

Due diligence in practice

Insights from EUDR preparedness
exercise in the coffee sector (Report 2)

Disclaimer

This report was produced by the European Forest Institute (EFI) with the financial support of the European Union. This report documents a process conducted in September 2025 as part of a learning exercise in the coffee sector for operators and Competent Authorities. It took place before the entry into application of the EUDR, at a time when all stakeholders were still in the preparation phase. The insights presented here are intended to foster mutual understanding, readiness, and alignment among the different actors involved. They should not be interpreted as definitive positions or as representing what may be deemed compliant by the participating Competent Authorities. The participating operator engaged in this exercise in good faith and in a spirit of transparency and continuous improvement. Their voluntary participation and openness throughout the process are gratefully acknowledged and should not be construed as an indication of non-compliance or endorsement of any interpretation. The views expressed do not necessarily reflect those of the European Forest Institute (EFI), which acted as a facilitator in this process, nor those of the European Union. Rather, many of the recommendations and observations captured in this report point to what could be considered — at this stage, and within the specific coffee contexts examined — examples of good or emerging best practices for the early implementation of the EUDR.

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Insights from EUDR preparedness exercise in the coffee sector

1. Overview

The EU Competent Authorities of Germany and the Netherlands and an operator placing coffee on the EU market conducted an EU Deforestation Regulation (EUDR) preparedness exercise, facilitated by the European Forest Institute (EFI) through its Technical Facility on Deforestation-Free Value Chains. The voluntary exercise simulated checks on the operator's due diligence system (DD-System) and four coffee shipments, using real-world data and information to replicate actual checks as closely as possible. The exercise aimed to help identify challenges, viable solutions and best practices to ensure smooth implementation of the EUDR, and provide recommendations that could benefit all interested stakeholders.

In addition to assessing the operator's DD-System in practice, the exercise also served to assess the ease of using the EU Information System for transferring geolocation data and resolving any issues relating to data compilation, formatting and completeness.

2. EUDR overview

What is the EUDR?

The **EU Deforestation Regulation (EUDR)** requires that coffee, palm oil, cocoa, soy, cattle, timber and rubber (and some related derived products) entering the EU be produced legally and without causing deforestation. Operators wishing to place these products on the EU market will have to conduct due diligence to demonstrate that these criteria are met once the regulation fully enters into application.

3. Outline of a coffee supply chain

About 90% of coffee globally is produced by smallholder farmers with plots of land less than 4 hectares (ha). Coffee supply chains are not vertically integrated and farmers deliver portions of their harvest to multiple first buyers during each crop year, at the discretion of the farmer and prompted by prevailing prices and the farmer financial needs. These first buyers can be cooperatives, intermediaries (formal and informal), or directly to exporters. The first buyers organise collection, aggregation into larger lots, storage, and sometimes initial milling (processing). Cooperatives/intermediaries in turn can sell the coffee lots to various larger intermediaries or to exporters. Exporters and cooperatives typically complete the milling (processing) of the coffee lots including hulling, cleaning, sorting by bean size and defect levels, and preparation for the particular specification required for by the export client. This stage for export is usually called “green coffee” or “green coffee beans”.

Once green coffee shipments are imported into the EU, they undergo further EU processing, such as blending, roasting, grinding, extraction and packaging, before being distributed through retail channels. At the end of the supply chain, coffee products (roasted, roasted and ground, soluble, etc) are sold to consumers through shops, supermarkets, or cafés. It is important to note that soluble coffee products are currently excluded from the EUDR product scope for customs controls.

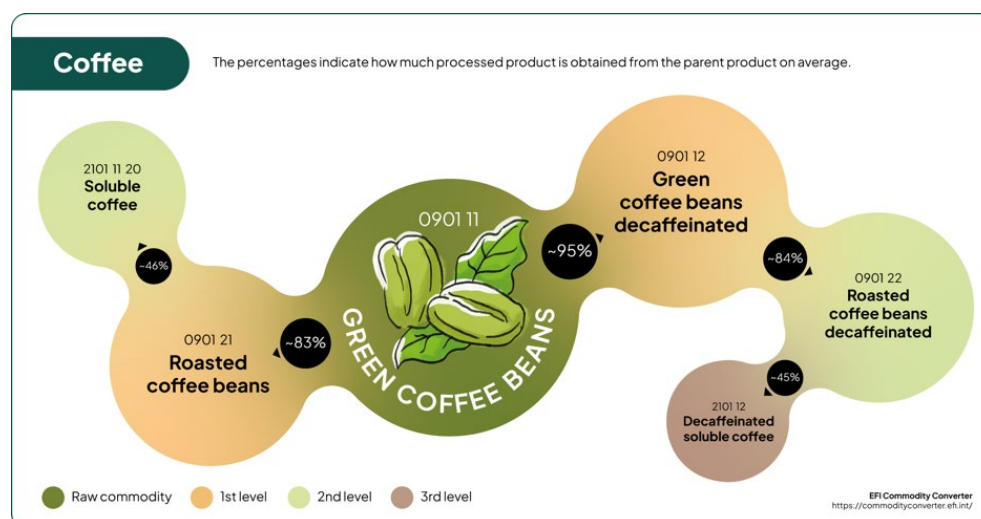


Figure 1: The transformation of green coffee beans into processed coffee products, with average rates of conversion. Numbers shown above each product are the HS codes.

The multitude of individual farmers, combined with the lack of vertical supply chain integration, represent challenges for geolocation data collection, as well as ensuring full traceability.

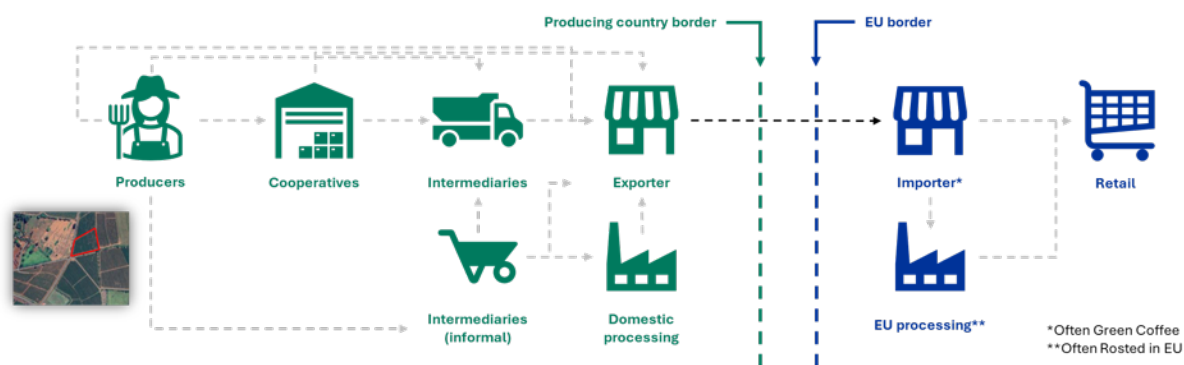


Figure 2: The main stages and actors in the coffee supply chain, from production in the country of origin to consumption in the EU.

4. Steps in the preparedness exercise

Identification of the operator was facilitated by the European Coffee Federation (ECF), which helped find candidates meeting the following criteria: i) placing coffee on the EU market, in particular from at least some of the origins identified by the Competent Authorities, ii) having an operational DD-System, and iii) willing to share its data with the participating Competent Authorities. An operator with diverse and complex supply chains was prioritised to test checks of more intricate systems.

The exercise was conducted for several months through the following steps, simulating a 'live' EUDR check:

- The operator and EFI identified a set of shipments for the simulated checks, taking into account country origins of interest to the Competent Authorities and a diversity of sourcing patterns: direct and indirect sourcing, cases with and without third-party certification, coffee in agroforestry landscapes, use of national information systems, among others. The set of shipments and the origins – in this case **Kenya, Tanzania, Peru and Colombia** – were validated by the Competent Authorities.
- The operator submitted the due diligence statements using the replicate of the EU Information System (Acceptance) to test the ease of use.

- The Competent Authorities reviewed the submissions and sent questions and requests for additional documentation and data to the operator.
- The additional information was provided by the operator and assessed by the Competent Authorities.
- Second round of requests for missing / additional documents and data.
- Both sides came together for a virtual meeting, facilitated by EFI, to discuss the remaining questions (Competent Authorities had a standard questionnaire they required the operator to complete), review the operator's DD-System in greater detail, and gather lessons learned throughout the exercise.

The exercise culminated in this report to share some of the challenges encountered and lessons learned. The recommendations provided are general recommendations based on both best practices and lessons learned from this exercise.

Structure of the report

This report is structured in two distinct parts. The first section presents general insights on due diligence practice, drawing on observations from across the exercise. The second section sets out the main lessons identified through the process.

5. General insights

1. Evidence of legality and deforestation-free production must be accompanied by clear documentation of how it was verified.

The EUDR requires operators to demonstrate that the commodities they import into the EU were produced legally and without causing deforestation. This burden lies solely on the operator, and not the producer, Competent Authorities or other actors in the supply chain.

To meet this burden of proof, the Competent Authorities expected to receive two types of evidence:

- Data, documentation or other evidence demonstrating that the product in the shipment was produced in accordance with all relevant laws and without causing deforestation.

- Additional evidence of how the operator verified this legality and deforestation-free evidence to determine it was accurate and credible.

During the exercise, Competent Authorities noted that it was often challenging for the operator to demonstrate that geolocation coordinates were accurate and deforestation free, or that the laws were enforced in the production areas for the shipment in question.

Both Competent Authorities were clear: the EUDR places the burden on operators to ensure all evidence is checked and confirmed, and to demonstrate the verification process it used. It is not the role of the Competent Authorities to check geolocation coordinates or other evidence for operators, nor will they simply assume that such verification took place: *“If there’s no proof provided with a claim, we won’t do the analysis ourselves but rather just not pass it.”*

If an operator uses a third-party service provider to conduct risk assessments, as was the case in the exercise, the provider tends to perform the verification of EUDR compliance on the operator’s behalf. The Competent Authorities stressed that legal responsibility for EUDR compliance ultimately lies with the operator, even in cases where external service providers are used.

An EUDR compliant product is...	EUDR compliance for an operator is...
(a) deforestation-free; (b) produced in accordance with the relevant legislation of the country of production; and (c) covered by a due diligence statement.	Demonstrating conclusive evidence that there were no or only negligible risks of non-compliance, or that these were made negligible through mitigation actions (Obligation of means).

2. Operators should be ready to provide detailed information, rather than summaries (e.g. outcomes of risk assessments), so Competent Authorities can properly assess the evidence used and procedures followed.

It can be a challenge for operators to know exactly what, and how much, information to share during a check. This is especially true for complex supply chains like those in the coffee sector, where there could be hundreds or even thousands of smallholder farmers contributing to a single shipment. The evidence used to conduct due diligence on such a shipment can be extremely extensive; some operators might

therefore intend to prevent ‘information overload’ by providing summaries or outcome reports instead of each individual piece of evidence.

However, the Competent Authorities participating in this exercise noted that summaries or outcome statements fall short of demonstrating EUDR compliance. They expect to see all the information that was used to reach the outcome, as well as the process that was followed, so they can assess whether the process was adequate: *“Don’t worry about sending us lots of information – that’s actually what we expect. We don’t care about getting too much information, we care if information is lacking.”*

3. **It is important to link the DD-System, and its results, to the shipment in question.**

Linking the DD-System and its results to specific shipments – real or simulated – proves that the operator’s due diligence is actionable and effective, providing confidence that risk assessment and mitigation are consistently applied across the supply chain.

It is essential for the operator to demonstrate that its DD-System and its results are not just a theoretical framework, but a practical tool that works for real shipments. The system must show that due diligence can be applied consistently to any coffee shipment, from data collection to risk assessment and mitigation. Key points to ensure include:

- Traceability from a set of geolocations to the shipment: Each shipment should be linked to the DD-System, showing the path from origin to delivery and the relevant risk checks performed.
- Documentation of steps: The operator must record the procedures followed, the information analysed, and any risk mitigation measures applied.
- Continuous applicability: The system should be adaptable to the geolocations pertaining to each shipment, demonstrating that due diligence is an ongoing, operational process, not a one-time exercise.

“Transparency on the due diligence system is important. We will do an audit and pick one or two cases just to check that that your system works.”

Main lessons

Lesson 1 – Legality due diligence requires an understanding of laws relevant to the country of production

The Competent Authorities emphasised that the foundation of legality due diligence is a list of relevant national laws corresponding to the EUDR legal criteria under Article 9.

The operator in this exercise relied on certification schemes to demonstrate compliance with the legal requirements of the countries of production, noting that the schemes ‘cover a list of legal requirements’. But the Competent Authorities highlighted that, under the EUDR, certification alone may be insufficient, as schemes often lack country-specific legal verifiers, and should be complemented with additional checks – *see Lesson 3 on Certification*. Certification can support and strengthen legality due diligence, but it cannot replace the operator’s responsibility to understand relevant national laws, collect plot-level evidence, verify compliance, assess risks, and explain mitigation measures; this structured approach remains essential to meet the legal requirements of the EUDR.

As one Competent Authority explained: *“There needs to be a structured approach to due diligence: an overview of the national legislation is needed, and this must come first, before certification can be used.”*

In carrying out legality due diligence under the EUDR, a structured and context-specific approach is considered good practice. During the exercise, the Competent Authorities suggested the following sequence:

1. Start with the country of production, by understanding its legal and administrative framework.
2. Identify the relevant legal requirements and map them against the EUDR criteria.
3. Use certification schemes, where appropriate, to strengthen due diligence processes or address identified gaps.

The Competent Authorities reiterated that they require evidence that the plot(s) of land covered in the due diligence statement comply with national laws related to the criteria

in Articles 9 and 2(40) of the EUDR: *“We want to believe you, but we need evidence. We need to see proof of compliance.”*

The operator participating in the exercise explained that, for specific sourcing programmes and/or certification of supply chains, the suppliers and farmers go through a stringent onboarding process, including documented checks on legality prior to their approval and throughout participation in the relevant sourcing programme and/or certification. In response, it was highlighted that this process should be clearly and comprehensively described within the operator’s DD-System, including:

- How supplier and farmer onboarding is applied across all scope, not only those linked to specific programmes or certifications.
- How cases are handled where suppliers and farmers are unable to provide certain documents or information.
- Which mitigation measures are applied in such situations.

Clearly documenting these elements is essential to demonstrate an effective, transparent, and credible legality- and risk-based DD-System in line with EUDR requirements.

Lesson 2 – Transparent mapping of supply chains is expected, especially when sourcing through intermediaries

Coffee supply chains are inherently complex, involving multiple stages, actors and processing steps from farm raw material to final export-prepared product. This complexity can create risks of mixing along the supply chain. At each step – collection, hulling, drying, storage, milling, and export – coffee from different plots can be mixed, either intentionally to meet quality or volume targets, or unintentionally due to shared infrastructure and logistics.

Without strict segregation protocols, appropriate documentation, and clear mapping of all intermediaries, operators cannot reliably conclude that there is no risk of mixing. This inherent mixing risk must therefore be directly addressed in the operator's DD-System through appropriate traceability controls, risk assessment, and mitigation measures.

The first step in addressing the potential risk of mixing in coffee supply chains is to **map the entire supply chain**, identifying all actors and aggregation points – from smallholder farmers and collectors to cooperatives, processors, traders, mills, and exporters. This supply chain mapping must then be fully integrated into the operator's DD-System, forming the basis for understanding where mixing could occur, assessing risks, and designing appropriate controls and mitigation measures.

The DD-System should include a description of the flow of the product(s) from the area of production to the EU. The geolocation information submitted in the EU Information System should be able to link the geolocated plot to the shipment, and the DD-System.

A clear description of the supply chain flow from origin to the EU is essential for Competent Authorities, as it shows how coffee moves through different actors and where risks of mixing may arise. Each step introduces potential aggregation, making it critical for the operator to map the full flow and integrate this into the DD-System. This enables Competent Authorities to see how the operator identifies, assesses, and mitigates risks of mixing and loss of traceability along the supply chain.

Lesson 3 – Certification supports due diligence, but cannot substitute it

Certification schemes can play a useful role in demonstrating responsible sourcing, but under the EUDR they cannot replace an operator's own due diligence. Operators can view certification as one tool in a broader risk management strategy, rather than as a complete solution, as there are dozens of voluntary certification schemes in the coffee sector alone, and Competent Authorities cannot be expected to be familiar with all of them or how each may support EUDR compliance.

Certification schemes are therefore not automatically recognised as evidence of EUDR compliance. However, they can support several elements required for operators to demonstrate compliance. During the exercise, the operator explained the scope of the scheme, which legal and/or deforestation-free requirements it covers and how these are enabled by the certification processes, how the certification chain of custody is applied in practice to address traceability and/or risk of mixing, and the role of certification within the operator's broader DD-System. Competent Authorities need to receive information about these points through the due diligence documentation, to understand how a specific certification scheme has been used in the due diligence process.

During the exercise, the Competent Authorities emphasised that:

- **Operators must conduct their own due diligence**

Even if a supply chain is certified, operators are still responsible for independently verifying compliance. This includes understanding local laws, assessing the risk of deforestation, and confirming that practices on the ground match documented claims.

- **Certification can fill gaps, but cannot replace plot-level legal verification**

Certification schemes can help provide information, assessment and/or assurance where direct legal verification is challenging. However, they rarely cover all legal requirements for each country or specific plot of land. Operators should use certification to complement, but not substitute, direct verification of legal compliance.

- **Responsibility for risk assessment remains with the operator**

Operators are expected to continuously identify, assess, and mitigate deforestation and legal risks throughout their supply chains. This includes collecting evidence, documenting findings, and monitoring suppliers over time. Certification schemes on their own do not fulfil these ongoing responsibilities, although they can play an enabling role within the operators' DD-System when dealing with complex value chains such as coffee.

- **Documentation is critical**

Documenting how certification is integrated into the operators' DD-System is essential. This includes detailing the role of the scheme, any limitations, mitigation measures, and how it supports risk assessment and compliance monitoring. Proper documentation provides transparency and credibility to Competent Authorities.

Box 1: Elements to consider when using outputs or data from certification schemes within an operator's due diligence system

To use information generated through certification schemes, the operator's due diligence system should take into account the following three elements:

- **Coverage:** which EUDR-relevant legal requirements does the scheme address?
- **Robustness** (operator to assess): governance and update procedures, accreditation, auditor qualifications, frequency of audits, handling of non-compliance, impartiality and conflicts of interest. This information should be reassessed periodically.
- **Traceability:** controls against risks of mixing with non-certified products.

Source: [EFI Legality Due Diligence Navigator](#)

Lesson 4 – Third-party service providers can support – but not replace – operators’ due diligence

EU operators often use third-party service providers to support compliance with the EUDR because of the scale, complexity, and technical demands of performing due diligence across global supply chains. Many operators lack in-house technical teams or subject matter expertise to perform legality and deforestation risk assessments in-house, and therefore contract third-party deforestation and legality assessment service providers to support their due diligence.

The Competent Authorities emphasised that operators cannot delegate the responsibility of due diligence entirely to service providers. Third-party service providers can support the operator’s due diligence, but **due diligence requires that the operator understands and can verify the data, methods, and conclusions** of the service provider – not just accept them at face value.

Several challenges have been observed:

- **Constraints linked to proprietary third-party tools:** The use of third-party risk-assessment providers may limit the disclosure of underlying technical details, as methodologies and algorithms are often protected as trade secrets, reducing Competent Authorities’ ability to fully evaluate the assessment’s relevance under the EUDR.
- **Variability in assessment, tools, and accuracy:** third-party service providers do not fully disclose their methodologies, leaving operators uncertain about which datasets were used and how reliable the outcomes are. Competent Authorities may reference open-source national or global datasets that differ significantly from those used by providers.
- **Over-reliance on third-party declarations:** Solely relying on service provider’s conclusions and declarations can leave gaps in the operator’s own risk analysis. Incomplete datasets, unexamined assumptions, or methodological limitations may go unnoticed, weakening the overall integrity of the DD-System.

To address these challenges, the Competent Authorities suggested the following best practices:

For **legality due diligence**, operators must ensure they understand:

- The data used: what information was collected, from which sources, and how complete and accurate it is.
- The analysis of information: how data was analysed, processed or interpreted by service providers – including any aggregation or assumptions made.
- The methods applied: how risk assessments were conducted, including the models, criteria, and thresholds used. Different tools or datasets can produce different results, so methods must be appropriate, explicit, transparent, and reproducible.

For **geolocation data and deforestation-risk assessment**, operators should:

- Understand the analysis: operators should know how the provider assessed the deforestation risk, including the appropriate criteria, indicators, and assumptions used. This includes understanding the forest definition applied, the satellite data and map sources (e.g. Sentinel, Landsat, existing maps, drone imagery), and the methodologies employed.
- Verify the data: cross-check geolocation and other inputs against independent sources where appropriate (e.g. Google Earth Pro, national forest inventories, field campaigns) to ensure data quality.
- Document the process: record how information was analysed, the steps taken to validate it, and any mitigation measures applied.
- Combine evidence: integrate service providers' assessments with assessments from other sources, such as certifications, supplier questionnaires, or field verification, in a complementary way to obtain a more thorough picture of risk.
- Update regularly: deforestation risk is dynamic; assessments and data should be periodically reviewed and updated within the DD-System.

“Operators cannot delegate risk assessment. You must understand, verify, and defend the evidence behind any conclusions, whether from certifications or service providers.”

For the Competent Authorities, transparency is key. Operators must be able to explain the steps taken and verify the evidence behind any conclusions, including those provided by certifications or third-party service providers. Operators must also document how this information is used in their DD-System.

Lesson 5 – Mitigation measures are essential to turn risk identification into action

Mitigation measures are a key element of an operator's DD-System under the EUDR. They allow operators to address identified risks in their supply chains and demonstrate proactive management of deforestation and legality issues, beyond simply identifying risks. Mitigation measures are action-oriented, transforming risk identification into tangible steps to reduce or eliminate risk.

Any mitigation action must be supported by evidence. For example, when an operator carries out a field visit, there should be a clear record of the visit documenting exactly what was checked. Proper documentation of mitigation measures increases the credibility and transparency of the operator's DD-System.

The exercise revealed that mitigation measures such as self-assessments or Codes of Conduct tend to be weak forms of evidence on their own. Mitigation measures are expected to address specific risks, such as mixing of products or gaps in traceability to the plot. Self-declarations alone are not sufficient; these should be supported by additional evidence, such as audit certificates, training records, or other documented measures, demonstrating that the operator has effectively mitigated the identified risks.

Once again, transparency is critical: being transparent in the DD-System about the types of evidence used, and the limitations of smallholder documentation and complex supply chains, enhances credibility in due diligence reporting.

The operator further clarified that in their supply chains, self-declarations are used only in combination with third-party certification to demonstrate compliance and are not relied upon on their own as part of the DD-System. Other supporting information from certification processes can further clarify and demonstrate negligible risk. The Competent Authorities emphasised that this logic should be explicitly stated in the operator's DD-System.

Lesson 6 – Risk assessments must be nested: from country level to supply-chain level

Risk assessments in a robust DD-System should be nested, meaning they include both broad, country-level assessments and more detailed, supply chain-level assessments. This layered approach allows operators to identify where general risks may vary for specific suppliers or plots.

Figure 3 illustrates an example of a legality risk assessment in a nested format:

- **Column A:** Country-level risk assessment
- **Column B:** More in-depth risk assessment at the level of the operator's specific supply chain
- **Column C:** Explanations of any differences in risk levels between columns A and B
- **Column D:** Mitigation actions taken for all aspects where risks could not be assessed as negligible

This format demonstrates that the operator goes beyond broad, generalised assessments at the country level – a key consideration for Competent Authorities.

In the event of an inspection, the operator is expected to provide **all evidence listed in Columns C and D:**

- Explanations related to the risk assessments
- Documentation of mitigation actions

Transparency regarding cases of non-compliance alerts detected in the DD-System is essential, as it builds trust in the system's ability to monitor compliance effectively. As noted by the operator: *"When things are not fine, we should be able to explain it through our mitigation actions."*




	A	B	C	D
Legality topic	Country	Supply Chain operation	Difference explanation	Mitigation actions
Land use rights	Low	Low		
Protection forests and biodiversity	Low	Medium		<input checked="" type="checkbox"/>
Banned pesticides, chemicals	Medium	Medium		<input checked="" type="checkbox"/>
Traditional land use rights of indigenous peoples and local communities	Low	Low		
Freedom of association, adequate wage, occupational safety	Medium	Medium		<input checked="" type="checkbox"/>
Child labour	Medium	Low		<input checked="" type="checkbox"/>
Forced labour, slavery and trafficking people	High	Medium		<input checked="" type="checkbox"/>
The principle of free, prior and informed consent (FPIC)		Low		
		<i>FPIC Assessment</i>		
Tax, anticorruption, trade and customs regulations	Medium	<i>Self declaration</i>		
Waste and water management	Low	Low		

Figure 3: Extract from a sample risk assessment report

Lesson 7 – Simple spatial and geometry checks can reveal issues with geolocation data quality and consistency

Having a clean and coherent plot dataset is important to avoid the shipment being flagged by the Competent Authorities as potentially non-compliant with the EUDR.

During the exercise, simple visual inspections and geometry checks revealed common errors, such as:

Inconsistent polygon data:

two different Due Diligence Statements (DDS) for the same supply base produced very different polygons. The first set (red) was larger, included forest areas, and crossed fences and paths,



suggesting larger farms. The second set (yellow) was more detailed and aligned with fences, indicating smallholder plots. This highlights that the operator received geolocation data from two providers using different methodologies, leading to inconsistencies.

Coordinates captured from buildings rather than the centre of plots: according to EUDR requirements, when a coffee plot has an area of less than 4 ha, it is sufficient to provide a single geolocation point representing the plot.



However, upon review of the submitted data, it was observed that the points provided appear to be located on residential houses rather than accurately positioned within the coffee plots themselves. This misplacement highlights a common error in geolocation submissions and underscores the importance of ensuring that geolocation points are correctly assigned to the actual coffee area, rather than nearby structures or unrelated locations.

Duplicated polygons: Instances of duplicated geometries were identified. This duplication may have resulted from the use of multiple map projections within the same country, leading to inconsistencies in spatial data representation. To address and prevent such errors, the EUDR specifically requires that all geospatial data be submitted using the WGS84 coordinate system. Adhering to this standard ensures uniformity and accuracy across all submissions, minimising the likelihood of duplicated or misaligned geometries.



Free resources are available for non-experts to run this kind of analysis, for example [Mapshaper](#) and [Georoots Editor](#) for geometry and topology checks. Various platforms may be used for visual inspections (e.g. [Google Earth](#)). More advanced analysis may be conducted by a GIS expert or specialised service provider, but this may not be needed in most cases.

Lesson 8 – Deforestation risk assessments can produce ‘false positives’; use the best available data and document the process

A statement that the product from a sourcing country is ‘deforestation free’ is not enough for the Competent Authorities. Operators are expected to explain how they reached this conclusion; this includes the methodology, assessment process, and data used.

“We need to understand how you arrived at this conclusion of negligible risk for deforestation.”

During the exercise, the Competent Authorities explained that a deforestation alert was detected in one of the origin countries. The operator explained that ‘false positives’ are relatively common as datasets used are often not very accurate, particularly publicly accessible ones.

The Competent Authorities noted that a good DD-System should document all findings, including the false positives, explain how it was determined they were false, and describe how these are dealt with, e.g. through field verification or other measures. A summary of a deforestation-free assessment is one thing; but detailed documentation is needed, including information that enables the linking of the geodata to the evidence provided for that shipment.

“We need to know how you dealt with false positives. For instance, if there is an overlap between the JRC 2020 forest map and some of the plots linked to your shipment, we expect the operator to proactively explain how this was dealt with.”

Case study – Availability of national deforestation monitoring data in Peru and Colombia

Third-party service providers often use global datasets for their analysis due to the global nature of their services. Where reliable and accessible national forest monitoring datasets exist, operators are encouraged to use them as a key data layer in their risk assessments.

The exercise in question involved two sourcing countries that have reliable and long-standing national forest monitoring programmes in place: Peru and Colombia. In

Colombia, authorities developed the [national forest and carbon monitoring system \(SMBByC\)](#) with open access to information on annual forest cover and forest cover change. This includes the official 2020 forest cover map and areas of deforestation post-2020.



Figure 4: Colombia – National maps showing deforestation areas

Combining this forest data with the polygons from Colombia showed that the coffee was sourced from areas with a low risk of deforestation. Out of more than 3,000 polygons, only one had a deforestation alert, and just a few other alerts were in the area, which seemed related to biomass loss rather than deforestation.

In Peru, authorities have developed a platform called Geobosques that provides annual forest cover and forest loss maps. Cross-referencing the national information with the geolocation provided showed that some polygons received were located in zones with visible post-2020 deforestation. Several of the polygons had alerts of forest loss within or around them. The Competent Authorities expected the operator to explain how they dealt with these kinds of alerts and provide additional evidence to justify claims of deforestation ‘false positives’.

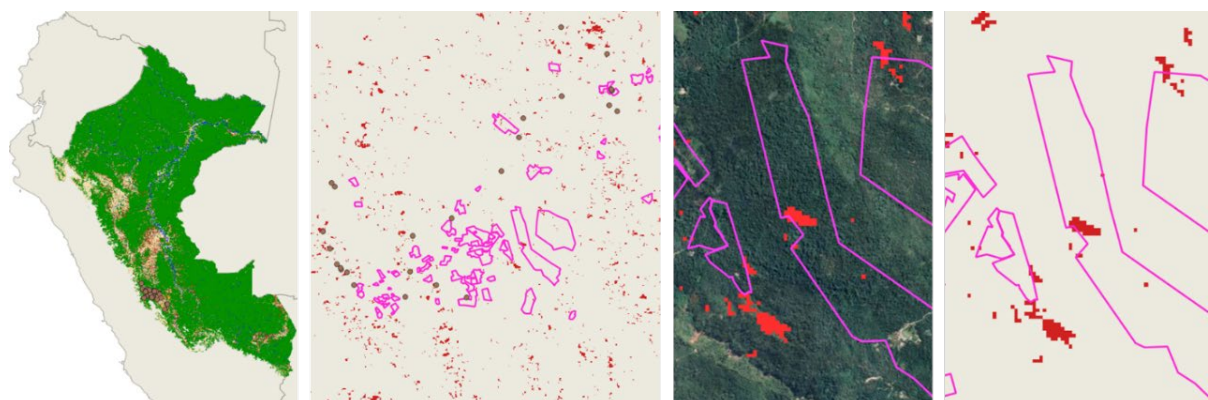


Figure 5: Peru – National maps showing deforestation

Lesson 9 – Verifiable evidence is needed to demonstrate legal compliance

‘Verifiable evidence’ is evidence that can be confirmed with official or independent data. It strengthens due diligence and helps show Competent Authorities that risks are being actively managed

Operators are expected to demonstrate how all relevant EUDR legality criteria have been identified, assessed, and addressed within their risk assessment. However, it is acknowledged that gathering verifiable evidence of compliance can be challenging for certain legality aspects, particularly those framed as ‘prohibitions’. Prohibitions require operators to demonstrate the absence of an illegal act, for which direct or conclusive documentation is often not available/existent.

During the exercise, the operator sought clarification on how to provide credible and verifiable evidence for the following EUDR legality criteria, which they considered particularly challenging to assess and document.

Free, Prior and Informed Consent (FPIC) – Operators must respect the land-use and third-party rights of Indigenous Peoples and local communities. Where the production of relevant commodities may affect their land, territories, or resources, this includes applying FPIC principles as part of due diligence. Competent Authorities acknowledge that FPIC is not explicitly required under the laws of all producing countries and that obtaining FPIC can be a lengthy and complex process; nevertheless, where applicable, it is an essential element of demonstrating legality under the EUDR.

In some situations, FPIC may not be relevant – for example, where production takes place on long-established private land with no indigenous or customary rights claims. In such cases, operators should clearly justify and document this determination within their DD-System. Evidence to support FPIC implementation, or its non-applicability, may include signed agreements, records of consultations, meeting minutes, grievance mechanisms, or credible third-party verification demonstrating meaningful and good-faith engagement.

Labour rights – Operators are expected to monitor and verify compliance with applicable labour laws in the country of production, particularly in contexts where enforcement capacity is weak or uneven. This includes identifying, assessing, and documenting labour-related risks in sourcing areas, such as the risk of child labour, forced labour, unsafe working conditions, or non-compliance with wage and working-

time regulations, especially where gaps in implementation are known or reported (see case study from **Colombia in Box 2**).

Where risks are identified, operators should demonstrate how these risks are mitigated through appropriate measures, which may include supplier engagement, contractual requirements, audits, worker grievance mechanisms, training, or the use of credible third-party assurance. Evidence may be drawn from official inspections where available, internal or external audits, certification schemes, worker interviews, or reputable third-party reports. The focus under the EUDR is on showing that labour-related risks have been systematically assessed and reduced to a negligible level, even where formal proof of compliance is limited.

Anti-bribery and corruption – operators are expected to maintain clear, proportionate, and verifiable controls, particularly in high-risk sourcing contexts. This includes identifying points in the supply chain where bribery or facilitation payments may occur (e.g. licensing, inspections, transport, customs, or law enforcement interactions) and assessing the associated risks.

Evidence may include documented procedures for due diligence checks and exclusions, internal anti-bribery and corruption policies, codes of conduct, training records, whistleblowing or grievance mechanisms, and records demonstrating how these measures are applied in practice. Operators should be able to show not only the existence of controls, but also their effective implementation, including actions taken to prevent, detect, investigate, and respond to bribery risks. Where risks are identified, mitigation measures and follow-up actions should be clearly documented as part of the DD-System.

Box 2: Case study: Implementation of labour laws in Colombia

The Colombian Government is in the process of revising and strengthening labour legislation. At present, the implementation and enforcement of these laws remain uneven, as reforms take time to be rolled out across sectors and regions. This raises a key due diligence question for operators: is it sufficient to be aware of ongoing legal reforms and wait for full implementation, or does the EUDR require additional action?

In this context, it is considered good practice for operators to actively monitor legal developments and assess how ongoing reforms may affect labour-related risks in their sourcing areas. Where operators have information indicating that reforms are under way but not yet fully implemented, they should evaluate the implications and reflect these dynamics in their risk assessment, updating it as new information becomes available.

As a best practice, where implementation and enforcement are weak or evolving, **enhanced due diligence** is appropriate. This may include systematically collecting available documentation and/or applying alternative verification measures to assess compliance in practice.

Lesson 10 – Applying simplified due diligence for low-risk origins requires care

The simplified due diligence option under Article 13 (which exempts operators from the obligations under Articles 10 and 11) must be interpreted carefully. Article 13 calls on operators to assess the complexity of the supply chain, the risk of circumvention and the risk of mixing.

Operators should not assume they can use simplified due diligence solely because the country of origin is classified as low risk under Article 29.

Simplified due diligence depends on two factors:

- Origin: all relevant commodities must come from low-risk countries or regions.
- Supply chain integrity: the supply chain must not present a meaningful risk of mixing with products from unknown, standard-risk, or high-risk origins, nor a risk of circumvention.

In practice, even when a supply chain is low risk for deforestation, it may still present high risks for labour violations, human rights abuses, or other due diligence concerns, which would require the operator to conduct additional checks.

When using simplified due diligence, operators must still be able to provide documentation, upon request by a Competent Authority, demonstrating that the risk of mixing or circumvention is negligible.

Conclusion

A robust, operator-specific DD-System must do two things: clearly describe and document the general EUDR compliance procedures, and establish a direct link to shipments subject to checks. This requires full traceability of each inspected shipment, including all relevant operator-specific assessments and supporting information, so that Competent Authorities can carry out plausibility checks on all documentation, as outlined in Article 12 of the EUDR.

The willingness of operators to participate in these dry runs is critical to the process. Only when operators are directly involved and openly share information and data is it possible to initiate such a mutual learning process. This enables mutual feedback and understanding, leading to improvements on the part of the both the operator and the Competent Authorities with regards to the control process.

While some information gaps and challenges were encountered, none were considered insurmountable. These could be addressed through ongoing learning, better documentation, and continuous improvement. The exercise demonstrates feasibility of EUDR compliance, reinforcing the commitment of both operators and Competent Authorities to refine their processes, share knowledge, and strengthen practical approaches for robust, deforestation-free supply chains.

References:

Cover photo: A farmer at work in a coffee field. © EFI.

