PUBLICATION SUMMARY

Joint Position Paper by Indonesian CSOs on EUDR Benchmarking

The Indonesian Civil Society Coalition, comprising 45 organisations including NGOs, farmers' and plantation workers' unions, Indigenous Peoples' organisations, local communities, as well as representatives of women and youth, has launched a Joint Position Paper on the European Union's Deforestation-free Regulation (EUDR) benchmarking.

The EUDR is a significant initiative by consumer countries aimed at curbing global deforestation and promoting the sustainable production of commodities. The commodities covered by this regulation include timber, palm oil, cocoa, coffee, soy, rubber, beef, and some of their derivatives. The regulation requires products entering or leaving the European Union to be: 1) deforestation-free after 31 December 2020; 2) produced in accordance with the producing country's legislation; and 3) accompanied by due diligence statements.

Currently, the European Union legislatives are negotiating a 12-month delay in the full implementation of the EUDR. The implementation, originally planned for 30 December 2024, will be delayed to 30 December 2025 for large companies and to 30 June 2026 for micro and small enterprises. Indonesia, which is affected by the EUDR through five commodities—timber, palm oil, cocoa, coffee, and rubber—has begun taking preparatory steps to meet EUDR requirements.

The benchmarking rules within the EUDR pose potential challenges, especially for major producing countries like Indonesia. Indonesia's diverse commodity landscape, ranging from high-risk sectors such as palm oil and timber to low-risk commodities like cocoa, coffee, and rubber, underscores the need for a more detailed approach in risk assessment.

National systems that ensure commodities are produced legally and sustainably, such as the Legality and Sustainability Verification System (SVLK) for timber and the Indonesia Sustainable Palm Oil (ISPO) for palm oil, demonstrate Indonesia's commitment to improving forest and land governance as well as responsible production practices. These systems should be recognised and considered in the EUDR benchmarking assessments.

The current benchmarking system, which risks generalising the risk of all commodities within a country, can lead to unintended consequences, such as discrimination against low-risk commodities and negative impacts on small farmers, local communities, and Indigenous Peoples. Additionally, the lack of transparency in the assessment process and limited stakeholder involvement raise concerns about the fairness and effectiveness of the system.

The Indonesian CSOs proposes recommendations to be considered in the implementation of the EUDR benchmarking system. These recommendations include adopting commodity-specific risk assessments, enhancing stakeholder engagement, improving transparency, recognising existing sustainability initiatives, and conducting comprehensive socio-economic impact assessments.

[Read the Indonesian CSOs 'Joint Position Paper on EUDR Benchmarking]