

LiveEC

EUDR Legal Requirements and Best Practices - The Ultimate Guide

WHITEPAPER

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Introduction



The European Union Deforestation Regulation (EUDR) introduces stringent legal obligations for companies across the supply chain, transforming how businesses source commodities.

The regulation is specifically designed to combat the ongoing issue of global deforestation by making companies accountable for their raw material sources, ensuring sustainability practices are upheld. This is particularly relevant as deforestation continues to drive biodiversity loss and climate change.

Whether you are an operator or trader in terms of the EUDR, understanding these requirements is vital to maintain compliance and market access.

Produced in collaboration with LiveEO's legal partner CMS, this guide provides an in-depth look at the legal requirements for deforestation-free supply chains, required documentation, contract considerations, and the legal risks of non-compliance.

We also explore practical strategies for auditing supply chains, minimizing legal exposure, and ensuring robust compliance processes—all with a focus on EUDR readiness.

What the EUDR Means for Global Businesses

The EUDR aims to combat deforestation and forest degradation by preventing the import, trade and export of products that were sourced from plots of land affected by deforestation or forest degradation.

The regulation emphasizes stringent traceability and due diligence, which means operators and traders must have deep visibility into their supply chains to comply effectively. The EUDR affects a wide range of industries, including for example food and agriculture, automotive, construction/furniture, pharmaceutical and packaging.

Companies must navigate the requirements for due diligence, such as collecting geolocation data about production plots and ensuring their products meet the standards for deforestation-free sourcing as outlined in Articles 4 and 5 of the Regulation.

Which Commodities and Products Fall Under the EUDR?

A key focus of the EUDR is on commodities that are considered high risk for contributing to deforestation. These include the seven commodities: cattle, oil palm, soya, cocoa, coffee, rubber, and wood.

Additionally, products which contain or are made under the use of these commodities also fall under the material scope of the EUDR, e.g. but not limited to:



Cattle: Beef, hides, and related products.



Palm Oil: Includes derivatives like palm kernel oil and glycerin.



Soya: Covers soya beans, soya meal, and oil.



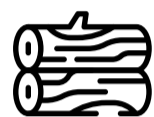
Cocoa: Cocoa beans, cocoa butter, chocolate, and other cocoa-based products.



Coffee: Roasted, decaffeinated coffee, and coffee husks.



Rubber: Raw natural rubber, rubber clothing, and other rubber-derived products.



Wood: Raw wood, charcoal, wood-based packaging, and construction materials.

Which Commodities and Products Do Not Fall Under the EUDR?

It's important to note that the EUDR only applies to specific commodities and products as defined in **Annex I** of the regulation. Not all derivatives of these commodities are covered unless they are explicitly listed in the annex.

For instance, while palm oil is included, certain processed derivatives may not fall under the regulation unless they are directly referenced. Therefore, understanding if your company's products are within this defined scope is critical for compliance.

Obligations for Companies Affected by EUDR

The EUDR is not just a guideline—it demands concrete actions to ensure compliance and reshape how commodities are sourced and verified.

We recognize that adjusting your supply chain practices to meet these legal requirements can present challenges, from sourcing data to ensuring supplier cooperation.

But with the right tools and systems, you can take proactive steps to meet EUDR obligations while reducing risks of non-compliance.

In the following sections, we will explore what it means for companies to build deforestation-free supply chains and which specific due diligence responsibilities they must fulfil to meet these legal requirements.



The Legal Requirements and Due Diligence for Deforestation-Free Supply Chains

Under the EUDR, operators and traders must demonstrate that their products are deforestation-free. This applies to products that contain or are made using high-risk commodities like rubber, cattle, soy, palm oil, timber, coffee, and cocoa, which must be sourced from land that has not experienced deforestation since the cut-off date, December 31, 2020.

To ensure compliance, companies are required to implement due diligence systems that actively monitor and manage their supply chains. These systems must include data collection, verification, risk assessment and risk mitigation processes to confirm compliance with sustainability standards.

Key actions for due diligence include but are not limited to:

1. Information Gathering (Art. 9)

Companies must collect comprehensive information about the products in their supply chain, including:

- **Geolocation data:** Accurate geolocation data of production areas to ensure the land was not subject to deforestation post-December 31, 2020.
- **Product Descriptions:** Including trade names, scientific names of species (if applicable), and relevant quantities.
- **Supply Chain Documentation:** Invoices, contracts, customs forms, and shipping records to verify product traceability and legal sourcing.

2. Risk Assessment (Art. 10)

Businesses are required to evaluate potential non-compliance risks for commodities based on, e.g.:

- Country-specific deforestation risks.
- The complexity and transparency of the supply chain.
- Evidence from geolocation data or previous supplier compliance records.

If significant risks are identified, enhanced scrutiny and measures must follow.

3. Risk Mitigation (Art. 11)

Operators and traders must address risks identified during the risk assessment proactively by implementing measures such as:

- **Supplier Engagement:** Ensuring suppliers adhere to compliance requirements through contracts or certifications.
- **Corrective Actions:** Where necessary, replace or rectify non-compliant suppliers.
- **Third-Party Verification:** Use audits or independent assessments to validate compliance.



4. Due Diligence Statement Submission (Art. 12)

Companies must submit an official due diligence statement to the EU Information System affirming compliance. This statement confirms:

- Due diligence with EUDR was carried out and no risk or only a negligible risk was identified.
- Compliance with the legal standards of the country of production.

5. Ongoing Monitoring (Best Practice)

Though not mandated, implementing continuous monitoring through tools like satellite imagery or AI-driven platforms can help ensure long-term compliance and early risk detection.

Country Risk Category	Corporate Due Diligence Obligations			Enforcement
	Evidence Collection	Risk Assessment	Risk Mitigation	
Low Risk	✓	Proof that no risk exists due to the complexity of the supply chain, mixing, or circumvention of EUDR. Other due diligence obligations must be fulfilled if there are indications of violations/non-negligible risks.		Authorities review at least 1% of companies.
Standard Risk	✓	✓	✓	Authorities review at least 3% of companies.
High Risk	✓	✓	✓	Authorities ensure that at least 9% of market participants and 9% of the volume of relevant raw materials and products are monitored.

Due Diligence Action	Description	Tools or Documentation
Geolocation Collection	Collect precise coordinates of production areas	Satellite data, GPS coordinates
Continuous Monitoring	Monitor land-use changes in real-time	AI-driven satellite data, risk detection
Supplier Compliance Verification	Ensure suppliers meet EUDR criteria	Contracts, geospatial analysis, audits



Due Diligence Action	Description	Tools or Documentation
Risk Assessment and Mitigation	Ongoing evaluation of risks and actions to mitigate them	Risk reports, satellite analysis
Due Diligence Statement Submission	Submit official due diligence statements	Legal documentation, compliance reports

Table: Due Diligence Obligations for the EUDR compliance

Identifying Affected Parties in the Supply Chain

The EUDR explicitly defines the obligations of **operators** and **traders**, ensuring that accountability is maintained across the supply chain. The below obligations are aligned with **Articles 4 and 5 of the Regulation**, which establish distinct roles and responsibilities.

Operators: First to Place Products on the EU Market

Definition: Operators are entities that place relevant commodities or products on the EU market for the first time, whether through production or import, or exports them.

Key Obligations:

- 1. Due Diligence System Implementation:** Operators must establish and maintain a robust due diligence system, which includes:
 - Gathering comprehensive information about the product's origin, geolocation, and legality.
 - Assessing and mitigating risks associated with deforestation and forest degradation to reduce the risks to no risk or only negligible risk.
- 2. Submission of a Due Diligence Statement:** A mandatory declaration to the EU Information System confirming compliance with deforestation-free requirements and the legislation of the country of production.
- 3. Mitigation Measures:** If risks are identified, operators must implement appropriate measures.

SME-Operators: Small Enterprises with Defined Responsibilities

Definition: SME-operators are small and medium-sized enterprises that place relevant commodities or products on the EU market for the first time or export them. While their obligations under the EUDR are reduced compared to larger operators, they remain accountable for ensuring compliance.



Key Obligations:

- 1. Streamlined Due Diligence:** SME-operators are exempt from conducting full due diligence on products already verified within the supply chain. Instead, they must reference the reference number of the originally submitted due diligence statement.
- 2. Full Compliance for New Products:** For products not yet subject to due diligence, SME-operators must exercise a due diligence to ensure deforestation-free compliance.
- 3. Documentation and Records:** They must maintain and provide documentation to competent authorities upon request, ensuring traceability and transparency.

Traders: Distributors Within the EU Market

Definition: Traders are entities that make relevant products available on the EU market but do not place them there initially.

Key Obligations:

- 1. Enhanced Responsibilities for Non-SMEs:** Larger traders (non-SMEs) are required to exercise due diligence similar to operators, ensuring that the products they distribute comply with the EUDR.
- 2. Information Maintenance:** Traders must keep records of their suppliers and buyers to ensure product traceability.
- 3. Collaboration with Authorities:** Traders must make their records available to competent authorities upon request for inspections or audits.

SME-Traders: Small Distributors Supporting Transparency

Definition: SME-traders are small and medium-sized enterprises that make relevant products available within the EU market but do not place them there initially. Their role focuses on maintaining traceability and assisting in ensuring compliance with EUDR requirements.

Key Obligations:

- 1. Record Keeping:** SME-traders must maintain detailed records of their suppliers and buyers, ensuring that products remain traceable throughout the supply chain.
- 2. Responsiveness to Authorities:** While exempt from conducting due diligence, SME-traders must ensure they have access to the necessary compliance documentation, such as due diligence statements, and provide these to competent authorities when required.
- 3. Risk Reporting:** If any indications of non-compliance arise, SME-traders are obligated to report this information to the relevant authorities, contributing to the integrity of the supply chain.

Producers and Suppliers Outside the EU

Producers and suppliers outside the EU who do not place products directly on the EU market must be considered suppliers who have no direct legal obligations under the EUDR.

However, it is in their interest to align with EUDR standards, as their buyers—operators and traders—will require EUDR-compliant products to fulfill their own regulatory obligations. Operators and traders are also dependent on information from suppliers to comply with their own due diligence requirements.

By proactively ensuring compliance, producers and suppliers can strengthen their business relationships and streamline the supply chain’s compliance efforts.

While **intermediaries such as logistics providers, consultants, or third-party auditors** play a supportive role in compliance-related tasks like documentation collection and risk assessments, the EUDR does not formally recognize them as a separate category with specific obligations.

Their contributions, such as assisting operators and traders with geolocation data or audits, are valuable but remain part of the broader compliance support network, not a regulatory requirement.

		Evidence Collection (Art. 9)	Risk Assessment (Art. 10)	Due Diligence Statement (Art. 12)	Risk Mitigation (Art. 11)
Operator	Non-SME	✓	✓	✓	✓
	SME	✓	✓	Must provide DDS for products that haven't undergone DD yet (✓)	✓
Trader	Non-SME	✓	✓	✓	✓
	SME	Only evidence retention (✓)	Must act if new information indicates a risk (X)	Must reference DDS if available (X)	Must notify authorities if risk arises (X)

Table: Obligations Operator vs Trader, SME vs Large Company



Category	Definition	Responsibilities
Operators	Place products/ commodities on the EU market for the first time.	<ul style="list-style-type: none"> - Conduct full due diligence, including geolocation and risk assessment. - Submit due diligence statements and mitigate risks before placing products on the market.
SME-Operators	Small and medium-sized enterprises placing commodities on the EU market for the first time.	<ul style="list-style-type: none"> - For products already assessed: Reference existing due diligence statements. - For new products: Conduct full due diligence and submit due diligence statements.
Traders	Make commodities available within the EU market but do not place them there initially.	<ul style="list-style-type: none"> - Perform full due diligence. - Maintain detailed records of suppliers and buyers. - Ensure product traceability throughout the supply chain. - Respond to competent authorities during inspections or audits.
SME-Traders	Small and medium-sized enterprises making commodities available within the EU market.	<ul style="list-style-type: none"> - Maintain records of suppliers and buyers for five years. - Ensure compliance documentation, like due diligence statements, is accessible and provided upon request. - Report risks of non-compliance to authorities.

Table: Definitions and Responsibilities of EUDR-Affected Parties



Documentation Required for EUDR Compliance

Compliance with the EUDR requires comprehensive documentation that proves products are sourced deforestation-free and meet regulatory standards.

This section outlines the critical documents and processes needed, ensuring that all required information is systematically captured to align with EUDR regulations. **This includes providing geolocation data of production areas to confirm that products originate from deforestation-free land and continuous data collection to enable real-time audits as required by the regulation.**

While proper documentation is essential, companies must also ensure that their contracts with suppliers are structured to enforce EUDR compliance. This is why in the next section, we'll look at how businesses can legally bind suppliers to these obligations through robust contractual clauses.

Let's dive in:

Mandatory Product Description and Evidence

Under the EUDR, companies are obligated to document key details about their products to ensure compliance. This includes specifying:

- **Product Description:** Trade name, type of product, scientific names of wood species if applicable, quantity, etc., to provide traceability (Article 9, EUDR). **Additionally, companies must collect geolocation data to provide precise coordinates of production areas, which is crucial to verifying deforestation-free sourcing.**
- **Supporting Documents:**
 - **Invoices:** Detailed records of all transactions to verify product identity and traceability.
 - **Contracts:** Legal agreements that outline the responsibilities of suppliers and ensure awareness of EUDR obligations.
 - **Certifications:** Compliance documents like forest certifications that confirm sustainable sourcing. **It is important to note that certifications complement risk assessments but do not replace them, ensuring robust compliance with EUDR requirements.**



Evidence of Quantity and Country of Origin

For EUDR compliance, companies must provide verifiable information about both the quantity of products and their country of origin. This is crucial to demonstrate traceability and compliance with deforestation-free sourcing practices.

Key documents to collect include:

- **Tax Receipts:** Proof of transaction authenticity that supports traceability.
- **Shipping Documents:** These track product movements, providing visibility along the supply chain. **These documents should also include detailed geolocation data to demonstrate compliance with deforestation-free sourcing.**
- **Customs Forms:** Documentation that verifies product entry or export, including quantities and country of origin details.

What is more, ensuring that all due diligence documents are integrated into broader supply chain management systems helps facilitate traceability and rapid access during audits. **Automation of these systems is encouraged to reduce human error and improve responsiveness during regulatory checks.**

Retention Requirement: All documentation must be retained for a minimum of five years to ensure traceability and provide evidence during inspections. **This also includes maintaining comprehensive geographic and legal data, which should be accessible during regulatory inspections.**

Due Diligence regarding legality

The EUDR mandates to ensure compliance with the relevant legislation of the country of production as part of their due diligence obligations. This includes adherence to national/regional laws as well as international law covering environmental protection, land use rights, forest management, labor conditions, indigenous peoples' rights, and anti-corruption measures.

Operators and traders must gather and verify documentation, such as valid administrative permits, land tenure agreements, and compliance records, to confirm the legality of production.

The verification process must address risks such as weak governance or corruption in the country of origin. All information must be analysed and verified, meaning operators and traders must be able to evaluate the content and reliability of the documents they collect and to understand the links between the different information in different documents.

Contracts with Suppliers: Legal Considerations

One of the best practices is to structure contracts with suppliers in a way that ensures they meet the regulation's strict standards. These contracts should contain specific clauses that clearly outline the supplier's legal obligations:

Key contractual considerations include:

- **Compliance Clauses:** Suppliers must guarantee adherence to EUDR standards, ensuring that all commodities are deforestation-free. This includes the obligation to provide verifiable geolocation data that confirms the exact origin of the raw materials.
- **Audit Cooperation:** Clauses requiring suppliers to cooperate fully with audits, providing necessary information to verify compliance. Contracts should also specify that suppliers must allow third-party verification audits, especially in high-risk regions.
- **Termination Conditions:** Provisions for terminating agreements if a supplier fails to comply with EUDR requirements.
- **Third-Party Verification:** Where possible, contracts should include requirements for suppliers to obtain independent third-party verification of their compliance, adding an extra layer of assurance. This helps mitigate risks in complex supply chains by ensuring external oversight of compliance measures.

Even with well-structured contracts, companies must remain vigilant of the legal risks and penalties for non-compliance with the EUDR. The following section will explore these potential consequences and how to avoid them.

Legality Category	Type of Records
Documentation for rights to use and access resources	Documentation of ownership or land use rights Contracts or concession agreements Resource extraction permits (e.g., harvest, mining, or agricultural permits) Concession licenses and maps Production/harvest agreements
Payments for rights or taxes	Commercial contracts Bank notes VAT documentation Official tax receipts Proof of royalty or licensing fee payments

Legality Category	Type of Records
Production processes, including environmental and labor legislation	Official audit reports Environmental impact assessments (EIA) Management or production plans Legal clearance certificates Worker health and safety records Social responsibility agreements
Third-party rights and tenure	Documentation of community or indigenous land rights Records of stakeholder agreements or conflict resolution Reports on tenure and rights claims Agreements or contracts safeguarding third-party legal rights
Trade and customs compliance	Transport permits Shipping and export documentation Import/export licenses Official receipts for export duties Export quota awards Proof of origin (certificates of origin or traceability reports)
Verification of sustainability and legality standards	Sustainability certifications (e.g., RSPO, FSC, UTZ) Compliance assessments from recognized third parties Geospatial data demonstrating compliance with EUDR cut-off dates Satellite monitoring records

Table: Overview of the required documents in proving compliance

Risks and Penalties for Non-Compliance

Failure to comply with the EUDR can lead to significant legal and financial consequences for companies.

Non-compliance isn't just about fines—it's about losing access to markets, facing severe reputational damage, and the operational impacts of non-compliant goods being confiscated or delayed.

Facing the risks of non-compliance can be daunting, but these risks can be managed with the right preventive measures. By building a robust compliance framework, you can protect your company from legal consequences while safeguarding your reputation.

Let's explore this topic in more detail:



Possible penalties of EUDR non-compliance

Placing products on the market, trade them or export them which are not compliant with the EUDR can lead to substantial legal risks, including financial penalties, restrictions on market access, and reputational harm. The consequences of non-compliance are serious and multifaceted, impacting not only the financial bottom line but also a company's credibility and ability to conduct business effectively.

Fines

The EUDR mandates that penalties for non-compliance be **effective, proportionate, and dissuasive**. The maximum amount of the financial penalty shall be set at a level not lower than 4% of the total Union-wide annual turnover in the preceding business year. The exact nature and amount of fines can vary by Member State, as each country is responsible for establishing its own enforcement measures.

These fines act as a deterrent and highlight the need for careful documentation practices to ensure compliance. By maintaining detailed records, businesses can minimize their risk of penalties.

Product Seizure

Authorities also have the power to confiscate non-compliant products. This can lead to significant financial losses, disruptions in supply chains, and additional costs related to replacement or re-shipping of compliant goods. The confiscation of non-compliant goods can also result in supply chain delays, further increasing operational costs.

Public Disclosure

Violations of EUDR requirements can result in **public disclosure of judgements for the infringement of the EUDR by the Commission**, which may tarnish a company's reputation. The public nature of such disclosures can have a long-term impact, reducing consumer trust and making it harder for companies to build new business relationships.

Companies should focus on maintaining compliance to mitigate the possibility of such outcomes.

Penalty	Description	Consequence
Fines	Minimum of 4% of the operator's or trader's total annual Union-wide turnover for incomplete documentation. The fine may exceed this percentage to offset any economic benefit gained from non-compliance, calculated as per Article 5(1) of Council Regulation (EC) No 139/2004.	Financial loss, legal exposure
Product Seizure	Confiscation of non-compliant goods	Supply chain disruption, additional costs
Public Disclosure	Publication of judgments regarding infringements of the EUDR	Reputational damage, market access loss

Ensuring Legal Protection Against Supplier Non-Compliance

Minimizing legal risks means ensuring that suppliers adhere to EUDR standards, this is why companies need to be proactive in enforcing compliance across their entire supply chain. If a supplier fails to comply, the legal and financial ramifications can fall on the companies they supply.

Third-Party Audits

- Implementing regular third-party audits and providing for contractual obligations that suppliers agree to participate in those audits is a crucial measure for ensuring supplier compliance. These audits provide an unbiased evaluation of the supplier's adherence to EUDR requirements.
- Regular audits can identify gaps or issues early, allowing companies to work with suppliers to address them before they become a compliance risk. **Including third-party audits in supplier agreements ensures an additional layer of verification and reduces the risk of non-compliance penalties falling back on the purchasing company.**
- This proactive approach also demonstrates a company's commitment to responsible sourcing, which can enhance credibility and strengthen business relationships.

Conducting Audits and Verifications for EUDR Compliance

Ensuring that supply chains are compliant with the EUDR requires ongoing legal audits and verifications. These processes ensure that all obligations are met, from due diligence to document retention, providing a robust mechanism for identifying and mitigating risks related to deforestation-free sourcing.

Periodic audits and continuous monitoring of compliance are essential, particularly in high-risk areas. Companies must employ risk-based assessments that account for country-specific deforestation risks and other factors that may affect compliance.

How to Legally Audit Your Supply Chain for EUDR

Conducting a legal audit of your supply chain is essential for confirming compliance with EUDR standards. Key steps involved in this process include:

- 1. Information Gathering:** Companies need to collect specific information about all commodities and products throughout the supply chain, including geographic coordinates for the plots of land where the commodities are produced. This is a fundamental step in establishing traceability and verifying that no deforestation has taken place on the production land after December 31, 2020. **The geographic coordinates must cover all production areas and be verified through regular audits to ensure accuracy.**
- 2. Risk Assessment:** Once information is gathered, a thorough risk assessment must be conducted. This includes evaluating the potential for non-compliance and identifying any areas that require additional monitoring or documentation. **Risk assessments should be ongoing and adjusted based on country-specific risks and the complexity of the supply chain. Special attention should be given to high-risk regions where deforestation is more prevalent.**
- 3. Risk Mitigation:** If a risk assessment reveals more than a negligible risk of non-compliance, operators and traders must implement risk mitigation procedures that are adequate to reduce the risk to a negligible level before placing products on the market. According to Article 11, these measures can include obtaining additional documentation, conducting independent audits, and supporting suppliers—particularly smallholders—with capacity building and investments. Operators and traders are also required to have internal compliance systems, including model risk management practices, and appoint a compliance officer. The decisions and processes involved in risk mitigation must be documented, reviewed annually, and made available to competent authorities upon request.



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4. Verification and Compliance Checks: Legal tools such as third-party audits and supplier assessments are vital to verifying compliance. Independent audits help ensure that data on production origins, contracts, and other supplier information is accurate and reliable. The development of an ongoing due diligence system and regular auditing of suppliers are recommended best practices to minimize risk. **These audits should not only validate geolocation data but also evaluate whether suppliers are consistently meeting EUDR standards.**

After conducting thorough audits, it is critical for companies to properly manage and retain compliance documents. Let's explore best practices for reviewing and storing these important records to ensure audit readiness and long-term compliance.

Reviewing and Storing Compliance Documents

Proper documentation and storage are not only crucial for compliance but also serve as a safeguard against legal risks.

Under EUDR, operators and traders are required to maintain extensive records to prove that their products are deforestation-free and comply with the legal requirements.

Key requirements for document retention

- **Retention Period:** All documents, including contracts, invoices, certifications, and geolocation data, must be kept for at least five years. This requirement applies to **compliance checks and potential audits** conducted by regulatory authorities, ensuring that all supply chain activities can be audited and traced if needed. Geolocation data, in particular, must be stored for the same five-year period to ensure that sourcing decisions can be verified at any time.
- **Document Types:** Companies should maintain comprehensive records that include product descriptions, trade names, scientific species names, and all transactions within the supply chain. Supporting documents such as shipping records, customs forms, and tax receipts are crucial in demonstrating compliance with EUDR standards. It is recommended that both physical and digital records be kept to meet EUDR requirements and facilitate audit readiness.

Best practices for document management

- **Digital Storage Systems:** Using digital document management systems can enhance document integrity and ensure that all records are easily accessible during regulatory inspections.

- **Periodic Internal Reviews:** Conducting regular internal reviews and updates to the documentation helps maintain compliance and ensures that records meet the latest EUDR requirements. Such reviews ensure that the latest updates to EUDR standards are integrated into the documentation process, reducing the risk of non-compliance.

By implementing robust auditing, verification, and documentation practices, companies can protect themselves against potential non-compliance risks and contribute to the broader goal of reducing global deforestation.

EUDR Compliance with TradeAware and CMS

The TradeAware solution provides advanced monitoring and helps companies meet their due diligence obligations under the EUDR. The partnership between CMS and LiveEO represents a comprehensive approach to EUDR compliance. By integrating legal expertise from CMS with the technological capabilities of LiveEO, companies can navigate complex regulatory requirements more efficiently and effectively.

Introduction to CMS

CMS is a leading global legal firm with extensive experience in environmental regulations, including the EUDR. With over 6300 professionals across multiple countries, CMS offers a robust support network to guide companies through their compliance challenges.

Their work focuses on ensuring businesses are ready for the upcoming changes brought by the EUDR.

Key Services of CMS

- **Supplier Checks:** CMS reviews suppliers on their EUDR-compliance. This includes the assessment of documents and answers provided by suppliers, categorize suppliers into several risk categories and recommendations for action.
- **Legal Training:** CMS provides webinars and client sessions to help companies understand their obligations and how to implement them effectively.
- **Compliance Advisory:** CMS advises companies on adapting their existing processes to meet EUDR standards.
- **Due Diligence Implementation:** CMS supports businesses in implementing effective due diligence processes that align with EUDR requirements.

LiveEO's Partnership with CMS – Overview

The collaboration between LiveEO and CMS combines advanced satellite monitoring capabilities with strong legal compliance tools. This partnership allows companies to efficiently manage the due diligence process required by the EUDR from end-to-end.

What TradeAware Offers

- **Geospatial Monitoring:** Through LiveEO's satellite technology, TradeAware provides real-time geospatial data, which helps verify the deforestation status of production areas. This ensures that commodities comply with EUDR's deforestation-free requirement.
- **Legal Compliance Layer:** CMS enhances the capabilities of TradeAware by conducting thorough legal reviews to ensure that due diligence obligations are properly adhered to. Drawing on extensive experience, CMS evaluates compliance with EUDR requirements, including information gathering, risk assessment, and risk mitigation. As part of its partnership with TradeAware, CMS also assesses existing compliance strategies and recommends further actions where necessary. This legal support complements TradeAware's platform, enabling businesses to streamline their processes, efficiently meet EUDR standards, as well as optimize their supply chains.
- **Streamlined Compliance Process:** TradeAware offers a user-friendly platform where businesses can upload geolocation data, assign suppliers to provide necessary documents, and generate compliance-ready due diligence statements. This system also allows companies to perform additional checks on samples of due diligence data, adding an extra layer of verification.

This integrated solution not only makes it easier for companies to comply with EUDR but also offers a streamlined process for ongoing monitoring and verification.

The combination of CMS's legal expertise and LiveEO's technology positions TradeAware as a comprehensive compliance solution that addresses both legal and operational needs for managing deforestation risks effectively.

Conclusions and next steps

The EUDR presents a significant shift in how businesses must manage their supply chains, especially with its rigorous demands for transparency and due diligence. While these challenges may seem daunting at first, they also present an opportunity for companies to strengthen their market position and build trust with their customers and partners.

By integrating robust due diligence processes, monitoring tools, and legal audits, your organization can not only ensure compliance but also become a leader in responsible sourcing. The key is to be proactive—aligning your supply chain practices now will help you avoid penalties, maintain market access, and contribute to the global effort to combat deforestation.

Through the collaboration between CMS and LiveEO, the TradeAware solution provides both the technological support and legal expertise you need to navigate these new regulations confidently. With real-time satellite monitoring and comprehensive legal guidance, TradeAware simplifies the compliance process, allowing you to focus on what you do best—growing your business.

Compliance with the EUDR isn't just about meeting a deadline; it's about creating a more sustainable future for both your company and the planet. Taking these steps today ensures you'll be ahead of the curve tomorrow.

Ready to protect your business and secure your place in the EU market? Contact us for a consultation, and let's make EUDR compliance an achievable goal for your company.



Would you like to know more?

Get in touch for a pilot!

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