



EUDR Indicators

Sustainability Framework
Programme

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Sustainability Framework for the EUDR verification

The [EU Deforestation Regulation](#) (EUDR)¹ requires that commodities and products included in its scope are produced in compliance with the relevant legislation of the country of production and that they are deforestation-free (they were produced on land that has not been subject to deforestation after 31 December 2020). For wood and products derived from wood, in addition to the above deforestation requirement, the wood must also have not been harvested without inducing forest degradation after 31 December 2020.

To address these requirements for agricultural commodities and wood products, respectively, we have benchmarked 159 indicators included in our Sustainability Framework with the requirements of the new legislation and selected **47 that can be used for the EUDR verification**.

This selection of indicators can serve as a tool to help businesses to meet the obligations imposed by the new law and help farmers and foresters identify pathways to producing legal and deforestation-free products.

The Sustainability Framework's EUDR verification tool is flexible in application and can be used for different commodities and different levels of risk. It can be used for the verification of forest and farm management, but also by processors, traders, retailers and others to implement a due diligence programme for sustainable sourcing throughout their supply chains for the chosen product scope.

Organisations verified by Preferred by Nature to address all the Framework's EUDR-related requirements will be eligible to make claims that they have been verified against the Sustainability Framework EUDR indicators.



¹ Text of the EU Deforestation Regulation adopted by the European Parliament on 19 April 2023

Related standards

In combination with the Sustainability Framework's requirements for implementing sustainability commitments in land use operations and processing facilities, the following normative requirements are available, applicable to organisations using the Sustainability Framework:

[Standard SP-01. Sustainability Framework.](#) The Framework contains the requirements applicable to producers working on land use level (land managers), processors and manufacturers. For some products, a product- or sector-specific adaptation of the framework may be applicable.

[Standard SP-02. System Requirements for Certificate Holders.](#) This Standard applies to all Sustainability Framework verified operations. It contains generic quality system requirements.

[Standard SP-03. Supplier Management and Due Diligence Requirements.](#) This Standard contains requirements for companies sourcing commodities through a supply chain; these may include manufacturers, traders and retailers. The Standard sets out requirements systems to ensure supply chain management and for conducting due diligence for sourcing and meeting sustainability commitments.

[Standard SP-04. Requirements for Claims and Seal Use.](#) This Standard regulates claims and use of the Preferred by Nature Seal related to the Sustainability Framework Programme. It also contains the requirements related to carbon compensation, which are a prerequisite for using the Seal.

[Standard SP-05. Chain of Custody and Traceability Standard.](#) This Standard contains requirements for the chain of custody models and traceability systems used to manage claims and trace products in the supply chain.

[Standard SP-09. Terms and Definitions.](#) This Standard contains terms and definitions used in the Sustainability Framework Programme.



EU Deforestation Regulation-specific indicators

Under the EUDR, mandatory due diligence rules apply to all Operators that place relevant products on the European Union market, or export them from the EU market. Only products that are both:

- **Deforestation-free** and
- **Legally produced or harvested** according to the **relevant legislation of the country of production**

will be allowed to be imported into, or exported from, the European Union market.

Relevant legislation of the country of production means the applicable laws concerning the legal status of the area of production in terms of:



Land use rights



Labour rights



Environmental protection



Human rights protected under international law



Forest-related regulations



Principle of Free, Prior and Informed Consent (FPIC), including as per United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)



Third parties' rights



Tax, anti-corruption, relevant trade and customs regulations

The indicators listed on the following pages have been selected from Preferred by Nature's [Sustainability Framework](#) to align with both the requirements relevant to **deforestation** and **forest-degradation**, as well as those which describe the relevant **legislation of the country of production**.

Indicators marked with



refer to the **EU Deforestation Regulation** and are relevant to the **Agriculture** sector.

Indicators marked with



refer to the **EU Deforestation Regulation** and are relevant to the **Forestry** sector.



'Deforestation-free' relevant indicators



Deforestation and forest degradation

Together, the Indicators below cover the requirement in the regulation to ensure commodities or products are **deforestation-free**, as per: i) Article 3; ii) The relevant definitions of Article 2, including the definition of **deforestation-free** (13), **deforestation** (3), **forest degradation** (7) and related definitions and iii) Recital (39).

Principle 3. Nature and the environment are protected.

Criterion 3.1 Forests and other ecosystems are not converted. Activities do not contribute to deforestation or the conversion of forests or other natural ecosystems.	
3.1.1 <i>Forests</i> are not converted to <i>Agriculture</i> after 31 December 2020.	
3.1.2 <i>Primary Forest</i> is not degraded or converted to <i>Plantation Forest</i> , <i>Other Planted Forest</i> or <i>Other Wooded Land</i> after 31 December 2020.	
3.1.3 <i>Naturally Regenerating Forest</i> is not degraded or converted to <i>Plantation Forest</i> or <i>Other Wooded Land</i> after 31 December 2020.	

Principle 4. Climate impacts are reduced and mitigated.

Criterion 4.1 Greenhouse gas emissions are reduced. Best business practices to minimise major greenhouse gas emissions are implemented and are adjusted to the risks and proportionate to the scale and nature of the operation.	
4.1.2 Animal feed shall be from sources that do not contribute to deforestation.	

Legality relevant indicators







Land use rights

Together, the Indicators below cover the requirement in the regulation to ensure commodities or products have been **produced in accordance with the relevant legislation of the country of production** in relation to **land use rights**, as per Article 3 and the relevant applicable laws defined in Article 2 (40).

Principle 1. Management and business practices are responsible.

Criterion 1.1 Land tenure and management rights are secure. Land tenure and management rights are secure and established for all rights holders and ensure that Free Prior and Informed Consent (FPIC) is obtained where operations may affect Indigenous Peoples or local communities' rights and resources.	
1.1.1 Land tenure rights are secure and registered according to legal requirements and include clear demarcation of legally gazetted boundaries.	
1.1.2 Land management rights are in place and registered according to legal requirements.	
1.1.5 Land areas under management are protected from illegal encroachment by third parties.	









Criterion 1.2 Management planning and operations are conducted responsibly. Management planning and operations are in accordance with legal requirements.	
1.2.1 Legal requirements for land use and management planning are complied with.	 
1.2.4 Legal requirements related to the disclosure of information are complied with.	 



Environmental protection

Together, the Indicators below cover the requirement in the regulation to ensure commodities or products have been **produced in accordance with the relevant legislation of the country of production** in relation to **environmental protection**, as per Article 3 and the relevant applicable laws defined in Article 2 (40).

Principle 3. Nature and the environment are protected.

Criterion 3.3 Ecosystems and biodiversity values are identified and protected. Ecosystem and biodiversity values are identified, maintained and enhanced, subject to the precautionary approach, in alignment with the HCV Networks Guidance ^{2,3} .	
3.3.6 Legal requirements relating to the harvesting, collection and trade of CITES species are complied with.	 
Criterion 3.4 Chemicals are used responsibly with minimal negative impacts. The use of chemicals is minimised, and any application ensures the protection of human health and minimal environmental impacts.	
3.4.1 Legal requirements for chemical use and storage are complied with.	 
Criterion 3.5 Waste is reduced and managed responsibly. The volume and negative impacts of waste from activities, including production and processing, are managed and minimised and meet legal requirements.	
3.5.1 Legal requirements relating to waste management are complied with.	 
Criterion 3.7 Water resources are protected and used efficiently. Where water is used, legal requirements are met, and water resources are protected and used responsibly to ensure long-term viability.	
3.7.1 Legal requirements for using and protecting surface and groundwater are complied with.	 

² See the HCV Network for more information: <https://hcvnetwork.org>

³ The implementation of the HCV methodology shall be dependent on the scale and intensity of the operations under evaluation. In the Sustainability Framework, consideration will be given to the size of land-use operations to allow flexibility in the implementation of this criterion. Furthermore, when adapting the generic framework to specific commodities, the indicators under this criterion are reviewed and adjusted to be fit for purpose.

Criterion 3.8 Soil is conserved and managed appropriately.

In terms of biodiversity, organic matter content and other physical, chemical and biological attributes of the soil, soil health is maintained or improved. Negative impacts on soils are managed and minimised.

3.8.1 Legal requirements related to soil management are complied with.



Forest-related regulations

Together, the Indicators below cover the requirement in the regulation to ensure commodities or products have been **produced in accordance with the relevant legislation of the country of production** in relation to **forest-related regulations** including **forest management and biodiversity conservation, where directly related to wood harvesting**, as per Article 3 and the relevant applicable laws defined in Article 2 (40).

Principle 1. Management and business practices are responsible.

Criterion 1.2 Management planning and operations are conducted responsibly.

Management planning and operations are in accordance with legal requirements.

1.2.2 Legal requirements for management and operational activities are complied with.



1.2.3 Legal harvesting or production requirements are complied with.



Principle 3. Nature and the environment are protected.

Criterion 3.2 Natural forests and other ecosystems are not degraded.

Activities are conducted to avoid degradation and ensure the resource's long-term productivity.

3.2.1 Legal requirements relating to management and harvesting activities in *Forests* are complied with.



Criterion 3.3 Ecosystems and biodiversity values are identified and protected.

Ecosystem and biodiversity values are identified, maintained and enhanced, subject to the precautionary approach, in alignment with the HCV Networks Guidance^{4,5}.

3.3.1 Legal requirements related to biodiversity conservation, protected sites, and protection of endangered or protected species are complied with.



Third parties' rights

Together, the Indicators below cover the requirement in the regulation to ensure commodities or products have been **produced in accordance with the relevant legislation of the country of production** in relation

⁴ See the HCV Network for more information: <https://hcvnetwork.org>

⁵ The implementation of the HCV methodology shall be dependent on the scale and intensity of the operations under evaluation. In the Sustainability Framework, consideration will be given to the size of land-use operations to allow flexibility in the implementation of this criterion. Furthermore, when adapting the generic framework to specific commodities, the indicators under this criterion are reviewed and adjusted to be fit for purpose.

to **third parties' rights**, as per: i) Article 3; ii) The relevant applicable laws defined in Article 2, (40); iii) Article 10 (2c and 2d).

Principle 2. People's well-being and human rights are respected.

Criterion 2.10 The rights of <i>Indigenous Peoples</i> are known and respected. The rights of Indigenous Peoples are known and respected, and interaction with them is conducted in a respectful and culturally appropriate manner.	
2.10.1 <i>Indigenous Peoples</i> affected by activities are identified.	
2.10.5 Interaction with <i>Indigenous Peoples</i> is conducted in a respectful and culturally appropriate manner.	
Criterion 2.11 <i>Communities</i> are supported and their rights are respected.⁶ There is respectful, collaborative, mutually beneficial and enriching engagement with the local communities.	
2.11.2 Legally recognised customary and community rights are identified and respected.	



Labour Rights

Together, the Indicators below cover the requirement in the regulation to ensure commodities or products have been **produced in accordance with the relevant legislation of the country of production** in relation to **labour rights**, as per Article 3 and the relevant applicable laws defined in Article 2 (40).

Principle 2. People's well-being and human rights are respected.

Criterion 2.2 Child labour⁷ is not present and employment of young workers is responsibly managed. Child labour is eliminated and children are protected. Where young workers are employed, their employment follows best practices.	
2.2.1 Legal requirements related to <i>child labour</i> and employment of young workers are complied with.	
Criterion 2.3 Modern slavery⁸, forced or compulsory labour do not occur. Forced labour, modern slavery and human trafficking do not occur, and no dependence is built or restrictions made for workers' freedom to choose their employer.	
2.3.1 Legal requirements related to <i>modern slavery</i> , including forced and prison labour, are complied with.	
Criterion 2.4 Workers' rights are respected. The rights of all workers are respected, including the International Labour Organization's (ILO) eight fundamental Conventions.	
2.4.1 Legal requirements related to Freedom of Association, the Right to Organise and the Right to Collective Bargaining are respected.	

⁶ FSC, Principles and criteria for forest stewardship FSC-STD-01-001 V5-2 EN, Principle 4; PEFC, Sustainable forest management requirements, Criterion 6

⁷ The term "child labour" is defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. See Preferred by Nature's Terms & Definitions for more details.

⁸ ILO Forced Labour Convention, 1930 (No. 29); ILO Abolition of Forced Labour Convention, 1957 (No. 105); Modern Slavery Act UK

2.4.3 Legal requirements related to working hours, overtime, rest time and time off are complied with.	 
2.4.8 Legal requirements related to recruitment and employment of workers are complied with.	 
Criterion 2.5 Discrimination⁹ does not occur. There is no discrimination related to employment or occupation.	
2.5.1 Legal requirements related to discrimination are complied with.	 
Criterion 2.6 Workers are remunerated in a responsible¹⁰ manner. All workers, permanent and contractors, seasonal and migrant workers, are remunerated for meeting or exceeding legal requirements and respecting workers' right to a decent standard of living.	
2.6.1 Legal requirements related to workers' wages and other payments, such as social insurance, are complied with.	
Criterion 2.7 Facilities, operations and activities are safe. Facilities and activities are safe and healthy ¹¹ , and workers have access to and use appropriate Personal Protective Equipment commensurate with the activities undertaken.	
2.7.1 Legal requirements related to workplace health and safety are complied with.	 
Criterion 2.8 Employer-provided housing is safe and hygienic. Where housing is provided by the employer to workers, it is in a safe and hygienic condition and is offered free of charge or for a fee commensurate with the pay.	
2.8.1 Legal requirements for employer-provided housing are complied with.	 
Criterion 2.9 Gender equality is maintained and protected.¹² Gender equality is protected according to legal requirements and following best practices, including equal remuneration for work of equal value and sufficient maternity leave.	
2.9.1 Legal requirements related to gender equality in the workplace are complied with. ¹³	 
2.9.4 Legal requirements related to maternity and paternity leave are complied with.	 



Human Rights

Together, the Indicators below cover the requirement in the regulation to ensure commodities or products have been **produced in accordance with the relevant legislation of the country of production** in relation to

⁹ ILO [Discrimination \(Employment and Occupation\) Convention](#), 1958 (No. 111)

¹⁰ OECD [Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector](#)



¹¹ WHO, [Healthy workplaces: a model for action](#), 2010

¹² ILO, C111 - Discrimination (Employment and Occupation) Convention, 1958 (No. 111)

¹³ [Accountability Framework](#), Core Principles, 2

human rights protected under international law, as per: i) Article 3; ii) The relevant applicable laws defined in Article 2 (40) and iii) Article 10 (2h).

Principle 2. People's well-being and human rights are respected.


Criterion 2.1 Human rights are respected. Human rights are respected in all aspects of operations and activities.	
2.1.1 Human rights are respected as required by international and national law.	
2.1.2 Harvest or trade-in products do not contribute to a violation of international human rights or armed conflicts.	



The Principle of FPIC (Free, Prior and Informed Consent)

Together, the Indicators below cover the requirement in the regulation to ensure commodities or products **have been produced in accordance with the relevant legislation of the country of production** in relation to the principle of **Free, Prior and Informed Consent**, including as set out in the **United Nations Declaration on the Rights of Indigenous Peoples¹⁴**, as per Article 3 and the relevant applicable laws defined in Article 2 (40).

Principle 2. People's well-being and human rights are respected.



Criterion 2.10 The rights of Indigenous Peoples are known and respected. The rights of Indigenous Peoples are known and respected, and interaction with them is conducted in a respectful and culturally appropriate manner.	
2.10.3 Legal requirements related to the rights of <i>Indigenous Peoples</i> are followed according to the principles of Free, Prior and Informed Consent (FPIC).	























Tax, anti-corruption, trade and customs regulations

Together, the Indicators below cover the requirement in the regulation to ensure commodities or products have been **produced in accordance with the relevant legislation of the country of production** in relation to **tax, anti-corruption, trade and customs regulations**, as per: i) Article 3; ii) The relevant applicable laws defined in Article 2 (40) and iii) Article 10 (2h).

Principle 1. Management and business practices are responsible.

Criterion 1.3 Taxes and fees are paid. Applicable taxes and fees have been paid in a timely manner and according to legal requirements.	
1.3.1 Legal requirements for payment of royalties, land/area taxes and fees are complied with.	
1.3.2 Legal requirements for payment of value-added taxes and/or other sales taxes are complied with.	

¹⁴ The United Nations: <https://social.desa.un.org/issues/indigenous-peoples/united-nations-declaration-on-the-rights-of-indigenous-peoples>

1.3.3 Legal requirements for payment of corporate taxes are complied with, including profit taxes.	 
1.3.4 Legal requirements for payment of trade and/or export taxes and fees are complied with.	 
Criterion 1.4 Corruption, fraud and conflict of interest are avoided. Corruption, fraud and conflict of interests are avoided, while business integrity is ensured according to best practices.	
1.4.1 Legal requirements relating to corruption - including bribery, fraud and conflict of interest are complied with.	 
1.4.4 Data and document falsification do not occur.	 
Criterion 1.5 Trade and procurement are responsible. Trade and transport of materials, products and animals are conducted according to legal requirements and respecting principles of fairness and transparency in contractual obligations.	
1.5.1 Legal requirements relating to trade and transport of products are complied with.	 
1.5.2 Legal requirements related to applicable trade restrictions and sanctions are complied with.	 
1.5.3 Legal requirements relating to the classification of products are complied with.	 
1.5.4 Legal requirements relating to export and/or import are complied with.	 
1.5.5 Legal requirements relating to offshore trading and transfer pricing are complied with.	 
1.5.6 Legal requirements relating to due diligence or due care are complied with.	 





Preferred by Nature is an international non-profit organisation working to support better land management and business practices that benefit people, nature and the climate. We do this through a unique combination of sustainability certification services, projects supporting awareness raising, and capacity building.

For nearly 30 years, we have worked to develop practical solutions to drive positive impacts in production landscapes and supply chains in 100+ countries. We focus on land use, primarily through forest, agriculture and climate impact commodities, and related sectors such as tourism and conservation.

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