Oleochemicals Europe

European Committee of Organic Surfactants and their intermediates

Statement

EUDR countdown: Europe has 43 days to make implementation work for industry

Brussels, 17 November 2026 – One year after the postponement, the EU is moving towards application of EUDR without having resolved fundamental problems with implementation or the uneven treatment of European manufacturers. The result risks undermining both environmental objectives and Europe's industrial competitiveness.

In 43 days the EU Deforestation Regulation (EUDR) is due to start applying to medium and large operators and traders. Yet significant barriers to compliance remain. The Information System still presents operational challenges, companies face legal obstacles to obtaining required geolocation data, and implementation remains uneven across Member States. Meanwhile, gaps in the Regulation's product scope continue to put European manufacturers at a competitive disadvantage.

One year ago, the EU postponed the EUDR to give businesses and public authorities more time to prepare. That additional time has allowed important implementation measures to be put in place. However, with application approaching, significant practical and legal issues identified by industry remain unresolved.

Europe risks exporting the manufacturing it wants to protect.

Together, the European oleochemical and surfactant industries generate more than €8 billion in annual turnover, directly employ over 18,000 people and support approximately 30,000 additional jobs. Our members transform natural oils and fats, including palm and palm kernel oils, into bio-based chemicals used in detergents, personal care, pharmaceuticals, food additives, lubricants, textiles, paper and crop protection. These established European value chains provide renewable alternatives to fossil-based chemicals and contribute to a more circular economy.

Yet the current regulatory framework risks penalising precisely these industries: when European manufacturers face costs that international competitors can avoid, sourcing, processing and investment decisions change. This increases the risk that production will move outside the EU, increasing dependence on imported products and reducing European supply-chain visibility. Renewable raw materials may also lose ground to fossil-based alternatives.

This runs counter to the EU's ambitions to strengthen industrial competitiveness, increase manufacturing capacity, reduce strategic dependencies and develop a resilient bioeconomy.

Make the EUDR work: protect forests while keeping manufacturing competitive in Europe.

APAG and CESIO fully support the EUDR's objective of preventing deforestation and forest degradation. Our members have invested in responsible sourcing, sustainability and traceability for many years. They are committed to complying with the Regulation. With application approaching, four issues now require urgent attention: reliable operation of the Information System; workable solutions where legal restrictions affect access to geolocation data; consistent interpretation and enforcement across Member States; and

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action to address remaining gaps in Annex I that risk creating an uneven playing field for European manufacturers.

The rules are not ready. The clock is ticking.

The EUDR Information System continues to raise serious operational concerns, including difficulties aggregating due diligence statements and uploading geolocation files for large supplier networks, unstable API connections, processing times incompatible with commercial operations and insufficient procedures for system outages. These are not matters of convenience. They determine whether companies can actually fulfil the Regulation's requirements.

Fundamental legal questions also remain unresolved. Article 9(1)(d) requires plot-level geolocation data, while legislation in some producing countries limits the collection or transfer of this information. Companies can therefore face conflicting legal requirements, without a recognised alternative compliance pathway. Uncertainty also remains over which documents competent authorities will accept as proof of legality.

Meanwhile, Member States are at different stages of preparation and do not necessarily interpret the Regulation consistently. Businesses operating across the Single Market risk facing different compliance expectations from one country to another.

EUDR scope is allowing gaps in the value chain and European industry is paying for them.

The recent Delegated Act updating Annex I was a welcome step, bringing several palm-derived oleochemical products into scope. But significant gaps remain: key surfactants under CN codes 3402 39, 3402 41, 3402 42 and 3402 49 remain excluded, even though the upstream fatty acids and fatty alcohols used to manufacture them are covered.

The resulting asymmetry is clear: European manufacturers must undertake due diligence and bear the associated costs on their covered raw materials, while manufacturers outside the EU can process equivalent materials into downstream surfactants and place them on the European market without comparable EUDR obligations.

The same product function is treated differently depending on where the final processing takes place. Rather than strengthening deforestation-free supply chains, this risks shifting downstream processing, investment and jobs outside Europe, while reducing visibility over the supply chains behind imported products.

The EU must act now.

The general EUDR review scheduled for 30 June 2030 is too far away to address the immediate risks. By then, the current asymmetry may already have shaped contracts, sourcing and investment decisions, and manufacturing capacity may have moved elsewhere.

APAG and CESIO therefore call on the European Commission to:

- **Make compliance workable:** ensure the Information System is functional and stress-tested under realistic commercial conditions, with reliable data handling and clear outage procedures.
- **Ensure legal clarity and harmonised enforcement:** clarify acceptable proof of legality and align implementation across Member States.

- **Complete Annex I:** launch a new assessment in 2027 of CN 3402 39, 3402 41, 3402 42 and 3402 49 at subcode level, using independently verifiable product-level data, and bring forward a further Delegated Act where the evidence supports inclusion.

This is not a call for another blanket delay. It is a call to address the shortcomings before they become permanent market distortions.

One year after the postponement, Europe is approaching application without the necessary conditions for consistent and effective compliance. A framework that companies cannot reliably apply will struggle to deliver its environmental objectives. One that disadvantages European manufacturers risks weakening the very industries investing in more sustainable production.

Protecting forests and maintaining a competitive European industrial base are not competing objectives. Effective EUDR implementation needs to deliver both.

APAG – the European Oleochemical Industry is 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 page

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.

For more information visit our website www.cesio.eu