Honourable Roberta Metsola
President of the European Parliament

H.E. Charles Michel
President of the European Council

H.E. Ursula von der Leyen President of the European Commission

H.E. Marcos Alonso Alonso
Permanent Representative of Spain to the European Union
Presidency of the Council of the European Union

Dear Excellencies,

We, the undersigned, wish to convey through this letter our deep concern regarding the recent entry into force of the European Union's regulation on deforestation-free products (EUDR), on June 29, 2023. As stated in the letter dated July 27, 2022 from a group of producing countries, this legislation disregards local circumstances and capabilities, national legislations and certification mechanisms of developing producer countries, their efforts to fight deforestation, and multilateral commitments, including the principle of common but differentiated responsibilities. It also establishes a unilateral benchmarking system that is inherently discriminatory and punitive, which is potentially inconsistent with WTO obligations.

Considering that despite multiple manifestations of concern, particularly from developing countries, the legislation will enter into application in less than 18 months, and that the EU is still working on its implementing acts and guidelines, we urge the Commission and other EU institutions to engage in a more meaningful and open dialogue with producing countries than what has been undertaken so far. The EU should work to repair this legislation, or, at a minimum, aim to mitigate its more harmful impacts through implementation guidelines that adequately value the current, as well as developing local sustainable practices in agricultural value chains, and avoid trade disruption including the excessive administrative burden related to the geolocation and traceability requirements, certifications, and customs procedures.

The EU's "one-size-fits-all" approach, implemented through this model of due diligence and traceability, ignores the different local conditions and will inevitably impose immense costs on exporting and importing countries alike, as well as on producers and consumers. While these costs are certain, we consider that the legislation, by itself, will bear no positive impact on deforestation rates and may even produce other adverse effects, such as increased poverty, diversion of resources, and hindrance of the attainment of SDGs.

Smallholders are especially vulnerable to the EUDR and require special support. The EU should acknowledge the efforts made by developing countries to improve their livelihood and sustainability practices as well as the significant challenges faced by them regarding limited access to financing schemes, new technologies and technical training and assistance.

Smallholders may end up being excluded from international value chains not because they have deforested their land but due to their inability to show compliance with the stringent requirements imposed by the EUDR. That would unfairly deprive smallholders of an important source of income and livelihood, and even impact their ability to adopt sustainable practices. We call, therefore, on the Commission to formulate clear and detailed implementing acts and guidelines that include differentiated compliance and due diligence regimes for commodities and products originating from smallholders in developing countries, considering that EU SMEs will be granted more flexible treatment.

In conclusion, we reiterate our commitment to the SDGs and to multilateral environmental agreements and goals. Given our shared objectives and the need to work together to tackle global challenges, we call on the EU to engage in effective cooperation and meaningful dialogue, with its partners in the areas of trade and sustainable development to jointly address the impact of EU legislation and its implementing instruments, including providing support to facilitate trade.

Please accept, Excellencies, the assurances of our highest consideration.

Sincerely yours,

H.E. Atilio Berardi Hueda Ambassador of Argentina to the European Union

H.E. Pedro Miguel da Costa e Silva Ambassador of Brazil to the European Union

H.E. Valeria Denisse Vilaseca Chumacero Ambassador of Bolivia

H.E. Jorge Rojas Rodríguez Ambassador of Colombia

H.E. Iván Emilio de Js. Ogando Lora Ambassador of the Dominican Republic

H.E. Hernan Ponce Aray Ambassador of Ecuador H.E. José Lambour Peñalonzo Ambassador of Guatemala

Allet

H.E. Andri Hadi Ambassador of the Republic of Indonesia

H.E. Dato' Ahmad Rozian Abd. Ghani Ambassador of Malaysia

H.E. Rogelio Garanguillhome Morfin Ambassador of Mexico

H.E. Obinna Chiedu Onowu Ambassador of Nigeria

H.E. Rigoberto Gauto Ambassador of Paraguay

H.E. Luis Enrique Chávez Basagoitia Ambassador of Peru

H.E. Sek Wannamethee Ambassador of Thailand Seh Wannanettes

4

The state of the s

181

H.E. Harriet Sena Siaw-Boateng Ambassador of Ghana 2007 11:

H.E. Abou Dosso Ambassador of Ivory Coast

Viviane de Pierrefeu CDA a.i. of Honduras July.

Honorable Heidi Hautala Vice President of the European Parliament

Honorable Manfred Weber Chairman of the European People's Party Group

Honorable Iratxe García Pérez Chairman of the Progressive Alliance of Socialists and Democrats Group

Honorable Stéphane Séjourné President of the Renew Europe Group

Honourable Ska Keller and Philippe Lamberts Co-Presidents of Greens/European Free Alliance Group

Honorable Marco Zanni President of Identity and Democracy Group

Honorable Raffaele Fitto & Ryszard Antoni Legutko Co-Chairmen of the European Conservatives and Reformists Group

Honourable Manon Aubry & Martin Schirdewan Co-President of the Left Group - GUE/NGL

H.E. Maroš Šefčovič Executive Vice-President for the European Green Deal

H.E. Josep Borrell Fontelles High Representative of the European Union for Foreign Affairs and Security Policy

H.E. Valdis Dombrovskis Commissioner for Trade and Executive Vice-President for an Economy that Works for People

H.E. Janusz Wojciechowski Commissioner for Agriculture

H.E. Virginijus Sinkevičius Commissioner for the Environment, Oceans and Fisheries

H.E. Florika Fink-Hooijer Director General of ENVI

H.E. Sabine Weyand
Director General of TRADE

H.E. Helena König Deputy Secretary General of the European External Action Service

Honourable Pascal Canfin Chair of the Committee on the Environment, Public Health and Food Safety of the European Parliament

Honourable Bernd Lange Chair of the Committee on International Trade of the European Parliament