

IMACE POSITION PAPER on the EU Sustainable deforestation-free market

Brussels, November 2020

This document reflects on the EU's declared intention to reduce its role in global deforestation by targeting commodities and products entering its market via a set of regulatory and non-regulatory measures EU communication: 'Stepping up EU Action to Protect and Restore the World's Forests' (COM (2019) 352 final).

IMACE supports the importance of sustainable deforestation-free commodity markets in the European Union

IMACE acknowledges that strengthening efforts to protect, restore and manage forests sustainably is central to the UN Agenda for sustainable development.

IMACE agrees that it is important for the EU to support the global against deforestation. EU actions can provide an important contribution towards reducing or halting deforestation, provided a comprehensive, and equitable set of rules and initiatives is set up and it is acknowledged that whilst no one-size-fits-all approaches will work across all agricultural commodities that the outcome and standard of assurance for all commodities should be consistent.

The topic of deforestation is complex and multi-layered and needs to be addressed carefully avoiding unintended side-effects and adverse effects such as disengagement of companies, and exclusion of certain smaller players in the value chain e.g. farmers.

It is important to understand that tackling deforestation requires cooperation and joint efforts between governments and public administration in origin countries and in all (EU and non-EU) destination markets.

New regulatory or voluntary measures can only be effective if undertaken in parallel with measures supporting the overall transformation of the different supply chains. All chain players (from producers to end consumers) need to be involved in the transition to be successful.

IMACE is of the opinion that the voluntary schemes in the plant/vegetable oil market have shown to be instrumental and effective in bringing parties together, defining common goals and increasing the (certified) volumes of sustainable and deforestation-free oils.

New EU action needs to be built on the various existing voluntary initiatives that target both producer countries and consumer markets. This will require a coordinated engagement of the EU and Member States with countries where deforestation risks arise which could further be

supported by an EU regulatory framework. A strong partnership and engagement of producing countries is vital for sustained success.

Accelerating change through regulatory measures

IMACE is open to provide input and discuss a potential EU regulatory framework aimed at accelerating, strengthening and mainstreaming already ongoing voluntary efforts towards no-deforestation.

In case a regulatory framework is set, **the scope should be European**, avoiding different legislations and initiatives in the Member States.

The **voluntary due diligence** as defined in the OECD due diligence guidance for responsible business conduct, implemented already by various private actors could be used **as a basis**.

It is important that the set obligations will be applicable to all stakeholders and companies in the supply chain, considering their size, impact and ability to drive change.

It is crucial that **traders/refiners of commodities with deforestation risk, are the first responsible actor to provide the Due Diligence documentation and proof points** as the actors further in the chain, using the traded/refined commodities, have little to no ability/impact to drive change locally.

IMACE sees also merit in inclusion of specific conditions within the **Trade and Sustainable Development chapter of EU trade agreements** with producing countries.

Next to setting up regulatory measures and specific chapters in trade agreements, it is equally important to set-up a **harmonized, transparent public monitoring & reporting system**.

A **stepwise enforcement** of the criteria covered by regulatory measures should ensure that improvement takes place and can be demonstrated.

Supporting initiatives

Next to the initiatives described above, other initiatives will be needed to drive the objective towards deforestation free supply chains:

- Clear **harmonized definitions** on “deforestation-free” need to be aligned based on the current applicable criteria of existing definitions and interpretations.
- **Trustworthy information/education of the public** on the importance of deforestation-free commodities, allowing consumers to make informed choices.

Multi-stakeholder dialogue

IMACE welcomes the idea of setting up a platform for multi-stakeholder dialogue on deforestation as deforestation can only be put to halt based on mutual understanding and collaborative efforts.

About the European Margarine Association: IMACE is the voice of the European margarine and spread producers. The association, which represents more than 70% of the European sector, has led the industry's efforts towards nutritional and environmental improvements for decades. IMACE focuses on continuous improvement and communication on the areas of nutrition, sustainability, information to consumers and food safety. For more information, please contact: Siska Pottie, Managing Director
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