

## Unpacking the EU Deforestation Regulation for the cocoa sector

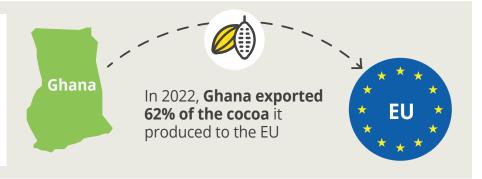
90% of global deforestation is driven by the expansion of agricultural land, contributing to climate change, biodiversity loss, soil erosion and desertification, and hindering sustainable development



(EU) is a major

consumer of cocoa





The EU is taking action to minimise the risk that products associated with deforestation enter the EU market and to increase the demand for deforestation-free products



The **EU Deforestation Regulation (EUDR)** requires companies to ensure that the products they place on the EU market or export from it are not associated with deforestation



The EUDR will enter into application at the end of 2024









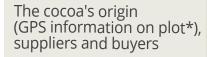
## The EUDR supports Ghana's sustainable cocoa objectives. It will accelerate progress towards cocoa traceability and sustainability

To enter the EU, cocoa must be:



TRACEABLE

Companies placing relevant products on the EU market must collect information showing:



\*GPS polygons for plots > 4 ha

To be submitted in a Due Diligence Statement



DEFORESTATION -FREE

That cocoa does not come from land deforested after 31 December 2020

**Deforestation** = conversion of forests into agricultural land, including cocoa-agroforestry systems

What's a forest? The regulation uses an internationally-agreed definition from the FAO



**LEGAL** 

Compliance with relevant Ghanaian laws on land, environment, human rights, Indigenous Peoples rights, labour, trade & taxes

## Due diligence for companies consists of **3 steps**:

- Collect evidence that the product is traceable, deforestation-free and legal
- Assess risks of non-compliance
- If risks have been identified, take action to mitigate them
- If companies buy cocoa from a **low-risk area**, they only need to carry out the first step

A **benchmarking system** will categorise countries or regions according to **deforestation risk.** The frequency of EU Member States' checks will vary consequently:

Products from:

Obligations:

Frequency of checks:

LOW risk areas Simplified due diligence



**STANDARD** risk areas

full **3-step due** diligence process





HIGH risk areas full 3-step due diligence process



- 1. Map GPS locations of deforestation-free cocoa plots
- 2. Deforestation-free cocoa delivered to first buyers, where it is kept segregated
- 3. Possible processing of deforestation-free cocoa into derived products
- **4.** Deforestation-free cocoa or derived products segregated during export

**EU** 

**5.** Importer or manufacturer in the EU processes or packages deforestation-free cocoa or cocoa products

**6.** EU retailer sells deforestation-free chocolate to consumers



















Disclaimer. This factsheet has been produced by the European Forest Institute with the financial assistance of the European Union. The contents of this factsheet are the sole responsibility of the author and can under no circumstances be regarded as reflecting the position of funding organisations. The information presented in this factsheet comes from the EUDR published in the EU Official Journal on 9 June 2023. See references.



