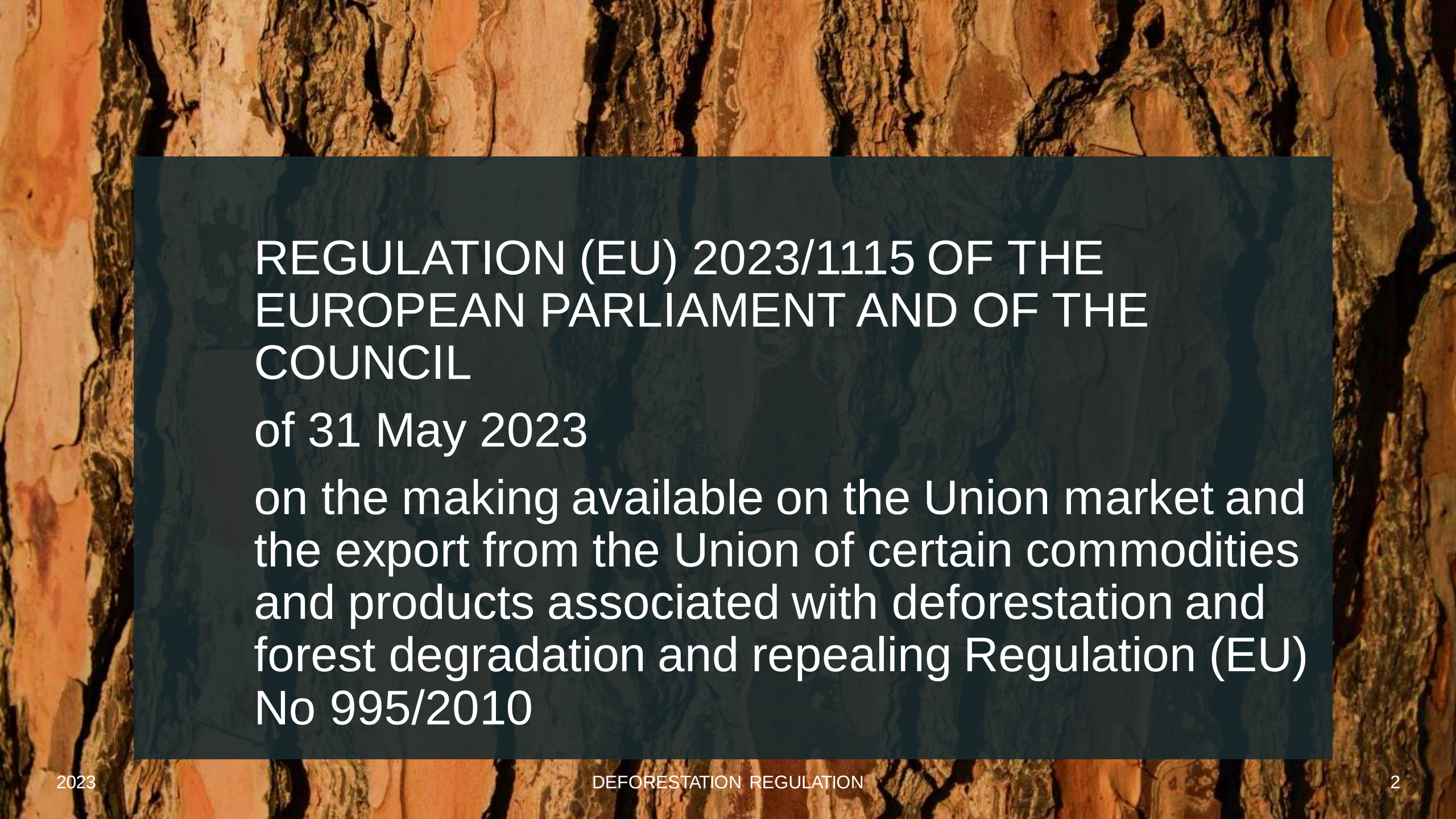


The background of the slide is a close-up photograph of a wood grain, showing wavy, concentric patterns in shades of brown and tan. A dark blue rectangular overlay is positioned on the right side of the image, containing the title and subtitle text. A white L-shaped line is visible on the left side of the blue overlay, separating it from the wood grain background.

Deforestation regulation

Normunds Strūve
Ministry of Agriculture



REGULATION (EU) 2023/1115 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 31 May 2023

on the making available on the Union market and
the export from the Union of certain commodities
and products associated with deforestation and
forest degradation and repealing Regulation (EU)
No 995/2010

Products covered by the regulation

Codes of the Combined Nomenclature (some examples from annex 1):

0102 21, 0102 29 Live cattle

1806 Chocolate and other food preparations containing cocoa

0901 Coffee, whether or not roasted or decaffeinated;

4403 Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared

4412 Plywood, veneered panels and similar laminated wood

1511 Palm oil and its fractions, whether or not refined

The substance of the regulation

Relevant commodities and relevant products shall not be placed or made available on the market or exported, unless all the following conditions are fulfilled:

- a) **they are deforestation-free**;
- b) they have been produced in **accordance with the relevant legislation** of the country of production;
- c) they are covered by a **due diligence statement**

placing on the market - the first making available of a relevant commodity or relevant product on the Union market

making available on the market - means any supply of a relevant product for distribution, consumption or use on the Union market in the course of a commercial activity

deforestation-free means:

- a) that the relevant products contain or have been made using, relevant commodities that were produced on land that has not been subject to deforestation after 31 December, 2020
- b) in the case of relevant products that contain or have been made using wood, that the wood has been harvested from the forest without inducing forest degradation after 31 December, 2020;



The relevant legislation

relevant legislation of the country of production means the laws applicable in the country of production concerning the legal status of the area of production in terms of:

- (a) land use rights;
- (b) environmental protection;
- (c) forest-related rules, including forest management and biodiversity conservation, where directly related to wood harvesting;
- (d) third parties' rights;
- (e) labour rights;
- (f) human rights protected under international law;
- (g) the principle of free, prior and informed consent (FPIC), including as set out in the UN Declaration on the Rights of Indigenous Peoples;
- (h) tax, anti-corruption, trade and customs regulations.

The key terms and definitions

deforestation means the conversion of forest to agricultural use, whether human-induced or not;

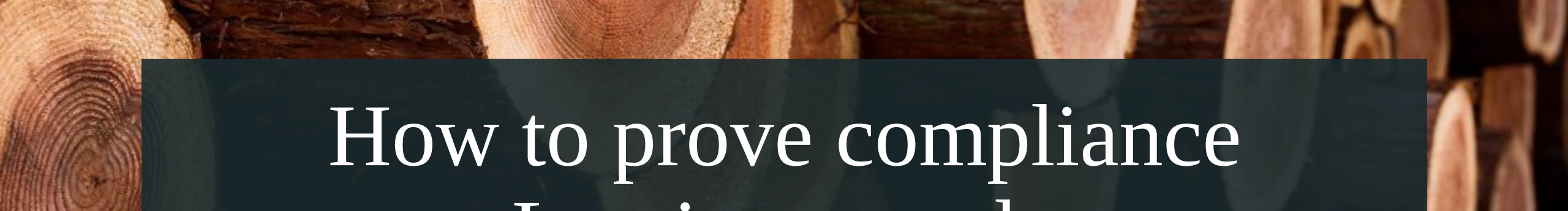
forest degradation means structural changes to forest cover, taking the form of the conversion of:

(a) primary forests or naturally regenerating forests into plantation forests or into other wooded land; or

(b) primary forests into planted forests;

plot of land means land within a single real-estate property, as recognised by the law of the country of production, which enjoys sufficiently homogeneous conditions to allow an evaluation of the aggregate level of risk of deforestation and forest degradation associated with relevant commodities produced on that land;

geolocation means the geographical location of a plot of land described by means of latitude and longitude coordinates corresponding to at least one latitude and one longitude point and using at least six decimal digits; for plots of land of more than four hectares used for the production of the relevant commodities other than cattle, this shall be provided using polygons with sufficient latitude and longitude points to describe the perimeter of each plot of land;



How to prove compliance Latvia example

Deforestation is regulated by the legislation. There is a requirement for forest regeneration after timber harvesting. This can be used as a proof that the area is not deforested.

Grassland habitat restoration.

Forest degradation:

- primary forests are protected by the legislation (usually strict protection regime allowing no management;
- Establishment of plantation forests on forest land is not allowed.

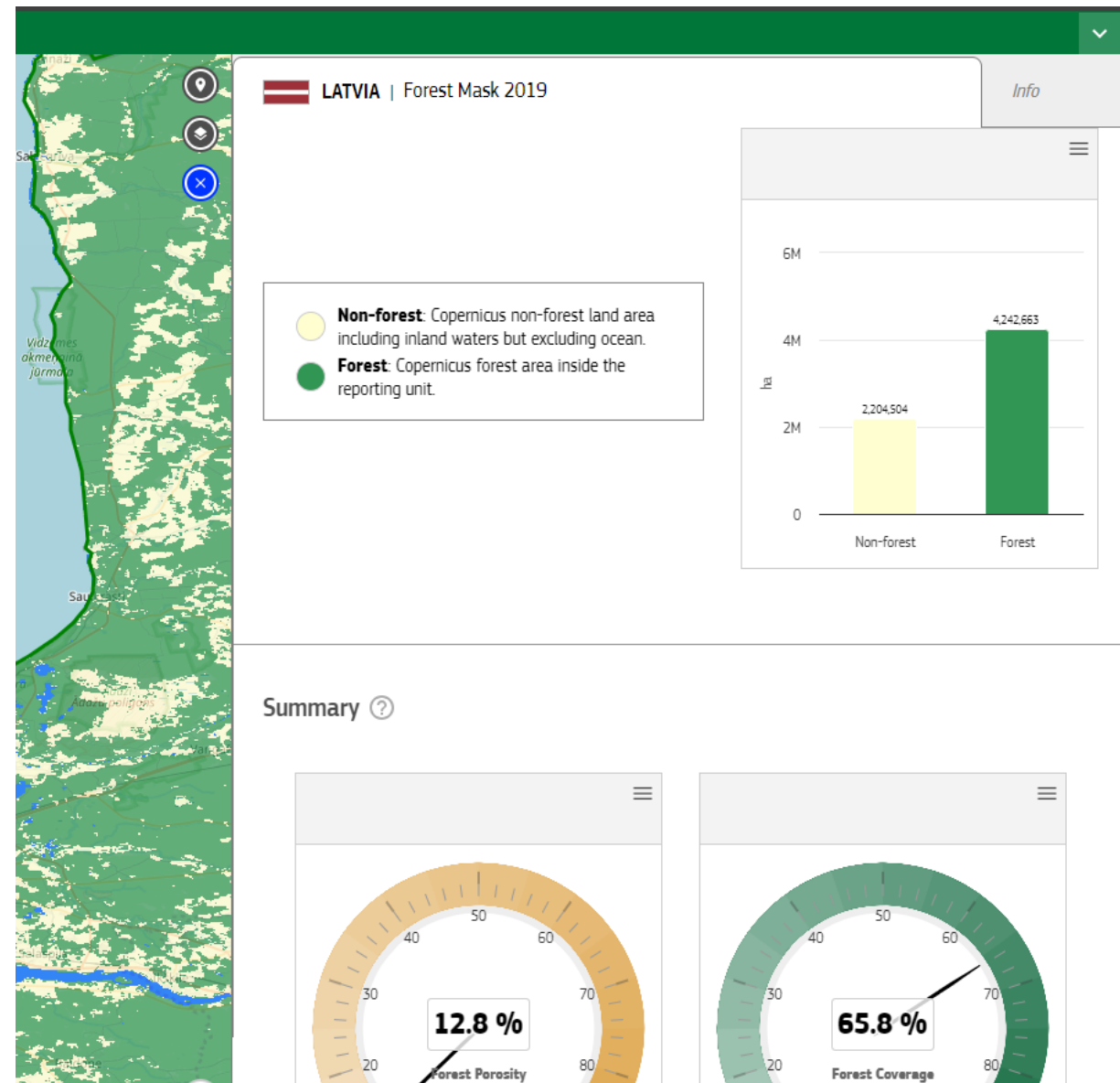


National forest inventory 2023:	
Forest cover (national forest definition)	51%
Forest cover (FAO forest definition)	53%
Forest area (national forest definition)	3299 thous. ha
Forest area (national forest definition)	3441 thous.ha

Forest monitoring regulation



XX%
?



<https://forest-observatory.ec.europa.eu/forest/gfa>



Due diligence

- Prior to placing relevant products on the market or exporting them, operators shall exercise due diligence with regard to all relevant products supplied by each particular supplier.
- Due diligence should include:
 - a) the collection of information, data and documents;
 - b) risk assessment measures;
 - c) risk mitigation measures.

Due diligence system

- In order to exercise due diligence, operators shall establish and keep up to date a framework of procedures and measures to ensure that the relevant products they place on the market or export comply with the regulation.
- Operators shall review the due diligence system at least once a year. Where operators become aware of new developments which could influence the due diligence system, they shall update the due diligence system to take account of those developments. Operators shall keep a record of such updates in their due diligence systems for five years.
- Large operators shall, on an annual basis, publicly report as widely as possible, including via the internet, on their due diligence system, including on the steps taken by them to fulfil their obligations.



Due diligence statement

1. Operator's name, address and, in the event of relevant commodities and relevant products entering or leaving the market the Economic Operators Registration and Identification (EORI) number.
2. Harmonized System code, free-text description, including the trade name as well as, where applicable, the full scientific name, and quantity of the relevant product that the operator intends to place on the market or export.
3. Country of production and the geolocation of all plots of land where the relevant commodities were produced.
4. For operators referring to an existing due diligence statement, the reference number of such due diligence statement.
5. Confirmation that due diligence is performed.



Statement
Details

Referenced Statements

1. Reference Number



24LVQGMCS42Y23

Verification Number

9J9HOHX6

7s

2. Activity

☒ Export

☐ Domestic

☐ Import

3. Operator/Trader name and address

Name ?

LVM

Valid

Country

Latvia

ISO Code

LV

...

4. Place of Activity

Country of exit:

Latvia

ISO Code

LV

5. Communication for Competent Authority

6. Commodity(ies) or Product(s)

1

44

WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL

4401

Fuel wood, in logs, in billets, in twigs, in faggots or in similar forms; wood in chips or particles; sawdust and wood waste and scrap, whether or not agglomerated in logs, briquettes, pellets or similar forms

6. Commodity(ies) or Product(s)

1

44 WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL

4401 Fuel wood, in logs, in billets, in twigs, in faggots or in similar forms; wood in chips or particles; sawdust and wood waste and scrap, whether or not agglomerated in logs, briquettes, pellets or similar forms

Commodity(ies) or Product(s) Description *	Net Mass (Kg) *	Volume (m3)	Supplementary Units
Wood in chips	230	1555555	

Scientific Name	Common Name
1 Pinus sylvestris	Scots pine
2 Picea abies	Spruce
3 Betula pendula	Birch
4 Populus tremula	Aspen

[Export](#)

1	Producer Name	Producer Country *
	LVM	 Latvia (LV)

#	Production Place Description	Area *	Type *	Actions		
1	Final felling	ha	Point			
	Latitude	Longitude				
	56.651174	24.458137				
2	Precommercial thinning	5.21 ha	Polygon			
	Latitude	Longitude	Latitude	Longitude	Latitude	Longitude
	56.659425	24.474862	56.660109	24.474873	56.660292	24.47586
	Latitude	Longitude				
	56.65949	24.475925				

Cooperation

- Operators shall keep for at least five years all documentation related to due diligence, such as all records, measures and procedures. They shall make that documentation available to the competent authorities upon request.
- Operators shall communicate to operators and to traders further down the supply chain of the relevant products they placed on the market or exported all information necessary to demonstrate that due diligence was exercised and that no or only a negligible risk was found, including the reference numbers of the due diligence statements associated to those products.
- Traders that are not SMEs shall be considered as non-SME operators (large enterprise – balance sum more than 20mill, turnover more than 40milj., number of employees more than 250 (at least two preconditions must be met)).



Forest owner



The buyer of growing trees –
the owner of roundwood
(operator)



Producer of sawn timber
(operator)



Export



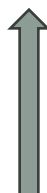
Traces NT

Due diligence

Reference Nr

Due diligence

Reference Nr





Simplification

- SMEs are not obliged to carry out due diligence for products which already are covered by existing due diligence statement.
- Operators or traders may mandate an authorized representative to submit the due diligence statement.
- An operator that is a natural person or a microenterprise may mandate the next operator or trader further down the supply chain that is not a natural person or a microenterprise to act as an authorized representative.
- State Forest Service will prepare GeoJSON file with geolocation for forest owners (linked with timber harvesting permit).