

APAG & CESIO Statement on the EU Commission's proposal to amend the EU Deforestation Regulation (EUDR)

APAG and CESIO express their concern regarding the EU Commission's proposal to amend the EU Deforestation Regulation (EUDR). Particularly the delayed revision of the scope (Annex I review) and the limited progress in addressing the practical challenges surrounding traceability and engagement with Indonesia.

Legal restrictions in producing countries, such as Indonesia, prohibit the sharing of geolocation data, creating a barrier to tracking supply chains and meeting EUDR compliance requirements. Moreover, there is insufficient transparency surrounding ongoing discussions between the EU and producing countries. This lack of clarity raises concerns among stakeholders, weakens the credibility of the regulatory process, and risks halting palm oil imports into the EU market, thereby disrupting global supply chains and affecting industries and consumers across the Union.

Despite repeated engagement and constructive input from stakeholders, APAG and CESIO are concerned that the EU Commission will not be able to effectively resolve these traceability and data challenges in the coming months. This continuing uncertainty is undermining business confidence and long-term investment planning across the sectors. Failure to act swiftly risks far-reaching economic and industrial consequences.

Postponing the Annex I review to 2030 will lead to significant disruptions. European oleochemical and surfactant production will shift to other regions, which could result to the loss of ca. 30,000 European jobs and a reversion to fossil-based alternatives – which contradicts directly the objectives of the EU Green Deal and the EU Clean Industrial Deal. We therefore call for the review of Annex I to be finalised by June 2026.

Given the limited clarity and guidance, and to mitigate potential disruptions in supply chains, we recommend implementing a one-year postponement of the EUDR's application.

With the forthcoming publication of the EU Bioeconomy Strategy only weeks away, this situation places at risk key bio-based sectors that provide essential building blocks for hundreds of products integral to everyday life in Europe.

APAG and CESIO ask the European Commission to take immediate, pragmatic action to ensure that the EUDR achieves its environmental objectives without undermining Europe's sustainable industries and bio-based economy.

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](#) 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