

EU Deforestation Regulation

EU Deforestation Regulation or "EUDR"

The EU has been actively working to combat deforestation and promote sustainable practices across various industries, including the paper and pulp sector. Regulations aimed at promoting deforestation-free products may have an impact on UK based paper merchants, especially those operating within the European Union (EU).

Some of the key ways in which regulations on deforestation-free products can impact PPG and its customers include:

Supply chain transparency: Regulations may require paper merchants to provide transparent information about the origin of their products, ensuring that the paper and pulp used in their merchandise come from sustainable and legal sources. We have a long established UKTR due diligence system to create compliance information and data with our key partners outside of the UK.

Certification requirements: To demonstrate compliance with deforestation-free regulations, PPG have obtained certifications such as Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC). These certifications indicate that the wood and pulp used in the paper production process are sourced from responsibly managed forests, thereby promoting sustainable forestry practices.

As part of our FSC and PEFC compliance initiative we have implemented our DDS program which involves compliance with UK Timber Regulations, but would exclude Recycled Materials. Looking ahead to December 2024 we are keenly watching FSC integrated solutions such as Blockchain, this should enable us to track the paper's journey through the entire supply chain, meeting EUDR traceability requirements and providing the ability to generate due diligence statements for submission to the EU. We further understand a new Risk Assessment framework will be available from June 2024 and the first 20 revised risk assessments available by January 2025.

Adapting to regulations on deforestation-free products are challenging, but it demonstrates our commitment to environmental responsibility and contribute to global efforts in mitigating deforestation. We are embracing sustainable sourcing practices, ensuring supply chain transparency, and promoting eco-friendly products, paper merchants can position themselves as key contributors to the preservation of forests and biodiversity.