



Entwaldungsfreie
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Soy supply chains in the EUDR context: An overview

SOY CULTIVATION UNDER CRITICISM: IMPACTS ON FORESTS AND SAVANNAHS

Global soy cultivation significantly contributes to deforestation and the destruction of natural ecosystems. For the 130 million hectares currently required for cultivation ([IDH 2023](#)) huge areas of forest, savannah and natural areas were converted into cropland over the last decades ([trase 2022a](#)). In Brazil, deforestation and the conversion of natural ecosystems has increased from 1.6 million hectares in 2018 to 1.83 hectares in 2020 ([trase 2022a](#)).

Growing soy drives these developments directly by clearing ecosystems for cultivation, but also indirectly by occupying pasture and pushing cattle ranching into areas of natural ecosystems ([trase 2022a](#)). Furthermore, issues of land appreciation in agricultural regions, speculative incentives and land grabbing amplify the chain reaction of land-use displacement (Richards et al. 2014). Yet biomes such as the Amazon or the Cerrado in Brazil are crucial for climate protection and biodiversity, as they store large amounts of carbon and provide other important ecosystem services such as water regulation. It is estimated that the agricultural land dedicated to soy cultivation is likely to increase by nearly 27% in the coming ten years. This incurs additional risks for the destruction of ecosystems ([IDH 2021](#)).

Deforestation and land conversion are closely linked to severe social impacts and illegal practices. The expansion of soy is connected to encroachment into traditionally occupied territories, leading to land grabbing and the displacement of families. Indigenous Peoples and local and traditional communities, who play a crucial role in protecting ecosystems, face significant threats to their rights. Moreover, soy production is linked to environmental issues, including pesticide contamination of soils and waterways, reduced water availability, and threats to biodiversity.

As an importer of soy, the EU has a particular responsibility. After palm oil (34%), soy is ranked second (32.8%) on the list of commodities where European consumption is directly linked to deforestation ([Pendrill et al. 2020](#)).

In 2022, Brazil exported almost 15 million tons of soy to the EU, a third of which originated from the Cerrado ([trase 2022b](#)). In order to face up to this responsibility, the EU *Regulation on Deforestation-free Products* (EUDR) will apply from 30 December 2026. It aims to ensure that the cultivation of commodities traded in the EU, such as soy, palm oil or wood does not contribute to the further destruction or degradation of forests.



WHERE DOES SOY COME FROM?

Main producing countries (in million hectares 2022)
(FAO 2024):

40.89	34.94	15.87	12.15	10.24
Brazil	USA	Argentina	India	China

Brazil, the USA and Argentina are responsible for
80% of global soy production (BMZ 2021).

But soy is also grown in Europe, for example in
Ukraine, Italy or Germany. However, European soy
only plays a minor role on the global market.

AREA USED FOR SOY CULTIVATION IN BRAZIL

In 2023, around 14% of Brazil's agricultural area was
used to cultivate soy (approximately 40 million hectares)
(Mapbiomas 2024):

14.8%

in the Amazon

48.6%

in the Cerrado

<0.1%

in Pantanal
and Caatinga



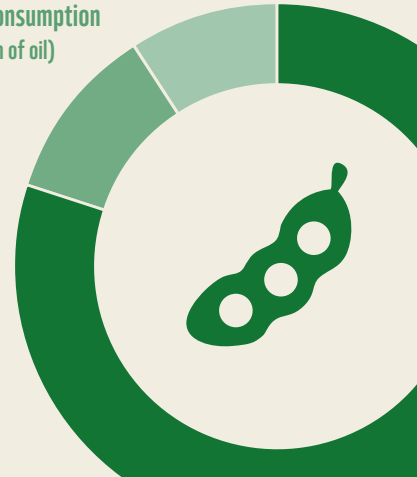
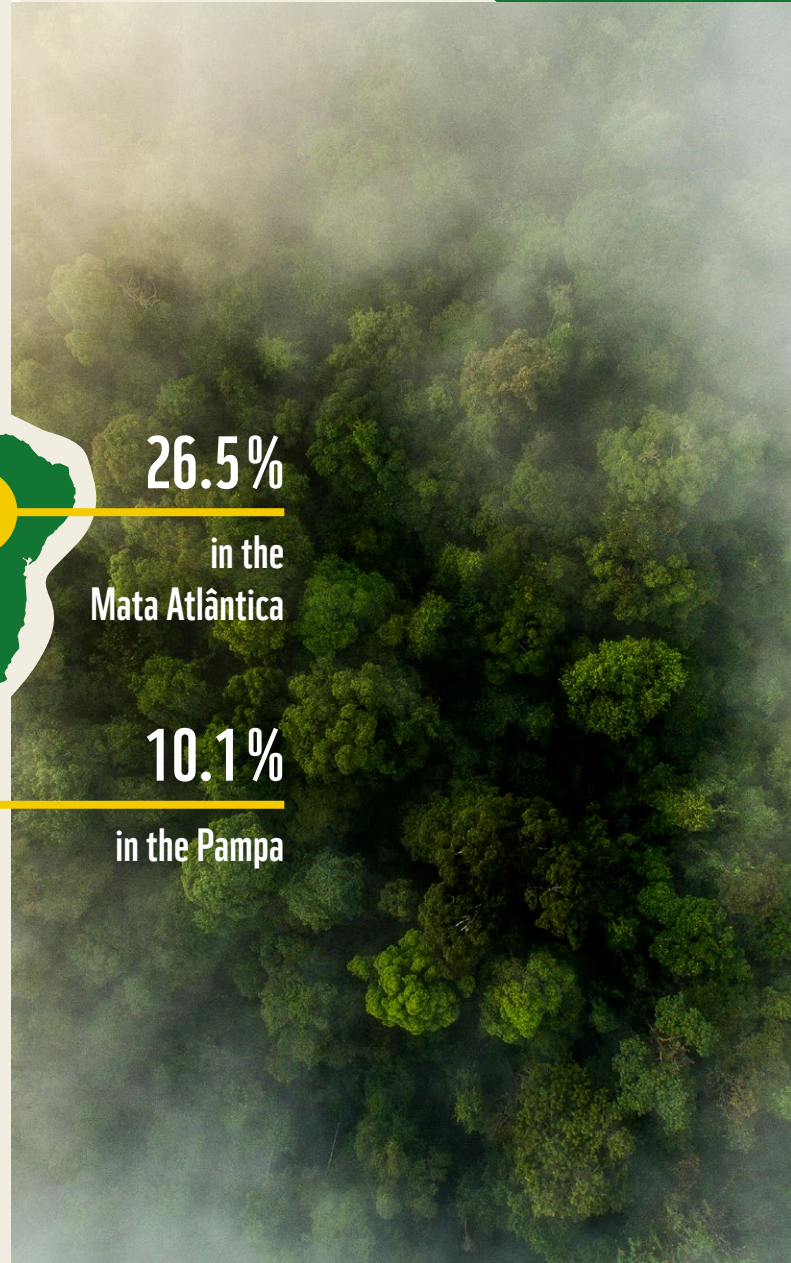
WHAT PRODUCTS IS SOY USED IN?

80% Animal feed (mostly for poultry,
pigs and aquaculture)

11% Direct human consumption
(mostly in the form of oil)

9% Other
(e.g. biodiesel)

(FAO 2024 (2022 data):
assumed all processed soy
(excluding oil production)
is used for animal feed)





MAKING THE EU RESPONSIBLE: WHAT DOES THE EUDR DEMAND?

Date of application: from 30 December 2026 (30 June 2027 for micro and small enterprises)

Relevant soy products:



Soy beans
(including broken)



Soy bean flour
and meal



Soy bean oil and
its fractions



Oilcake and
other solid residues

Due diligence obligations:



Collecting information



Carrying out
a risk assessment



Exercising risk
mitigation measures



Comprehensive documentation
and reporting



Downstream actors must collect and store certain basic information (such as name, address and contact details) from suppliers and customers. If the direct supplier is the first operator in the context of the EUDR, the relevant numbers (especially reference numbers) must also be collected. However, it is not necessary to pass on these numbers to further value chain actors.

Conditions for placing relevant products on the EU market:



They are
deforestation-free



They are compliant
with relevant
legislation of the
country of production



They are covered
by a due diligence
statement



Benchmarking and risk categorisation:

In May 2025 the EU Commission provided a benchmarking system which classifies countries as low risk, standard risk or high risk. A first review of the benchmarking process is scheduled for 2026. Countries such as Brazil and Argentina are classified as standard risk, whereas USA, India and China fall under the category of low risk countries. For countries of origin classed as low risk, simplified due diligence applies, consisting of collecting information and a simplified assessment. The risk classification determines the level of compliance checks that the competent authorities of EU states (as the BLE in Germany) carry out on actors sourcing products from different countries (EC 2025).

Further information:

- [Amendments of the EUDR \(December 2025\)](#)
- [Consolidated EUDR text \(December 2024\)](#)
- [EUDR FAQs \(April 25\)](#)
- [EUDR guidance document \(November 2024\)](#)
- [BLE information](#)
- [EUDR Benchmarking](#)





IS THE EUDR ENOUGH TO ENSURE DEFORESTATION AND CONVERSION-FREE SOY?

No. While the EUDR is an important instrument to better protect ecosystems, it has weaknesses. For the holistic transformation of soy cultivation, engagement by the European market is needed up and above the EUDR. This is because:

The EUDR mainly protects forests:

Other important natural ecosystems such as savannahs and grasslands are currently not covered by the deforestation criterion, but only under the criteria of legality. The exclusive focus of the deforestation-free criteria on forests can lead to so-called “leakage effects”: As forests are better protected, pressure on other ecosystems that are not comprehensively covered by the regulation increases. The Cerrado is an example of this.



The EUDR currently leaves critical aspects of legality insufficiently defined:

In soy production, fundamental rights, such as land rights and the rights of Indigenous Peoples and local communities (IPLCs) must be strictly respected. Risk analyses of value chains have to take into account historical and ongoing socio-ecological damages and liabilities associated with soy production. The EUDR currently lacks clear definitions and mechanisms to guarantee its objectives are met in countries or regions without a comprehensive legal framework, effective law enforcement, or mechanisms to address violations affecting ecosystem protection and social rights.



The EUDR has an impact beyond the EU market:

Although the EUDR is only aimed at the EU market, it has an impact beyond it, for example by establishing implemented tools and practices for supply chains that are also used for other target markets. It is important that actors use this momentum to engage in deforestation and conversion-free practices beyond EU supply chains.



REPORT



BEYOND THE EUDR: WHAT WE CAN DO TO PROTECT FORESTS AND SAVANNAHS

In order to effectively implement EUDR objectives and protect natural ecosystems, companies should take the following measures beyond the EUDR:



Clear goals for deforestation- and conversion-free supply chains:

Companies should set concrete targets for the protection of natural ecosystems and extend their strategies, supply chain requirements and due diligence not only to forests but all natural ecosystems. These should be in line with the targets of the Science Based Targets initiative (SBTi) and the Accountability Framework initiative (AFi) erfolgen.



Holistic transformation of supply chain actors:

Companies should create supply chains in which not only their own quantities are conversion and deforestation-free but where the participating actors are engaged in the protection of natural ecosystems holistically and beyond specific supply chains.



Using ambitious standards:

Standards and certification schemes can be used as an additional tool. Companies should only use standards that are based on ambitious ecological and social criteria and rely on robust governance mechanisms (see e.g. [benchmarking studies for soy standards](#)).



Local engagement: Companies should support local projects, civil society organizations, and initiatives that establish deforestation- and conversion-free (DCF) structures, while supporting, safeguarding and monitoring respect for human rights and the rights of IPLCs.



Joint engagement in initiatives:

Companies should engage in cross-sectoral initiatives and collaborate in order to maximise protection for natural ecosystems as well as human rights and IPLC rights.



Support of existing landscape approaches:

Companies can support existing and developing landscape approaches, such as continuing and protecting the soy moratorium that has been in place since 2008 or supporting financial mechanisms designed to protect ecosystems.



Helping to advance the EUDR:

Companies can support the planned extension of the EUDR to include natural ecosystems. In this way, they are contributing to the development of legally binding framework conditions while also following Afi guidelines and recommendations. Moreover, companies should advocate for clear definitions and robust mechanisms to ensure respect for the rights of Indigenous Peoples and local communities (IPLCs).



Strengthen Legal and Monitoring Mechanisms:

Actors should advocate for strong legal frameworks, effective law enforcement, and mechanisms to address violations affecting ecosystem protection and social rights. Support independent, participatory monitoring mechanisms to safeguard both ecosystems and social rights.

