

DONAU SOJA ASSOCIATION

Promoting a sustainable and European protein supply

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Addressed to:

Commissioner Environment Virginijus Sinkevičius

Director-General Environment Florika Fink- Hooijer

Subject: Donau Soja calls on the European Commission and competent national Authorities to ensure immediate pragmatic implementation guidance and legal clarity for the implementation of the EU Deforestation Regulation (EUDR)

Dear Commissioner Sinkevičius,

Dear Director-General Fink- Hooijer,

We are writing to you on behalf of Donau Soja, a member-based organisation with over 320 members of the European soy sector, dedicated to promoting sustainable soya cultivation in Europe and ensuring a secure protein supply for Europe.

We support the successful introduction of the European Union Deforestation Regulation (EUDR) that aims to guarantee deforestation-free supply chains in the EU. Donau Soja is dedicated to support its members, partners, and the broader European soya sector for compliance with the EUDR and for this purpose Donau Soja has actively participated in the EUDR Expert Group, since December 2023.

We have adapted our Donau Soja/Europe Soya certification standards to pragmatically help our partners in the soy sector to meet EUDR requirements, disseminating knowledge about the EUDR through webinars, information materials, and direct engagement with policy makers and farmer associations, especially in our non-EU offices in Serbia and Ukraine, pushing for practical implementation solutions both within the EUDR Expert Group and through dialogue with national authorities. Additionally, Donau Soja is developing an IT system to support not only Donau Soja/Europe Soya certified farmers and companies but also uncertified European farmers, to demonstrate EUDR compliance.

Today, we are writing this letter because we are very concerned about current developments and growing protest against the EUDR. After resistance against the EUDR from non-EU countries, a growing wave of opposition within the EU itself has started. Donau Soja supports the EUDR and its principles that guarantee deforestation-free supply chains and traceability. However, we have consistently advocated for the swift provision of clear guidance from the European Commission on the regulation's implementation, particularly advocating for a pragmatic approach in regions where deforestation risk is low and supporting smallholders.

We welcome the dialogue fostered by the EU Commission, in collaboration with diverse associations and organisations, around the open questions to the EUDR and the following development of FAQs. However, the progress of these actions is very late. With the deadline for the EUDR's application looming, the unresolved issues surrounding its implementation, the non-operational state of the information system for due diligence statements, and the anticipated delay of the country benchmarking — set to categorize regions of origin into low, standard, and high-risk — pose significant challenges. These hurdles leave businesses and a growing number of farmers in the EU/Europe with legal uncertainty and a fear of bureaucratic load only a few months before the regulation's enactment.

This is clearly working against all efforts in the last years to increase soya cultivation in Europe for Europe and especially in the EU. Soya cultivation has doubled in the last years, but there is still a very low self-sufficiency rate in the EU of around 8%. Farmers start to understand the EUDR only now and with all the unclarity and fear of bureaucratic burden there is a significant risk that soya cultivation will dramatically go down again.

The intended simplification of processes for low-deforestation-risk countries, as outlined in Article 13, is not applicable if the country benchmarking is not finalised in time. Initially, this will subject all countries to a standard risk classification, hence increasing bureaucratic and control measures of those actually posing a low risk, while not intensifying controls on high-risk countries. Given that most EU countries are expected to be classified as low-risk, the discontent brewing among EU companies and especially farmers over the prospect of facing additional bureaucracy under an interim standard-risk classification is understandable.

Therefore, we are asking you with all due respect to implement/clarify the following points:

Legal compliance

The lack of clarity on what is "legal compliance in the country of cultivation" causes legal uncertainty for companies and farmers and halts investments in traceability systems. This demands immediate attention to ensure that all requisite documents and records can be accurately collected and assessed.

Functioning information system

The urgency for the EUDR information system to be operational, integrated with existing traceability systems, and re-tested by companies cannot be overstated. The delayed timelines for the release of information materials, training sessions, and the system's availability for company use endangers the entire introduction of the EUDR and underscores the critical need for pragmatic implementation and regulatory measures.

Efficient use of existing systems

Farm-data collected under the CAP or national schemes should be utilised and made available for EUDR compliance. In particular, it must be possible to automatically link the EUDR information system to existing agricultural and traceability systems and assure interconnectivity of systems to avoid duplication of effort for existing legality and traceability data. The demand goes to the EU Commission as well as national authorities, who know and can utilise these systems in their countries.

Donau Soja underscores the necessity for the European Commission to act with urgency. It is essential that supporting companies and especially farmers in producing countries in navigating the EUDR's requirements is prioritised.

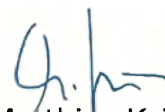
The significance of this legislation in the global effort to combat deforestation cannot be overstated, and it is crucial that its potential impact is not diminished by flawed implementation.

Best regards,



Susanne Fromwald

General Secretary
Donau Soja Association



Matthias Krön

President
Donau Soja Association