

Voluntary Report – Voluntary - Public Distribution

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Report Name: Updates on UK's Draft Deforestation Legislation

Country: United Kingdom

Post: London

Report Category: Agriculture in the News, Climate Change/Global Warming/Food Security, Policy and Program Announcements

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Report Highlights:

On December 12, the Secretary of State (SOS) for Environment, Food and Rural Affairs (Defra) Steve Barclay announced draft legislation to stop products from illegal deforestation from being sold in the United Kingdom (UK). Currently, the legislation covers palm oil, cocoa, beef, leather, and soy products. Additional statutory instruments (SIs) are required to implement the draft legislation. The scope of the draft deforestation legislation could expand if political party leadership changes following Parliamentary elections (expected in 2024).

What this means for Exports:

The United Kingdom is currently drafting the statutory instruments (SIs) (also known as implementing legislation) for draft legislation on deforestation. The current draft deforestation legislation covers palm oil, cocoa, beef, leather, and soy products. The number of commodities covered is expected to grow over time. The draft legislation requires that covered products sold in the UK have not been produced on land linked to illegal deforestation. (Government press releases have also focused on protecting endangered species as a byproduct of safeguarding forests). The legislation constitutes an expansion of regulatory oversight to voluntary reporting but has also been criticized for not going far enough in regulating *legal* deforestation abroad.

Broader legislation could include stricter deforestation regulations, reporting requirements, and impact exports of these products to the UK.

Background - Deforestation Legislation in the UK

To comply with the draft regulations, businesses with a global annual turnover of over £50 million (US\$631.88 million) and over 500 metric tons of regulated commodities a year will be required to conduct due diligence on their supply chains, submit annual reporting, and ensure their supply chains comply with the deforestation legislation. The legislation will be reviewed after two years to assess its impact, including on trade.

The legislation was introduced through Schedule 17 of the [Environment Act 2021](#) but will require the adoption of SIs to be implemented. Draft SIs have not yet been published. The below media announcements are available on the UK government webpages:

- Environmental Audit Committee on [‘The UK’s contribution to tackling global deforestation’](#) (January 4, 2024)
- UK Government announcement (December 9, 2023): [Supermarket essentials will no longer be linked to illegal deforestation - GOV.UK \(www.gov.uk\)](#)
- Defra media blog article: [COP28: Government confirms Supermarket essentials will no longer be linked to illegal deforestation - Defra in the media \(blog.gov.uk\)](#)
- Written Ministerial Statement in the [House of Commons](#) and the same statement in the [House of Lords](#)

Legislative Process:

The House of Commons returned from recess on January 8, 2024, but dates for the implementation or publication of SIs to implement the draft deforestation regulations have not yet been published.

Following the announcement of SIs both Houses of Parliament will be required to vote for SIs to be adopted. Under an “affirmative procedure” Parliamentarians will be afforded the opportunity to debate the SIs. A debate can provide indications of whether the draft legislation may face future challenges if a different political party is elected to lead the UK in 2024. The [British Retail Consortium](#) estimates that once regulations and guidance are published “there will likely be a 9 month period to prepare, from statutory instrument to implementation”.

Critiques of the Deforestation Regulations

A recent report by the Environmental Audit Committee on ‘[The UK’s contribution to tackling global deforestation](#)’ on January 4, 2024, sets out recommendations to expand deforestation regulations to both legal and illegal deforestation. The formal minutes of the report confirm that all Committee Members present at the adoption of the report approved of these recommendations, so there was no division along party lines over these aspects. Media reports have similarly criticized the UK’s deforestation regulations for not going far enough. For example: [Deforestation effect of UK consumption unsustainable, say MPs | The Guardian](#) and [U.K. Government Urged To Act On Global Deforestation By MPs \(forbes.com\)](#)

Attachments:

No Attachments.