

Brussels, 12 November 2025

Ms. Ursula von der Leyen
President
European Commission

Ms. Jessika Roswall
Commissioner, DG ENV
European Commission

Mr. Eric Mamer
Director-General, DG ENV
European Commission

Ms. Monika Hencsey
Director
DG ENV.F Green Diplomacy & Multilateralism

Subject: Making the EUDR Work: A Pragmatic Solution for Sustainable Trade.

*Dear President von der Leyen,
Dear Commissioner Roswall,
Dear Director-General Mamer,
Dear Director Monika Hencsey,*

We represent a network of policy experts, businesses, and trade partners committed to free trade, innovation, and prosperity. From this perspective, we believe that **zero deforestation is a non-negotiable goal**, not only a guiding principle for global markets but also a powerful driver of growth, innovation, and responsible development.

Traceability and due diligence are not bureaucratic burdens; they are technologies, business tools, and consumer expectations that strengthen trust and competitiveness.

The real question, however, is *how and when* this goal can be realistically achieved. In this respect, we welcome the Commission's proposal to revise the EU Deforestation Regulation (EUDR) and its renewed attention to the technical and practical challenges that operators face. Yet, the proposal alone does not fully address the concrete issues raised by many sectors, companies, and competent authorities, nor the pitfalls that have emerged during the recent dry runs.

Likewise, further postponements or a "stop-the-clock" approach would only prolong uncertainty without tackling the underlying problems. Last year's postponement weakened confidence and created uncertainty without addressing the core challenges. Reopening the entire regulation now would be an even greater mistake, one that risks undermining both Europe's credibility and the trust of responsible businesses that have already invested heavily in compliance.



Indeed, many companies, particularly in the palm oil value chain, are already at the forefront of EUDR compliance, setting a benchmark for other sectors. Despite the challenges faced by 6.5 million smallholders in Indonesia, and many more in Malaysia, Guatemala, and other countries, the commitment to comply remains unwavering.

We therefore propose a **pragmatic and politically realistic solution** that moves beyond past controversies and focuses on practical implementation, allowing the EUDR to deliver results without additional burdens or distortions.

To this end, we call on the Commission, Member States, and Members of the European Parliament to take three concrete steps:

- **Transform the current six-month grace period into a 24-month testing phase (without sanctions)**, a structured opportunity for operators, national competent authorities, and the Commission to test systems, identify technical barriers, and resolve them collaboratively. This phase would help close implementation gaps and restore confidence.
 - **Add a one-year testing phase (without sanctions)** to the current proposal of a one-year postponement for small and micro-operators. This additional period would ensure **fair and inclusive implementation**, giving SMEs and smallholders the time and support needed to adapt their systems, build capacity, and maintain access to EU markets without being left behind.
- **A “Community of Practice” for each commodity chain**, open to producing countries, operators, and technical experts. This Steering Committee would facilitate real-time problem-solving, benchmarking, and knowledge-sharing. The end of the testing phase should coincide with a data-driven review of the Regulation.
- **Further dedicated and substantial public–private funding for smallholder inclusion**, developed jointly with producer countries. The focus should be on **digital transformation**, capacity-building, and training, positioning this as a major EU-led digital transformation initiative for sustainable trade.

These measures are practical, fair, and fully consistent with the EU’s ambition to lead on sustainable and inclusive trade. They would allow the Commission to deliver a credible and effective Regulation, enable companies to innovate and become more competitive, and ensure that European citizens benefit from the transparency and accountability they expect.

Competere, as a policy institute that promotes human development through individual empowerment and creative destruction, stands ready to collaborate with institutions, governments, and business partners to turn these proposals into action – and to make the EUDR a true success story, rather than a bureaucratic obstacle or, worse, a costly failure for European taxpayers.

We trust in your consideration and remain available for any further discussion or clarification.

Best regards,

Pietro Paganini

President