



Department
for Environment
Food & Rural Affairs

The Rt Hon Lord Benyon
Minister for Biosecurity, Marine and Rural Affairs

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Sir William Cash MP
Chair
European Scrutiny Committee
14 Tothill Street
House of Commons
London SW1H 9NB

27 February 2023

Dear Sir William,

EM 14151/21: PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON THE MAKING AVAILABLE ON THE UNION MARKET AS WELL AS EXPORT FROM THE UNION OF CERTAIN COMMODITIES AND PRODUCTS ASSOCIATED WITH DEFORESTATION AND FOREST DEGRADATION AND REPEALING REGULATION (EU) NO 995/2010

Thank you for your letter of 7 December 2022 requesting further information on the risks of divergent approaches being adopted globally to tackling deforestation through supply chain measures, whether we have sought consensus with the EU on the design of such measures, and the impact of the finalised Regulation on the UK and Northern Ireland (NI) under the terms of the Northern Ireland Protocol (NIP).

We recognise the Committee's concerns around divergent approaches to tackling deforestation. To address this risk, we have been working collectively with partner countries across the globe to combat deforestation. The UK's proposals have been developed to help us achieve the UK's commitment to the Glasgow Leader's Declaration, signed by 140+ global leaders, including EU leaders, at COP26: to work collectively to halt and reverse forest loss and land degradation by 2030, while delivering sustainable development and promoting an inclusive rural transformation.

As part of implementing secondary legislation to implement our world leading Environment Act 2021, we will also provide guidance to businesses to help them understand if and how due diligence requirements will apply to them.

In addition, we have been delighted to work with other Governments and authorities, including the EU, within the Forest, Agriculture and Commodity Trade (FACT) Dialogue which we consider a transformational forum for global dialogue and action. The UK, as COP26 Presidents, launched the Dialogue in February 2021. The Dialogue convenes 28 major producer and consumer countries of internationally traded agricultural commodities to collectively agree actions to protect forests and other critical ecosystems, while promoting sustainable trade and development.

The 28 countries that have participated in FACT represent over 90% of global exports of palm oil, 80% of cocoa, and 57% of soya, paired with the countries who are major consumer markets of these commodities. They also account for 8 million hectares, or 34%, of annual global tree cover loss.

We will only be able to fully understand the impact of the EU Regulation on the UK as a whole and NI under the terms of the NIP once the final text of these new regulation has been released, and HM Government completes its analysis on both its potential applicability under Article 13(3) of the NI Protocol and the implications of its application.

The Regulation will be analysed both in terms of its legal basis (i.e., whether it can be interpreted as an amendment or replacement of the existing EU Timber Regulation) as well as its substance, including the potential burden on operators. Once we have completed this analysis, we will be able to provide an assessment of whether the Regulation should apply in NI and what the impact would be.

HM Government continues to formally engage with the EU on the impact of this Regulation on NI and have been doing so for over a year.

I am copying this letter to Philip Dunne MP, Chair of the Environmental Audit Committee and Martyn Atkins, Clerk of the Committee; Simon Hoare MP, Chair of the Northern Ireland Affairs Committee and Stephen Habberley, Clerk of the Committee; the Earl of Kinnoull, Chair of the European Affairs Committee in the House of Lords and Jarek Wisniewski, Clerk of the Committee; the Departmental Scrutiny Coordinator, Department for Environment, Food and Rural Affairs; and Les Saunders, EU Document Scrutiny Manager, Foreign Commonwealth & Development Office.

Yours sincerely, *ever*

Richard

THE RT HON LORD BENYON