

## **EU Deforestation Regulation: effective implementation not possible without deferred application**

**Brussels, 30 September 2024** – The American Chamber of Commerce to the EU (AmCham EU) is extremely concerned about the lack of progress in the implementation of the EU Deforestation Regulation (EUDR). The Commission has failed to provide the appropriate guidance required for companies to comply with the new legislation, despite repeated calls for clarification from industry. This uncertainty creates significant challenges for companies as they seek to invest in appropriate compliance measures.

As the Regulation is set to enter into force on 30 December 2024, its proper implementation is no longer realistic under the current timeframe. AmCham EU therefore **calls on the Commission to urgently defer the date of application of the EUDR by one year**. Alternatively, the Commission must at least **consider a period of grace** as of December 2024.

In parallel, the following issues should be addressed in the coming days:

- **Key guidance documents**, including FAQs, benchmarking frameworks and legal clarifications still remain to be published. These delays create significant uncertainty for companies that need specific information to understand their compliance requirements and ensure their practices align with the Regulation.
- The Commission must provide a **clear country benchmarking system** and publish its methodology allowing companies to assess and monitor their compliance effectively.
- The lack of certainty surrounding the EUDR's **information system** must also be resolved. Businesses need clarity on how the system will operate, including the precise data that will be required throughout their supply chains, and the timeline for it to be fully operational. Ideally, feedback from stakeholders should also have been included through a second pilot for the system within a reasonable timeframe.
- **Meaningful thresholds** are required to ensure that the EUDR tackles significant environmental impact which companies should prioritise over minor or negligible claims.

These critical areas require urgent focus from the Commission and, if not addressed, risk impeding the objectives of tackling global deforestation and promoting sustainable supply chains.