Department
for Environment,
Food & Rural Affairs

Implementing due diligence regulations on the use of timber and forest risk commodities in Great Britain

Consultation Document

11 November 2026

We are responsible for improving and protecting the environment. We aim to grow a green economy and sustain thriving rural communities. We also support our world-leading food, farming and fishing industries.

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Consultation details

Consultation details

Responsible body: Department for Environment, Food and Rural Affairs (Defra)

Issued: 11 November 2026

Respond by: 23:59 on 17 January 2027

How and when to respond to this consultation

This consultation opened on 11 November 2026. Please respond by 23:59 on 17 January 2027.

The UK government strongly encourages responses via Smart Survey. Using Smart Survey assists analysis of responses, helping more efficient consideration of the issues raised for each question. Responses in languages other than English will be accepted. Please note that these responses may be translated using AI-assisted translation services.

If you are unable to respond via the online survey, please email your response to: deforestationconsultation@defra.gov.uk. Please include "Consultation response" in the subject line. We prefer electronic submission of your response in a machine-readable format to help us analyse your response efficiently. Please avoid sending images or Portable Document Format (.pdf) files.

If you wish to provide supporting documents or other attachments, please send them by email to deforestationconsultation@defra.gov.uk.

Generative AI may be used to assist in the analysis of responses. This technology can help process large amounts of data, identify key themes, and generate insightful summaries. All insights generated by AI will be subject to human oversight.

Conclusion of the consultation

After the consultation closes, we will summarise all responses and publish this on GOV.UK. The summary will include a list of names of organisations that responded, but not people’s names, addresses or other contact details. The consultation analysis, as well as wider engagement during the consultation period, will help inform the UK government’s next steps.

Executive Summary

The case for change

Forests are essential to climate stability, biodiversity, livelihoods and resilient food and commodity supply chains. Yet global forest loss continues, driven primarily by agricultural expansion, with consumption in Great Britain contributing to demand for commodities associated with deforestation. The Global Environmental Impacts of Consumption indicator[1] estimates that the UK's consumption-linked deforestation footprint is the second highest in Europe.

Global deforestation presents a national security and long-term economic risk to the UK. It undermines climate and ecological stability, threatens the supply of food and other critical resources, and increases exposure to price volatility and disruption. Reducing risk in the UK's commodity supply chains will help strengthen resilience, protect future prosperity and support a more secure economy.

Existing regulatory measures are insufficient: timber is already regulated in Great Britain to ensure our demand is not driving illegal logging, but the legislation to address illegal deforestation driven by agricultural expansion (which is responsible for up to 90% of human-induced global forest loss[2]) has not yet been made. Voluntary action has played an important role in increasing traceability and transparency in commodity supply chains but cannot address the problem alone.

Clear market signals are needed to do our part to tackle this collective global challenge and ensure that the UK is not a destination for commodities that have been produced as a result of illegal deforestation.

Existing frameworks

In the UK, timber is regulated by the Timber and Timber Products (Placing on the Market) Regulations 2013 as well as Assimilated Regulation (EU) 995/2010, which prohibit placing illegally harvested timber and timber products on the market in Great Britain. These measures have been an important measure to support delinking our demand for timber from the illegal destruction of forests at home and abroad, but the fundamental

[1] SEI/JNCC (2025), Commodity Footprints Dashboard. https://commodityfootprints.earth/
[2] Food and Agriculture Organization of the United Nations (2022), FRA 2020 Remote Sensing Survey. https://doi.org/10.4060/cb9970en

requirements have not been updated since they took effect more than ten years ago. A post implementation review conducted by Defra identified opportunities to improve the framework to ensure it remains an effective control and is in step with global developments. The UK government is now proposing to update the framework for timber in this consultation.

In 2021 the UK government introduced primary legislation to provide powers to tackle illegal deforestation by regulating the use of forest risk commodities. Schedule 17 of the Environment Act 2021 provides a framework for prohibiting the commercial use of forest risk commodities unless they were produced in compliance with relevant local laws. It establishes three core requirements: a prohibition on using illegally produced commodities, a requirement to establish and implement a due diligence system, and annual reporting on that due diligence system. Secondary legislation is needed to implement this framework, and the design of those regulations is the focus of this consultation.

The UK government is seeking to promote consistency across regulatory approaches addressing deforestation associated with timber and forest risk commodities.

The proposals in this consultation concern Great Britain. A new EU Regulation on Deforestation-free Products (EUDR), Regulation (EU) 2023/115, will apply in Northern Ireland under the arrangements supporting its dual market access. We intend to implement an effective and proportionate approach to reducing the risk of UK consumption contributing to illegal deforestation. In doing so, we will consider how the regime can support efficient compliance for businesses operating across multiple markets and contribute to wider international efforts, including in producer countries, to address deforestation. Stakeholder evidence will assist us in achieving these objectives.

Our proposals for timber and forest risk commodities

We intend to regulate seven commodity categories that evidence shows are significant drivers of global deforestation: **cattle, cocoa, coffee, oil palm, rubber and soy**, alongside **strengthening the existing timber regime**.

The approach would be legality-based: regulated commodities must have been produced or harvested in compliance with the relevant and applicable local laws. The proportionality of the proposed requirements has been a central consideration and is one of the focus points of this consultation.

The proposed framework brings together four elements:

- **Clarity on product scope and effective targeting of requirements.** Harmonised System (HS) product codes would identify the products that would be regulated. The use of HS codes would provide legal certainty for businesses, support

consistent compliance and enable effective enforcement by helping business and regulators identify in-scope products within supply chains. Regarding which products would be regulated, we would extend the current list of regulated timber products to expand the coverage of the framework. Similarly to the current timber product model, only specified forest risk commodity products would be regulated. Across timber and forest risk commodities we would seek to initially regulate a set of products with specified exclusions and evidence sought regarding inclusions and exclusion of certain products. The proposed scope is broadly comparable to Annex I of the EUDR.

- **Stronger evidence of origin, traceability, and legality.** Regulated timber and forest risk commodities would be required to be traceable to their harvest location or production areas, evidenced by geolocation data. A robust traceability requirement would strengthen the existing timber framework, and across commodities provide for an objective, data-driven source of information that would support better targeted assessments of risk, and make origin claims easier to check and enforce and harder to falsify. Businesses would use that origin data alongside other information to assess and reduce the risk that commodities were not produced in compliance with relevant laws and take action to mitigate any risks that they identify. Evidence requirements should be combined with appropriately designed risk assessment and mitigation requirements. For forest risk commodities, any risks of non-compliance with relevant local laws would need to be mitigated to a negligible level before commercial use, ensuring risk exposure is in line with existing controls on timber products.

- **An approach that supports compliance across the Great Britain market and applies requirements proportionately.** We are seeking views on simplifying due diligence requirements for downstream businesses, where reliable information generated upstream can inform their own due diligence and reduce unnecessary duplication when the same products change hands. To support such a differentiated approach, we are also seeking views on introducing a requirement for relevant due diligence information to be shared between regulated businesses, with a flexible business-to-business model.

- **Public accountability and effective enforcement.** Public annual reporting would support third party scrutiny of due diligence activity across regulated businesses. We are seeking evidence on how we ensure this is a proportionate requirement especially given our intent to avoid unnecessary duplication across regulated businesses and the need to protect commercially sensitive information. We also propose additional civil sanctions and investigatory powers for timber, complementing existing criminal powers, and seek views on operationalising the broad enforcement framework provided for forest risk commodities in Schedule 17 of the Environment Act 2021. This includes views on applying appropriate sanctions

and penalties across both regimes to support a broadly consistent approach to enforcement and deterrence where appropriate.

In this consultation, we are seeking evidence to test whether this package would effectively reduce the role that commodity consumption in Great Britain plays in driving deforestation globally and whether it would do so in a proportionate manner. This includes consideration of practical implications for smaller and larger businesses and producers including smallholders, risks of supplier exclusion or trade disruption, implementation costs, information-sharing arrangements and the support needed to comply.

All interested stakeholders are invited to share their expertise to inform final policy decisions.

Introduction

Purpose of this consultation

The UK government is seeking views on due diligence regulations applying to businesses that use commodities associated with global deforestation in their commercial activity. The aim of the proposal is to deliver a robust and proportionate approach to tackling global deforestation through a legality-based due diligence framework in Great Britain, while ensuring compatibility with other relevant regulatory requirements that apply in the UK and internationally.

Status of the proposals

Where the document describes an intended approach, this should be read as the UK government's current preferred policy position. Respondents are invited to comment on the intended policy outcomes, the practical effects of the options described, and the factors that the UK government should consider when determining how they should be implemented. The outcome of this consultation will inform both final policy design and, where relevant, decisions about implementation and delivery mechanisms. All proposals remain subject to consultation, further policy and legal analysis, impact assessment and Parliamentary processes.

Geographical scope

The proposals relate to regulations applying in Great Britain only.

In Northern Ireland, the EU's Regulation on Deforestation-free products (EUDR) will apply from 30 December 2026 as part of arrangements to ensure Northern Ireland's continued dual market access to the EU single markets and the UK internal market.

Scope of this consultation

This consultation is seeking views on the design of requirements applied to the use of timber and forest risk commodities.

Part 1 presents proposals on the regulatory scope, including:

- the approach to defining the products in scope
- the turnover threshold at which new regulatory obligations apply to a business

Part 2 presents proposals and seeks views on the requirements of an effective due diligence system, including:

- establishing commodity traceability and collecting data about the production or harvest area
- appropriate risk assessment, including risk factors and the use of data, tools and evidence
- the level to which identified risks should be mitigated and mitigating measures
- how due diligence requirements should apply proportionately to businesses that are downstream in the Great Britain supply chain
- requirements to share due diligence information, including traceability information, with other regulated businesses in the Great Britain supply chain

Part 3 seeks views on annual reporting requirements, including:

- how the UK government can ensure information required to be reported supports compliance monitoring, transparency and accountability
- how reporting requirements should apply to businesses that are downstream in the supply chain
- how the UK government can ensure reporting requirements are streamlined, and are complementary to, and do not duplicate, relevant reporting requirements elsewhere

Part 4 seeks views on proposals to effectively support and enforce regulatory compliance.

Part 5 seeks additional evidence on costs, risks and potential impacts to support the design of effective regulations and help mitigate unintended consequences, including impacts on smallholders and Indigenous Peoples and Local Communities (IPLCs). This includes views on the ambition to introduce a deforestation-free standard in the future.

Who should respond

We welcome views from anyone with an interest in the UK government's approach to addressing global deforestation linked to the consumption of relevant commodities in Great Britain. We particularly welcome responses from:

- Industry (involved in timber and forest risk commodities and products derived from them) and relevant trade associations
- Commodity producers and local community organisations
- Non-governmental and civil society organisations
- Other governments

Background

In June 2026, the UK government announced its intention to implement and strengthen due diligence regulations across the UK to decouple consumption of timber and forest risk commodities from global deforestation. This includes updating requirements for timber under the current Assimilated Regulation (EU) 995/2010 and The Timber and Timber Products (Placing on the Market) Regulations 2013 ('the UK Timber Regulation') and introducing regulations on forest risk commodities in Great Britain using other legal powers under Schedule 17 of the Environment Act 2021. These regulations will be implemented in the context of the application of the EU Regulation on Deforestation-free Products (EUDR) in Northern Ireland.

Healthy forests are essential to climate stability, sustainable economic growth and the livelihoods of communities at home and abroad, allowing us to secure supply chains, food and water resources, and long-term prosperity.[3,4] Forests generate clean air, regulate rainfall, buffer extreme weather conditions and stabilise local climates, and provide watershed services to surrounding agricultural industries and populations.[5,6,7] Over 1 billion people depend on forests for subsistence, as an economic safety net or as a direct source of income.[8] Forests play a vital role in mitigating climate change, capturing a notable portion of annual carbon emissions and storing ~400-900 gigatonnes of carbon in their wood and soil.[9,10] With more than 60,000 species of tree found in forests, providing habitat for 80% of amphibian species, 75% of bird species and 68% of mammal species, forests harbour an enormous variety of animal, plant and fungal life.[11]

Ecosystem collapse in critical regions like the Amazon or Southeast Asia could trigger major supply chain shocks and consequent food insecurity and price instability.[12] Even if ecosystem collapse is avoided, agricultural productivity will decline if nature loss continues

[3] Biodiversity loss - more than an environmental emergency, Roe, 2019. https://www.thelancet.com/journals/lanplh/article/PIIS2542-5196(19)30113-5/fulltext
[4] The Economics of Biodiversity: The Dasgupta Review, 2021. https://www.gov.uk/government/publications
[5] The Staggering Value of Forests—and How to Save Them, Kappen et al, 2020. https://www.bcg.com/publications/2020/the-staggering-value-of-forests-and-how-to-save-them
[6] Tropical deforestation causes large reductions in precipitation, Smith et al, 2023. https://www.nature.com/articles/s41586-022-05690-1
[7] Forest-based adaptation: transformational adaptation through forests and trees, Libert-Amico et al, 2022. https://doi.org/10.4060/cc2886en
[8] The Global Forest Goals Report 2021, United Nations Department of Economic and Social Affairs, United Nations Forum on Forests Secretariat. https://www.un.org/esa/forests/outreach/global-forests-goal-report-2021/index.html
[9]The enduring world forest carbon sink, Pan et al, 2024. https://doi.org/10.1038/s41586-024-07602-x
[10] Forest Carbon Stocks Indicator. Global Forest Review 2022, WRI, 2022. https://gfr.wri.org/biodiversity-ecological-services-indicators/forest-carbon-stocks
[11]FAO and UNEP, 2020. The State of the World's Forests 2020: Forests, biodiversity and people. https://doi.org/10.4060/ca8642en
[12] Department for Environment, Food & Rural Affairs, National security assessment on global ecosystems, 2026. Nature security assessment on global biodiversity loss, ecosystem collapse and national security - GOV.UK

on its current trajectory as a result of the loss of pollinators, increased likelihood of pests and decreased land quality.[13,14,15,16]

Forests are being rapidly degraded and destroyed around the world. In 2024, 6.7 million hectares of primary tropical forest were lost, the equivalent of losing 18 football pitches of forest per minute.[17] Agricultural expansion is responsible for at least 80-90% of permanent forest loss, of which a major driver is the production of a small number of globally traded agricultural commodities.[18,19,20,21,22]The UK is dependent on notable volumes of deforestation linked commodities, estimated in 2023 to drive 29,000 hectares of deforestation through its commodity consumption, the second highest global deforestation footprint of any European nation. [23]

The UK, along with over 140 countries, committed to halt and reverse forest loss and land degradation by 2030 as a signatory to the Glasgow Leaders' Declaration agreed at COP26 in Glasgow, but current trajectories mean we are unlikely to meet this pledge without concerted global action.[24]

In 2019 an independent taskforce, the Global Resource Initiative (GRI), developed practical recommendations in response to the impact of UK consumption on forests worldwide. The GRI's first report, published in March 2021, proposed that companies using forest risk commodities, agricultural products linked to widespread deforestation, should be subject to mandatory due diligence requirements within their supply chains.[25]

In response, the UK government consulted and introduced, as part of Schedule 17 of the Environment Act 2021, anti-deforestation measures. This legislation was first-of-its-kind and aimed at addressing illegal deforestation associated with the commercial use of forest

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[13] How much of the world's food production is dependent on pollinators?, Hannah Ritchie, 2021. https://ourworldindata.org/pollinator-dependence
[14] International Year of Plant Health, FAO, 2020. https://www.fao.org/plant-health-2020/about/en/
[15] Scientific review of the impact of climate change on plant pests – A global challenge to prevent and mitigate plant pest risks in agriculture, forestry and ecosystems, FAO, 2021. https://doi.org/10.4060/cb4769en
[16] The State of the World's Land and Water Resources for Food and Agriculture – Systems at breaking point, FAO, 2021. https://openknowledge.fao.org/items/55def12b-2a81-41e5-91dc-ac6c42f1cd0f
[17] Forest Pulse: The Latest on the World's Forests. Global Forest Watch, 2024. https://gfr.wri.org/latest-analysis-deforestation-trends
[18] The State of the World's Forests 2022. Forest pathways for green recovery and building inclusive, resilient and sustainable economies, FAO, 2022. https://doi.org/10.4060/cb9360en
[19] An assessment of deforestation and forest degradation drivers, Hosonuma et al, 2012. https://iopscience.iop.org/article/10.1088/1748-9326/7/4/044009/meta
[20] FAO Remote Sensing Survey reveals tropical rainforests under pressure, FAO, 2021. https://www.fao.org/documents/card/en/c/cb7449en
[21] Disentangling the numbers behind agriculture-driven tropical deforestation, Pendrill et al, 2022. https://www.science.org/doi/10.1126/science.abm9267
[22] Estimating the role of seven commodities in agriculture-linked deforestation, Goldman et al, 2020. https://files.wri.org/d8/s3fs-public/estimating-role-seven-commodities-agriculture-linked-deforestation.pdf
[23] Central indicator output – GLORIA model. Of relevant countries and regional groups included within the indicator. Commodity Footprints Dashboard, SEI/JNCC, 2025. commodityfootprints.earth.
[24] Glasgow Leaders Declaration on Forests and Land Use, 2021. https://webarchive.nationalarchives.gov.uk/ukgwa/20230418175226/https://ukcop26.org/glasgow-leaders-declaration-on-forests-and-land-use/
[25] Global Resource Initiative taskforce: Final recommendations report, 2022. https://www.gov.uk/government/publications/global-resource-initiative-taskforce

risk commodities. A further consultation was undertaken in 2022 to inform the design of secondary legislation required to bring this scheme into operation; however, such regulations have not yet been made.[26]

The UK Timber Regulation has been in place for over a decade and is designed to prevent illegally harvested timber entering the UK market through due diligence requirements. The UK government's 2025 Post Implementation Review [27] found that, while it remains relevant and effective overall, there are practical challenges, stakeholder concerns, and areas for improvement, suggesting that the framework may benefit from refinement to ensure it continues to operate effectively.

Whilst world-leading at the time, these measures have not kept pace with action necessary to address the global challenge of deforestation. Stakeholders internationally have made strides to combat deforestation but have been clear that voluntary action can only go so far. In recent years, business practice to address deforestation in global supply chains and the UK and international regulatory landscapes have shifted significantly. Key changes include the adoption of the EUDR in June 2023, due to apply in phases across the European Union and Northern Ireland from 30 December 2026.

Businesses, governments and commodity producers around the world have increasingly invested in new land and supply-chain management systems, as well as advanced tools and technologies, to develop supply chains that are fully traceable and more transparent. At the same time, certifications, standards and assurance schemes have evolved and strengthened, adapting their requirements and practices to support and verify progress towards legal, deforestation-free and conversion-free supply chains.

In this context, the UK government is considering how best to address global deforestation linked to the consumption of timber and forest risk commodities in Great Britain, ensuring that the regulatory framework is fit for purpose, future-proofed by accounting for recent investment and innovation, and protects the UK internal market. We want to hear from stakeholders to ensure a robust and proportionate approach is taken whilst delivering a cohesive regulatory framework for businesses operating across the UK and with other international markets.

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[26] Implementing due diligence on forest risk commodities, 2022 consultation. https://consult.defra.gov.uk/international-biodiversity-and-climate/implementing-due-diligence-forest-risk-commodities/

[27] Regulation (EU) No 995/2010 of the European Parliament and of the Council ("The UK Timber Regulation") Post Implementation Review, Defra 2025. https://www.legislation.gov.uk/ukia/2025/65/pdfs/ukia_20250065_en.pdf

Information to support responses to the consultation

This section provides information about the regulatory frameworks and a summary of the proposed policy model for timber and forest risk commodities.

We aim to use existing legislation to introduce due diligence regulations in Great Britain. To support you to answer the consultation, below we provide information about some of the relevant legal frameworks. To note, we may use legal powers outside of these instruments as necessary to implement the proposed policy effectively. As part of the policy objective of promoting consistency across the UK internal market, we also provide an overview of relevant EU deforestation requirements that will apply in Northern Ireland.

Regulation on timber and timber products

The UK Timber Regulation establishes obligations on operators who place timber and timber products on the market, as well as obligations on traders. We intend to make use of the enabling powers in the Product Regulation and Metrology Act 2025 to make amendments to the current UK Timber Regulation.

The UK Timber Regulation is enforced by the Office for Product Safety and Standards ('OPSS'). Under the current framework:

- The placing on the market of illegally harvested timber or timber products is prohibited. "Illegally harvested" means harvested in contravention of the applicable legislation in the country of harvest.
- An operator (any natural or legal person that places timber or timber products on the market) must exercise due diligence when placing timber on the market and maintain and regularly evaluate a due diligence system.
- The due diligence system comprises information gathering, risk assessment, and, where applicable, risk mitigation. Key information that operators must gather relating to the timber they intend to place on the market includes:
    - description, including the trade name and type of product and the common name of tree species and, where applicable, its full scientific name
    - the country of harvest and, where applicable, the sub-national region and concession of harvest;
    - the quantity of timber;
    - the names and addresses of the supplier to the operator and the trader to whom the timber and timber products have been supplied;
    - documents or other information indicating compliance with the applicable legislation.

- The due diligence system must also include procedures to assess the risk of illegally harvested timber, or timber products derived from such timber, being placed on the market. Except where the risk identified is negligible, the due diligence system must include adequate and proportionate measures to minimise that risk.

- A trader (a natural or legal person who, in the course of a commercial activity, sells or buys timber or timber products already placed on the UK market) must, throughout the supply chain, be able to identify the operators or traders who supplied the timber and timber products and, where applicable, the traders to whom they supplied timber and timber products. They must keep this information for at least five years and provide it to the competent authorities if requested.
- Specified breaches may constitute criminal offences and may result in enforcement action, including Notices of Remedial Action, fines and, in the most serious cases, imprisonment.

The current framework mirrors the EU Timber Regulation, Regulation (EU) 995/2010, which will be repealed by the EU Regulation on Deforestation-free products. It works alongside international mechanisms such as the legality aspects of the Forest Law Enforcement, Governance and Trade (FLEGT) licensing scheme, which provides assurance that timber exported from partner countries (countries that have entered into a Voluntary Partnership Agreement) complies with relevant laws and that only legally harvested timber enters the UK supply chain from partner countries.

The UK government undertook a Post Implementation Review of the effectiveness of the UK Timber Regulation, completed in March 2025. The review found that the UK Timber Regulation remains an important mechanism for reducing the risk of illegally harvested timber entering the UK market and has driven improvements in due diligence systems and supply chain traceability. However, it also identified key challenges such as the complexity of tracing timber through global supply chains, variability in compliance and enforcement, and limitations in available data to measure impact. Review participants warned that changes in international regulatory requirements, including the EUDR, could weaken the UK's enforcement capabilities and increase the risk of the UK market becoming a destination for illegally harvested timber. They also noted that divergence between regulatory frameworks across Europe and within the UK could create confusion and administrative burdens for businesses exporting to the EU.

We now intend to update the operation of the UK Timber Regulation to ensure its continued effectiveness to address illegal logging in line with global developments and support compatible requirements with regulation on forest risk commodities.

Regulation on forest risk commodities

Primary legislation is already in place to address the use of non-timber commodities associated with global deforestation. Schedule 17 of the Environment Act 2021

establishes a framework to regulate the use of forest risk commodities in commercial activity. A forest risk commodity is a commodity designated in regulations that is produced from a plant, animal or other living organism where forest is being, or may be, converted to agricultural use for the purposes of producing the commodity. Products derived from a forest risk commodity are within scope. Timber and timber products are explicitly excluded from the scope of this framework.

In relation to forest risk commodity, the framework applies to “regulated persons”, a person (other than an individual), who carries on commercial activities and meets the conditions specified in regulations, including conditions relating to turnover.

Schedule 17 of the Environment Act 2021 establishes three core requirements: a prohibition on using illegally produced commodities, a requirement to establish and implement a due diligence system, and annual reporting on that due diligence system.

1. **Prohibition on using illegally produced commodities**

A regulated person in relation to a forest risk commodity must not use that commodity, or a product derived from that commodity, in its commercial activities unless relevant local laws were complied with in relation to that commodity.

“Relevant local law”, in relation to a forest risk commodity, means a local law:

- which relates to the ownership of the land on which the source organism was grown, raised or cultivated;
- which relates to the use of that land; or
- which otherwise relates to that land and is specified in regulations made by the Secretary of State. A law may only be specified if it relates to the prevention of forest being converted to agricultural use.

2. **Requirement to establish and implement a due diligence system**

A regulated person who uses a forest risk commodity, or a product derived from that commodity, in their commercial activities must establish and implement a due diligence system in relation to that commodity. This is broadly defined as a system for:

- identifying, and obtaining information about, the commodity;
- assessing the risk that relevant local laws were not complied with in relation to the commodity; and
- mitigating that risk.

3. **Annual reporting on the due diligence system**

For each reporting period, a regulated person who uses a forest risk commodity, or a product derived from that commodity, in their commercial activities must provide the relevant authority with a report on the actions they have taken to establish and implement their due diligence system.

The report must be provided no later than six months after the end of the reporting period. A reporting period follows the UK financial year.

Secondary legislation is required to implement these provisions and establish how the regime will operate in practice. This includes but is not limited to defining:

- Forest risk commodities and products derived from them (i.e. the commodities and products in scope of the regulations);
- The thresholds conditions to determine which businesses that use forest risk commodities in their commercial activity are “regulated persons”;
- The requirements of establishing and implementing a due diligence system
- The content and form of annual reports

This consultation will inform the design and delivery of these secondary regulations and inform guidance to support stakeholders to comply.

Regulation applying in Northern Ireland:

The EU Regulation on Deforestation-free Products (EUDR) will apply in Northern Ireland as part of arrangements under the Windsor Framework which ensure Northern Ireland’s unique access to the EU single market. The EUDR will repeal Regulation (EU) 995/2010 (EUTR) (see EU Timber Regulation). The EUDR will apply from 30 December 2026 to medium and large operators, as well as micro and small operators already subject to the EU Timber Regulation. For other micro and small operators, the EUDR will apply from 30 June 2027. Products newly added to the EUDR’s scope in 2026 will become subject to the Regulation from 30 December 2027.

Commodity scope

The EUDR applies to seven commodities: **cattle, cocoa, coffee, oil palm, rubber, soya and wood**. Harmonised System codes are used to define the specific products in scope, which are listed in Annex I of the regulation. The product scope is subject to change by the European Commission.

The prohibition

Relevant commodities and relevant products shall not be placed or made available on the market or exported, unless all the following conditions are fulfilled:

(a) they are deforestation-free;

(b) they have been produced in accordance with the relevant legislation of the country of production; and

(c) they are covered by a due diligence statement or a simplified declaration, as required by the relevant provisions of the EUDR.

Due diligence and reporting obligations

Operators are persons who, in the course of a commercial activity, place relevant products on the market or export them, excluding downstream operators. They must:

- exercise due diligence with regard to all relevant products;
- submit a due diligence statement before placing relevant products on the market or exporting them, declaring that due diligence was exercised and no or only a negligible risk was found;
- communicate relevant due diligence statement reference numbers or declaration identifiers further down the supply chain; and
- where they are not SMEs, including microenterprises, or natural persons, report publicly on their due diligence system annually.

Micro or small primary operators are a specific category of operator and are subject to a simplified regime, including submission of a one-time simplified declaration instead of a due diligence statement.

Downstream operators and traders are businesses further along the commercial supply chain. Downstream operators and traders must:

- if the first downstream operator or trader, collect and retain certain information for at least five years, including due diligence statement reference numbers or declaration identifiers if supplied by an operator;
- inform competent authorities of new information indicating a risk of non-compliance in products they have placed or made available on the market;
- register in the EUDR Information System if they are undertakings that are not micro, small or medium-sized (non-SMEs); and
- if non-SMEs, if a substantiated concern arises, verify that due diligence was exercised and found no or only a negligible risk before placing or making products available on the market or exporting them.

For more information about the definitions of different business roles within a supply chain, see the guidance available here.

EUDR regulatory controls and enforcement

Competent Authorities are responsible for the regulatory controls, monitoring compliance and when necessary, taking enforcement action for breaches of the EUDR. For relevant products placed on the market in Northern Ireland, the Office for Product Safety and

Standards (OPSS) will act as the competent authority for rubber and wood. The Department of Agriculture, Environment and Rural Affairs (DAERA) will be the competent authority for cattle, cocoa, coffee, oil palm and soya.

- Guidance on moving, exporting or placing deforestation-free products on the market in Northern Ireland is available here.
- Further guidance published by the European Commission on complying with the EUDR is available here.

Summary of regulatory proposals in Great Britain

The tables below summarise the policy model proposed in this consultation to enable respondents to assess its likely operation and impacts. Individual elements remain subject to consultation and further policy and operational development. Further detail on these proposals is provided in the relevant sections of the consultation.

Proposed requirements on forest risk commodities in Great Britain	
The UK government is proposing to implement the following core requirements on the use of forest risk commodities (non-timber commodities):	
Regulatory scope	
1. Use Harmonised System codes as the method to define the regulated product scope	*Harmonised System codes could provide a clear and consistent basis for identifying the products that fall within scope of the regulations.*
2. Regulate 6 commodity categories and focus regulation on a targeted list of forest risk commodity products comparable to Annex I to the EUDR	*The 6 forest risk commodity categories are oil palm, cattle, soy, rubber, cocoa and coffee.*
3. Regulate businesses with an annual global turnover of more than £1m	*Requirements would apply if the turnover threshold was reached in the previous financial year. Businesses below this threshold would not be in scope of any regulatory requirements.*

Requirements of a due diligence system	
4. Require commodity traceability to the production area(s), with geolocation data collected as evidence of origin	*We are considering the application of a robust and data driven commodity traceability requirement to support effective due diligence and provide greater assurance regarding the origin of relevant commodities and compliance with relevant local laws. We are also considering how such a requirement could support interoperability with relevant systems already established by businesses and producers.*
5. Require that any identified risks of non-compliance are mitigated to a negligible level	*Where a business identifies a risk of noncompliance with relevant local laws through its due diligence, it would be required to mitigate that risk to a negligible level before using the commodity or product in its commercial activities.*
6. Differentiate the approach to due diligence systems based on a business's position in the supply chain	*We are seeking views on how a differentiated approach to due diligence across the supply chain could reduce duplication, while recognising the responsibilities of downstream businesses under the statutory framework established by Schedule 17 of the Environment Act 2021.*
7. Create a regulatory requirement that relevant information should be shared between regulated businesses, operated flexibly through a business-to-business model	*We are seeking views on whether relevant due diligence information, including traceability information, should be shared with businesses further downstream to support them in meeting their own requirements under Schedule 17 of the Environment Act 2021. The consultation also considers how this information should be shared, including whether this can be done through businesses' existing systems and processes.*

Annual reporting requirements	
8. Apply effective and proportionate annual reporting requirements	*We are seeking views on the content of an annual report that must be submitted to the regulator, and what information should be published to support effective public scrutiny. We are also considering how annual reporting requirements should be applied proportionately to businesses at different points in the supply chain.*
Enforcement and compliance	
9. Operationalise the enforcement framework	*Schedule 17 of the Environment Act 2021 provides for a graduated and comprehensive set of enforcement powers. We are considering how the available enforcement framework could be operationalised for the proposed policy model.*
10. Consider which civil sanctions would be appropriate and, in particular, the maximum level of any Variable Monetary Penalty	*We are seeking views on which civil sanctions would be appropriate and, in particular, any appropriate maximum Variable Monetary Penalty for noncompliance, including whether this should be set as a fixed monetary amount, by reference to business turnover, or an unlimited amount.*

Proposed updates to requirements on timber and timber products in Great Britain	
The UK government is proposing to make the following core changes to existing due diligence regulations for timber and timber products:	
Regulatory scope	
1. **Expand the list of timber products in scope, to make it comparable to the EUDR Annex I wood product scope**	*The range of timber and timber products subject to the prohibition and due diligence requirements would be increased.*
2. **Only apply new regulatory requirements to businesses with a global annual turnover of more than £1m**	*New regulatory requirements are those proposed in this consultation. The new requirements would apply if the turnover threshold was reached in the previous financial year. Businesses with an annual global turnover of £1m or less already in scope of the UK Timber Regulation would instead maintain their existing obligations as defined currently under the UK Timber Regulation.*
Requirements of a due diligence system	
3. **Require timber traceability to harvest site(s), with geolocation data collected as evidence of origin**	*As with forest risk commodities, we are also considering the application of a robust and data driven timber traceability requirement to support effective due diligence and provide greater assurance regarding the origin of relevant commodities and compliance with applicable laws. We are also considering how such a requirement could support interoperability with relevant systems already established by businesses and producers.*
4. **Create a regulatory requirement that relevant information should be**	*In line with the proposal on forest risk commodities, we are seeking views on*

shared between regulated businesses, operated flexibly through a business-to-business model	*whether relevant due diligence information, including traceability information, should be shared with timber Traders to increase the effectiveness of the regulation. The consultation also considers how this information should be shared, including whether this can be done through businesses' existing systems and processes.*
Annual reporting requirements	
5. Consider annual reporting requirements in a manner comparable with forest risk commodities	*We are considering whether annual reporting requirements should apply to timber businesses, taking account of the reporting approach proposed for forest risk commodities and the existing requirements applying to the timber sector.*
Enforcement and compliance	
6. Increase the variety of tools and powers available to the Regulator to effectively support compliance and enforcement	*A broader suite of powers would improve compliance outcomes by allowing intervention at an earlier stage, enhancing behaviour change and reducing the need to rely solely on criminal prosecution.*
7. Update guidance to support businesses to comply	*Stakeholder feedback has highlighted that they would benefit from clearer guidance. Improvements to the clarity of guidance will be considered alongside strengthening the timber regulations.*

For clarity to support responses, the UK government is <u>not</u> seeking to introduce the following policies in Great Britain at this stage:

- **A prohibition on commodities if they are not deforestation-free.** The UK Timber Regulation and Schedule 17 of the Environment Act 2021 establish prohibitions based only on whether a commodity was legally harvested or produced. The UK government has set out its ambition to transition to a deforestation-free standard in the future.
- **Requirements for Due Diligence Statements to be submitted to the UK government in advance of placing a product on the Great Britain market.**

Reporting requirements under consideration in this consultation are annual and retrospective.

- **New customs controls or border checks on goods entering Great Britain**. There will be no additional information requirements for market entry at the border or changes to import or export documentation.
- **The publication of a country-level risk benchmarking system that classifies countries according to the level of risk that commodities are produced on land subject to deforestation or illegally produced**. Regulated businesses will be required to appropriately assess risk as part of their due diligence on their supply chains, and country of origin may form part of that assessment. This is already the case for timber products under the current UK Timber Regulation and would not change.

Using and sharing your information

Confidentiality and Privacy Notice

How we use your personal data is set out in the consultation and call for evidence exercise privacy notice which can be found here: https://www.gov.uk/government/publications/defras-consultations-and-call-for-evidence-exercises-privacy-notice

The privacy notice outlines that Defra may share consultation responses, including personal data, with authorised individuals and organisations within UK government involved in delivering or supporting the policy and the consultation.

There may be occasions when Defra will share the information you provide in response to the consultation, including any personal data with analysts. This is for the purposes of consultation response analysis and provision of a report of the summary of responses only.

Other Information

This consultation is being conducted in line with the Cabinet Office “Consultation Principles” and be found at: Microsoft Word - Consultation Principles (1).docx (publishing.service.gov.uk)

If you have any comments or complaints about the consultation process, please email: consultation.coordinator@defra.gov.uk

Consultation

Identifying questions

Section A: About you

Consent Form

Question 1: Would you like your response to be confidential? *Please refer to the Confidentiality and Privacy Notice listed above for more information on how your personal data is used and processed by Defra.*

Defra may publish the content of your response to this consultation to make it available to the public without your personal name and private contact details (e.g. home address, email address, etc).

If you click on **'Yes'** in response to the question asking if you would like anything in your response to be kept confidential, you are asked to state clearly what information you would like to be kept as confidential and explain your reasons for confidentiality.

If you click on **'No'** in response to the question asking if you would like anything in your response to be kept confidential, we will be able to release the content of your response to the public, but we won't make your personal name and private contact details publicly available.

[Required - Single Choice]
☐ Yes
☐ No

If you answered 'Yes' to Question 1, please give your reason(s).

[Required - Open text]

Question 2: Provide your full name

If you are representing an organisation or group, you will be asked its name later (see Question 9)

[Required - Open text]

Question 3: Provide your email address. If you do not have an email address, please provide a full postal address including postcode.

[Required - Open text]

Question 4: What country are you based in?

[Required - Open text]

Question 5: Which of the following commodities are most relevant to you or the views you are providing in response to this consultation? This includes products derived from these commodities. *Please select all that apply.*

[Required]

☐ Cattle
☐ Cocoa
☐ Oil palm
☐ Rubber
☐ Soy
☐ Coffee
☐ Timber
☐ None of the above

Question 6: Are you responding:

[Required – Single choice]

☐ On behalf of an organisation
☐ As an individual

[Please note Question 7 only applies if responding as an individual]

Question 7: If you are responding as an individual, which sector do you most closely represent or have experience in?

[Required – Single Choice]

☐ Agricultural production
☐ Livestock production
☐ Other primary commodity production
☐ Forestry and land management
☐ Commodity processing and manufacturing (for example, milling, refining, crushing or slaughtering)
☐ Consumer goods manufacturing (non-food)
☐ Wholesale and distribution (including food and drink wholesalers)
☐ Retail (including supermarkets and e-commerce retailers)
☐ Construction and property development
☐ Transport, logistics and supply chain services
☐ Energy, power and utilities
☐ Financial and insurance services
☐ Healthcare and pharmaceuticals

☐ Professional services and consultancy (for example, sustainability, legal or supply chain management)
☐ Technology, SaaS and digital services
☐ Academic or research
☐ Prefer not to say
☐ Other (please specify)
[Open text]

Section B: About your organisation

[Please note this section only applies if responding on behalf of an organisation]

Question 8: What type of organisation are you responding on behalf of?

[Required – Single Choice]

☐ A government body
☐ Non-governmental organisation
☐ Civil society organisation
☐ A business (including businesses that are also primary commodity producers)
☐ Industry association
☐ Community or Indigenous Peoples' organisation
☐ Academic or research institution
☐ Other (please specify)

[Open text]

Question 9: Please provide your organisation's name.

[Open text]

Section C: About your business

[Please note this section is for business respondents only]

Question 10: Which sector best describes your business?

[Required – Single choice]

☐ Agricultural production
☐ Livestock production
☐ Other primary commodity production
☐ Forestry and land management

☐ Commodity processing and manufacturing (for example, milling, refining, crushing or slaughtering)
☐ Consumer goods manufacturing (non-food)
☐ Wholesale and distribution (including food and drink wholesalers)
☐ Retail (including supermarkets and e-commerce retailers)
☐ Construction and property development
☐ Transport, logistics and supply chain services
☐ Energy, power and utilities
☐ Financial and insurance services
☐ Healthcare and pharmaceuticals
☐ Professional services and consultancy (for example, sustainability, legal, audit, compliance or supply chain management)
☐ Technology, SaaS and digital services
☐ Other (please specify)

[Open text]

Question 11: What is your business' annual turnover globally?

[Required – Single Choice]

(assuming 1 GBP = 1.33 USD = 1.19 EUR)

☐ 0 up to 1 million GBP
☐ 1 million up to 15 million GBP
☐ 15 million up to 54 million GBP
☐ 54 million up to 350 million GBP
☐ 350 million up to 500 million GBP
☐ 500 million up to 1 billion GBP
☐ 1 billion and above GBP
☐ Don't know

Question 12: How many employees does your organisation have in the UK?

[Required – Single Choice]

☐ 0-9 employees
☐ 10-49 employees
☐ 50-249 employees
☐ 250 or more employees
☐ Not applicable (non-UK organisation)
☐ Don't know

Question 13: Is your organisation part of a wider corporate group?

[Required – Single Choice]

☐ Yes, we have a parent company
☐ Yes, we have one or more subsidiaries
☐ Yes, we have both a parent company and subsidiaries
☐ No

If applicable, please provide the number of subsidiaries within your corporate group and indicate whether any are based outside the UK. If so, please specify the country or countries in which they are based.

[Open text]

Question 14: Is your organisation within scope of the following due diligence or supply chain legislation and frameworks? *Please select any existing or upcoming legislation listed below that applies:*

[Multiple Choice]

☐ Assimilated Regulation (EU) 995/2010 and The Timber and Timber Products (Placing on the Market) Regulations 2013 – 'UK Timber Regulation'
☐ UK Modern Slavery Act 2015
☐ EU Regulation on Deforestation-free Products (EUDR) – Regulation (EU) 2023/1115
☐ EU Forced Labour Regulation - Regulation (EU) 2024/3015
☐ EU Corporate Sustainability Due Diligence Directive (CSDDD) - Directive (EU) 2024/1760
☐ None of the above
☐ Other (please specify)

[Open text]

[Please note Question 15 is for organisations who selected EUDR to Question 14]

Question 15*:* What is your role in complying with the EUDR in the EU or Northern Ireland? *If you have multiple roles, please select all that apply.*

[Required – Multiple Choice]

☐ I am the first to place relevant products on the market or export them (Operator)
☐ I place on the market or export relevant products made using relevant products, all of which are already covered by a due diligence statement or by a simplified declaration (Downstream operator)

☐ I make products available on the market, which are already in free circulation (Trader)
☐ I don't know

[Please note Question 16 and 17 are for business respondents only]

Question 16: What types of activities does your organisation undertake in Great Britain in relation to timber and timber products or forest risk commodities? *Please select all that apply.*

[Required – Multiple Choice]

☐ Producing
☐ Processing
☐ Manufacturing
☐ Importing
☐ Distributing or wholesaling
☐ Selling direct to consumers (including retail) with a physical presence in Great Britain
☐ Online sales to provide products direct to customers (i.e. a business' own website) without a physical presence in Great Britain
☐ Online sales to provide products direct to customers (i.e. a business' own website) with also a physical presence in Great Britain
☐ Online sales made over a third-party platform direct to end-users without a physical presence in Great Britain
☐ Supplying products to other businesses
☐ Purchasing commodities or products for use in the above activities
☐ Exporting
☐ None of the above
☐ Other, please specify
[Open text]

Question 17: What is your position in timber or forest risk commodity supply chains in Great Britain? *Select all statements that apply.*

[Required – Multiple Choice]

☐ I grow or rear a commodity myself and sell to another business (or businesses) who place it on the market in Great Britain
☐ I grow or rear a commodity myself and directly place it on the market in Great Britain
☐ I place a product on the market in Great Britain that has not been placed on the market before
☐ I buy products in Great Britain already placed on the market by another business (I am a downstream business)
☐ I sell products in Great Britain to a downstream business

☐ I sell products in Great Britain direct to consumers (I am at the end of the commercial supply chain)
☐ I move products to Northern Ireland
☐ I move products from Northern Ireland
☐ I export products to the European Union
☐ I import products from the European Union
☐ I export products to rest of world
☐ I import products from rest of world
☐ None of the above
☐ Other, please specify
[Open text]

Part one: Regulatory scope

This section seeks views on the scope of products and businesses that should be regulated.

Products in scope

The UK Timber Regulation and Schedule 17 of the Environment Act 2021 establish regulatory frameworks under the objective of ensuring that consumption in Great Britain does not contribute to illegal deforestation as a result of timber harvesting or agricultural expansion.

To achieve policy impact, we intend to apply the proposed regulations to seven commodity categories that evidence shows are significant drivers of deforestation and consumed in large quantities in Great Britain. These are: **timber, oil palm, soy, rubber, cattle, cocoa and coffee.** Certain timber products are already covered under the UK Timber Regulation. In this consultation we are seeking views on how best to define the specific products that should fall within scope of these commodity categories.

The UK government considers that clearly defining regulated products, and focusing the regulatory scheme, is important to provide legal certainty for business, support consistent compliance and enable effective enforcement.

a) The method of defining products in scope

We recognise that product scope is a significant factor to the effectiveness of the regime to address the role of our domestic consumption in global deforestation. Clearly identifying which products fall within scope through an appropriate method is important to enable businesses to know when requirements apply, and support regulators to effectively monitor and enforce compliance and make efficient use of resources.

The UK Timber Regulation uses Harmonised System codes to define which timber products are in scope, providing businesses with a clear and administrable way to identify the products subject to the regulations. Schedule 17 of the Environment Act 2021 makes provision for forest risk commodities to be specified in regulations. Stakeholder feedback indicates that setting out a defined list of regulated products for forest risk commodities would provide a clear and practical framework for businesses to undertake targeted, robust due diligence and improve enforceability.

We propose to use Harmonised System codes to specify which forest risk commodity products are subject to the regulations in Great Britain:

- Using a standardised classification system already familiar to businesses, trade partners and regulators would make it easier to identify which products are regulated and when requirements apply, supporting robust due diligence and compliance monitoring.
- Applying the same method to timber and forest risk commodities would provide a consistent approach to defining product scope in Great Britain. This may reduce complexity and uncertainty for businesses handling different commodities. This may also facilitate businesses trading across markets with comparable approaches, such as under the EUDR in Northern Ireland and the EU.

b) Specific timber products in scope

The list of timber products within scope of the UK Timber Regulation has not been substantively updated since the requirements took effect in 2013. When coupled with robust requirements and controls, expanding the timber product scope could strengthen the regulations' effectiveness in preventing illegally harvested timber from entering the Great Britain market by extending due diligence requirements to a wider range of timber products and supply chains. Bringing additional products into scope would address gaps and require regulated businesses to assess and mitigate the risk of illegal harvesting in the timber used to make those products. As an additional consideration, a broader scope comparable to that in Northern Ireland and the EU could reduce the risk of Great Britain becoming a destination for illegally harvested timber products that cannot be sold in those markets, while reducing complexity for businesses trading across them.

We propose to bring additional timber products into scope to strengthen protection against illegally harvested timber entering the Great Britain market. This would also support a product scope aligned to that in Northern Ireland and the EU.

Please see the current list of products in scope of the UK Timber Regulation here.

The additional timber products proposed are:

- ***HS 4402**:* Wood charcoal (including shell or nut charcoal), whether or not agglomerated

- ***HS 4404**:* Hoopwood; split poles; piles, pickets and stakes of wood, pointed but not sawn lengthwise; wooden sticks, roughly trimmed but not turned, bent or otherwise worked, suitable for the manufacture of walking sticks, umbrellas, tool handles or the like; chipwood and the like
- ***HS 4405:*** Wood wool; wood flour.
- ***HS 4417:*** Tools, tool bodies, tool handles, broom or brush bodies and handles, of wood; boot or shoe lasts and trees, of wood
- ***HS 4419:*** Tableware and kitchenware, of wood
- ***HS 4420**:* Wood marquetry and inlaid wood; caskets and cases for jewellery or cutlery, and similar articles, of wood; statuettes and other ornaments, of wood; wooden articles of furniture not falling in Chapter 94
- ***HS 4421:*** Other articles of wood. Pulp and paper of Chapters 47 and 48 of the Combined Nomenclature, with the exception of bamboo-based and recovered (waste and scrap) products
    - ***9401 (ex):*** Seats (other than those of heading 9402), whether or not convertible into beds, and parts thereof, of wood
    - ***9403 91 (ex):*** Wooden furniture, and parts thereof
    - ***9406 10 (ex):*** Prefabricated buildings of wood.

As part of the proposed update to the timber product scope, we are considering an exclusion for wood packaging used solely to support, protect or carry another product, reflecting the particular function of these products. A similar exclusion is also provided for under the EUDR.

c) Specific forest risk commodity products in scope

Regulating a targeted list of products initially would allow the UK government to monitor this new regime's effectiveness and use implementation evidence to inform any future expansion. We aim to introduce robust and ambitious due diligence requirements for traceability to source and the assessment and mitigation of legality risks, as consulted on in Part Two. We believe that excessive regulation of derived products makes enforcement impractical; this may, in practice, lead to enforcement gaps that could weaken the regime's integrity. Limiting the scheme's coverage to a number of appropriate products would enable the UK government to consider broader coverage over time as evidence and capability to meet robust requirements grow. In recent years, businesses and producer countries have established, and continue to develop, ambitious traceability systems, risk management tools and deforestation-related assurance schemes for specific commodities and products, largely in preparation for the EUDR but broadly in recognition of the imperative to protect forests and tackle the impacts of climate change on agricultural production, economic growth and food security. UK and wider European supply chains are closely interconnected where production sites generally supply both markets rather than segregating commodities solely for Great Britain. Our approach is therefore intended to build on and support this progress, rather than disrupt it by inserting additional complexity at this time through product scope divergences to trade in Great Britain.

We propose to focus regulation on a targeted list of forest risk commodity products comparable to Annex I to the EUDR to support the application of robust due diligence requirements from the outset, while supporting progress and consistency for businesses and producers.

- The proposed product scope includes EUDR Annex I products including any new products brought into scope of the EUDR from 30 December 2027, such as palm oil-derived soaps, soluble coffee and frozen cattle tongues.
- In the case of regulated cattle products, any feed for the cattle in question containing a relevant product in scope (for example, a soy or oil palm product) would need to be assured as legally produced in the course of due diligence on cattle.
- HS ex 4101 (raw cattle hides and skins), ex 4104 (tanned or crust cattle hides and skins) and ex 4107 (further-prepared cattle leather), are not proposed for inclusion within scope at this stage. The UK government is seeking further evidence on the potential environmental impact, supply chain preparedness, traceability considerations, and cost-burden of these products under the proposed regulations. Evidence on these considerations are welcomed in response to Question 20.
- The proposal also includes adopting relevant exclusions such as a product made entirely from material that has completed its lifecycle and would otherwise have been disposed of as waste. A similar exclusion is provided for under the EUDR.
- Consistent with the existing provision in Schedule 17 of the Environment Act 2021, waste products that are used to make qualifying renewable transport fuel (in respect of the Renewable Transport Fuel Obligations Order 2007) are exempt from the prohibition on use.
- Forest risk commodities may be incorporated into, or transformed into, a wide range of products. The proposed list seeks to identify those products for which regulation is likely to be most effective and proportionate at this stage, taking into account evidence of proportionality, traceability, enforceability. We would welcome evidence on whether there are derived products that should be added or removed from the proposed scope, and implications of doing so.
- Product scope would remain under review during the implementation of the regulations and assessed at appropriate intervals.

We are considering whether live cattle, classified under HS code 0102, should be included as a regulated product

- The regime aims to prevent commodities linked to illegal deforestation entering the Great Britain market through targeted and proportionate requirements. Live cattle trade in Great Britain has a different risk and trade profile from processed cattle products such as beef, meat preparations and offal. Whether or not live cattle are included as a specified regulated product, due diligence for relevant cattle-derived

products would remain an important requirement and would need to cover the land where the associated live animals were raised from birth to slaughter.

- Including live cattle would place obligations earlier in domestic supply chains, requiring in-scope cattle farmers in Great Britain that exceed the turnover threshold to establish traceability, assess deforestation and legality risks, and report to the regulator. It may have little effect on responsibility for risks associated to imports, as most of this trade is in cattle-derived products, not live animals. Including live cattle may present benefit where imported breeding animals may later enter the domestic food chain, although data indicates such imports have been very low in recent years.
- Excluding live cattle may be more proportionate and rational. Trade data suggests UK live cattle trade is limited and has declined sharply as animal welfare rules have strengthened, including the Great Britain ban on imports and exports for fattening and slaughter. Over 90% of UK live cattle imports are from Ireland, and so would be previously subject to EUDR.[28] Imports to Great Britain from the rest of the world are mainly processed products, except for a small number of live cattle imports for breeding purposes. Placing direct regulatory responsibility on the small number of cattle farmers in Great Britain that would meet the proposed turnover threshold could create complexities with limited additional environmental benefit in respect of deforestation-linked cattle products. Placing regulatory responsibility on the first commercial users of derived cattle products in Great Britain, such as processors, may therefore more appropriately reflect trade realities.
- Global cattle producing countries are developing enhanced traceability and legality systems. The cattle sector in Great Britain is developing nationwide land mapping, spatial verification and traceability systems to demonstrate that British beef is legal and deforestation-free for EU and Northern Ireland market access under the EUDR. We want to understand whether directly regulating live cattle, or just cattle-derived products, in Great Britain would support, duplicate or complicate these systems.
- The UK government will weigh environmental effectiveness, legal production considerations, international alignment, Great Britain–Northern Ireland, EU and rest of world trade, and proportionality for farmers and businesses in reaching a decision. We seek evidence on how including or excluding live cattle could affect policy impact, enforcement, market access, and costs.

In considering the overall approach to defining product scope the UK government has also considered whether a consistent approach to product scope across timber and forest risk commodities would reduce complexity for businesses in Great Britain also trading in Northern Ireland or with the EU. Approximately 60% of UK imports and exports of these

[28] UN Comtrade Trade Statistics, 2025. https://comtradeplus.un.org/en/trade-statistics

products come from or go to the EU.[29] Where appropriate, building on product classifications, traceability and due diligence systems already used for EUDR compliance could reduce the creation of separate Great Britain-specific processes. For international trade partners, a product list reflecting existing trading practices could support more predictable market access expectations across Europe, support supply chain forward planning and reduce the need to segregate products for different but highly interconnected markets.

The UK government will specify the product scope in regulations providing flexibility to update the scope as necessary. It will be reviewed at appropriate intervals. Decisions on the scope of the Great Britain regime would be taken through the domestic legislative process. However, in developing and updating the regime, the UK government may take account of developments in Northern Ireland and other jurisdictions where this supports and facilitates implementation for businesses operating across different markets.

Consultation questions

[Please note Questions 18–23 are for all respondents]:

Question 18: Do you consider the use of Harmonised System codes a practical approach to define in-scope products for forest risk commodities? The commodity categories that would be regulated are oil palm, soy, cattle, cocoa, coffee and rubber.

For the purpose of this question, please only provide views on the method of defining the product scope, not on the specific product scope proposed which is covered in the next question.

[Single Choice]

☐ Yes
☐ No
☐ Unsure

Please explain your answer, including specifying any alternative methods for clarifying the products in scope other than Harmonised system Codes that the UK government should instead consider.

[Open text]

[29] Internal analysis of HMRC Overseas Trade Statistics, 2025 data. https://www.uktradeinfo.com/

Question 19: Do you consider focusing the forest risk commodities scheme on a targeted number of products within commodity categories to be the most effective and proportionate means of identifying products subject to the regulations?

[Single Choice]

☐ Yes – the scheme should regulate a targeted list of products within each regulated commodity category.
☐ No – the scheme should regulate every product within each regulated commodity category, including all products derived from that commodity.
☐ Don't know

Question 20: Do you agree with the proposed product scope for timber and forest risk commodities in Great Britain, including where this may facilitate interoperability with the EUDR product scope?

For the purposes of this question, please do not consider live cattle. Views and evidence relating to live cattle should be provided in response to Question 21.

[Single Choice]

☐ Yes
☐ Mostly, some products should be included or excluded
☐ No
☐ Don't know

Please explain your answer, including any benefits or challenges you foresee arising from the proposed approach. Where relevant, please include views and evidence relating to:

- *proposed specific product inclusions or exclusions*
- *any alternative approaches the UK government should consider, such as not regulating a defined product list and instead regulating every product derived from a commodity category*
- *supply chain structure considerations*
- *any associated deforestation and legal production risks*
- *compliance costs, proportionality, enforceability or potential trade impacts*

[Open text]

Question 21: Should live cattle, classified under HS code 0102, be included in scope of the products regulated in Great Britain?

[Single Choice]

☐ Yes
☐ No
☐ Don’t know

Please explain your answer. *Consider whether due diligence obligations and assurance of legal production would be any more or less effective if applied to users of live cattle in Great Britain directly or to users of cattle-derived products after slaughter; potential burdens or cost to farmers and businesses, and any trade impacts.*

[Open text]

Question 22: What is your opinion on whether the product scope across both timber and forest risk commodities in Great Britain should always be broadly aligned with that of Northern Ireland?

[Single Choice]

☐ The product scope should always remain aligned across the UK
☐ The product scope should be aligned across the UK at present, but not automatically updated in future
☐ The product scope should not be aligned across the UK
☐ Don’t know

Please explain your answer:

[Open text]

Question 23: Please provide any additional views that the UK government should consider when defining the product scope for timber or forest risk commodities.

[Open text]

Businesses in scope

Clearly defining which businesses are within the scope of regulations is important to ensure that obligations are applied clearly and proportionately while considering policy impact. We consider that businesses of all sizes play a crucial role in addressing deforestation risks. Timber and forest risk commodities often move through complex, interconnected supply chains in which even smaller businesses can influence sourcing decisions, traceability, and compliance. Small and medium-sized enterprises (SMEs) can be essential actors, both as direct importers and as suppliers to larger businesses, meaning their practices can significantly affect the overall integrity of due diligence systems. At the same time, smaller businesses may face distinct challenges, including more limited resources, leverage and technical capacity, which the UK government will consider in the design of requirements and guidance.

The UK Timber Regulation currently applies to all relevant businesses of all sizes placing regulated products on the market. In relation to forest risk commodities, Schedule 17 of the Environment Act 2021 applies to “regulated persons”. These are persons (other than individuals) who carry on commercial activities and meet the conditions specified in regulations. Throughout this consultation, we refer to regulated persons as “businesses”. Schedule 17 of the Environment Act 2021 provides powers to set a turnover threshold to determine which businesses are in scope of the regulation on forest risk commodities.

In determining the appropriate overall scope of the regulations across timber and forest risk commodities, the UK government has considered how to ensure obligations are applied proportionately while maintaining effective coverage of supply chains associated with deforestation risk to best achieve policy impact.

We propose that businesses with a global annual turnover of £1 million or less are out of scope of new regulatory requirements. This would mean that:

For forest risk commodities: A business below this turnover threshold using a forest risk commodity would not be in scope of the regulations (it would not have any legal obligations).

For timber and timber products: A business below this threshold trading timber products already in scope of the UK Timber Regulation must continue to comply with its existing legal obligations, however, would not be required to comply with any new requirements proposed to be introduced in this consultation. A business below this threshold using timber products not already in scope of the UK Timber Regulation, but using products that are proposed to be introduced, would not be in scope of regulation (it would not have any legal obligations).

- Relevant businesses would be in scope of the requirements if they exceed the turnover threshold in the previous financial year.
- We do not intend to exempt any businesses based on the volume of commodity used.
- For clarity, financial services are not targeted by these regulations, and they are not expected to have a significant impact on financial services. However, like any other organisation within scope, if a financial institution directly buys and sells commodities that are covered by the regulations, and in the process holds the legal title to those commodities, it will fall under the requirements of the scheme. Guidance will be issued to ensure that this is clear for financial market participants. The UK government would welcome views from financial institutions on how it can ensure the boundary of the regime is sufficiently clear.
- For clarity, for both timber and forest risk commodities, requirements apply to online and distance sales as relevant, including both Business-to-Business and Business-to-Consumer e-commerce transactions (but consumers themselves would not be in scope of any requirements). Evidence on particular considerations for online

marketplaces is welcomed in Question 24 of this section, and throughout the consultation on specific proposals.

This proposed approach is intended to balance the overall need for comprehensive supply chain coverage to achieve policy impact with the practical realities faced by the smallest businesses. At the same time, it will ensure that progress to-date on preventing illegal timber from being placed on the Great Britain market is not reversed by keeping existing timber protections in place.

In considering the appropriate turnover threshold, the UK government has additionally considered that broad coverage of businesses across the supply chain can also support businesses operating under different relevant regulations across the UK by making reliable sourcing and due diligence information more widely available, rather than leaving downstream businesses to fill gaps themselves. Combined with compatible information requirements, this can support interoperability where businesses could share and reuse relevant data and systems when supplying Great Britain and Northern Ireland, reducing duplication and avoiding potential gaps in supply chain information due to significant differences in the regulated business population. The proposed threshold and associated supply coverage therefore also seek to support and facilitate the smooth operation of the UK internal market.

Consultation questions

[Please note Questions 24–25 are for all respondents]:

Question 24: Is setting the scope of the regulations at businesses with a global annual turnover threshold of more than £1 million an appropriate and proportionate threshold?

[Single Choice]

☐ Yes

☐ No

☐ Unsure

Please explain your answer. *Where possible, please identify any benefits, challenges or unintended consequences, such as:*

- *the types of businesses, commodities or supply-chain activities affected (including if you are a larger business and your supplier(s) is below this threshold)*
- *the likely effect on regulatory coverage, deforestation and legality-related risk*
- *the likely compliance burden*
- *any risk of avoidance or businesses restructuring activity to remain below the threshold*
- *interoperability and UK internal market considerations*

- *the evidence or experience on which your answer is based*
- *any other considerations for applying the turnover threshold or identifying businesses in scope for the UK government to consider*

[Open text]

Question 25: What support could be provided for small and medium businesses to comply with new regulatory requirements? *Please select top three options.*

[Select up to three options]

☐ Bespoke guidance
☐ Support with digital tools, for example to support data gathering or process automation
☐ Training or capacity-building from subject-matter experts
☐ Flexible requirements on due diligence
☐ Flexible requirements on reporting
☐ Coordinated engagement to learn from other regulated businesses in their supply chain or commodity sector
☐ Other (please specify)

[Open text]

[Please note Question 26 is for business respondents only]

Question 26: Do any of your suppliers have a global turnover of £1 million or less?

[Single Choice]
☐ Yes
☐ No
☐ Don't know
☐ Not relevant

Part two: Requirements of a due diligence system

Robust due diligence helps businesses identify and address deforestation and legality risks that can be obscured by complex supply chains. It connects sourcing decisions to evidence about commodity origin and production, helping prevent demand for products linked to illegal logging or forest clearance. An effective system is an ongoing, evidence-based process, not simply a collection of supplier documents. It combines reliable information, risk assessment and proportionate mitigation, supported by clear responsibilities, documented decisions and regular review. It should include:

- **identifying the relevant commodities or products** a business uses and who supplied them;
- **obtaining reliable information** about their origin and production;
- **understanding the supply chain and production or harvest location**, checking the evidence and identifying the relevant and applicable laws and risks relevant to that source;
- **assessing the risk** of illegal production or harvesting, taking account of the relevant and applicable laws, risk assessment criteria, as well as evidence, sourcing context and supply chain complexity;
- **mitigating any risks identified** through appropriate measures, and risk mitigation procedures to minimise effectively that risk, such as further evidence, independent verification or supplier engagement, before using or placing products on the market, and reassessing risks when circumstances change

The UK Timber Regulation prohibits the placement of illegally harvested timber and timber products on the Great Britain market. Operators must exercise due diligence through information gathering, risk assessment and, where risk is not negligible, adequate and proportionate mitigation to reduce it to a negligible level before products are placed on the market. Downstream traders must retain supplier and business-customer records to support traceability.

Schedule 17 of the Environment Act 2021 establishes a corresponding legality-based framework for regulated forest risk commodities and derived products. It provides for a prohibition on their commercial use unless relevant local laws were complied with, alongside requirements for regulated businesses to establish and implement a due diligence system and report annually on its implementation. The system must identify and obtain information about commodities, assess the risk of noncompliance with relevant local laws, and mitigate that risk. Secondary legislation is needed to bring the regime into operation and specify its scope and detailed requirements, including the required level of risk mitigation.

This section of the consultation seeks views of the requirements of an effective due diligence system.

Establishing supply chain traceability and collecting commodity origin information

Traceable supply chains are an essential step in robust due diligence systems. Knowing where commodities were produced enables businesses to assess deforestation and legality risks, target further checks, and reduce risk of fraud and circumvention. Traceability can also strengthen resilience to shocks by revealing dependencies on particular suppliers or sourcing areas, helping businesses identify exposure to extreme weather or other disruptions and respond more quickly. Better visibility can support

contingency planning, closer supplier relationships and greater confidence in product origin and legality.

Recent innovation has led to the increasing adoption of a combination of digital and physical traceability technologies used by different actors along the supply chain. Producers and field agents can capture sourcing data using mobile tools and geospatial monitoring, while processors and logistics providers can track products through barcodes, radio frequency tags, and sensors. Earth observation technologies, including satellite imagery, can be used to help verify origin data and monitor land use changes in specific sourcing areas. This information is often integrated into digital platforms, with technologies such as AI blockchain and data analytics increasingly used to enhance transparency, verify origin, and identify risks across global supply chains.

At the same time, we recognise that it is important that traceability requirements are designed in a manner that reflects the practical realities faced by producers and businesses, particularly in global supply chains involving many actors. Requirements should therefore be proportionate, interoperable with existing systems where appropriate, and implemented without creating unnecessary or duplicative burdens.

Under the UK Timber Regulation, traceability requirements are primarily risk-based and variable in practice. Operators are required to maintain traceability information, such as country of harvest, species and supplier identity to assess the risk of illegal timber entering the supply chain. Throughout the supply chain, traders are required to identify the operators and traders who have supplied them or whom they have supplied timber and timber products. They are required to keep this information for at least 5 years and provide it to a competent authority if requested. The absence of a standardised timber traceability requirement that is consistently recorded has created challenges for both businesses and the Regulator to effectively risk assess and monitor compliance. This has created vulnerabilities in the timber supply chain, where risks such as circumvention and fraud are more challenging to investigate and enforce.

To determine the commodity traceability requirements that should be applied to timber and forest risk commodities, we have considered the effectiveness of the operation of the UK Timber regulation, global progress in the traceability capabilities across the relevant commodities and proposed product scope, and the practical benefits of applying consistent traceability data standards on businesses, commodity producers and exporters often supplying both the UK and EU via interconnected supply chains across the European market.

The UK government considers that geolocation data collection would strengthen timber and forest risk commodity traceability by linking products to specific harvest or production sites, rather than relying only on supplier documents or country-level origin information. This is important to help business identify which relevant and applicable laws may apply to a particular sourcing area and support assessment and mitigation of risk of noncompliance with those laws when considered alongside other information and evidence. This gives businesses and enforcement authorities a clearer basis for verifying legal origin, checking harvest and production locations against independent evidence such as satellite or land-

use data and protected areas, and identifying inconsistencies in supply chain records. By making origin claims more objective and harder to falsify, geolocation reduces opportunities for illegal timber and forest risk commodities to be laundered into legal supply chains and supports more effective enforcement.

We propose to require timber and forest risk commodities to be fully traceable to the relevant harvest site or production area, with geolocation data collected as evidence of origin

- Geolocation information would be required in a format compatible with the EUDR using a common data standard, including latitude and longitude coordinates and polygon data submitted in interoperable formats such as GeoJSON, KML or shapefiles. This includes single point coordinates for establishments where cattle were kept from birth to slaughter.
- Checking the data may involve checking that farm or plot-level polygons are complete, plausible and consistent with supporting records, such as land registration, supplier, production or certification data, and other information relevant to assessing compliance with relevant and applicable laws. Where risk is identified, businesses may need to cross-check geolocation data against other data sources such as independent geospatial evidence, including satellite imagery, land-use data, protected-area maps or national traceability systems.
- Existing geolocation data and traceability systems could be reused where they met the relevant standard. This would include those that currently rely on certain aggregation methods used for compliance with other relevant regulations, such as the EUDR, recognising that UK and EU supply chains and production sites are often interconnected for the commodity categories and proposed product scope.

We recognise that appropriate geolocation data aggregation methods used in supply chain traceability systems may vary depending on the commodity, product, characteristics of sourcing regions and supply chains. For certain products, it may be more challenging to segregate geolocation data for compliant land plots or harvest sites in a granular or targeted way, particularly for commodities produced by large smallholder communities, or products with complex compositions or components from multiple origins. We therefore welcome views and evidence on these considerations, including on any appropriate levels of geolocation data aggregation of compliant production areas or harvest sites that may mitigate such challenges. Evidence on these considerations are welcomed in response to Question 27.

Where geolocation and other information relevant to assessing compliance with relevant and applicable local laws are already collected as part of existing due diligence systems, an interoperable approach to traceability expectations could enable businesses to make use of existing harvest and production site data and traceability systems already developed for other markets, such as the EU, rather than requiring substantially different

approaches for Great Britain. This would reinforce, rather than undermine, global investment being made in supply chain traceability while reducing unnecessary duplication, data complexity and additional costs. We recognise that many businesses and major producer countries globally have already invested significantly in systems to meet geolocation traceability requirements to comply with the EUDR. By adopting a common data standard with the EU, relevant producers and businesses can build once and use the same data and systems for relevant products across multiple jurisdictions, rather than having to adapt to different traceability standards to trade in Great Britain.

At the same time, we recognise that collecting, checking, managing and sharing geolocation data and other information relevant to assessing compliance with relevant and applicable laws can create practical and operational burdens, particularly for producers and businesses operating across complex supply chains. We are therefore interested in this section on how a geolocation-based standard can be implemented proportionately, work with existing practices, and avoid duplicate land mapping practices or the creation of unnecessary parallel traceability systems for both businesses and producers.

Questions and views on other information and data collection as part of an effective risk assessment are sought in the next section on "Undertaking risk assessment"

Consultation questions

[Please note Questions 27 and 28 are for all respondents]

Question 27: Do you consider requiring timber and forest risk commodities to be traceable to harvest or production area(s), evidenced by geolocation data, an appropriate traceability standard to facilitate effective assessment and mitigation of deforestation and legality-related risks?

[Single Choice]

☐ Yes
☐ No
☐ Don't know

Please explain your answer, include any benefits or challenges. *This could include, as relevant:*

- *potential costs, accuracy, quality or commercial considerations*
- *access to regulated markets and competitiveness*
- *the practical implications of collecting and maintaining geolocation data, including any considerations regarding approaches to data aggregation*
- *any commodity- or product-specific considerations, such as products with complex compositions or components from multiple origins, as well as producer or geographical characteristics*

- *the implications of setting an alternative traceability standard, and any UK and EU data interoperability considerations*

[Open text]

Question 28: Do you or your organisation currently collect or hold plot-level geolocation traceability data associated to the production of timber or forest risk commodities? *This includes situations where your organisation produces, holds, stores, manages or processes geolocation data itself, or provides a platform or service that stores, manages or processes geolocation data on behalf of other organisations, such as a third-party traceability, due diligence or geolocation data platform.*

[Single Choice]

☐ Yes
☐ No
☐ Don't know
☐ Not relevant

[Question 29 is for respondents that selected anything other than 'Not relevant']

Question 29: What other traceability information do you collect in relation to timber or forest risk commodity products? *Select all that apply.*
[Multiple Choice]

☐ Country of production or harvest
☐ Sub-national region, province, state or district of production or harvest
☐ Production site, farm, plantation, forest management unit or concession name or identifier
☐ Producer, grower, land manager or harvesting organisation details
☐ Supplier and intermediary details
☐ Commodity species, variety or type
☐ Quantity or volume
☐ Date or period of production, harvest or slaughter
☐ Batch, lot, shipment or consignment identifiers
☐ Chain-of-custody or transaction records, including invoices, delivery notes or customs documents
☐ Certification, assurance or audit records
☐ Data from a national or sector traceability system, registry or database
☐ No traceability information
☐ Don't know
☐ Other (please specify)

[Open text]

[Please note Questions 30-37 are for respondents that selected ‘Yes’ to Question 28]

Question 30: How do you collect geolocation data? *Select all that apply.*

[Multiple Choice]

☐ Directly collected by producers or land managers
☐ Collected by our organisation through field mapping or site visits
☐ Obtained through producer groups, cooperatives or associations
☐ Obtained from intermediaries, traders or aggregators
☐ Obtained through third-party traceability or technology providers
☐ Obtained through certification, assurance or auditing schemes
☐ Obtained through nationally, regionally or state-administered traceability or compliance systems
☐ Don’t know
☐ Other (please specify)

[Open text]

Question 31: In what format is the data stored? *Select all that apply.*

[Multiple Choice]

☐ Point coordinates (single GPS locations)
☐ Polygons (mapped boundaries of a production area)
☐ Shapefiles
☐ GeoJSON
☐ Spreadsheet-based datasets (for example, Excel)
☐ PDF or scanned records
☐ Paper records
☐ Data held within a traceability platform
☐ Aggregated datasets (multiple locations combined into a single dataset)
☐ Don't know
☐ Other (please specify)

[Open text]

Question 32: Do you declare geolocation information for more production sites or plots of land than those directly associated with the specific products being placed on the market? *This may be relevant where commodities from known and compliant production sites are mixed, and it is not possible or practical to segregate each product,*

batch or shipment to the precise individual plot of land. This is sometimes referred to under EUDR guidance as a "declaration in excess".

[Single Choice]
☐ Yes
☐ No
☐ Don't know
☐ Not applicable – we do not declare geolocation information

Please explain your answer:

[Open text]

Question 33: How do you group or determine the geolocation information you declare for commodities or products being placed on the market?

[Multiple Choice]
☐ By supplier, for example, using the same set of geolocation information for commodities or products sourced from a particular supplier
☐ By product, for example, using the same set of geolocation information for a particular product
☐ By commodity, for example, using the same set of geolocation information for a particular commodity
☐ By consignment, determining the relevant geolocation information for each individual consignment
☐ By batch, shipment or lot
☐ By sourcing region or country, for example, using the same set of geolocation information for commodities or products sourced from a particular region or country
☐ Don't know
☐ Not applicable – we do not declare geolocation information
☐ By another method (please specify)
[Open text]

Question 34: How often does the geolocation information associated with commodities in your supply chain change? *For example, due to changes in production areas, plots of land, suppliers or sourcing patterns.*

[Multiple Choice]
☐ For every shipment, batch or lot
☐ On a more regular basis (for example, monthly)
☐ On a less regular basis (for example, annually)

☐ Following changes to production areas or suppliers
☐ Rarely changes
☐ Don't know
☐ Not applicable – we manage data on behalf of others and do not have a commodity supply chain
☐ Other (please specify)
[Open text]

Question 35: How often do you check or update geolocation information as part of your due diligence processes? *This could include checking that geolocation data is complete, accurate, up to date, and compliant with regulatory requirements.*

[Single Choice]

☐ For every shipment, batch or lot
☐ On a more regular basis (for example, monthly)
☐ On a less regular basis (for example, annually)
☐ Following changes to production areas or suppliers
☐ Only when concerns or risks are identified
☐ Rarely
☐ Don't know
☐ Not applicable – we do not undertake due diligence checks on geolocation information
☐ Other (please specify)

[Open text]

Question 36: What systems or technologies does your organisation use to collect and manage geolocation or traceability data? *Select all that apply.*

[Multiple Choice]
☐ Dedicated traceability platform
☐ Enterprise resource planning (ERP) system
☐ Geographic Information System (GIS)
☐ Mobile data collection tools
☐ Satellite or remote-sensing tools
☐ Blockchain-based systems
☐ Spreadsheet-based systems
☐ Paper-based systems
☐ Third-party software or SaaS solutions
☐ Don’t know
☐ None
☐ Other (please specify)
[Open text]

Question 37: Please provide the names of any software platforms or tools used.
Please input 'N/A' if none are used.

[Open text]

[Please note Question 38 is for business respondents only]

Question 38: In what ways would adopting a geolocation data requirement in Great Britain benefit your organisation regarding access to other markets that require this information, such as Northern Ireland or the EU?

[Multiple Choice]
☐ Help maintain access to Northern Ireland markets
☐ Help maintain access to EU markets
☐ Help secure access to new markets
☐ Reduce duplication of compliance activities across jurisdictions
☐ Reduce traceability system development costs
☐ Improve supply chain transparency
☐ Improve identification of relevant and applicable laws
☐ Improve assessment and mitigation of risks of non-compliance
☐ Increase confidence in supply chain data
☐ It would not provide any benefits
☐ Don't know
☐ Other (please specify)
[Open text]

[Please note Question 39 is for all respondents]

Question 39: Are there any additional factors that should be considered when setting the commodity traceability, and data collection method for timber and forest risk commodities supplied to Great Britain?

[Open text]

Undertaking risk assessment

Traceability establishes where commodities were produced but does not alone demonstrate that production was legal. Information relating to production of origin including geolocation, should therefore be considered alongside other information relevant to assessing compliance with relevant and applicable local laws. Robust risk assessment is therefore a fundamental part of due diligence as it evaluates origin information alongside

multiple evidence streams to identify deforestation and legality risks and determine whether further checks or mitigation are needed.

Good assessments combine evidence appropriate to the commodity, sourcing practices and jurisdiction. Examples include legally recognised land tenure records, land use or clearance permits, harvesting licences, production and transaction records, and independent audits. Relevant datasets may include but are not limited to land registries, protected area and concession maps, national records, satellite imagery and forest-loss alerts. These should be interpreted against relevant and applicable laws, as forest loss data alone does not establish illegality. Businesses should check evidence for authenticity, accuracy, currency, completeness and consistency, considering the credibility of its source and any verification or coverage limitations.

The UK Timber Regulation requires operators to operate a due diligence system comprising information gathering, risk assessment, and, where necessary, risk mitigation. As part of the information-gathering stage, operators must obtain information about the timber and timber products placed on the market, including their description, species, country (and where applicable region and concession) of harvest, quantity, supplier and customer details, and documents or other information indicating compliance with applicable legislation. Operators must then assess the risk of illegally harvested timber, or timber products derived from such timber, being placed on the market in Great Britain. That assessment must take account of the information collected and specified risk assessment criteria, namely assurance of compliance with applicable legislation, the prevalence of illegal harvesting of specific tree species, the prevalence of illegal harvesting or practices in the country or region of harvest, including the prevalence of armed conflict, sanctions imposed by the UK or the UN Security Council on timber imports or exports, and the complexity of the supply chain. If the operator uses certification as part of its due diligence, the operator should be satisfied that the third-party organisation that issued a certificate was sufficiently qualified and is in good standing with the certification scheme and the relevant accreditation body. Where any risk identified is not negligible, operators must apply risk mitigation measures that are adequate and proportionate to minimise that risk effectively, which may include obtaining additional information or documents or requiring third-party verification.

For forest risk commodities, Schedule 17 of the Environment Act 2021 requires regulated persons to establish and implement a due diligence system. The due diligence system must identify, and obtain information about, the commodity, assess the risk that relevant local laws were not complied with in relation to that commodity, and mitigate that risk. Under the proposed regime, regulated persons would identify applicable relevant local laws, obtain geolocation and other prescribed information concerning the commodity and its origin, assess the risk of non-compliance, and mitigate any risk identified. The risk assessment may take account of factors such as commodity-specific risks, governance and enforcement, supplier practices, supply chain complexity, and the risk of mixing with commodities from unknown or potentially non-compliant sources.

Businesses should document their conclusions, investigate gaps or conflicting evidence, and review assessments when sourcing or risk information changes. Certifications, standards, assurance schemes and nationally, regionally or state-administered compliance or traceability systems can support this process, but their legal scope, verification methods and reliability should be checked before relying on them.

We are seeking views and evidence on the requirements of an effective risk assessment

- Risk assessments should be based on a combination of relevant evidence sources. Multiple evidence sources should be considered together, particularly where evidence is incomplete, uncertain or conflicting. No single document, dataset or information source will necessarily be sufficient to demonstrate legal production. A combined approach can help businesses reach more robust conclusions regarding compliance with relevant and applicable laws and the risk of illegal production.
- Our intention is to require robust assessments of legality while avoiding market exclusion based solely on administrative or technical barriers. For example, where a specific document such as a land title or permit is unavailable, businesses may be able to rely on other credible sources of information to appropriately assess and act on risk. The UK government's ultimate policy objective is to ensure that illegal deforestation has not occurred.

We do not intend to implement a system where producer countries would be assigned public risk classifications by the UK government. Appropriately assessing and mitigating risk would be the responsibility of individual businesses.

- Geographic considerations would be part of a broad range of relevant risk factors used to complete an appropriate risk assessment.

We intend to ensure that robust existing systems, evidence and tools used by stakeholders to assess deforestation and legality-related risks can similarly be used to support compliance with regulations in Great Britain.

- In guidance, we plan to set out best practice for assessing risk including relevant risk factors that should be considered, and supportive tools that could be used. This includes setting out the UK government's position on the role of certifications, standards, assurance schemes and national traceability systems in due diligence.
- We aim to enable businesses to make use of existing systems, evidence and tools used to assess legality and deforestation-related risks. Where such systems have been developed to support compliance with other regulatory frameworks, including the EUDR, this may support interoperability, reduce implementation and compliance costs, and help avoid the creation of duplicative or parallel systems.

Consultation questions

[Please note Questions 40-41 are for all respondents]

Question 40: Please describe what you consider the features of an effective legality-based risk assessment are. In your response, please cover where possible:

- *the risk factors that should be considered, and how this may differ based on commodity used, sourcing practices and complexity of the supply chain*
- *the data and evidence that could be collected to assess and identify risk of illegal production, and how it should be evaluated including the use of any methodologies that should be applied*
- *alternative forms of evidence where formal land titles, tenure records or permits are unavailable, incomplete or unreliable, particularly in smallholder supply chains*
- *how gaps or uncertainties may affect the risk rating*
- *how different sources of evidence should be considered and weighted where the available information is conflicting or incomplete*
- *if relevant to you, please provide a practical example drawing on experience of preparing for or complying with legality requirements of other relevant frameworks or regulations, such as the EUDR*

[Open text]

Question 41: What indicators, frameworks, tools or initiatives can be used to support businesses to effectively assess the risk of illegal production? *Where possible, please identify the specific name of particular tools, databases, software platforms, relevant publicly available datasets or methodologies.*

[Open text]

[Plate note Questions 42-45 are for business respondents only]

Question 42: What resources do you use to identify and understand relevant legal frameworks in producer countries?

[Multiple Choice]

☐ Internal legal or compliance teams
☐ External legal advisers
☐ Local experts in country
☐ Government guidance
☐ Industry guidance and sector initiatives
☐ Certifications
☐ Standards
☐ Assurance schemes

☐ Nationally, regionally or state-administered compliance or traceability systems (public or private)
☐ Third-party software or risk assessment tools
☐ Academic or research publications
☐ NGO reports or datasets
☐ Other (please specify)
[Open text]

Question 43: To what extent do you use third-party certifications, standards or assurance schemes (public or private) to support your due diligence? *Please select one option*

[Single Choice]
☐ They are essential to our due diligence process and are the only form of evidence of legal compliance
☐ They are largely relied upon but are not sufficient on their own
☐ They provide limited support as supplementary evidence. Further evidence is required to support due diligence and ensure legal compliance
☐ They do not support our due diligence process
☐ Not applicable
☐ Don't know

[Answer Question 44 only if you use third-party certifications, standards or assurance schemes. Otherwise continue to Question 45]

Question 44: Please clarify the third-party certifications, standards and assurance schemes (public or private) that you use. *For each, please indicate whether participation is voluntary or mandatory.*

[Open text]

Question 45: Do you undertake your risk assessment in house, or do you outsource this activity to a third party?

[Single Choice]
☐ I undertake risk assessment in-house
☐ I outsource it to a third party
☐ Unsure
☐ Not applicable

[If selected ‘I outsource it to a third party’]

Please describe how you independently verify the risks assessment undertaken by a third party, including any benefits or challenges associated with using and verifying third-party risk assessments.

[Open text]

[Please note Questions 46 and 47 are open to all respondents]

Question 46: Should regulations in Great Britain require compliance with the same categories of local laws as those covered by the EUDR's definition of 'relevant legislation of the country of production' (Article 2(40))? The EUDR definition concerns the legal status of the area of production in terms of: land-use rights; environmental protection; forest-related rules, including forest management and biodiversity conservation where directly related to wood harvesting; third parties' rights; labour rights; human rights protected under international law; the principle of free, prior and informed consent, including as set out in the UN Declaration on the Rights of Indigenous Peoples; and tax, anti-corruption, trade and customs regulations.

In considering the scope of local laws, the UK government will take account of proportionality, the associated evidential burden on businesses and producers in demonstrating compliance, and relevance to achieving the policy objective of preventing illegal deforestation.

[Single Choice]
☐ Yes
☐ No
☐ Don't know

Please explain your answer, including any benefits or challenges you foresee arising from this, and any implications for due diligence processes, legality assessments, compliance costs or interoperability with existing systems.

[Open text]

Question 47: Are there any additional factors that should be considered with regards to the collection of data for the purposes of identifying legality risks?

[Open text]

Mitigating identified risks

Risk mitigation is essential to an effective due diligence system because knowing where commodities are produced and identifying a risk do not, on their own, address it. Risk mitigation procedures ensure the findings of a risk assessment are targeted into action to reduce the likelihood of illegally produced commodities entering or remaining in a

business's supply chain. This may involve resolving gaps in evidence, obtaining independent verification or working with suppliers to improve practices and controls. Measures should be proportionate to the nature and severity of the risks identified, and their effectiveness should be reassessed before deciding whether to proceed with sourcing or using the products.

Under the UK Timber Regulation, where a risk assessment identifies a risk of illegally harvested timber being placed on the market that is higher than negligible, operators must implement risk mitigation procedures that are adequate and proportionate to minimise effectively that risk before placing a product on the market. These measures may include obtaining additional information or documentation or requiring third-party verification. The appropriate measures will depend on the circumstances and risks identified.

For forest risk commodities, Schedule 17 of the Environment Act 2021 requires regulated persons to establish and implement a due diligence system which includes assessing the risk that relevant local laws were not complied with and mitigating that risk. It provides powers to make provision in regulations about the criteria to be used in assessing risk and the ways in which risk may be mitigated.

In determining the level to which risks should be mitigated for forest risk commodities, the UK government has considered the need to set a robust standard to prevent the commercial use of illegally produced commodities in Great Britain, the reasonable capabilities of supply chains associated with the proposed product scope, implications for businesses in scope trading multiple commodity types, and where robust and relevant risk management systems may already be in operation, for example to comply with the UK Timber Regulation or the EUDR.

We propose to require that any risks identified that forest risk commodities were not produced in compliance with relevant local laws are mitigated to a negligible level

- We consider that applying a single, robust, and common risk standard for forest risk commodities would provide the most effective approach to achieve the policy objective of legal supply chains, establish a clear expectation for businesses to meet and evidence, and regulators to assess and monitor.
- When considered in light of the proposal on the defined product scope, we consider that the application of a negligible risk mitigation standard is appropriate and feasible to meet. Ensuring one consistent standard across timber and forest risk commodities in Great Britain could also help avoid market loopholes for certain commodities and support the use of interoperable risk management systems for businesses trading multiple commodity types.
- The action required to mitigate a risk may vary depending on the nature and level of the risk identified, the available evidence and the characteristics of the relevant supply chain. Risk mitigation measures should be proportionate to the nature and severity of the identified risks. We intend to publish guidance to support businesses in determining appropriate risk mitigation measures. These could include, for

example, obtaining additional information or evidence, seeking further information from suppliers, undertaking additional verification, or making use of independent assurance or audit mechanisms.

Consultation questions

[Please note Questions 48 and 49 are open to all respondents]

Question 48: Do you agree with requiring identified risks to be mitigated to a negligible level for due diligence on the use of forest risk commodities?

[Single Choice]

☐ Yes

☐ No

☐ Don't know

Please explain your answer, including any benefits or challenges you foresee arising from applying a negligible risk mitigation standard, including costs or practical implications.

[Open text]

Question 49: Please provide your view on appropriate risk mitigation activities businesses should be expected to undertake where risks are identified in timber and forest risk commodity supply chains.

[Open text]

Requirements of a due diligence system and position in the supply chain

Clearly defining how due diligence is expected to be undertaken by regulated businesses across the Great Britain supply chain is important to ensure that only legally produced timber and forest risk commodities are used. At the same time, it is important to avoid unnecessary duplicative due diligence activity when the same products pass through multiple regulated actors. Stakeholders have highlighted that requiring businesses to repeat the same due diligence activities at multiple stages of a supply chain could create additional administrative effort and compliance costs. This consultation therefore seeks views on whether, and how, due diligence activities could differ according to a regulated business's position in the supply chain once a product has already been placed on the market and subject to due diligence, while maintaining effective identification, assessment and mitigation of deforestation-related risks. Office for National Statistics (ONS) business insights data indicates that approximately 70% of small, 50% of medium and 40% of large UK businesses neither import nor export, suggesting how differentiating requirements on

downstream businesses may provide opportunity to limit burdens on a substantial portion of the business population.[30]

The UK Timber Regulation provides an example of a regulatory framework in which obligations are explicitly differentiated according to a business's position in the supply chain. Businesses first placing timber on the market in Great Britain are required to undertake due diligence, while businesses further downstream are instead required to maintain records of those from whom they purchase timber products and the traders to whom they supply. This supports traceability through the supply chain, but due diligence activities are not repeated. The framework of Schedule 17 of the Environment Act 2021 on forest risk commodities operates a different model. All businesses within scope are subject to the prohibition and requirements to establish and implement a due diligence system and report on that due diligence system. This distinction is important when considering whether features of the differentiated approach used under the UK Timber Regulation could inform the approach for forest risk commodities. Schedule 17 of the Environment Act 2021 contains provisions for the UK government to describe the features of a due diligence system, and it may not be appropriate or proportionate to require that due diligence activities are identical or repeated for the same products by multiple regulated businesses.

We are seeking views on how a differentiated approach to due diligence systems for forest risk commodities could effectively operate that recognises the role of downstream businesses under the statutory framework established by Schedule 17 of the Environment Act 2021

- We are considering how duplication could be reduced where relevant information or assessments have already been generated upstream. This could mean downstream businesses may use relevant upstream due diligence information, including traceability information, as part of their own due diligence and risk assessment, while remaining responsible for undertaking that assessment and determining the legality of the forest risk commodities they use.
- Businesses first placing products on the Great Britain market could be expected to undertake more extensive due diligence activities, including establishing and collecting original traceability data, comprehensively assessing the risk of non-compliance with relevant local laws and mitigating identified risks to the required level. Whereas businesses further downstream could undertake different due diligence activities appropriate to their position in the supply chain.
- Businesses further downstream could potentially undertake different activities to meet the requirements of a due diligence system. This could include obtaining and retaining relevant due diligence information, including traceability information, from

[30] March 2026 release, average across waves 142-152. Business insights and impact on the UK economy, ONS, 2026. https://www.ons.gov.uk/economy/economicoutputandproductivity/output/datasets/businessinsightsandimpactontheukeconomy

upstream businesses; considering and assessing that information as part of their own assessment of the risk of non-compliance with relevant local laws; undertaking appropriate and proportionate checks before relying on information provided by others; retaining supplier records; and taking appropriate action where information indicates that products used may be non-compliant (for example as a substantiated concern).

- Downstream businesses would remain responsible for information upon which they relied and would still be required to assess whether the due diligence information available to them indicates a risk of noncompliance with relevant local laws and to take proportionate action where risks are identified.
- In doing so, downstream businesses might rely on information provided by upstream businesses, which may be incomplete, obsolete or inaccurate. We recognise that reducing duplication must be balanced against important considerations around the responsibilities of downstream businesses and the extent to which they can, or should, rely on due diligence information obtained from businesses upstream, as well as liability regarding any enforcement activity on the use of noncompliant products. In particular, consideration must be given to the extent to which downstream businesses may rely on information obtained upstream, and what steps are required to ensure that they can demonstrate that they have taken all reasonable steps to implement a due diligence system in relation to the commodities they use.
- We also recognise that, given the proposed turnover threshold, specific consideration should be given to the capabilities of SME businesses regarding what is reasonable for the UK government to expect, particularly when they are downstream.
- *Please refer to the next consultation section on 'Sharing due diligence information with other regulated businesses in the regulated supply chain' for further information on how relevant information could be expected to be shared to facilitate compliance across supply chains.*

We are therefore seeking evidence on whether a proportionate balance can be achieved for forest risk commodities, what due diligence functions are appropriate for downstream regulated businesses, and whether a differentiated approach to due diligence systems could still maintain effective supply chain integrity and support the objectives of the regime.

Consultation questions

[Please note Questions 50-52 are for all respondents]:

Question 50: Do you agree that the requirements of a due diligence system for forest risk commodities should be different depending on a regulated businesses' position in the supply chain?

[Single Choice]

☐ Yes
☐ No
☐ Don’t know

Please explain why you have chosen your answer. Where possible, please include views and evidence on the role of upstream and downstream businesses in ensuring only legally produced commodities are used.

[Open text]

Question 51: What activities should a downstream regulated business undertake as part of its own due diligence system on forest risk commodities? Please consider what activities would be practical and proportionate, including in relation to obtaining information, assessing legality risk and mitigating identified risks. Please provide any potential cost burdens, liability, reliance and enforcement considerations. Please also consider whether there are specific considerations for downstream businesses that may be SMEs and may have more limited capacity, leverage or resource.

[Open text]

Question 52: To what extent should downstream businesses using forest risk commodities be able to rely on due diligence information, including traceability information, provided by businesses further upstream in the supply chain when meeting their own obligations?

[Single Choice]

☐ Completely
☐ Somewhat
☐ Not at all
☐ Don’t know

Please explain your answer, including:

- what types of due diligence information, including traceability information, generated upstream could be used by downstream businesses as part of their own due diligence system
- what additional information, checks or assessments downstream businesses may need to undertake when using upstream information as part of their own due diligence

- how downstream businesses could assess the quality, completeness and relevance of information generated upstream
- how downstream businesses should approach incomplete, inconsistent or conflicting upstream information
- the circumstances in which upstream information may need to be supplemented by additional information or assessment
- the practical implications of downstream businesses remaining responsible for the information they rely upon, and responsible for meeting their own due diligence obligations, including any legal, cost, administrative or other impacts

[Open text]

[Please note Question 53 is for business respondents only]:

Question 53: Can you identify your position in the supply chain to determine when different due diligence requirements may apply? For example, this may depend on whether your organisation first imports or places a product on the market in Great Britain or obtains a product that has already been placed on the market by another business.

[Single Choice]

☐ Yes
☐ No
☐ Don't know
☐ Not relevant

Sharing information about due diligence systems with other regulated businesses in the supply chain

We recognise that in practice, many businesses share and make use of information supplied by other businesses, particularly when they use the same commodities and products. Information sharing between suppliers supports audit, customer and procurement requirements, credible sustainability reporting and product claims, market access, transparency, competitiveness and confidence in product origin and legality. We are consulting on whether the UK government should introduce a requirement for businesses in scope to share relevant information about due diligence systems with other regulated businesses they supply, and if so, how it should operate.

Considerations for an approach to information sharing

The UK government is considering not only whether relevant due diligence information, including traceability information, should be shared between regulated businesses, but also how that information should be collected, held, shared and accessed.

The approach adopted may have important implications for both businesses and regulators. Different information-sharing models may place responsibilities in different places for creating, maintaining, retaining and providing access to information. They may also affect the costs of compliance, the burden of record-keeping, and the ease with which businesses can obtain information needed to comply with regulatory requirements.

The information architecture supporting the regime may also affect how compliance is monitored and enforced. For example, some approaches may rely primarily on information being shared and retained between businesses within supply chains, while others may involve information being made available through a more centralised system. These approaches may create different evidential records, place different information management burdens on businesses and regulators, and affect how readily compliance or non-compliance can be demonstrated and responsibility for failures identified.

1. **Market-led approach (no requirement):** If the UK government did not introduce a requirement, businesses would continue to determine if and how any information is shared with their suppliers, there would be no legal obligation to do so. Business may prefer to maintain flexibility on how, when and whether information is shared with suppliers, as meeting legal obligations could incur additional regulatory burdens and costs. At the same time, businesses, particularly those that are downstream and smaller in size, may consider they would face difficulties in obtaining information they require to meet their own due diligence obligations if access to, and the quality of, information is dependent only on voluntary market forces, a supplier's willingness to share it or their negotiating power. This also may be true of businesses downstream that sell relevant products in other markets where similar information and data is required for market access, such as in Northern Ireland or the EU under the EUDR.

2. **A regulatory requirement:** Businesses may consider that the introduction of a requirement to share relevant information onward to suppliers would be beneficial. For example, businesses upstream may consider that clear requirements could reduce instances of repeated, differently specified downstream customer requests and provide greater certainty when investing in information-sharing systems. Businesses downstream and smaller businesses may consider that a requirement would reduce uncertainty about whether they can obtain important information they need from their suppliers to meet their own regulatory obligations, particularly when they may have limited resources or market leverage to request and obtain information from all suppliers.

   These benefits would likely depend, however, on information being reliable, up to date and linked to the relevant products, with proportionate arrangements for access that protect commercially sensitive and personal information. Designing an information sharing requirement would need to address the potential costs and

burdens associated with receiving, retaining, managing and sharing data, differences in data formats and system compatibility, and the difficulty of maintaining product links where commodities are mixed, processed or incorporated into multiple products. Additional legal responsibilities may arise in relation to maintaining access, correcting errors and communicating changes. Introducing such a requirement also raises important questions about its enforceability.

In considering an information sharing requirement the UK government is also considering the way in which information is shared and the associated implications:

- **A business-to-business model*:* A requirement to share information could operate through direct business mechanisms under a flexible approach concerning how information is shared.**

  Many businesses already operate well-established business-to-business processes, tools, technologies and in-house systems, including using supplier portals, third-party platforms and document-sharing arrangements, including those that avoid the need for businesses themselves to directly store, manually share or manage large volumes of data. Businesses could integrate sharing into their purchasing and supply processes, reuse relevant data and choose arrangements suited to their supply chains and technical capabilities. This could reduce duplicate data entry and unnecessary and costly changes to existing effective systems if a different system was required to be used, while enabling businesses themselves to manage access, confidentiality and security in line with their own requirements and contractual arrangements.

  There may be limitations to this approach, however. Different businesses may use different systems, formats and technologies, and have different preferences for how information is shared and received. Smaller businesses in particular may face resource or capability constraints in establishing effective information-sharing processes, including appropriate storage capacity when information is received, and managing procedures that ensure relevant information is shared onward. A wide variation in the way information is shared could also present challenges in providing clear standardised requirements that would apply across different mechanisms. Although businesses may be able to use due diligence information, including traceability information generated elsewhere in the supply chain, they may still need to retain sufficient information and records for their own compliance purposes. This could create significant information management and retention burdens, particularly where relevant due diligence and traceability information, including geolocation data, must be retained for the request retention period. There may be challenges in the ability of a regulator to monitor and enforce the operation of the due diligence information sharing system, particularly regarding what information was held, received and shared, when information was transmitted, and how information flows were maintained.

Regulators would need to consider, not just what data was held by a business, but what data it had access to before, and businesses would need to keep records of this. This may require businesses to maintain additional records demonstrating information flows across supply chains. We need to consider the extent to which a business, if facing regulatory action, could be dependent on information collected or actions undertaken by other businesses. We are seeking views and evidence on the extent to which these information retention and record-keeping requirements would create practical burdens for businesses, particularly SMEs.

- **A single central system: An alternative approach could be that information is required to be shared through one specific central system, operated by the UK government.**

  Mandating the use of one centrally administered system could support consistency in how information is shared and accessed, and the data standards and information formats. It may also reduce the need for businesses to construct, or reconstruct, information flows across multiple commercial actors, and limit potential burdens associated with sharing, storing and managing information and independent requests at the individual business level. A central UK government system may also improve the enforceability of requirements, where a regulator would have direct visibility and access to information that is shared via the system.

  However, there are important considerations for the design and delivery of a central system, particularly regarding how the development and operation of such a system could incur significant public and private costs. An information-sharing service would require a separate assessment of its functionality, costs, and delivery timeline implications. The system would need to provide appropriate business access and robust governance, security and operational support. Any perceived gain for businesses through UK government intervention would need to consider the extent to which prescribing the use of one system could disrupt well-established business practices and incur potentially significant adaptation costs. It would need to be clear that a UK government system is necessary to address gaps that business-to-business arrangements and other proportionate support could not adequately resolve, meaningfully reduce overall burdens, and provide value for public money. A central system to support information sharing would also not replace the need for businesses to retain certain information and supporting records for their own compliance purposes.

The UK government's preferred approach is to create a regulatory requirement that relevant information should be shared between regulated businesses, operated flexibly through a business-to-business model

- Information that would be expected to be shared includes traceability information, including geolocation data and commodity origin information, as well as other due diligence system information relevant to assessing and mitigating risk of product non-compliance with relevant and applicable laws.
- We consider that there is regulatory and practical rationale for requiring that information is shared down regulated supply chains, particularly for downstream businesses and smaller businesses. At the same time, we consider it is important that businesses can maintain flexibility and control over the way in which information is shared, particularly with their own suppliers.
- We are seeking views and evidence, considering different approaches highlighted above, on how a sharing requirement could maintain effective information flows to support compliance across multi-tiered regulated supply chains without imposing disproportionate burdens or excluding businesses solely because they lack sophisticated digital systems.

Consultation questions

[Please note Questions 54-57 are for all respondents]

Question 54: Which approach would be the most appropriate regarding businesses sharing due diligence information, including traceability information, with those they supply to?

[Single Choice]

☐ Market-led approach (no legal information-sharing requirement)
☐ A regulatory approach (information is legally required to be shared)
☐ Don't know

Please explain your answer, having regard to:

- access to information
- compliance costs and business burdens
- management of due diligence and traceability data
- any considerations relating to a businesses' size and position in the supply chain
- enforcement effectiveness
- evidential reliability

[Open text]

Question 55: Which categories of information should businesses share with others in their supply chain?

[Multiple Choice]

☐ Product or batch identifiers and relevant supplier details

☐ Commodity origin information
☐ Geolocation data
☐ Evidence of compliance with relevant and applicable laws
☐ Relevant risk assessment information
☐ Relevant risk mitigation information
☐ Don’t know
☐ No information should be shared
☐ Other (please specify)

[Open text]

Please provide optional evidence explaining any particularly useful or burdensome categories.

[Open text]

Question 56: What, if any, could be the main barriers and burdens to sharing due diligence information, including traceability information, with other businesses?
Please select up to four of the most significant barriers.
[Up to four choices]

☐ Commercial sensitivity
☐ Confidentiality concerns
☐ Data protection concerns
☐ Lack of interoperable systems between businesses
☐ Cost or resource constraints
☐ Supplier unwillingness
☐ Data quality issues
☐ Cost of retaining large volumes of data
☐ Long-term storage and retention requirements
☐ Managing geolocation and traceability data
☐ Maintaining audit trails
☐ Difficulty evidencing information flows
☐ Difficulty maintaining access to information over time
☐ Don’t know
☐ No barriers
☐ Other (please specify)
[Open text]

Question 57: Beyond setting a legal requirement, would additional UK government action be needed to make an information sharing requirement between businesses in Great Britain operate effectively?

[Single Choice]

☐ Yes

☐ No

☐ Don't know

If 'Yes', select up to three priority actions:

[Up to three choices]

☐ Publish information sharing templates

☐ Develop common data and information standards

☐ Convene industry-led arrangements

☐ Support businesses without established systems

☐ Develop a central government-administered digital information sharing service

☐ Other (please specify)

[Open text]

Please explain your answer, identifying the specific gap that UK government action would address and why businesses or existing service providers could not adequately address it.

[Open text]

[Please note Questions 58 and 59 are for respondents that selected 'Develop a central government-administered digital information sharing service' only]

Question 58: If a UK government-administered information sharing service were to be developed, should businesses be required to use it?
The UK government's consideration of such a service does not constitute a commitment to develop it. Any potential gains for businesses would be weighed against delivery feasibility and public costs.

[Single choice]

☐ Yes

☐ No, the service should be optional to use

☐ Don't know

Question 59: If a UK government-administered information-sharing service were developed, to what extent could it:

- improve access to information
- reduce business burdens associated with retaining and managing information;
- improve monitoring and enforcement

[Open text]

[Please note Questions 60 and 61 are for business respondents only]

Question 60: How feasible would it be for your organisation to obtain, retain or maintain reliable access to relevant due diligence information, including traceability information, and, where it supplies other businesses, share it downstream? Please distinguish between activities your organisation can undertake using existing arrangements and those that would require changes.

[Single Choice]

☐ Feasible using existing arrangements
☐ Feasible with changes or support
☐ Not currently feasible
☐ Don't know
☐ Not applicable

Please explain your answer, identifying the activities or information categories that present difficulties and how these could be addressed. Where possible, estimate additional one-off and ongoing costs, staff time and implementation time, state your assumptions, and distinguish costs of obtaining information from costs of managing or sharing it. Please identify whether improved access could also save costs or reduce repeated supplier requests.

[Open text]

Question 61: What tools or systems does your organisation use to access, manage or share due diligence information, including traceability information? *Select all that apply.*

[Multiple Choice]

☐ Spreadsheets
☐ Paper-based systems
☐ Email
☐ Cloud-based document sharing systems
☐ Internal systems
☐ Third-party traceability software
☐ Blockchain-based systems

☐ National traceability systems
☐ Certification platform systems
☐ None
☐ Other (please specify)

[Open text]

[Please note Questions 62 and 63 are for UK business respondents only]:

Question 62: Would an information sharing requirement support you to trade in markets where comparable information is required for market access, for example in Northern Ireland or the EU under the EUDR?

[Single Choice]

☐ Yes
☐ No
☐ Don't know
☐ Not relevant to me

Please explain your answer:

[Open text]

Question 63: If information sharing requirements were not introduced in Great Britain, can you readily access the information you need from your suppliers to maintain market competitiveness and trade in NI and/or the EU under the EUDR?

[Single Choice]

☐ Yes
☐ No
☐ Don't know
☐ Not relevant to me

Please explain your answer:

[Open text]

Part three: Annual Reporting requirements

We are seeking views on annual reporting requirements for forest risk commodities and considering the introduction of comparable reporting requirements for timber and timber products.

Reporting can serve a number of purposes within a due diligence framework. It can support transparency and public scrutiny of how businesses are implementing their due diligence requirements; provide information to support regulatory oversight and compliance monitoring; enable businesses to demonstrate the steps they have taken to meet their obligations; and provide evidence to support evaluation of how the regulatory framework is operating in practice. Reporting may also help identify wider trends and support learning across sectors and commodities.

Public availability of information may support accountability and external scrutiny by investors, civil society organisations, consumers and other interested stakeholders. However, publication requirements must also be proportionate and appropriately protect commercially sensitive information. We are seeking views on how this balance should be struck. At the same time, we recognise that annual reporting, if not designed appropriately, could impose disproportionate burdens on smaller businesses with limited staff, technical expertise and financial resources, potentially diverting capacity from effective due diligence and risk mitigation. In designing requirements, the UK government is also considering the risks of duplicating existing reporting on the same products by different businesses along the supply chain.

Annual reporting requirements on forest risk commodities

Under Schedule 17 of the Environment Act 2021, regulated persons who use a forest risk commodity in their commercial activity must provide the relevant authority with a report. This report must set out the steps taken to establish and implement a due diligence system during a reporting period. It must be submitted no later than six months after the end of the reporting period. Reporting periods are defined as the period from when the requirement comes into force to the following 31 March, and each successive 12-month period thereafter (for example, the UK financial year).

Under Schedule 17 of the Environment Act 2021, reports must be made available to the public by the relevant authority in the way and to the extent specified in regulations. The UK government is considering how publication requirements can support transparency and accountability while appropriately protecting commercially sensitive information. Regulations may also make provision about the content and form of annual reports.

Consideration of introducing annual reporting requirements on timber and timber products

Under the UK Timber Regulation, businesses are not currently required to report periodically to OPSS on their due diligence systems or outcomes. This means that regulatory oversight relies principally on information obtained through OPSS-led checks and investigations, rather than a routine, standardised flow of information from regulated businesses. Reviews of the regime have identified limitations in the available data for assessing compliance and measuring its impact, although the evidence is not clear that the specific absence of proactive business reporting is a sole driver. Introducing proportionate, standardised annual reporting could address this information gap by giving

OPSS a more complete and consistent picture of the regulated market, the due diligence systems being used and where risks may be concentrated.

Information about operators' due diligence is also not currently required to be made public. This limits the ability of stakeholders and the wider public to scrutinise how businesses are assessing and addressing the risk of illegally harvested timber. Introducing annual reporting, with appropriate information made publicly available, could improve transparency and enable more effective public scrutiny of the legality of timber placed on the Great Britain market, while protecting commercially sensitive information.

Reporting could therefore support earlier identification of emerging compliance concerns, more effective targeting of regulatory activity and stronger evaluation of whether the regime is achieving its intended outcomes.

Submission of annual reports

A digital system will be developed by the government to support the submission of annual reports to the relevant authority. User testing will be undertaken to inform the design and functionality of the system to ensure effective implementation. Guidance will be published to support relevant businesses to access and interact with the system.

The UK government is seeking views on the application of annual reporting to businesses that use timber and forest risk commodities. This includes:

- Whether annual reporting requirements should also be applied to timber, and whether the approach should be consistent with that established for forest risk commodities under Schedule 17 of the Environment Act 2021.
- How to ensure the information requested through reporting is of value for enforcement authorities to monitor compliance and support regulatory oversight. While an annual report would not be the only information that a regulator could or would rely on, digital standardised reporting could improve regulatory effectiveness by giving regulators consistent information to support risk-based compliance monitoring and enforcement activity.
- Identifying information that will be made publicly available to enable external scrutiny and transparency, balancing this with the need to protect commercially sensitive information.
- Ensuring requirements do not duplicate information required to be reported under other relevant regulations and schemes.

We are considering the following information categories that could be included in an annual report on the use of timber and forest risk commodities

- Business identification details
- Types and quantities of commodities and products for which the report relates
- Geographic information, for example the country or subnational region of origin

- Information regarding the level of traceability established for the relevant products in the reporting period
- How compliance with relevant laws is assessed
- Risk assessment methodology and processes, factors assessed and outcomes
- Where risk was identified, risk mitigation actions taken and results
- Grievances received and what actions the company has taken
- How producers, including small-scale producers and Indigenous Peoples and Local Communities were meaningfully engaged where relevant in the implementation of the due diligence system
- How compliance information has been audited or verified
- Use of relevant third-party certification or other assurance schemes, or adherence to relevant standards as part of due diligence
- Extent to which the business relies upon information obtained from upstream actors

We are considering how any annual reporting requirements should be differentiated based on a business's position in the supply chain

- This is being considered in the context of our proposal on differentiating the requirements of a due diligence system for forest risk commodities, and the current differentiated model under the UK Timber Regulation.
- Businesses at different points in a supply chain may undertake different due diligence activities. The UK government is considering whether reporting requirements should differ according to a business's role in the supply chain. This could include requiring all regulated businesses to submit a report, while varying the content and level of detail required according to the due diligence activities undertaken by that business.
- The UK government is also considering the value of the Regulator receiving, holding, reviewing or publishing duplicate information and evidence related to the same commodities and products.

We are seeking views on the extent to which information and evidence used to meet reporting requirements under other regulatory frameworks, such as the EUDR, could also support reporting under the deforestation regulations in Great Britain.

- We want to understand how reporting requirements can be designed to minimise complexity for businesses in scope of similar regulations and identify opportunities to minimise duplication and facilitate re-use of relevant information.
- For example, the EUDR introduces both a prospective and retrospective reporting framework. Operators must complete and submit Due Diligence Statements before placing products on the market. Non-SME operators are also required to report annually on their due diligence activities in the previous year and to publicise this as widely as possible but are not required to submit it directly to a Competent Authority.

Consultation questions

[Please note Questions 64 to 69 are for all stakeholders]

Question 64: Do you consider that annual reporting requirements should be introduced for timber products?

[Single choice]

☐ Yes
☐ No
☐ Don't know

Please explain your answer, including any benefits or challenges you consider would arise.

[Open text]

Question 65: What do you consider to be the most important purposes of annual reporting on deforestation due diligence?
Please select up to three most important.

[Select up to three choices]

☐ Supporting transparency and public scrutiny
☐ Supporting regulatory oversight and risk-based monitoring
☐ Enabling businesses to demonstrate how they are meeting their due diligence requirements
☐ Supporting evaluation of the effectiveness of the regulatory framework
☐ Improving understanding of market trends and emerging risks
☐ Supporting learning and good practice across sectors and commodities
☐ Don't know
☐ Other (please specify)
[Open text]

Question 66: Which information is most important to make publicly available to support effective transparency and external scrutiny of deforestation due diligence?
Please select up to five of the most important categories.

[Multiple choice]

☐ Types of commodities and products covered by the report
☐ Volumes or quantities of commodities and products covered by the report
☐ Identity of suppliers
☐ Country of origin information

☐ Sub-national origin information
☐ Relevant legislation considered as part of the risk assessment
☐ Information on supply chain traceability systems used
☐ Risk assessment methodologies and processes
☐ Risk assessment outcomes
☐ Risk mitigation measures undertaken
☐ Outcomes of risk mitigation measures
☐ How producers were meaningfully engaged in the due diligence process
☐ Information on audits or independent verification
☐ Use of certification, assurance schemes or standards
☐ Grievances received and what actions the company has taken
☐ No information should be published
☐ Other (please specify)
[Open text]

Question 67: Which approach should be taken to annual reporting for regulated businesses at different points in the supply chain?

[Single choice]

☐ All regulated businesses should be required to provide the same information in their annual report
☐ All regulated businesses should provide an annual report, but the information required should vary according to their role in the supply chain and the due diligence activities they undertake
☐ Don’t know
☐ Other (please specify)

[Open text]

Please explain your answer, including what information you consider should be required from downstream regulated businesses where reports on the same products or commodity components may already have been submitted upstream.

[Open text]

Question 68: What support would help smaller businesses meet annual reporting requirements.

[Multiple choice]

☐ Simplified reporting requirements

☐ Guidance or templates on what information needs to be reported
☐ Targeted support with using a digital reporting system
☐ Don't know
☐ Other (please specify)
[Open text]

Question 69: **Are you aware of reporting requirements under other relevant regulations or schemes that could potentially duplicate or overlap with information proposed to be required for timber and forest risk commodities?**

[Single choice]

☐ Yes
☐ No
☐ Don't know

If 'Yes', please specify

[Open text]

[Please note Questions 70 and 71 are for businesses who selected 'EU Regulation on Deforestation-free Products (EUDR)' in Question 14]

Question 70: Do you anticipate that information and evidence you will use to report annually under the EUDR would support you to fulfil these annual reporting requirements?

[Single choice]

☐ Yes
☐ No
☐ Unsure
☐ I am not required to report annually under the EUDR

Question 71: Do you anticipate that information and evidence you will use to submit Due Diligence Statements to comply with the EUDR would support you to fulfil these annual reporting requirements?

[Single choice]

☐ Yes
☐ No
☐ Unsure
☐ I am not required to submit Due Diligence Statements under the EUDR

[Question 72 is for all stakeholders]

Question 72: Please provide any additional comments that the UK government should consider regarding annual reporting. This could include any additional information categories that should be required to be included in an annual report to the Regulator, and whether or not this information should be made public.

[Open text]

Part four: Monitoring and enforcing compliance

Sanctions and penalties

Effective regulation and enforcement are fundamental to achieving the objectives of any due diligence regime to prevent illegal deforestation. Clear rules must be supported by a credible framework for monitoring compliance, investigating potential breaches and taking appropriate action where non-compliance occurs. An effective enforcement framework helps to ensure that businesses that comply with their obligations are not placed at a competitive disadvantage, supports confidence in the integrity of supply chains and provides assurance that regulatory requirements are delivering their intended outcomes.

A robust enforcement regime also enables regulators to take a proportionate and graduated approach to compliance. Not all breaches are of the same nature or severity. Regulators therefore require a range of tools that allow them to respond appropriately, from supporting and guiding businesses towards compliance through to imposing significant sanctions where serious or deliberate breaches occur. A broader suite of powers can improve compliance outcomes by allowing intervention at an earlier stage.

As the UK government develops its regulatory approach, it is important that enforcement frameworks are broadly comparable across different regulated commodities. This includes ensuring that businesses subject to due diligence obligations for timber and those subject to requirements for forest risk commodities operate within enforcement systems that are consistent, in so far as possible within their frameworks, in their overall approach and deterrent effect.

The UK government is also mindful of the enforcement framework that will be implemented under the EUDR in Northern Ireland. The EUDR framework provides competent authorities with a broad range of monitoring, investigatory, corrective and sanctioning powers. The proposed enforcement regime in Northern Ireland is designed to have effective, proportionate and dissuasive penalties, and to ensure that competent authorities have the tools they need to secure compliance with the EUDR.

While the legislative frameworks in Great Britain and Northern Ireland are distinct, it is important to ensure compatibility in regulatory outcomes and enforcement. Significant

differences in available enforcement tools could create a two-tier system of compliance across the UK, potentially leading to inconsistencies in enforcement, increased complexity for businesses operating across UK markets, and additional burdens for regulators. We therefore consider that, wherever appropriate, enforcement frameworks in Great Britain should provide regulators with powers that are broadly comparable in scope and effectiveness.

Enforcement framework for forest risk commodities

Schedule 17 of the Environment Act 2021 provides a framework through which detailed enforcement arrangements for forest risk commodities may be established in regulations.

The framework enables the designation of enforcement authorities and provides for:

- monitoring compliance with regulatory requirements
- record-keeping and information requirements
- powers of entry, inspection, examination, search and seizure (subject to statutory safeguards)
- civil sanctions, namely:
    - fixed monetary penalties
    - discretionary requirements, including variable monetary penalties
    - stop notices
    - enforcement undertakings
- criminal offences in relation to the obstruction of or failure to assist an enforcement authority
- appeals against sanctions
- cost recovery

We consider that the Schedule 17 of the Environment Act 2021 framework provides regulators with a comprehensive enforcement toolkit and is not proposing to amend these provisions at this stage.

Enforcement framework for timber and timber products

The UK Timber Regulation currently provides a different enforcement model. The existing framework centres primarily on criminal offences and prosecution powers. Under these regulations, the placing of illegally harvested timber on the market and failures to comply with core due diligence obligations may constitute criminal offences. The regulator, OPSS, may also issue Notices of Remedial Action requiring businesses to address identified non-compliance. In practice, OPSS may additionally use advisory correspondence and other informal measures to encourage voluntary compliance where breaches are minor or lower risk.

While this framework has enabled enforcement action to be taken where appropriate, it offers fewer intermediate interventions than the framework available under Schedule 17 of

the Environment Act 2021. As a result, there can be a significant step between informal engagement and criminal enforcement.

In some cases, civil sanctions may support a more proportionate and graduated approach to enforcement by enabling regulators to address compliance failures using the most appropriate intervention, while retaining criminal sanctions for the most serious cases. It could also improve regulatory consistency across commodities, strengthen deterrence, enhance the effectiveness of compliance monitoring, and reduce the risk of significant divergence between enforcement approaches across different parts of the UK.

The UK government is not proposing to alter the existing criminal offences framework but instead seeks views on whether additional civil and administrative tools should be introduced to complement existing powers and support a more flexible, graduated and effective timber enforcement regime.

We propose to introduce civil sanctions and additional investigatory and intervention powers for timber and timber products

Civil sanctions being considered include, but are not limited to:

- compliance notices;
- restoration notices;
- stop notices;
- fixed monetary penalties;
- variable monetary penalties; and
- enforcement undertakings

The investigatory and intervention powers we have considered (while remaining open to further suggestions) are:

- test purchases and product examinations;
- written information notices;
- enhanced transparency measures relating to regulatory action and compliance outcomes; and
- targeted cost recovery powers associated with enforcement activities

We consider that variable monetary penalties should be available for noncompliance with relevant timber and forest risk commodity requirements. We are seeking views on the maximum amount of a variable monetary penalty.

- Variable monetary penalties would allow enforcement authorities to set proportionate penalties reflecting the seriousness of the breach, the business's size and any financial benefit gained.
- We are also considering the possibility of introducing other civil sanctions, such as fixed monetary penalties, stop notices, compliance notices and enforcement undertakings. We are seeking views on the civil sanctions in this section of the consultation.

- A consistent approach across timber and forest risk commodities would support comparable deterrence and may protect compliant businesses from unfair competition.

Consultation questions

[Please note Questions 73-77 are for all respondents]

Question 73: Do you agree that civil sanctions and additional investigatory powers should be introduced to the enforcement framework for timber and timber products? Civil sanctions under consideration include compliance notices; restoration notices; stop notices; variable monetary penalties; enforcement undertakings

[Single choice]

☐ Yes
☐ No
☐ Don't know

Please explain your answer.

[Open text]

Question 74: What do you consider should be the maximum variable monetary penalty for non-compliance with requirements relating to timber and timber products?

The amount of a variable monetary penalty imposed in any individual case would vary depending on the circumstances of the breach. The options below concern the maximum penalty available.

[Single choice]

☐ Unlimited (no maximum limit)
☐ A specified maximum amount
☐ A maximum based on a percentage of global annual turnover
☐ A maximum set as the higher of a specified monetary amount or a percentage of global annual turnover
☐ A maximum based on a percentage of UK annual turnover
☐ A maximum set as the higher of a specified monetary amount or a percentage of UK annual turnover
☐ Don't know
☐ Other (please specify)
[Open text]

Please explain your answer, including the amount or percentage you consider appropriate as relevant and why.

[Open text]

Question 75: What do you consider should be the maximum variable monetary penalty for non-compliance with requirements relating to forest risk commodities?

The amount of a variable monetary penalty imposed in any individual case would vary depending on the circumstances of the breach. The options below concern the maximum penalty available.

[Single choice]

☐ Unlimited (no maximum limit)
☐ A specified maximum amount
☐ A maximum based on a percentage of global annual turnover
☐ A maximum set as the higher of a specified monetary amount or a percentage of global annual turnover
☐ A maximum based on a percentage of UK annual turnover
☐ A maximum set as the higher of a specified monetary amount or a percentage of UK annual turnover
☐ Don't know
☐ Other (please specify)
[Open text]

Please explain your answer, including the amount or percentage you consider appropriate as relevant and why.

[Open text]

Question 76: Do you have any views on the proposed civil sanctions for non-compliance with requirements relating to timber and forest risk commodities? If relevant, please include your views on the appropriate monetary amount for any fixed monetary penalty.

[Open text]

Question 77: Do you have any further comments on the enforcement regime for timber or forest risk commodities?

In your answer, you may wish to consider:

- *the types or sources of evidence a regulatory authority should consider when assessing compliance with the proposed requirements*

- *any benefits, challenges or practical implications to consider in the operation of the enforcement frameworks*

[Open text]

Part five: Future impacts, costs, risks and mitigations

This section seeks optional evidence on the wider economic, social, environmental and trade impacts of the proposed approach, including how impacts may differ by commodity, country, supply chain structure and local context. The UK government wants to identify benefits or potential adverse effects at an early stage so that the regulations, guidance and implementation arrangements can be designed to minimise unnecessary costs, avoid disruption to established trade and protect producers and communities that may have limited capacity to meet new requirements.

We are therefore seeking evidence on likely costs and burdens, potential risks and trade-offs across supply chains, and any mitigation strategies that could help reduce negative impacts. In particular, we would like to understand how these factors may affect the functioning of international supply chains.

The UK government is especially interested in impacts on smallholders, Indigenous Peoples and Local Communities (IPLCs), producer organisations and other groups that may face barriers to participating in regulated supply chains. Barriers may include limited access to finance, technology, connectivity, formal land documentation, technical support or bargaining power. We are interested in understanding both the potential benefits and risks of the proposed requirements. Benefits could include investment in supply chain formalisation, stronger producer organisations, improved market access, competitiveness and enhanced forest protection. Risks could include supplier disengagement, compliance costs being passed upstream, or the exclusion of smaller producers. We want to understand how these impacts may be experienced and what safeguards may be needed to support equitable participation in regulated supply chains.

We are also interested in the potential implications of the proposed regulations for businesses and supply chain partners operating across multiple jurisdictions or regulatory frameworks. Differences in product scope, data standards, evidence requirements or implementation timelines could lead to duplicated compliance activity, product segregation, changes in sourcing or reduced market access. Evidence on where these risks may arise will help the UK government design the approach in Great Britain to work with existing systems wherever possible and avoid unnecessary disruption to trade at an early stage to undertake proactive mitigations.

The evidence gathered will inform decisions on proportionality, guidance, interoperability, support and other mitigations. The aim is to ensure that measures to address global deforestation are effective while avoiding unnecessary trade disruption, minimising the risk of excluding smallholders and vulnerable groups and supporting an equitable transition towards supply chains free from illegal deforestation.

Consultation questions

[Please note Questions 78-85 are for all respondents]

Question 78: What benefits could the proposed Great Britain regulations have on producers, supply chains, trade, markets, consumers or environmental outcomes? *Select up to four top potential benefits:*

[Select up to four choices]

☐ Reduced illegal deforestation and associated climate and biodiversity impacts
☐ Enhanced protection of forests and therefore of forest-dependent peoples and marginalised groups
☐ Stronger protection of forest-dependent communities' rights and livelihoods
☐ Improved producer incomes or access to finance and technical support
☐ Maintained or improved market access and competitiveness for legal producers and compliant businesses
☐ Enhanced traceability leading to greater visibility and ability to act on other supply chain risks and harms
☐ Reduced duplication and costs through reuse of data and systems across markets
☐ Improved traceability, risk management and resilience to supply disruptions
☐ Greater consumer confidence in product origin and legal production
☐ Other (please specify)

[Open text]

Question 79: What negative impacts could the proposed Great Britain regulations have on producers, supply chains, trade, markets, consumers or environmental outcomes? *Select up to four top potential impacts.*

[Select up to four choices]

☐ Supply disruptions or reduced availability and choice of products
☐ Exclusion of smallholders or marginalised groups (for example, Indigenous Peoples and Local Communities)

☐ Withdrawal from sourcing regions or countries where compliance is perceived to be more challenging
☐ Market consolidation favouring larger businesses and reducing competition
☐ Diversion of trade to less regulated or informal markets, weakening environmental benefits
☐ Increased business costs or consumer prices, including from duplicated compliance requirements
☐ Displacement of deforestation or other environmental harm to unregulated commodities or areas
☐ Compliance costs passed to suppliers or producers, reducing incomes or livelihoods
☐ Other (please specify)
[Open text]

Question 80: What barriers could producer organisations, smallholders and Indigenous Peoples and Local Communities (IPLCs) face in supplying products to businesses that must comply with the proposed Great Britain regulations? *Select up to five of the highest barriers.*

[Select up to five choices]
☐ Lack of awareness of requirements
☐ Limited access to technical knowledge or training
☐ Cost of compliance (for example, mapping, certification or audits)
☐ Limited access to digital tools or internet connectivity
☐ Complexity of requirements
☐ Lack of formal documentation (for example, land tenure or permits)
☐ Language barriers
☐ Lack of support from buyers or supply-chain partners
☐ Multiple or conflicting requests for data and information from buyers
☐ Time constraints or administrative burden
☐ Other (please specify)

[Open text]

Question 81: What support for smallholders, producer organisations and Indigenous Peoples and Local Communities (IPLCs) should be delivered, and who should be responsible for providing it? *Please consider the respective roles of regulated businesses, governments, producer organisations, NGOs and service providers.*

Please select the three most important routes:

[Select up to three choices]

☐ Direct support from regulated businesses to their suppliers, such as training, tools or financial assistance

☐ Support delivered collectively through industry bodies, commodity platforms or pooled funding arrangements
☐ Producer-country government programmes, including extension services, land administration and digital infrastructure
☐ Government technical assistance or capacity-building programmes
☐ Support delivered through producer organisations, cooperatives or community-based organisations
☐ Support delivered by NGOs, civil society organisations or Indigenous Peoples and Local Communities' representative organisations
☐ Support from certification schemes, auditors, traceability providers or other specialist service providers
☐ Partnerships combining public, private and civil-society support
☐ Support should be tailored through consultation with affected producers and communities
☐ No additional support is needed
☐ Don't know
☐ Other (please specify)

[Open text]

Question 82: What impacts could the proposed Great Britain regulations have on producers regarding customary land rights, livelihoods, access to markets, participation in decision-making or the ability to raise concerns? Please provide examples or evidence and identify safeguards that should be reflected in regulation, guidance or implementation.

[Open text]

Question 83: Could the proposed requirements affect trade flows, market access, supply-chain continuity or the competitiveness of exports to or from Great Britain? Please identify the commodities, products, countries or producer groups most likely to be affected, explain the likely mechanism and scale of impact, and suggest measures that would reduce disruption.

[Open text]

Question 84: Could the proposed requirements lead businesses to change suppliers, sourcing countries, contract terms, purchasing volumes or the prices paid to producers? Please explain which suppliers or producer groups may be affected, whether changes would be temporary or lasting, and what measures could reduce adverse effects.

[Open text]

Question 85: Who should ultimately bear any additional costs arising from the proposed Great Britain requirements? *Select all that apply.*

[Multiple choice]

☐ Regulated businesses
☐ Suppliers
☐ Producers (including smallholders, where relevant)
☐ Customers or consumers
☐ Costs should be shared across multiple actors in the supply chain
☐ Don't know
☐ Other (please specify)

[Open text]

[Question 86 is for businesses who comply or will comply with the EUDR or a similar framework]

Question 86: If your organisation already complies with, or will comply with, the EUDR or a similar framework, what (if any) percentage increase in ongoing compliance costs would you expect from meeting the proposed regulations in Great Britain, compared with your current compliance costs?

[Single choice]

☐ No additional costs
☐ Minor additional costs (up to 25% increase)
☐ Moderate additional costs (26-50%)
☐ Large additional costs (51-75%)
☐ Very large additional costs (more than 75% increase)
☐ Don't know
☐ Not relevant

Deforestation in scope

Halting and reversing global deforestation are essential to tackling climate change, protecting biodiversity, supporting livelihoods and maintaining resilient global supply chains. Strong, collective international action is needed to address the scale of forest loss, and the UK government recognises the importance of robust standards that support the transition to deforestation-free supply chains.

The current proposals focus on illegal deforestation within the scope of existing powers. Any future move to a deforestation-free standard would be subject to further policy development and legislative consideration.

The UK government recognises the urgent global imperative to halt and reverse global deforestation and the important role of deforestation-free standards in achieving this. We therefore want these proposed regulations introduced now to strengthen protections against the use of illegally produced commodities while laying the foundations for a future transition to eliminate deforestation from UK supply chains. We recognise the existing investment in deforestation-free systems and that robust evidence, tools and standards used by producers and businesses can support compliance in Great Britain.

We plan to consider transitioning over time to a deforestation-free standard in Great Britain for timber and forest risk commodities

- Significant progress has already been made by national governments, producers, businesses, certification schemes, NGOs and industry-led initiatives. Many have invested in systems, standards and assurance mechanisms to improve traceability, strengthen verification and demonstrate that commodities are produced legally and without driving deforestation. This progress has accelerated following the introduction of the EUDR, which requires relevant products placed on the EU market to be deforestation-free and produced in compliance with the relevant legislation of the country of production.
- Given the UK's close integration with European and global supply chains, with approximately 60% of both UK imports and exports of these products in scope entering from, or moving into the EU, it is important that the approach in Great Britain works with, rather than cuts across, these existing investments wherever possible.[31] Consistent and interoperable standards can help avoid unnecessary costs, duplication and complexity for businesses and producers, while supporting confidence in resilient and sustainable supply chains.

Consultation questions

[Please note Questions 87 and 88 are for all respondents]

Question 87: Do you foresee any benefits arising from adopting a deforestation-free standard in Great Britain in the future?

[Single choice]

[31] Internal analysis of HMRC Overseas Trade Statistics, 2025 data. https://www.uktradeinfo.com/

☐ Yes
☐ No
☐ Unsure

Please explain your answer

[Open text]

Question 88: Do you foresee any challenges arising from adopting a deforestation-free standard in Great Britain in the future?

[Single choice]

☐ Yes
☐ No
☐ Unsure

Please explain your answer

[Open text]

[Questions 89 and 90 are for business respondents only]

Question 89: Are the products you trade in or sell into Great Britain currently deforestation-free? (For example, because you trade with NI and/or the EU where the EUDR applies and your production or supply chains are not market segregated to Great Britain only)

[Single choice]

☐ Yes
☐ No
☐ Unsure

Please explain your answer

[Open text]

Question 90: If you selected no, or unsure, in what timeframe could you reasonably meet a deforestation-free standard?

[Single choice]
☐ 6 months or less
☐ 1 year or less
☐ More than 1 year
☐ Two years or more
☐ Never

☐ Unsure

Please explain your answer

[Open text]

Final questions

Public Sector Equality Duty

We would welcome views on whether any of the proposals set out above could have a different impact on people with a protected characteristic, as defined by the Equality Act 2010, compared with people without that characteristic. We would also welcome views on any measures that could help to mitigate any such impacts.

Question 91: Do you consider that any of the proposals could have a different impact on people with a protected characteristic? If so, please explain the potential impact and any measures that could help to mitigate it.

[Open text]

End of consultation