



BSI Webinar

การทำทหายและโอกาสของธุรกิจ ที่ผลิตผลิตภัณฑ์จากปาล์มน้ำมัน ต่อกฎระเบียบ EUDR

สถาบันมาตรฐานอังกฤษ BSI



Content

01

กฎระเบียบ EUDR คืออะไร

02

ใครในห่วงโซ่อุปทานของผู้ผลิตปาล์มน้ำมันและน้ำมันปาล์มที่จะได้รับผลกระทบจากกฎระเบียบ EUDR

03

ระบบมาตรฐาน RSPO ช่วยท่านดำเนินธุรกิจและส่งออกไปยังสหภาพยุโรปได้อย่างไรเพื่อให้สอดคล้องกับกฎระเบียบ EUDR



What is EU Deforestation Regulation or EUDR

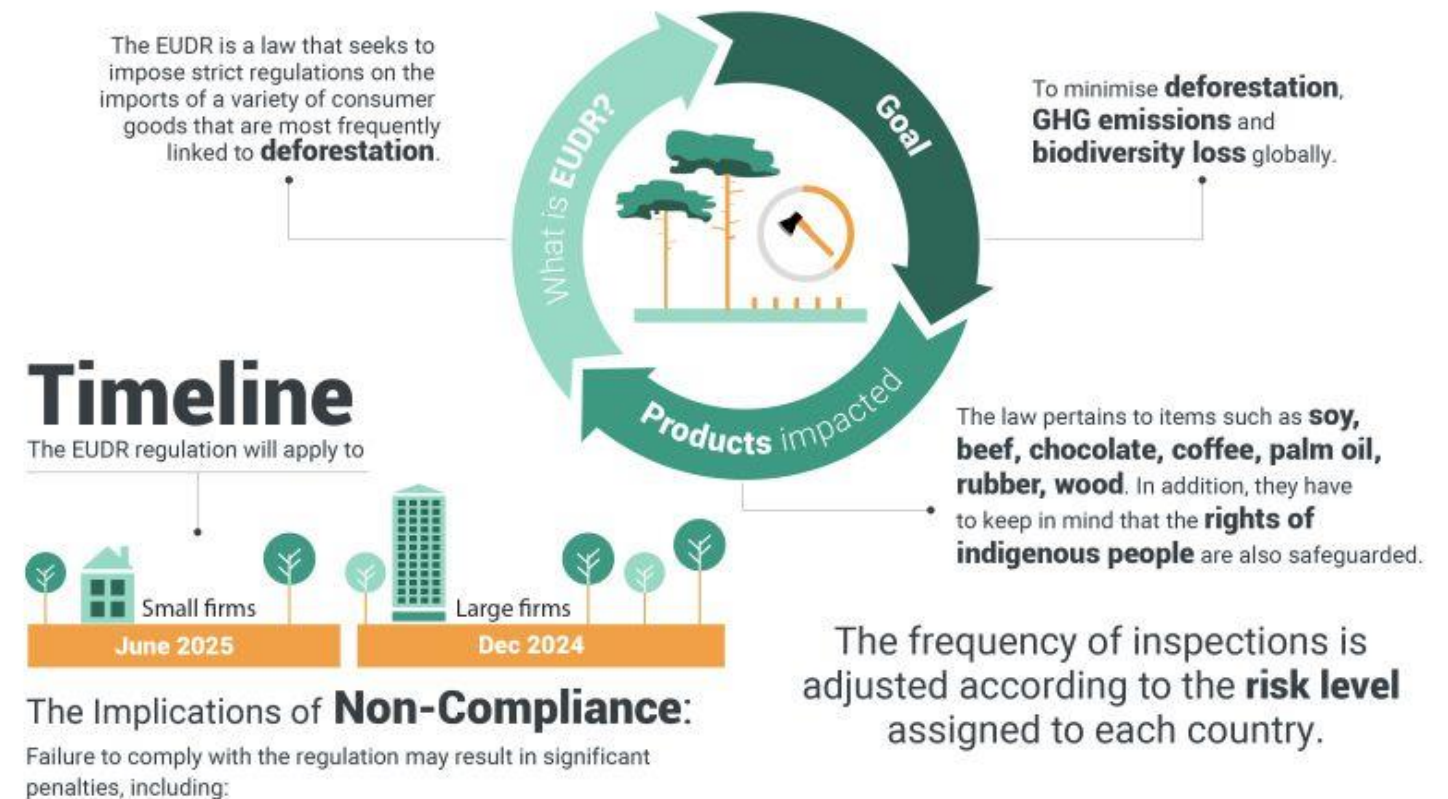
กฎระเบียบ EUDR คืออะไร



What is EUDR?

- Europe's attempt to stop its own contribution to global deforestation
- It is not a trade impeachment or attempt to hinder production in Non-EU countries
- An attempt to improve the sustainability of global supply chains

EU Deforestation Regulation



Source: [CIED on LinkedIn: #sustainability #eudr #compliance #compliance matters #traceability...](#)

What is EUDR?

L 150/206

EN

Official Journal of the European Union

9.6.2023

**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**

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 192(1) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee ⁽¹⁾,

After consulting the Committee of the Regions,

Acting in accordance with the ordinary legislative procedure ⁽²⁾,

Whereas:

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

- Deforestation fee
- Produced in accordance with the relevant legislation of the country of production
- Covered by ad Due Diligence

The EUDR regulation affects seven commodities:



Cocoa



Coffee



Soy



Palm Oil



Wood



Rubber



Cattle/Beef

Impact of EUDR on the Thai commodity products

	Thai export values to the EU (USD, mn.)	Share of total Thai exports to the EU	Share of total EU imports from the World	Share of total Thai exports to the World	Forward Linkage Index ⁽¹⁾	Backward Linkage Index ⁽²⁾	Number of firms ⁽³⁾	Share of MSMEs ⁽³⁾
All products	22,637.28	100.00%	0.31%	7.97%				
EUDR products	1,888.55	8.34%	0.47%	7.98%			18,100	97.04%
Rubber	1,730.79	7.65%	2.86%	11.45%	1.08	0.61	1,464	88.39%
Wood	128.07	0.57%	0.06%	2.20%	1.01	0.65	9,658	97.78%
Oil palm	22.17	0.10%	0.10%	1.30%	0.82	0.89	4,838	97.75%
Cattle	4.27	0.02%	0.02%	0.66%	0.66	0.65	1,331	97.67%
Cocoa	2.93	0.01%	0.01%	4.22%	0.51	0.92	100	97.00%
Coffee	0.32	0.001%	0.001%	8.82%	0.51	0.92	702	98.72%
Soya	0.005	0.00002%	0.00002%	0.002%	1.63	0.82	7	100.00%

Relevant commodity	Relevant products	
Oil palm	1207 10 Palm nuts and kernels 1511 Palm oil and its fractions, whether or not refined, but not chemically modified	Palm oil mill and refinery
	1513 21 Crude palm kernel and babassu oil and fractions thereof, whether or not refined, but not chemically modified 1513 29 Palm kernel and babassu oil and their fractions, whether or not refined, but not chemically modified (excluding crude oil) 2306 60 Oilcake and other solid residues of palm nuts or kernels, whether or not ground or in the form of pellets, resulting from the extraction of palm nut or kernel fats or oils	Palm Kernel Crusher
	ex 2905 45 Glycerol, with a purity of 95 % or more (calculated on the weight of the dry product) 2915 70 Palmitic acid, stearic acid, their salts and esters 2915 90 Saturated acyclic monocarboxylic acids, their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives (excluding formic acid, acetic acid, mono-, di- or trichloroacetic acids, propionic acid, butanoic acids, pentanoic acids, palmitic acid, stearic acid, their salts and esters, and acetic anhydride) 3823 11 Stearic acid, industrial 3823 12 Oleic acid, industrial 3823 19 Industrial monocarboxylic fatty acids; acid oils from refining (excluding stearic acid, oleic acid and tall oil fatty acids) 3823 70 Industrial fatty alcohols	Oleochemical manufacturers

Green lane

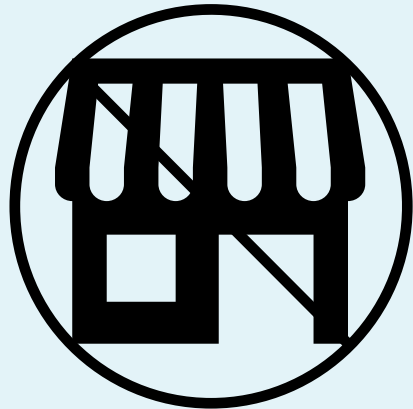
The RSPO certification cannot be used by the EUDR obligated companies as a '**green lane**' to show compliance with EUDR requirements. However, the RSPO system can be used as a comprehensive tool to collect EUDR relevant information from oil palm growers & mills, and to effectively transfer this information through the supply chain.



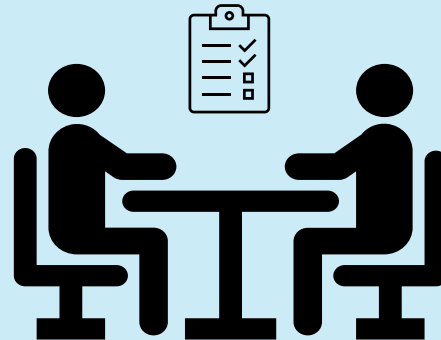
Conclusion

Goal: to minimize the EU's contribution to deforestation and forest degradation worldwide

Market prohibition



Due Diligence Obligations



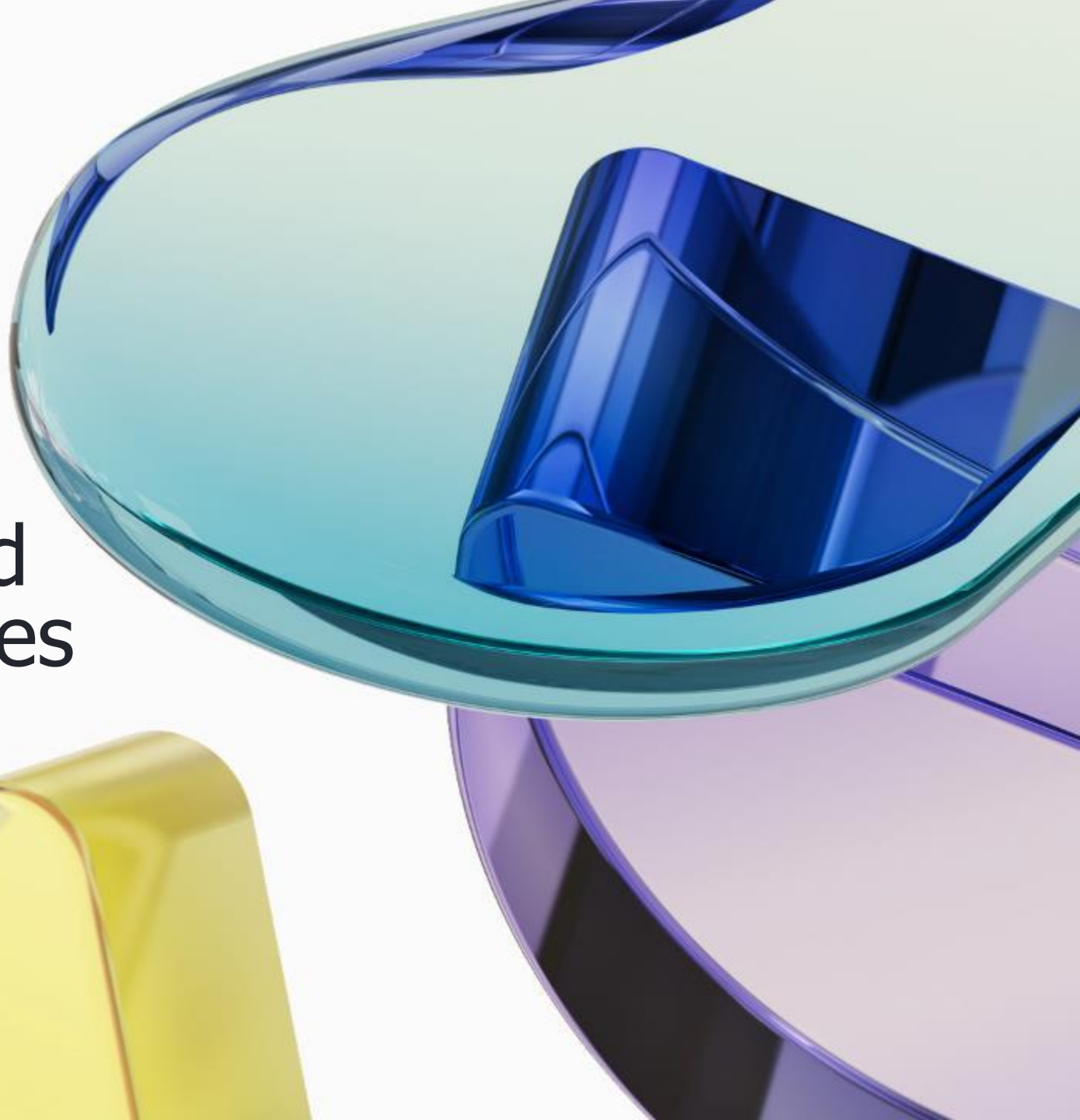
Bench-marketing process
source countries



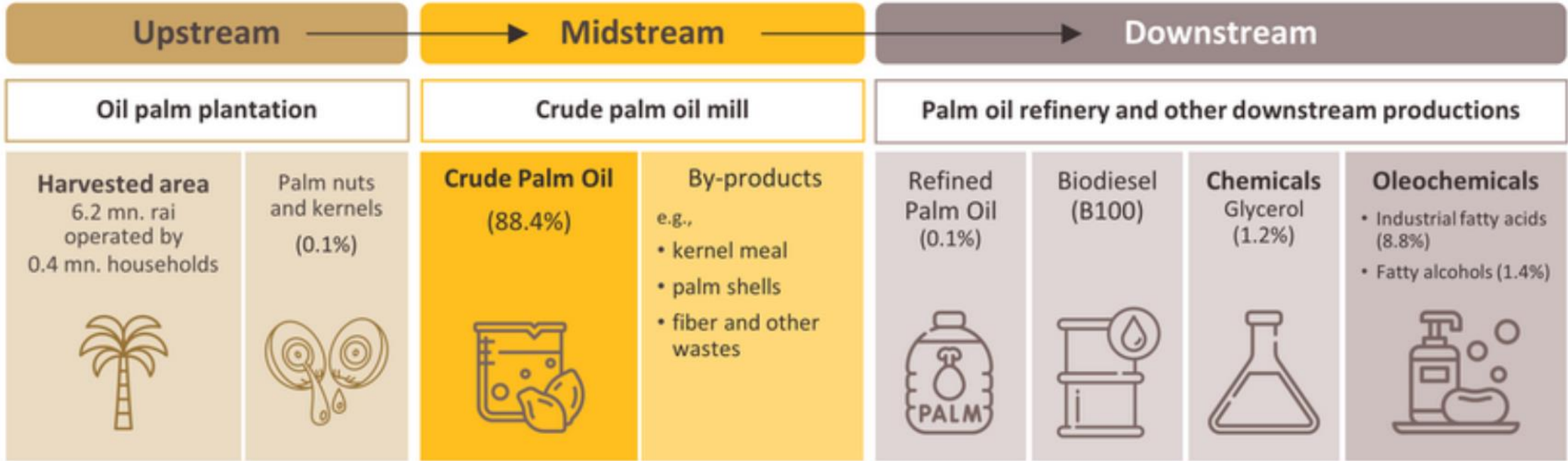


Palm oil supply chain actors who are required to follow EUDR initiatives

ใครในห่วงโซ่อุปทานของผู้ผลิตปาล์มน้ำมันและน้ำมันปาล์มที่จะได้รับผลกระทบจากกฎระเบียบ EUDR

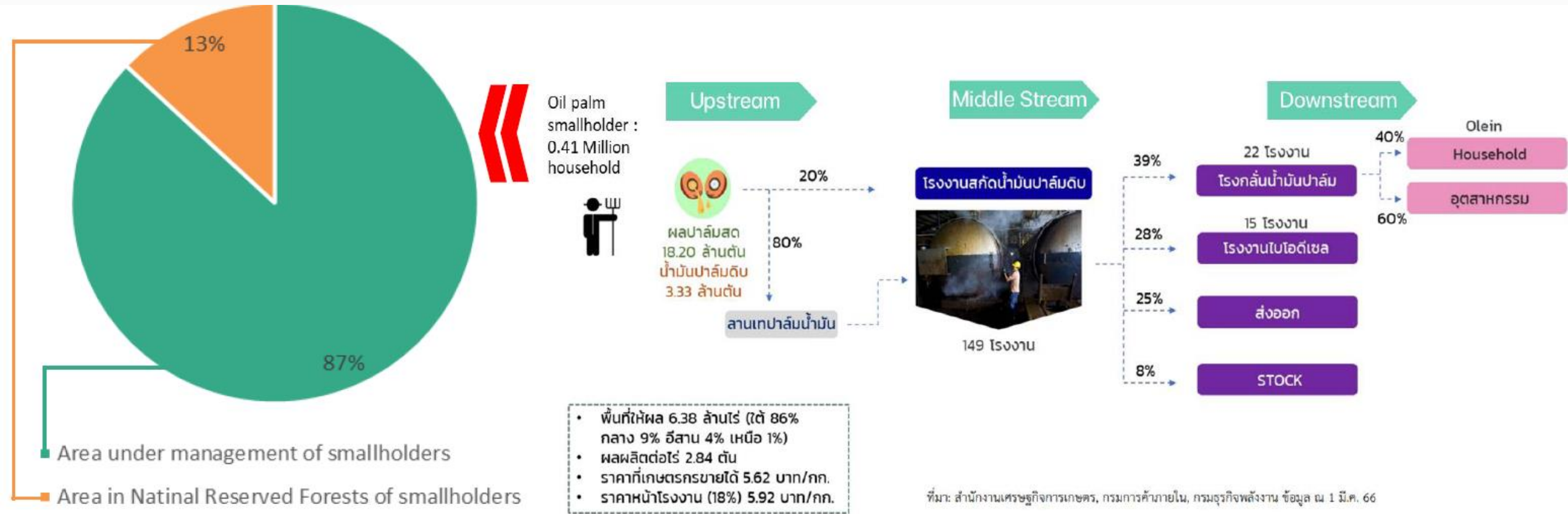


Palm oil supply chains involved with EUDR initiative



Source: <https://thaipublica.org/2023/12/krungsri-research-on-eu-deforestation-regulation/>

Palm oil supply chains involved with EUDR initiative



Source: Surakitti Srikul (2024)



Products



Definitions from Regulation

Relevant products

means products listed in Annex I that contain, have been fed with or have been made using relevant commodities

Operator

means any natural or legal person who, in the course of a commercial activity, places relevant products on the market or exports them;

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, whether in return for payment or free of charge

Due Diligence Approach

Information requirement

- ID of country production
- Geographic coordinate to plot of land level
- Other information asked by NCA

Risk assessment and mitigation

- Criteria such as prevalence, corruption and etc.

Illustration of the mitigation measures

If the DD finds that there is a non-negligible risk that the product is non-compliant, it may not be place on the market

Criteria from the Regulation

(40) '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.

Operator obligation

Operators shall not place relevant products on the market or export them where one or more of the following cases apply:

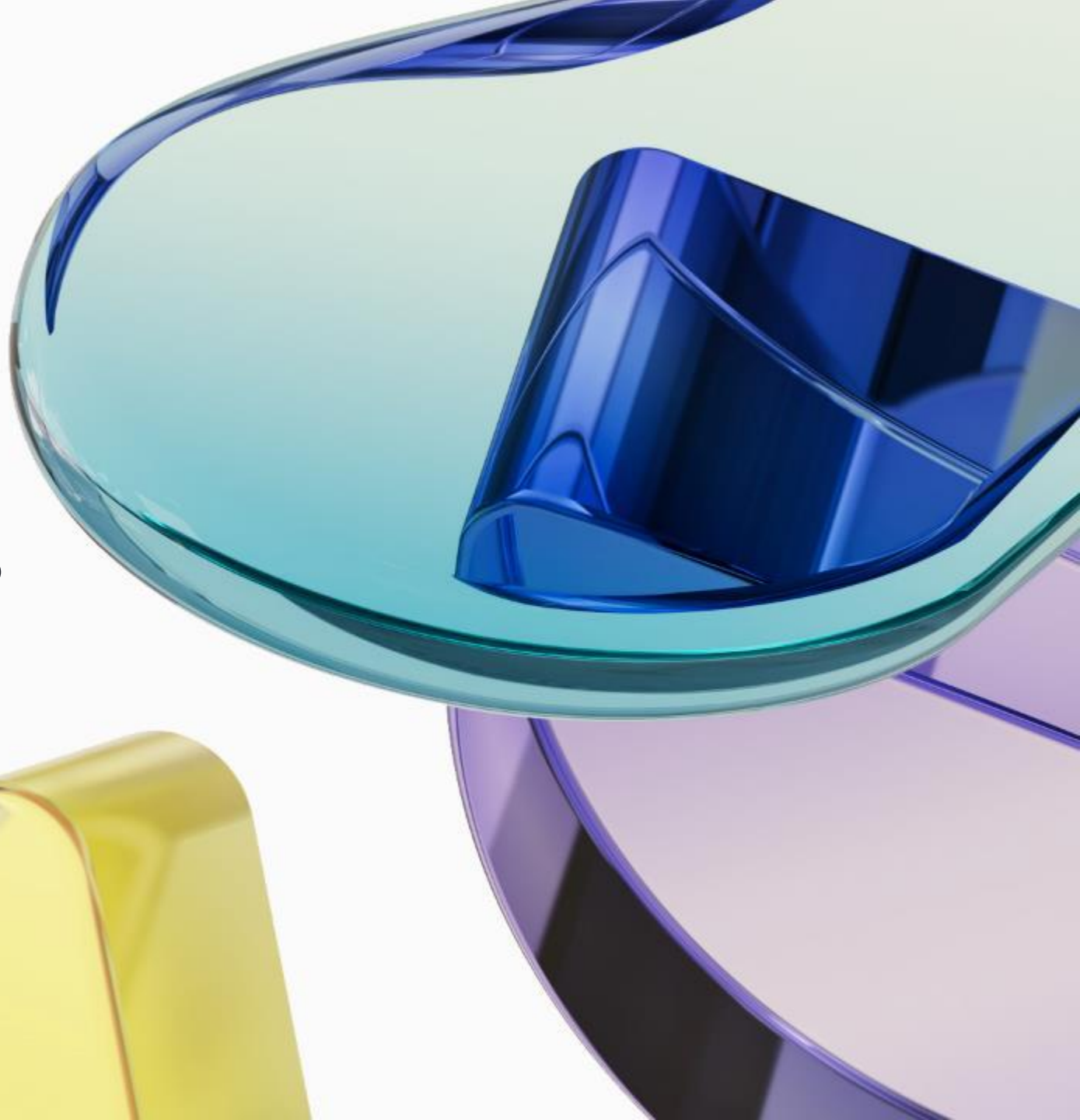
- the relevant products are non-compliant;
- the exercise of due diligence has revealed a non-negligible risk that the relevant products are non-compliant;
- the operator was unable to fulfil the obligations referred to in paragraphs 1 and 2.





How RSPO certification supports and facilitates your business

ระบบมาตรฐาน RSPO ช่วยท่านดำเนินธุรกิจ และส่งออกไปยังสหภาพยุโรปได้อย่างไร เพื่อให้สอดคล้องกับกฎระเบียบ EUDR



Deforestation free

On "deforestation free":

- **Cut off date** 31th December 2020 (EUDR) versus November 2005 and November 2018 (RSPO);
- **Definition of forest** quantitative value (EUDR) vs a qualitative site-specific methodology (RSPO);
- No exemption (EUDR) versus **exemption for High Forest Cover Landscapes / Countries** (RSPO).




Gap analysis

On compliance with relevant legislation of the country of:


- RSPO **requirements on legality are at least largely in line with EUDR requirements.**
- EUDR provides little or no specification of the relevant pieces of national legislation and evidence that operators need to have available
- **RSPO is in a good position to facilitate information on legality**
- A key difference between the EUDR and RSPO Principles & Criteria is that the **EUDR requires that information on legality is transferred through the supply chain**, whereas RSPO does not require this



Gap analysis from criteria from the Regulation



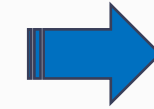
Traceability: Geographic coordinates - latitude and longitude of **all** plots of land where the relevant commodities and products were produced, **polygons required for plots of land more than 4 ha**



Confirmation of **no or negligible risk of deforestation** (i.e. that the product is deforestation free)
31st December 2020 cut-off date



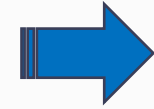
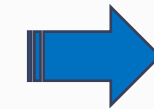
Demonstrate **legality according to laws of producer country**, including **environmental, human and labour rights, and FPIC**



Provision of geolocation coordinates (Indicator 2.1) Smallholders must provide

Business legality (indicator 1.1) Smallholders must establish a legal entity.

- **FPIC (indicator 2.2) in the RISS Smallholders must prove that land was acquired with FPIC.**
- **Land use rights (indicator 2.1)**
- **Labor rights (indicator 3.5) Smallholders must commit to respecting key labor rights (no forced labor, no child labor, fair wages, OHS, etc.)**



Finding from RSPO study

GAP ANALYSIS BETWEEN RSPO P&C AND EUDR

Findings:

- Implication at the supply chain level
- The challenge of an interrupt within the supply chain

Details:

- Traceability and geolocation data is not always transferred to the mill
- Blockages at the intermediaries level
- Non certified mills in the supply chain
- Certified mills deferring to the credit sale (IP, SG and MB)



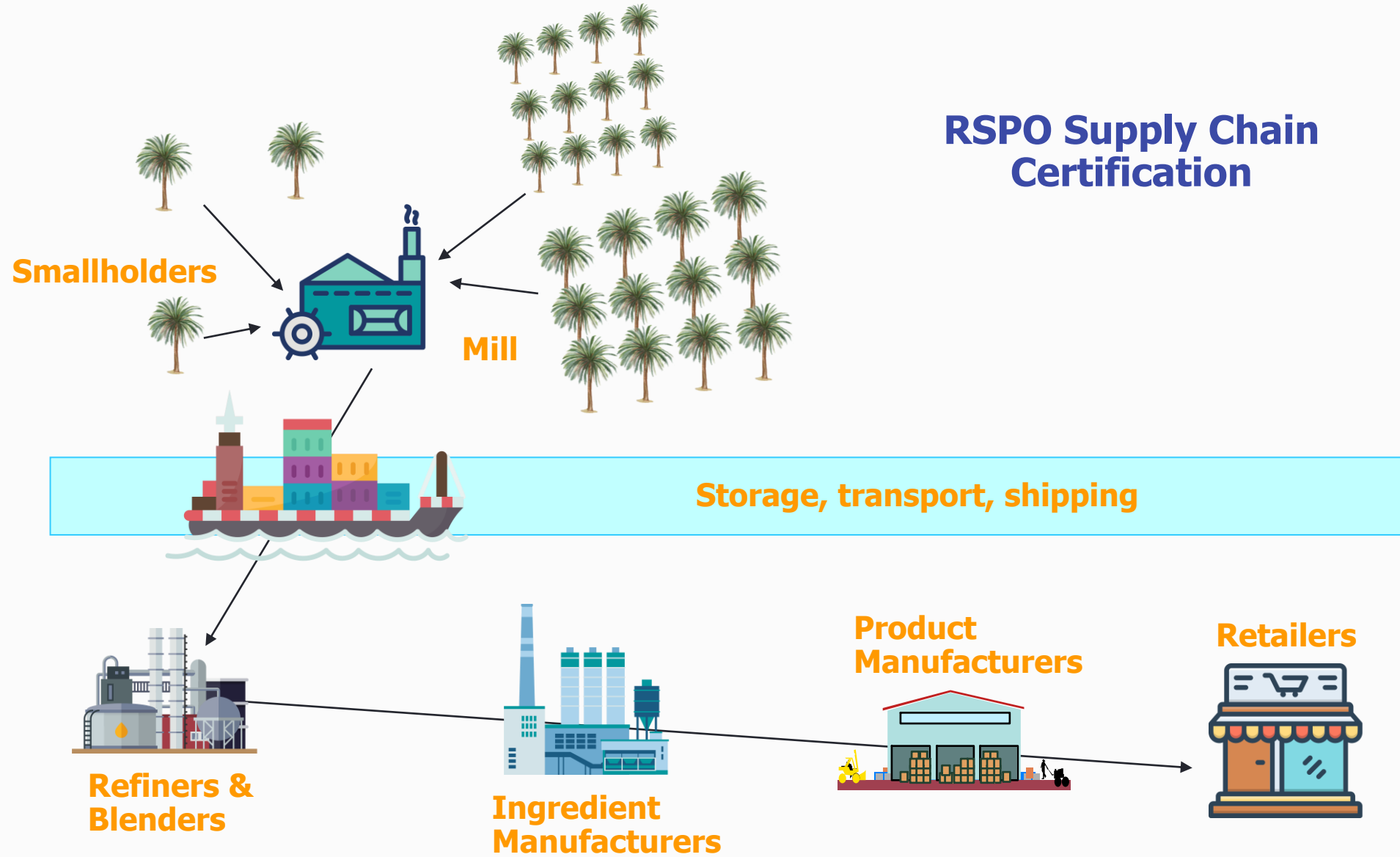
THAILAND ▾ CB... ▾ ASSESSMENT TYPE ▾ START DATE... ▾ SUPPLY CHAIN MOI ▾ ACTIV ▾

Found 17 member(s)

MEMBER NAME	MILL	COUNTRY	CERTIFICATION BODY	CERTIFICATE NUMBER	RSPO PO ID	SUPPLY CHAIN MODEL	LICENSE START DATE	LICENSE END DATE
Smothong Group Co., LTD.	Smothong Group Co.,LTD	Thailand	TUV NORD INTEGRA	103001	RSPO_PO1000008331	IP;MB	8 Apr 2024	7 Feb 2025
THASAE LAND SETTLEMENT COOPERATIVE LIMITED	THASAE LANDSETTLEMENT COOPERATIVE LIMITED	Thailand	TUV NORD INTEGRA	137301	RSPO_PO1000007514	MB	28 Sep 2023	27 Sep 2024
Lam Soon (Thailand) Plc.	United Palm Oil Industry Public Company Limited	Thailand	BSI Group	RSPO	RSPO_PO1000001050	IP	15 Nov 2023	14 Oct 2024



RSPO Supply Chain Certification Model



RSPO Supply Chain Certification

Challenges

Resulting from RSPO study especially for **Independent smallholders**

1. Facilitate traceability at intermediaries' level

- Involvement of intermediaries in smallholder supply chains
- Enhancement of stakeholders' understanding of their roles within smallholder supply

2. Facilitate sell of certified physical ISH volumes to the mills

- Challenges for many certified groups to find mills willing to buy their certified FFB
- Non-certified mills in the vicinity
- Certified mills in the vicinity not willing to pay premium
- Larger distances that end up in higher costs

Challenges

Resulting from RSPO study especially for P&C

Align the RSPO Standards and IT traceability systems to facilitate RSPO members in collecting information required for EUDR compliance

- Extend RSPO's IT (traceability) system so that the EUDR relevant evidence on geolocation, deforestation and legality can be uploaded by growers/mills and then be transferred through the supply chain
- Develop a voluntary EUDR add-on standard/information system to the RSPO P&C
- Develop an 'EUDR information system' for the not RSPO certified part of oil palm products that follow SCCS requirements for 'mass balance';

// Q&A Time



สแกน QR code เป็นเพื่อนกับเราใน Line official ของ BSI

เพื่อไม่ให้พลาดข่าวสารข้อมูลที่เป็นประโยชน์ในสายอาชีพของท่าน

- Free webinars
- Tool และบทความดีๆ

