



# ISCC EUDR Add-on Latest Updates

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**Regional Stakeholder Meeting Europe**  
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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 and Council pending
- 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



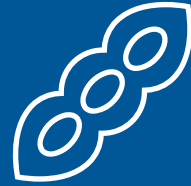
**Due Diligence Statement**

# Commodities covered

The EU deforestation regulation includes  
**7 commodities and its relevant products<sup>1</sup>:**



Oil Palm



Soy



Rubber



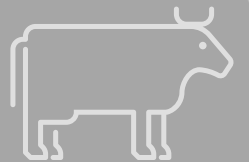
Wood\*



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	(✓)	✓

# Role of certification schemes

EUDR Guidance document on the role of certification schemes:

*„Certification and third-party verified schemes can play an important role in promoting sustainable agricultural and forestry practices and responsible sourcing, in fostering supply chain transparency and in facilitating compliance.“*

**Certification and third-party verification schemes can be assessed according to three main aspects:**

## **The relevant standards**

e.g. operating requirement, scope, procedures, policies for companies adhering to these schemes

**ISCC EUDR Audit Procedures, Auditor Legality Verification Statement**



## **The implementation by the schemes**

e.g. the extent to which the standards are implemented, including by deploying the necessary measures to ensure compliance also via audits

**Third party certification, On-site audits and verification**



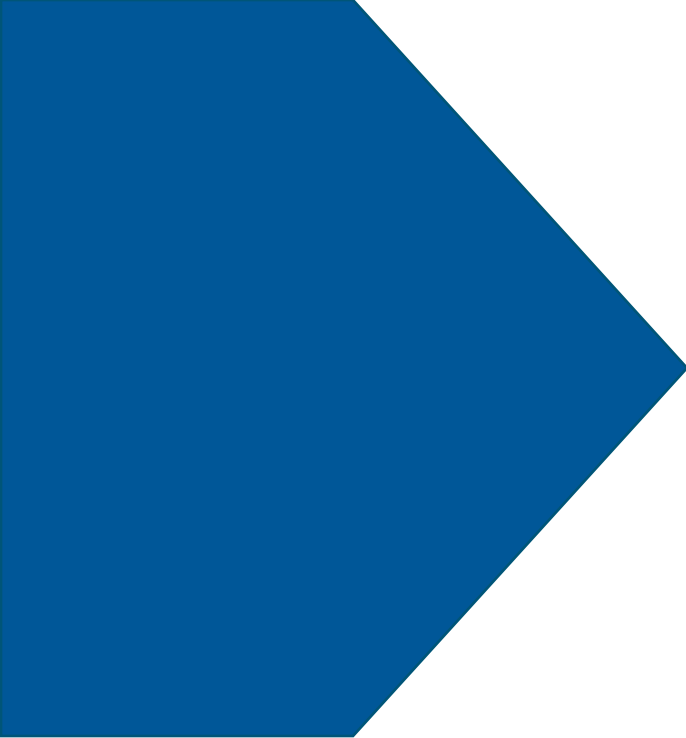
## **Governance features & credibility assessment of the scheme**

e.g. the transparency, assurance processes, oversight etc.

**ISCC System Document 103 Governance, ISCC Integrity Program**



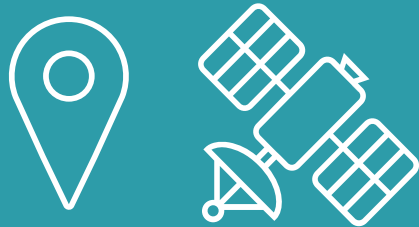
# Aim of the EUDR Add-on

- 
- **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

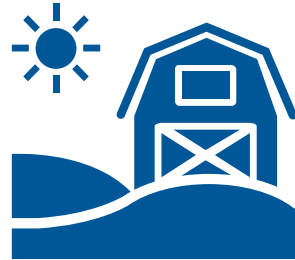
- Review of documentation and assessment of legal requirements
- Specific audit requirements for physical segregation
- Assessment of deforestation & risk level
- Ensurance of traceability of information
- Can easily be combined with annual ISCC audit

# 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:

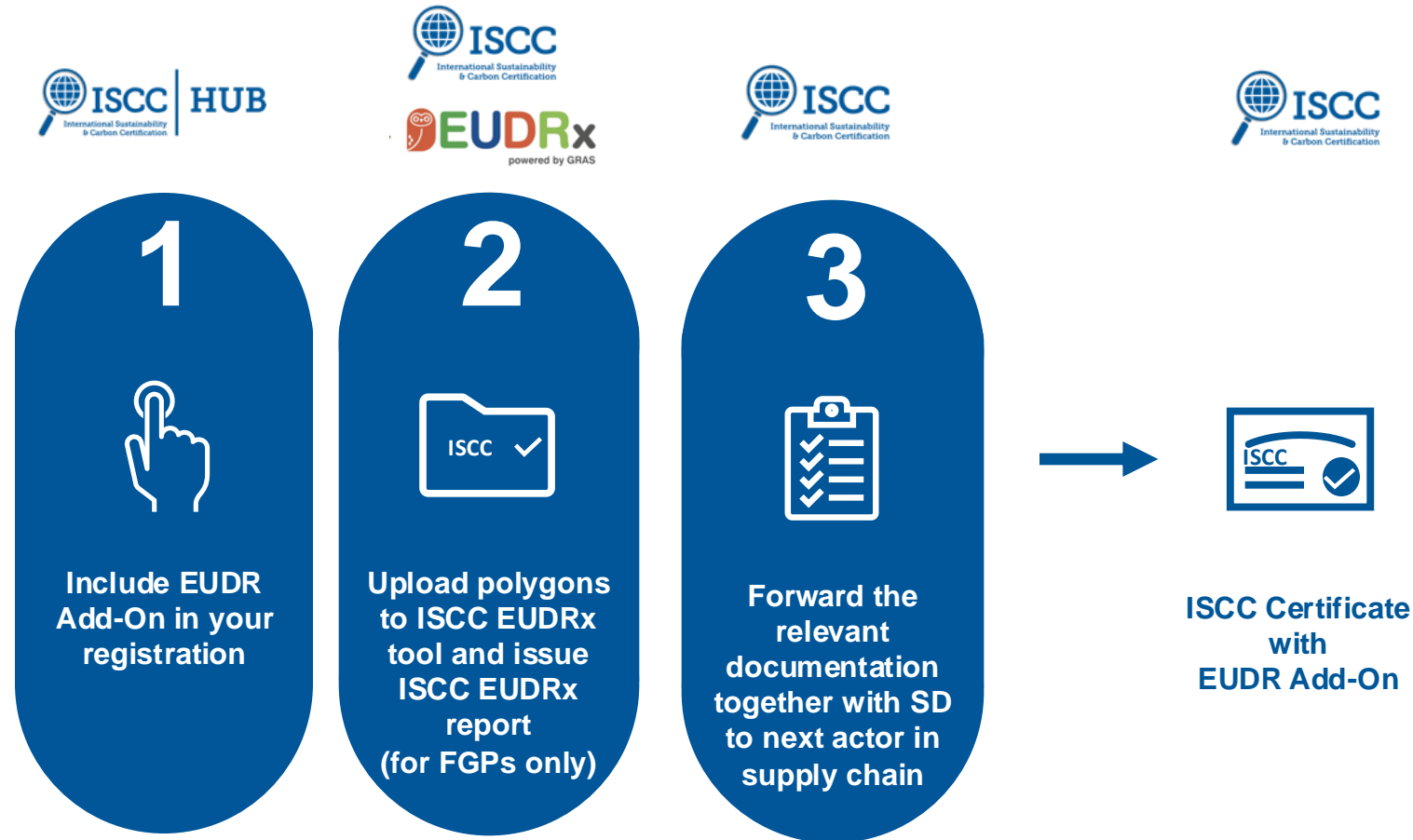
- Clear identification of EUDR Add-on material following Chain of Custody requirements
- Transmission of relevant information along the whole supply chain

## For Operators and Traders:

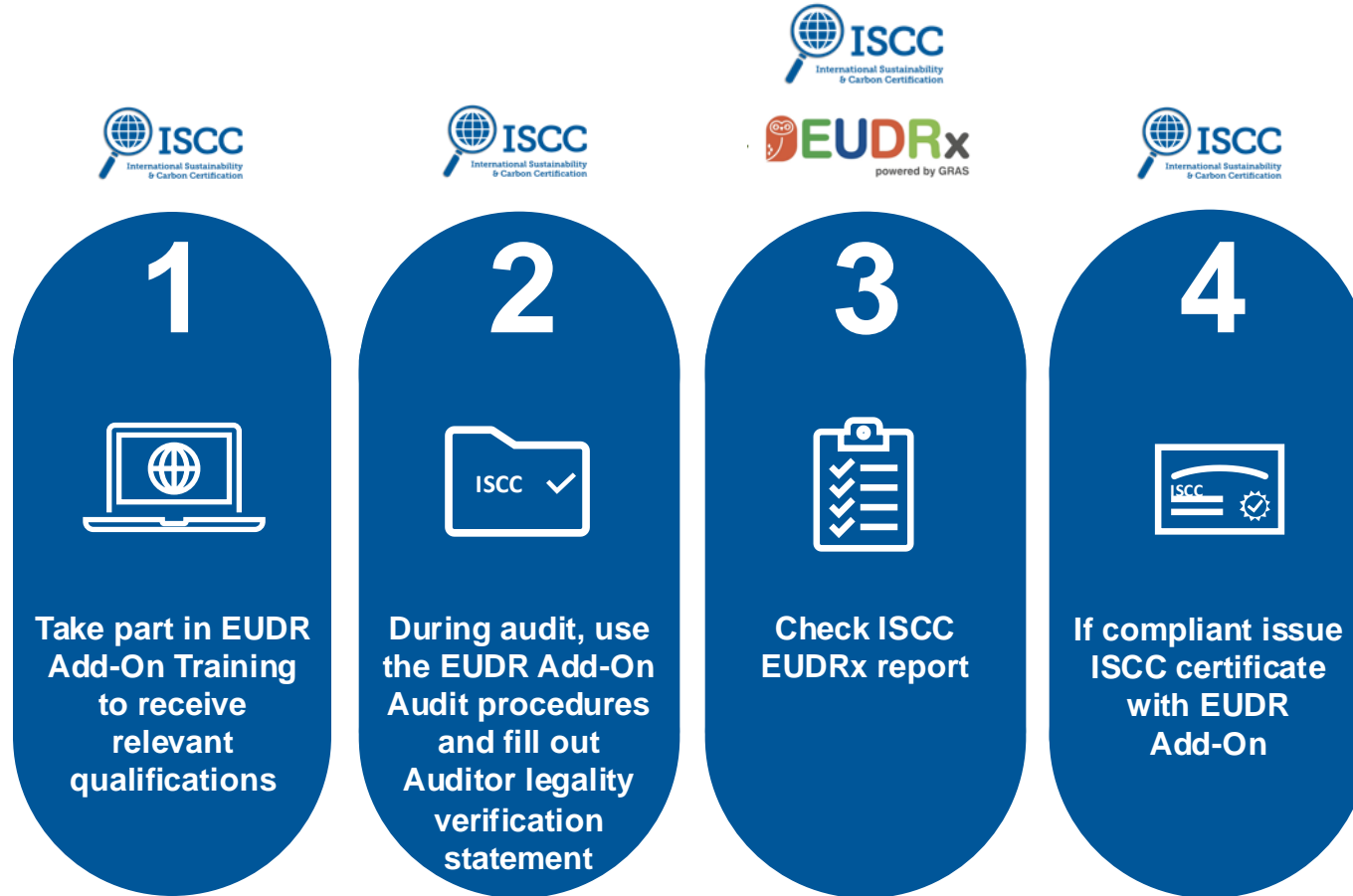
- Consolidated reporting for due diligence statement
- Receive the geofiles of the supplying farms
- Required information including risk assessment for due diligence statement (DDS) is provided



# 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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