German drafting suggestions regarding the Commission proposal for a regulation amending the Deforestation Regulation (EUDR)

We suggest to amend the Commission proposal as follows:

- 1) Further postpone the application of the EUDR for all operators (micro and small as well as bigger ones) until 30 December 2026, while deleting the provisions related to the "grace-period". This would allow for a synchronised schedule for all operators (Art. 38).
- 2) **Further reduce burden for downstream operators**. Reference numbers of due diligence statements must only be collected and kept, but must not be communicated along the downstream supply chain. This would be a major relief for operators while traceability is still ensured (Art. 5).
- 3) Further reduce burden for micro and small operators under the simplified regime. The simplified declaration shall only be submitted as one-off, updates may only be provided in case of major changes. The annual quantity of products to be indicated shall only be an estimation. And the declaration must not contain the postal address of all plots of land, but only of establishments (Art. 4a, Annex III).
- 4) **Apply the simplified regime also to mixed businesses** just exceeding the threshold of a small operator (e.g. hotel with other business) by amending the definition of micro and small primary operators (Art. 2 (15a)).
- 5) **Introduce a simplification review clause** requesting the Commission to identify and assess by April 2026 further simplification measures and present a report accompanied, where appropriate, by legislative proposals (Art. 34(1a)).

Article 2 Definitions

For the purposes of this Regulation, the following definitions apply:

[...]

(15a) 'micro and small primary operator' means an operator who is a natural person or a micro- or small-sized undertaking, as defined in Article 3(1) and (2), first subparagraph, of Directive 2013/34/EU of the European Parliament and of the Council*, taking into account only the business lines relevant for this regulation, irrespective of its legal form, established in a country classified as low risk in accordance with Article 29 of this Regulation, and who, in the course of a commercial activity, places on the market or exports relevant products that this operator itself has grown, harvested, obtained from or raised on relevant plots of land, or, as regards cattle, on establishments;

Article 4a

Simplified regime for micro and small primary operators

- 1. The obligations laid down in Article 4(2), (3) and (4), point (c) shall not apply to micro and small primary operators.
- 2. Micro and small primary operators shall submit a one-time simplified declaration in the information system referred to in Article 33 before placing on the market relevant products or exporting them. They shall be assigned a declaration identifier after submitting their <u>one-time</u> simplified declaration.
- 3. Micro and small primary operators shall provide the information set out in Annex III when submitting the simplified declaration in the information system. They shall-may update o n a voluntary basis - the information contained in their simplified declaration following any major/decisive changes to the information they provided.

- 4. Where all information listed in Annex III is available in a system or database that exists under Union or Member States legislation, other than the information system referred to in Article 33, micro and small primary operators shall not be required to submit a <u>one-time</u> simplified declaration in accordance with paragraph 2 of this Article. Member States shall make this information per operator available in the information system referred to in Article 33. The micro or small primary operator shall place the relevant products on the Union market or export them only after having been assigned a declaration identifier.
- 5. For micro and small primary operators, the geolocation referred to in Article 9(1), point (d), may be replaced by the postal address of all plots of the establishment from where the relevant commodities that the relevant product contains, or has been made using, were produced.

Article 5

Obligations of downstream operators and traders

- 1. Downstream operators and traders shall make available relevant products on the market only if they are in possession of the information required under paragraph 3.
- 2. Downstream operators that are not SMEs ('non-SME downstream operators') and traders that are not SMEs ('non-SME traders') shall register in the information system referred to in Article 33 prior to placing or making available relevant products on the market or exporting them.
- 3. Downstream operators and traders shall collect and keep the following information relating to the relevant products they intend to place or make available on the market or export:
- (a) the name, registered trade name or registered trade mark, the postal address, the email address and, if available, a web address of the operators, downstream operators, or the traders who have supplied the relevant products to them, as well as the reference numbers of the due diligence statements or the declaration identifiers associated to those products;
- (b) the name, registered trade name or registered trade mark, the postal address, the email address and, if available, a web address of the downstream operators, or the traders to whom they have supplied the relevant products.
- 4. Downstream operators and traders shall keep the information referred to in paragraph 3 for at least five years from the date of the placing or making available on the market or export, and shall provide that information to the competent authorities upon request.
- 5. Downstream operators and traders shall communicate to downstream operators and traders to whom they have supplied relevant products the reference numbers of the due diligence statements or the declaration identifiers associated to those relevant products.
- 6. Downstream operators and traders that obtain or are made aware of relevant new information, including substantiated concerns, indicating that a relevant product that they have placed or made available on the market is at risk of not complying with this Regulation shall immediately inform the competent authorities of the Member States in which they placed or made available the relevant product on the market as well as downstream operators and traders to whom they supplied the relevant product. In the case of exports, downstream operators shall inform the competent authority of the Member State which is the country of production.
- 7. If non-SME downstream operators and non-SME traders obtain or are made aware of relevant information, indicating that a relevant product is not in compliance with the requirements set out in this Regulation, prior to placing or making available on the market or exporting, they shall immediately inform the competent authorities of the Member States in which they intend to place or make available on the market or from which they intend to export the relevant product. In the case of substantiated concerns, they shall verify that due diligence was exercised and no or only a negligible risk was found. They shall not place or make available products on the market or export them unless the verification demonstrates no or only a negligible risk of non-compliance.
- 8. Downstream operators and traders shall offer all necessary assistance to the competent authorities to facilitate the carrying out of the checks under Article 19, including access to premises and the making available of documentation and records.

Article 34

Review

- 1. The Commission may adopt delegated acts in accordance with Article 35 to amend Annex I with regard to the relevant CN codes of relevant products that contain, have been fed or have been made using relevant commodities.
- 1a. By April 2026, the Commission shall identify and assess further simplification measures and shall present a report to the European Parliament and the Council accompanied, where appropriate, by a legislative proposal.
- 2. By 30 June 2030 and at least every five years thereafter, the Commission shall carry out a general review of this Regulation and shall present a report to the European Parliament and the Council accompanied, if appropriate, by a legislative proposal. [...]

Article 38

Entry into force and date of application

- 1. This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.
- 2. Articles 3 to 13, Articles 20, 21, 2316 to 24, 26, 31 and 32 shall apply from 30 December 20252026.
- 3. For operators that by 31 December 2024 were established as micro-undertakings or small undertakings within the meaning of Article 3(1) or (2), first subparagraph, of Directive 2013/34/EU, irrespective of their legal form, the Articles referred to in paragraph 2 of this Article shall apply from 30 December 2026.
- 4. For micro and small primary operators, the Articles referred to in paragraph 2 of this Article shall apply from 30 December 2026.
- 5. Articles 16 to 19, Articles 22 and Article 24 shall apply from 30 June _2026_ with regard to measures concerning operators, downstream operators and traders, and from 30 December 2026 to operators referred in paragraphs 3 and 4. Where a competent authority becomes or is made aware of non-compliance with Regulation (EU) 2023/1115 prior to the entry into application of Articles 16 to 19, Article 22 and Article 24, it may issue warnings to operators, downstream operators and traders, accompanied by recommendations to achieve compliance.'
- (24) Annex II to Regulation (EU) 2023/1115 is amended in accordance with Annex I to this Regulation;
- (25) Annex II to this Regulation is added as Annex III to Regulation (EU) 2023/1115.

ANNEX III

Simplified declaration of micro and small primary operators

Information to be contained in the simplified <u>one-time</u> declaration of micro and small primary operators in accordance with Article 4a(3):

- 1. Operator's name, address and, in the event of relevant commodities and relevant products entering or leaving the market, the Economic Operators Registration and Identification (EORI) number in accordance with Article 9 of Regulation (EU) No 952/2013.
- 2. Harmonised System code and free-text description of the relevant products, including the trade name, and the <u>one-off estimated</u> annual quantity of relevant products intended to be placed on the market or exported, expressed in net mass specifying a percentage estimate or deviation or, where applicable, volume or number of items. For relevant products entering or leaving the market, the <u>estimated</u> quantity is to be expressed in kilograms of net mass and, where applicable, in the supplementary unit set out in Annex I to Regulation (EEC) No 2658/87 against the indicated Harmonised System code or, in all other cases, expressed in net mass specifying a percentage estimate or deviation or, where applicable, volume or number of items. A supplementary unit is applicable where it is defined consistently for all possible subheadings under the Harmonised System code referred to in the due diligence statement.

3. Country of production and the postal address or the geolocation of the establishment from where all plots of land on which the micro and small primary operator produces relevant commodities. For relevant products that contain or have been made using cattle, and for such relevant products that have been fed with relevant products, the postal address or the geolocation shall refer to all the establishments where the cattle are kept. Where the relevant products are produced on different plots of land, the postal address or the geolocation of all plots of land shall be included in accordance with Article 9(1), point (d).
[...]