Honduras

CC:

Honorable Heidi Hautala
Vice President of the European Parliament

Honorable Manfred Weber
Chairman of the European People's Party Group

Honorable Iratxe García Pérez
Chairman of the Progressive Alliance of Socialists and Democrats Group

Honorable Stéphane Séjourné
President of the Renew Europe Group

Honourable Ska Keller and Philippe Lamberts
Co-Presidents of Greens/European Free Alliance Group

Honorable Marco Zanni
President of Identity and Democracy Group

Honorable Raffaele Fitto & Ryszard Antoni Legutko
Co-Chairmen of the European Conservatives and Reformists Group

Honourable Manon Aubry & Martin Schirdewan
Co-President of the Left Group - GUE/NGL

H.E. Maroš Šefčovič
Executive Vice-President for the European Green Deal

H.E. Josep Borrell Fontelles
High Representative of the European Union for Foreign Affairs
and Security Policy

H.E. Valdis Dombrovskis
Commissioner for Trade and Executive Vice-President for an Economy that Works for People

H.E. Janusz Wojciechowski
Commissioner for Agriculture

H.E. Virginijus Sinkevičius
Commissioner for the Environment, Oceans and Fisheries

H.E. Florika Fink-Hooijer
Director General of ENVI

H.E. Sabine Weyand
Director General of TRADE

H.E. Helena König
Deputy Secretary General of the European External Action Service

Honourable Pascal Canfin
Chair of the Committee on the Environment, Public Health and Food Safety of the European
Parliament

Honourable Bernd Lange
Chair of the Committee on International Trade of the European
Parliament
