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JBCE'S POSITION ON THE SIMPLIFIED IMPLEMENTATION OF THE EU DEFORESTATION REGULATION

INTRODUCTION

The Japan Business Council in Europe (JBCE) appreciates the European Commission's initiative to simplify the implementation of the EU Deforestation Regulation (EUDR)¹. We hereby provide our response to the consultation on the proposed delegated regulation², along with suggestions to further rationalise the administrative burden in accordance with proportionality.

KEY MESSAGES

- ❖ Simplified implementation of the EUDR is essential to ensure feasibility and effectiveness across industries.
- ❖ Greater flexibility should be introduced to allow the **submission of single due diligence statements** covering multiple shipments/batches **from a variety of sources**.
- ❖ With regard to **rubber**,
 - Competent authorities should not require supporting evidence to prove rubber products do not contain natural rubber, unless there is obvious concern.
 - **Additional exemptions** should be introduced for rubber **based on the volume and weight of rubber components per item**.
- ❖ With regard to **paper**, **Alternative forms of information** should be accepted **in place of geolocation** for paper products, as tracing back to the pulp level is extremely difficult.
- ❖ JBCE recommends that the following are excluded from the scope of EUDR:
 - Empty replacement **packaging materials and wooden pallets**.
 - **Informational materials**.

¹ Regulation (EU) 2023/1115 of the European Parliament and of the Council.

² [Delegated Regulation amending Annex I of Regulation \(EU\) 2023/1115 \(EU Deforestation Regulation\)](#)

Due diligence: Greater flexibility to submit single statement covering multiple shipments/batches is required

[Case Study I]

FAQ 5.19 indicates that the due diligence statement can cover the shipments/batches for one year on the condition that (i) such statement is submitted prior to any shipments/batches of relevant products being placed on the market, made available or exported, (ii) the amount of the relevant products does not exceed the amount declared in such statement and (iii) the same due diligence statement applies to the series of shipments/batches.

We believe the benefit of this flexibility is limited and recommend a **revision of point (iii)** to reflect the operational realities faced by businesses sourcing similar materials from multiple suppliers.

Businesses procure from a **variety of sources**, even for the same ingredients/components/parts. Allowing the submission of a **single due diligence statement covering the shipments/batches for one year**, provided it indicates **all possible geolocation data** if not a single location, is necessary to achieve further simplification.

We believe this will not undermine the objectives of the EUDR since simplified methods of reporting can still prevent deforestation and forest degradation.

Rubber: Competent authorities must consistently exclude rubber products that do not contain natural rubber

Electrical and electronic equipment, machinery products and vehicles use rubber components—many of which are made entirely of synthetic rubber or contain only minimal amounts of natural rubber.

Such rubber parts are imported after incorporation in a machinery product, or as independent parts (for assembly or repair). Importers have been investigating whether their rubber parts are solely made of synthetic rubber or if they contain natural rubber. If it turns out they do not contain natural rubber, they are not subject to EUDR.

We welcome the Commission's proposal clarifying that rubber products manufactured without natural rubber are outside of the scope. We would like to emphasise that **Member States' competent authorities should not force the operators or traders to submit evidence to prove that such rubber products do not contain natural rubber unless there is obvious concern**. Otherwise, it would impose an administrative burden equivalent to treating rubber products solely made of synthetic rubber as if they were in the scope of EUDR. Even if the authorities require additional documentation, the only documents the

operators would be able to provide are the product specifications or supply chain component information documents (e.g. BOMcheck, chemSHERPA etc.).

Rubber: Scope should be further limited to ensure proportionality (Compliance cost >> avoided impact on the forest)

[Case Study II]

As for products containing natural rubber, it is extremely difficult to trace whether they contain natural rubber, and its origin if they do. This is because of the long and complicated supply chain tracing back from the downstream machinery companies.

In addition, it is practically difficult to adjust the supply chain quickly in cases where traceability is an issue. Identifying alternative suppliers that guarantee the same physical features and the quality assurance of the products which utilize the material can be a long and complicated process.

On the other hand, the degree of deforestation and forest degradation avoided is substantially limited considering the negligible amount of the natural rubber contained in such rubber parts. Therefore, we urge the introduction of **additional exemptions based on**

[Case Study I]

Ease reporting requirements to allow submission of single due diligence statement

In Company A (machinery manufacturer), more than 8,000 parts fall under the HS codes listed in Annex I and almost 2,000 parts (HS code basis) are found to be included in the scope of the EUDR. Considering the tremendous administrative burden submitting the due diligence statements would entail, it is necessary to allow the submission of single due diligence statements covering products with different origins, as long as they fall under the same HS code and all the origins are identified.

[Case Study II]

Scope should be further limited to ensure proportionality (Compliance cost >> avoided impact on the forest)

Company B (machinery manufacturer) imports around 1000 gaskets in a year. The weight of a single gasket is less than 100mg and the contained natural rubber is almost negligible. Nevertheless, they are required to chase numerous suppliers globally to comply with the EUDR even though the total volume of imported gaskets is less than 100g.

the volume and weight of rubber components per item placed on the EU market by an operator.

If it becomes practically difficult to place spare parts for electrical and electronic equipment, machinery and vehicles on the market as a result of EUDR compliance, it will be counterproductive for consumer goods in the EU and the wider environment, as spare parts play an important role in enabling longer use of products..

Paper products: Request that alternative information to geolocation be acceptable

Paper products are subject to significant compliance challenges under the EUDR, primarily due to the following reason:

The paper supply chain is highly complex, involving multiple sourcing and processing steps. Wood from different forests is often mixed at the logging site, mixed at the pulp mill, and mixed again at the paper mill. A single sheet of paper can contain fibres from dozens or even hundreds of different trees from different locations. Pulp, the raw material for paper, is usually processed in large quantities. A mill may buy logs or recycled paper from several suppliers or regions. These are mixed during the pulping process, making it impossible to separate the fibres by origin later. The concerns arising from the complexity are well illustrated in the publications of industrial stakeholders such as the explanation issued by American Forest & Paper Association³.

Considering such difficulty, we would request that if geolocation information cannot be obtained through the supply chains, **information on the country of harvest and sub-national region should be accepted as an alternative**, as long as the risk of deforestation or forest degradation can be properly assessed by utilising all the information available⁴.

In addition, it would be reasonable to take it into account in the EUDR compliance assessment if the relevant **products obtained certification** such as [PEFC \(Programme for the Endorsement of Forest Certification\)](#) and [FSC \(Forest Stewardship Council\)](#).

Packaging Materials : Recommendation to exclude empty replacement packaging and wooden pallets

Usually, commodities such as electrical and electronic products are imported together with their packaging (e.g., boxes) so the packaging material is not within the scope of the EUDR. However, a relatively small quantity of standalone packaging, used to replace damaged original packaging, is imported and does therefore fall within the scope of the EUDR, even

³ [Why the EU Needs to Reconsider the Deforestation Law | AF&PA](#)

⁴ See Article 6 Paragraph 1 (b) of the Regulation (EU) No 995/2010 (EU Timber Regulation).

though it is identical to the original packaging, which is outside the scope of the EUDR when imported along with another product to support, protect or carry it. Obtaining detailed due diligence data—such as precise geolocations—for such low-volume, specific-use packaging is disproportionately burdensome.

Since most packaging imported with products inside is out of scope of the EUDR, and considering the feasibility of compliance and the customs practice, we request that **empty replacement packaging also be excluded from the scope. The same applies to the wooden pallets.**

Rather, Regulation (EU) 2025/40 (packaging and packaging waste regulation) should aim to improve the recyclability of paper packing materials and thus, contribute to diminishing deforestation and forest degradation rather than imposing excessive and duplicated administrative burden.

Information materials (e.g., label, user manual etc.): Recommendation to exclude products imported separately

Labels, manuals and informational materials are out of the EUDR's scope if they were imported together with the product. However, in the case of globally standardised product designs, **documents and labels** required for circulation within the EU are sometimes affixed or packaged after the product is imported into the EU, as part of localisation activities.

We respectfully request that such items, **when imported separately for affixing or packaging** with products already placed on the market, also be **excluded** from the EUDR's scope, considering the compliance cost and small impact on deforestation or forest degradation.

ABOUT JBCE

Founded in 1999, the Japan Business Council in Europe (JBCE) is a leading European organisation representing the interests of over 110 multinational companies. Our members operate across a wide range of sectors, including information and communication technology, electronics, chemicals, automotive, machinery, wholesale trade, precision instruments, pharmaceuticals, textiles, and glass products.

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