

Position Paper:

EU Deforestation Regulation (EUDR) implementation

Executive summary

This paper presents the position of CLEPA, the European Association of Automotive Suppliers, on the implementation of the EU Deforestation Regulation (EUDR).

CLEPA and its members fully support the objectives of the EUDR, in particular the fight against global deforestation and the ambition to strengthen sustainable and responsible supply chains

While CLEPA welcomes the Commission's efforts and the improvements introduced through the May 2026 publication of the Regulation, significant concerns remain regarding legal uncertainty, interoperability, and disproportionate impacts across the industry.

Key policy ask: Focus obligations exclusively on the first placer on the EU market

EUDR obligations should be clearly limited to the first operator placing goods on the EU market, typically the importer. Exempting downstream operators fully from Due Diligence Statements (DDS) related obligations would enable a swift and effective implementation by reducing duplication and administrative burden while maintaining accountability where it is most efficient.

Why EUDR downstream obligations are disproportionate and ineffective

1. Administrative burden and lack of leverage

Downstream operators face significant administrative obligations, including requirements related to the handling, storage and transmission of DDS, even where they have limited ability to influence deforestation risks. These requirements generate duplication across the supply chain and limited added value for deforestation prevention. Although updated guidance clarified that downstream operators are not required to actively investigate upstream compliance, operators must still maintain and track due diligence documentation for extended periods. For companies with complex supply chains and high product volumes, this creates substantial operational and IT-related challenges with limited added value for deforestation prevention.

2. Disproportionate compliance burdens

Many CLEPA members identified that only minuscule amounts of their purchased goods are in scope of EUDR by customs code and are imported from outside EU. One CLEPA member reported that only 0.07% of purchased parts are subject to EUDR, yet compliance efforts, including assessment, investigation and engagement required more than 80 man-hours. Certain complex assemblies are currently covered by customs codes listed in the EUDR, triggering extensive compliance assessments, even where the final product does not qualify as an EUDR-relevant commodity in substance or contains only negligible amounts of relevant materials. Compounding these challenges, the current framework applies uniform obligations with limited differentiation based on actual deforestation risk, country of origin, or commodity risk profile. This one-size-fits-all approach undermines the effectiveness of enforcement and the efficient allocation of resources. CLEPA members continue to report disproportionate compliance burdens where only minimal import volumes or negligible amounts of

EUDR relevant materials are concerned. In many cases, substantial resources are required to fulfil due diligence obligations despite limited or no meaningful deforestation risk. Introducing pragmatic de minimis thresholds, exemptions for negligible volumes, and more risk-based implementation measures would help ensure proportionality, reduce unnecessary administrative workload, and allow both companies and authorities to focus resources on higher-risk activities

3. Complexity and legal uncertainty surrounding the dual role concept

The introduction of the dual role concept was welcomed as a practical improvement for operators importing and further processing raw materials internally. However, the concept remains limited in scope and does not extend to importers of finished goods, creating continued operational complexity for downstream industries. Legal analysis confirmed that the dual role concept is embedded in the current Regulation's definitions, making further extension or modification legally complex without reopening the Regulation itself. In parallel, ambiguities in terminology and inconsistencies in the IT system continue to create uncertainty for operators and increase implementation burdens.

4. Limitations and operational inefficiencies of the IT system

While recent updates and FAQs provided useful clarifications, several key operational challenges remain unresolved within the IT system. Companies continue to face restrictions linked to plot size limitations, the inability to efficiently aggregate due diligence statements, and broader data management constraints. These shortcomings generate unnecessary administrative burdens, particularly for operators handling complex products and large supplier networks, and risk undermining efficient compliance implementation.

Additional primary implementation improvements

- **Clarify material definitions and customs codes application**

Implementation could be improved by providing clear and practical definitions distinguishing natural from synthetic materials, standardizing acceptable methodologies for demonstrating synthetic content, and reassessing the inclusion of customs codes that predominantly cover materials with no deforestation risk, such as HS codes starting 4016.

- **Exclude HS Code 4016 from the scope of EUDR Annex I**

To align EUDR with industrial reality and avoid unnecessary compliance burdens, HS Code 4016 (vulcanized rubber articles) must be excluded from Annex I. Synthetic rubber is the industry standard for automotive components due to its higher temperature resistance, chemical resistance, low aging effects, and consistent material properties. Natural rubber cannot match these properties in safety-critical applications.

Supply chain data from a CLEPA members demonstrates the scale of misalignment:

- A CLEPA members received over 1.5 billion individual pieces of rubber parts in 2025.
- More than 99% of these parts fall under the tariff code HS 4016.
- Of these billions of pieces, 92.8% are confirmed to contain no natural rubber at all.
- Only a negligible ~0.3% are confirmed to contain any amount of natural rubber.

Under EUDR, every single one of these 1.5 billion parts requires potential checks to prove non-relevance. Excluding HS 4016 from Annex I would eliminate this burden while fully preserving EUDR's deforestation objectives.

- **Introduce proportionate thresholds and exemptions**

Clear thresholds or exemptions could be introduced for products and operators with negligible EUDR relevant content or volumes (e.g. samples), ensuring that compliance efforts are proportionate to actual deforestation risk and allowing authorities and companies to focus resources on higher risk supply chains.

- **Disproportionate obligations linked to the first downstream user role**

The introduction of the first downstream user role was intended to maintain traceability beyond border controls. However, in practice, this approach creates additional administrative and data management burdens without delivering proportionate sustainability benefits. The requirement adds complexity to supply chain processes, increases IT system demands, and contributes to duplication of compliance obligations across the value chain

Conclusion

In its current form, the implementation of the EUDR risks creating disproportionate administrative burdens, legal uncertainty and operational complexity across the automotive supply chain, particularly for downstream operators with limited ability to influence deforestation risks. CLEPA therefore calls for a more proportionate, risk-based and workable implementation framework that preserves the Regulation's environmental objectives while ensuring legal certainty and operational feasibility for industry. Priorities should include limiting obligations to the first placer on the EU market, reducing duplication of due diligence requirements and introducing pragmatic thresholds and exemptions for negligible-risk products and operators. IT system functionality and a stronger focus on high-risk supply chains would further support effective and efficient implementation.

About CLEPA

CLEPA, the European Association of Automotive Suppliers based in Brussels, represents over 3,000 companies, from multi-nationals to SMEs, supplying state-of-the-art components and innovative technology for safe, smart and sustainable mobility, investing over €30 billion yearly in research and development. Automotive suppliers in Europe directly employ 1.7 million people in the EU.

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