



EUDR Add-on – Take Advantage of Already Certified Supply Chains

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Key highlights of the EUDR

- **Obligations** applicable as of December 2024
 - EC proposed an extra 12 months of phasing-in time and obligations to be applicable in **December 2025**
 - Approval by European Parliament pending, Council already approved
- Commodities have to be produced **legally**, on land that was not subject to **deforestation** or **forest degradation** after December 2020
- **Operators** and **large traders** importing/exporting commodities on the EU market have to fulfil due diligence obligations
- **Due diligence process**: Information gathering, risk assessment and if applicable risk mitigation
- **Traceability** back to the plot of land
- **CoC** requirements: physical segregation
- No-Deforestation requirements relevant for all listed commodities & products
 - Forest degradation relevant for wood products only

Obligations of operators and traders

1 Gather Relevant Information

- Product information
- Geolocation data
- Deforestation-free status
- Production in accordance with relevant legislation

2 Risk Assessment

- Verification and analysis of the information
- Risk Assessment criteria include various social and environmental aspects

3 Risk Mitigation

- Collection of additional information
- Carrying out independent surveys and audits
- Adequate and proportionate policies, controls and procedures to mitigate and manage effectively the risks of non-compliance



Due Diligence Statement

Commodities covered

The EU deforestation regulation includes
7 commodities and its relevant products¹:



Oil Palm



Soy



Rubber



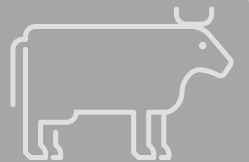
Wood*



Coffee



Cacao



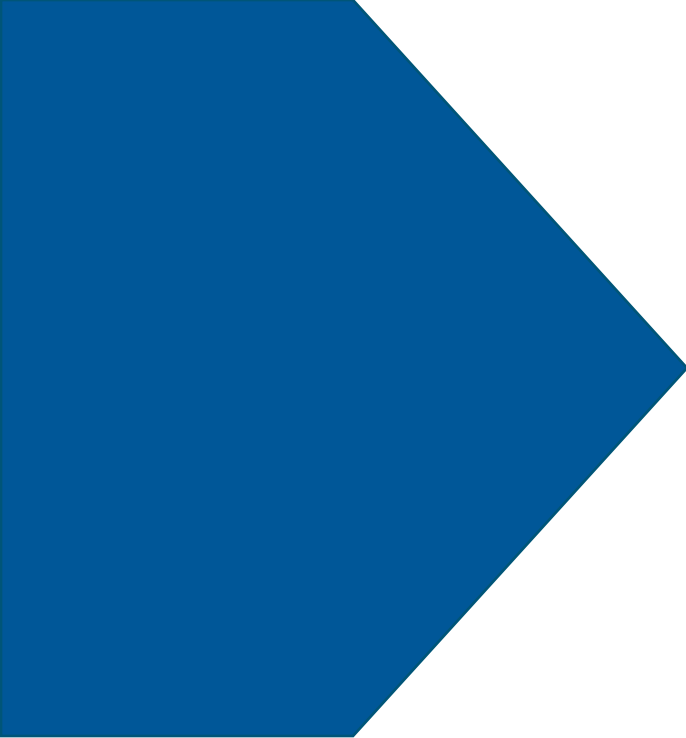
Cattle

Benchmark of EUDR requirements:

Add-on provides comprehensive solution

EUDR	ISCC	Add-on
Analysis of deforestation-free status	✓	✓
Product information forwarded through supply chain	✓	✓
EUDR specific risk assessment including statistical and geo-specific data	✗	✓
Traceability: Transmission of relevant information along the supply chain until operator	✗	✓
Dedicated assessment on legality	(✓)	✓

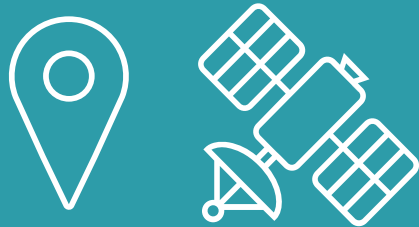
Aim of the EUDR Add-on

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- **Support of system users in complying with EUDR**
 - Add-on is addressing specifically all EUDR requirements that are not part of the general ISCC requirements
 - **No green lane for certification:** certification can be a supporting measure for the due diligence process and a risk mitigation measure
 - **Operators are liable for compliance with EUDR requirements**

ISCC provides support to comply with EUDR requirements

ISCC supports companies by developing an **EUDR Add-on** with the following components:

Information Collection & Deforestation Analysis



- Collection of product information and geolocation data
- Conduct deforestation analysis based on remote sensing data
- Assessment on legality

Risk Assessment & Risk Mitigation



- Consideration of all relevant environmental and human rights criteria of the EUDR
- Identification of high risk hot spots
- Risk mitigation

Traceability



- Transmission of relevant information along the supply chain
- Data are stored for 5 years

EUDR Add-on combines ISCC EUDRx tool with on-site audit to cover all aspects of the EUDR



- Tailor-made tool for ISCC system users
- Collection of geolocation data and product information
- Deforestation-free check using satellite imagery
- Automated Risk Assessment regarding social criteria using statistical datasets at national level
- Only used by FGPs to generate ISCC EUDRx report → forwarded along supply chain



On-site audit

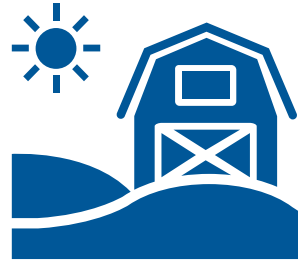
- Review of documentation and assessment of legal requirements
- Specific audit requirements for physical segregation
- Assessment of deforestation & risk level
- Ensurance of traceability of information
- Can easily be combined with annual ISCC audit

Assessment of legality requirements



ISCC EUDRx Report

- Deforestation-free analysis of geo-specific data
- Automated risk assessment regarding social criteria using statistical datasets at national level



On site audit

Assessing documentation on EUDR legality requirements:

- Land use rights
- Environmental protection
- Forest-related rules
- Third parties' rights
- Labour rights
- Human rights
- FPIC
- Tax, anti-corruption, trade and customs regulations



Auditor legality verification statement

Documentation of legality documents assessed during audit and verification of legality

Example of a simplified supply chain with EUDR Add-on



For First Gathering Points:

- Collection of product information and geolocation data
- Conduct deforestation analysis based on remote sensing data
- Assessment on legality during audit
- Consideration of all relevant environmental and human rights criteria of the EUDR

For Intermediaries:

- Clear identification of EUDR Add-on material following Chain of Custody requirements
- Transmission of relevant information along the whole supply chain

For Operators and Traders:

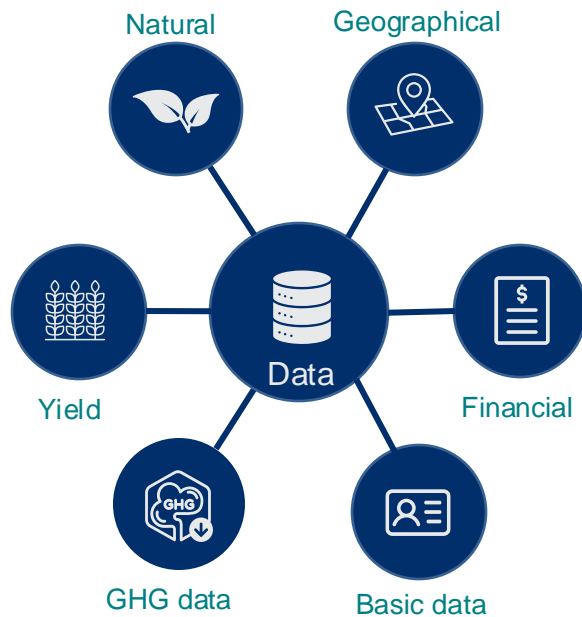
- Consolidated reporting for due diligence statement
- Receive the geofiles of the supplying farms
- Required information including risk assessment for due diligence statement (DDS) is provided

FARAMO

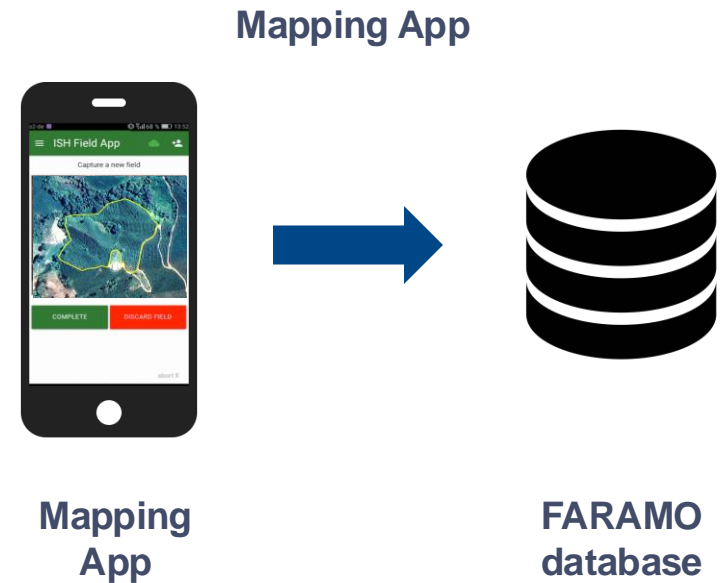
Farmer Risk Assessment and Monitoring System

FARAMO was developed to ensure Smallholders become part of a sustainable and certified supply chain.
FARAMO achieves this by facilitating mapping and monitoring, to allow management of
smallholders/farmers from an integrated system

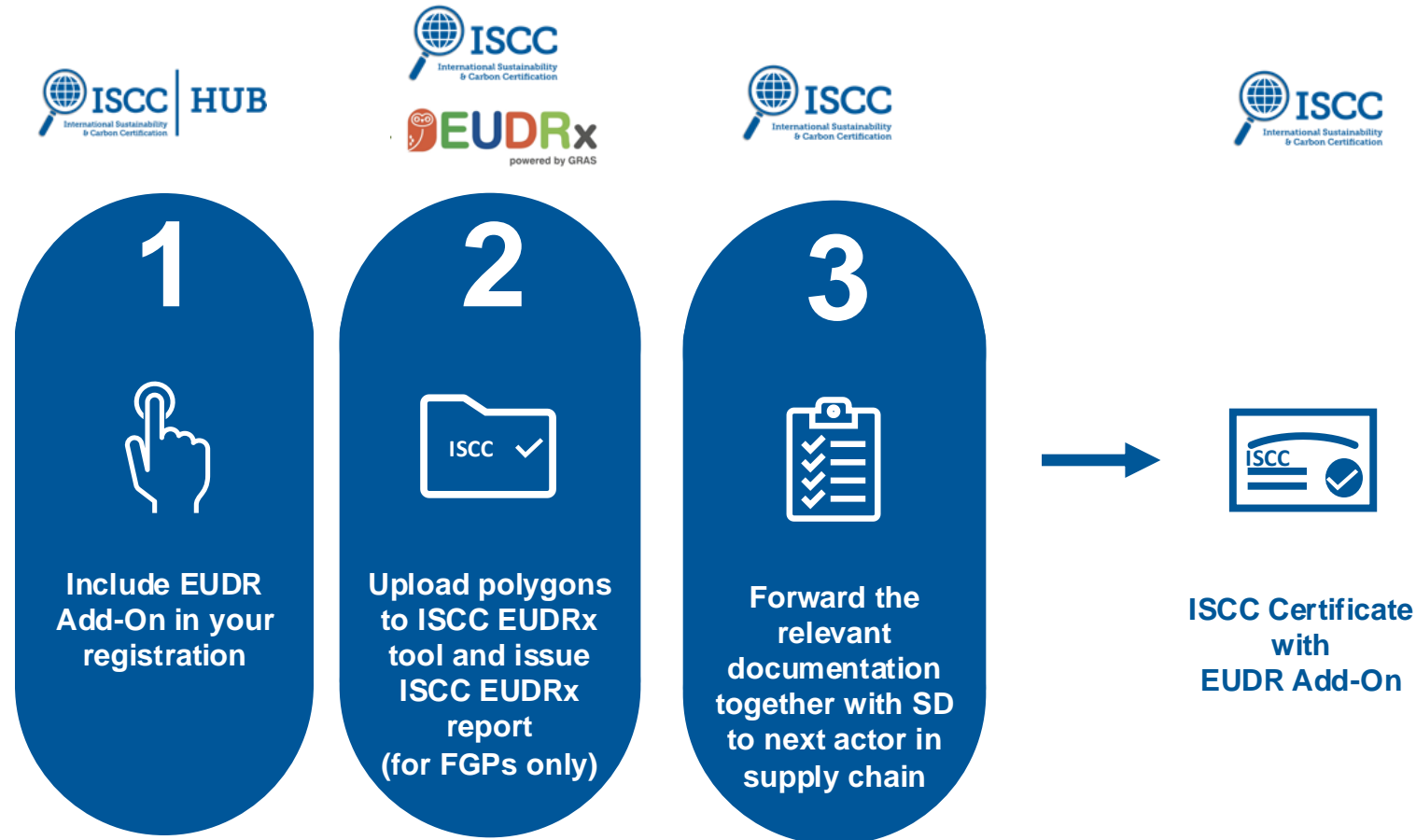
FARAMO can help smallholders gather data



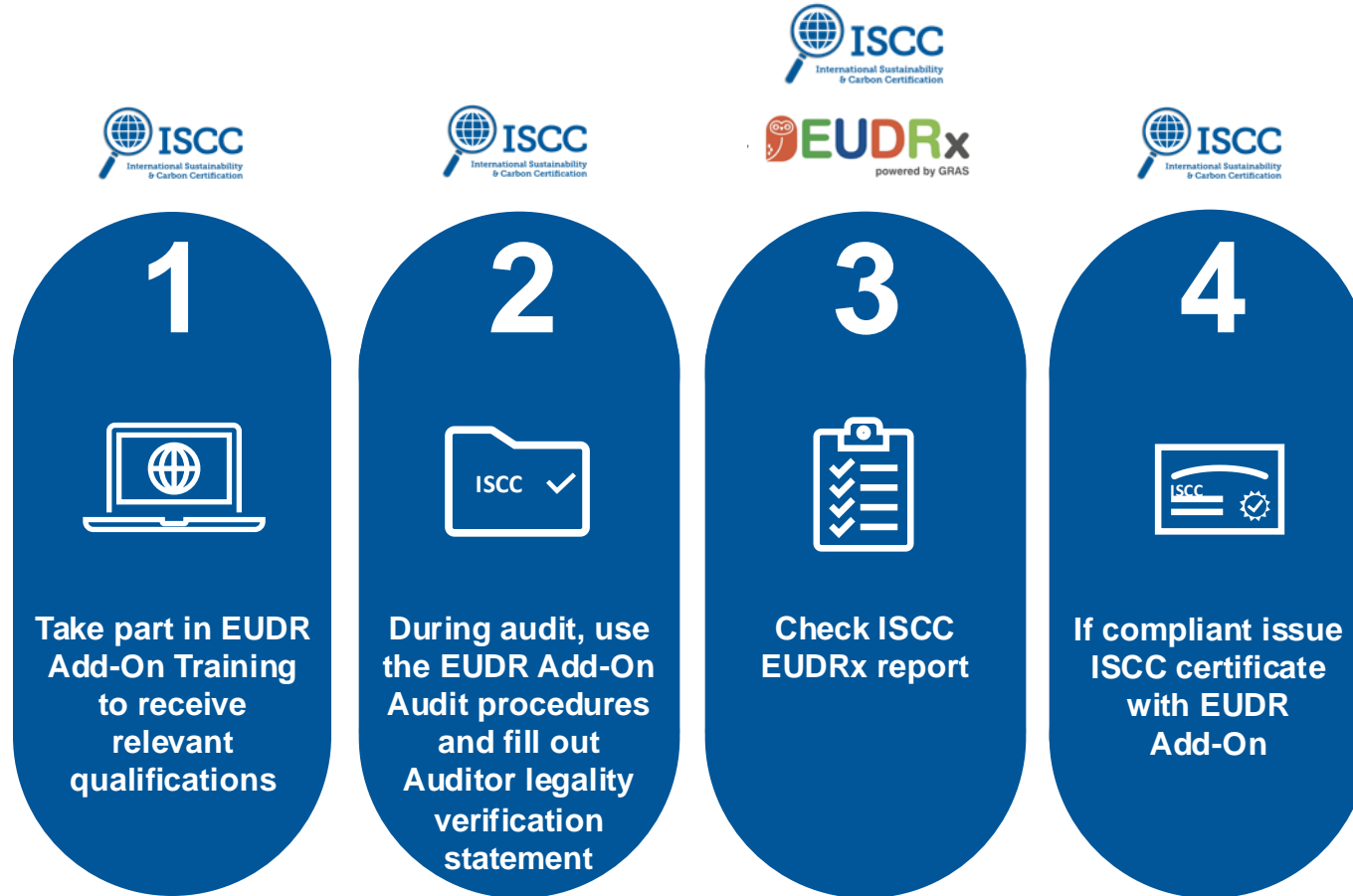
- State-of-the-art farmer and farm data collection – field size, polygons, number of trees, pictures of legal documents, financial, GHG etc.
- Secure & easy data upload to the cloud
- Customizable mobile and desktop application
- Easy data exchange with other systems inc. EUDRx
- Available in multiple languages
- Also operates without internet connectivity
- Automated check against deforestation and risk evaluation



Steps for system users



Steps for auditors





Summary and next steps

- EUDR Add-on is compatible with **ISCC EU** and **PLUS** certification
- EUDR Add-on certification can be part of the next audit and is an **easy and cost-effective** method to contribute to EUDR compliance
- EUDR Add-on will be available starting end of October 2024
- EC proposed 12 months delay and obligations to be applicable in **December 2025**
- Any updates or additional specifications provided by the EC will be reflected in the Add-on
- We recommend to prepare for the EUDR implementation now to ensure an orderly transition

What are the advantages of using ISCC?



Deforestation-free
check



Legality
check



Traceability



On-site
audits



Provision of
necessary data
for DDS

A one-stop-shop solution
for your EUDR requirements



Thank you!

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