

APAG & CESIO statement on the Delegated Act amending Annex I of EUDR

Brussels, 20 July – APAG (Oleochemicals Europe) and CESIO (European Committee of Organic Surfactants and their Intermediates) wish to express their views on the publication of the delegated act updating Annex I of the EU Deforestation Regulation (EUDR).

The inclusion of several palm-derived oleochemical products and derivatives is an important step towards improving consistency across the value chain and supporting the EU's objective of deforestation-free supply chains. However, significant gaps remain, as key downstream oleochemical and surfactant derivatives (e.g. surfactants under CN 3402) continue to be excluded. While upstream palm-derived feedstocks (i.e. fatty alcohols) are covered by the EUDR, commercially and functionally linked downstream products remain outside its scope.

This creates an uneven playing field: EU manufacturers using EUDR-compliant raw materials will face additional obligations and costs, while equivalent imported downstream products can continue to enter the EU market without being subject to the same due diligence requirements. This approach undermines both the environmental effectiveness of the Regulation and the competitiveness of European industry. The surfactant industry is a strategic part of the European economy, supplying essential ingredients for detergents, personal care products, pharmaceuticals, textiles, crop protection products and many other applications. Ca. 45% of the raw materials used to manufacture surfactants in Europe are bio-based, predominantly derived from palm and palm kernel oil.

The exclusion of key downstream products also creates opportunities for regulatory circumvention. For example, fatty alcohols used to manufacture surfactants are included in Annex I, whereas fatty alcohol ethoxylates and widely used surfactants remain outside the scope, despite being produced from the same feedstocks. This inconsistency weakens the coherence of the Regulation and will shift production outside the European Union without delivering environmental benefits.

Furthermore, the methodology supporting the Delegated Act does not adequately reflect the structure of the European oleochemical and surfactant value chain or the importance of downstream manufacturing within the EU.

APAG and CESIO remain committed to working constructively with the EU Institutions to ensure that the EUDR delivers both on its environmental objectives and on the EU's ambitions to strengthen industrial competitiveness.

APAG – Oleochemicals Europe represents a long-established sector of the European bioeconomy. Since the early 19th century, the oleochemical industry has been using rendered animal fats to manufacture bio-based products used for candles, paints, detergents, cosmetics, pharmaceuticals and many other applications.

Our industry continues to invest in sustainable technologies enabling the development of a circular bioeconomy: for instance, oleochemical products are used to de-ink used paper to enable recycling and to de-ice airplanes as an alternative to fossil-based materials.

For more information visit our website www.apag.eu or visit our [LinkedIn](#)

CESIO (the European Committee of Organic Surfactants and their Intermediates) is an industry association that represents manufacturers and marketers in the European surfactants industry. CESIO contributes to better understanding of surfactants and the many ways in which they contribute to economic development and quality of life; and addresses specific issues relating to human health and the environment in order to sustain their beneficial contribution to society. Surfactants have a wide range of end-uses including in household detergents, personal care formulations, industrial and institutional washing and cleaning, as well as technical applications in textiles, leather and paper treatment, agrochemicals, the metal, mining and oil industries, and in plastics, lubricants, paints and coatings.

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