



FEFAC
PROFESSIONAL RECOMMENDATION
ON THE IMPLEMENTATION OF THE
EUDR RELEVANT TO COMPOUND FEED
MANUFACTURERS ACTIVITIES

Version 1.1



SEPTEMBER 2024



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ABOUT FEFAC

The European Compound Feed Manufacturers' Federation (FEFAC) represents the European compound feed and premix industry at the level of the European Institutions. FEFAC represents 26 national Associations in 25 EU Member States as well as associate members in the UK, Switzerland, Turkey and Norway.

The sustainability of livestock and aquaculture production is a key business driver for the European feed industry. FEFAC has been assisting its members in providing animal nutrition solutions that help to increase the sustainability of livestock farming operations, from the respective environmental, economic and social perspectives. Substantial progress has been achieved already over the past decades, but clearly, there are still many challenges for the livestock sector that require the continued European feed industry involvement and support providing new tools to farmers to effectively address them.

DISCLAIMER

The Professional Recommendation is written to the best of FEFAC's members understanding of the EUDR legal obligations or operators acting as first placer on the market and downstream traders of relevant feed products. There are continuously new insights on the practical functioning and implementation of the EUDR, following information obtained from the European Commission at the Multi-Stakeholder Platform meetings, the EUDR FAQ and exchanges with competent authorities at national level. FEFAC does not provide any warranty of accuracy of the information shared below. The Professional Recommendation is not a legal interpretation of EU legislation or respective official guidance for EUDR compliance.



Introduction

> The FEFAC Professional Recommendation is intended to assist FEFAC member associations in discussions with their national competent authorities on the implementation of **Regulation (EU) 2023/1115 on deforestation-free products (EUDR)** and provide relevant guidance to operator/trader activities identified in the regulation linked to feed materials covered in Annex I (soy and palm products).

This recommendation should facilitate discussions on the check list of actions that compound feed manufacturers would need to carry out to meet the requirements of official controls performed by competent authorities linked to any relevant activity and feed products covered in the scope of the EUDR. It is based on key learnings from FEFAC in the process of engaging with the European Commission, Competent Control Authorities of Member States (CCA) and soy & palm value chain partners since the entry into force of the EUDR, subject to external legal advice received.

It is designed as a “living document”, meaning it will be updated at regular intervals reflecting ongoing consultations with the European Commission (EU Multi-stakeholder Platform on Deforestation) and Member States resulting in updated official guidance (via FAQs or announced European Commission and or national Guidelines/checklists for operators/traders).



Scope of the EUDR relevant to compound feed manufacturers



The EUDR sets a specific scope in terms of the placing on the market of “relevant products and commodities” produced after 29 June 2023. The EUDR obligations only apply when a product or commodity listed on Annex I is placed on the EU market, with its corresponding CN (Combined Nomenclature) code. Of direct interest to compound feed manufacturers is the listing of several soy products:

- 1201 Soya beans, whether or not broken
- 1208 10 Soya bean flour and meal
- 1507 Soya-bean oil and its fractions, whether or not refined, but not chemically modified
- 2304 Oilcake and other solid residues, whether or not ground or in the form of pellets, resulting from the extraction of soya-bean oil

Please note that corresponding CN codes used for soy protein concentrate (210610 – for food use; 23099031 - as required by Regulation 444/2013; 2309909690 - as required by Danish custom authorities in 2016), soy lecithin (29232010) and soy hulls (2308) and are not included in Annex I, however in case operators use CN code 2304 for soy hulls, then this does fall into the scope of the EUDR. Operators and traders therefore should ascertain which CN codes for the relevant soy products are used for their respective commercial activities in order to verify whether products fall within the scope of EUDR (or not).

Also of direct interest to compound feed manufacturers is the listing of several palm oil products destined for feed use.

- 1511 Palm oil and its fractions, whether or not refined, but not chemically modified
- 2306 60 Oilcake and other solid residues of palm nuts or kernels, whether or not ground or in the form of pellets, resulting from the extraction of palm nut or kernel fats or oils
- 3823 19 Industrial monocarboxylic fatty acids; acid oils from refining (excluding stearic acid, oleic acid and tall oil fatty acids)



Please note that palm fatty acid distillates and palm kernel fatty acid distillates are covered by CN code 3823 19 and must therefore also comply with the EUDR when placed on the EU market. It is important to note that “Preparations of a kind used in animal feeding” (starting with CN code 2309) covering all types of compound feed products is not listed on the Annex I. The business activity of placing those feed products on the EU market is therefore outside the scope of the EUDR and not subject to any EUDR obligations, even if a relevant product (i.e. Annex I listed soy or palm oil products) is included in the feed formulation.

As compound feed manufacturers are outside the EUDR scope in this scenario, there is no legal obligation for suppliers of relevant products to provide any EUDR-related information (e.g. Due Diligence Statement Reference Numbers) to their compound feed manufacturer customers, if the product is intended for use exclusively in the manufacturing of compound feed.

1. In EUDR scope: “1st placing on the market of relevant EUDR products”

Compound feed manufacturers who directly import soy/palm oil products listed in Annex I for their compound feed production and become the operator acting as “first placer on the EU market”.

When the compound feed manufacturer undertakes import activities and becomes the first placer on the EU market on a relevant commodity in Annex I, legal obligations for operators apply (Article 4). FEFAC contributed to the development of the FEDIOL/COCERAL “**Common Practices and Recommendations on Implementation of the EU Deforestation-free Regulation**”, intended to assist operators acting as first placers on the market of specifically relevant soy and palm oil products with the objective to assist operators to comply with the relevant EUDR the Information and Due Diligence Statement requirements.

2. In EUDR scope: “Downstream trading activities of relevant EUDR products legally placed on the EU market”

Compound feed manufacturers reselling relevant EUDR products (i.e. soybean/palm oil products listed on Annex I) to livestock farmers for home mixing purposes. This represents a business activity that is defined as a “downstream trader” in the context of the EUDR. This definition also covers products which are subject to a further processing/treatment before selling to the “final” customer (e.g. rumen-protection treatment or fermentation of SBM), as long as these type of processing steps do not lead to change of CN classification of the final product:

This business activity would be considered as ‘making available’ a relevant commodity listed in Annex I, subject to obligations for (downstream) traders (Article 5). These obligations include the submission of a “simplified” Due Diligence Statement to the Information System, as well as additional verification of the due diligence system of the supplier. Traders bear full liability in case the commodity is found to be non-compliant. There is a general exemption for SMEs traders, whereas for non-SMEs the same obligations apply as for non-SME operators (Article 4). In the case an SME-trader sells relevant products to non-SME Traders they will be asked for relevant EUDR supporting documents and the DDS reference number (DDS RN). For products first placed on the EU market before the entry into application date of 30 December 2024 and brought into circulation again by a trader after 30 December 2024, the [EUDR FAQ \(#80\)](#) clarifies that “the obligations of the non SME trader will be limited to gathering adequately conclusive and verifiable evidence to prove that such relevant commodity, or relevant product, was placed on the market before the entry into application of the Regulation”.

3. In EUDR scope: “Trading of relevant feed products to cattle farmers (Recital 39)”

Specific attention should be given for the trading of relevant feed products to cattle farmers (as opposed to other livestock farmers), as cattle is a relevant product listed on Annex I itself. Recital 39 highlights that in case of substantiated concerns, a cattle farmer must be able to prove that the “feed” used is deforestation-free, via relevant documentation on request by the Competent Control Authority.

The FEFAC Professional Recommendation covers points 2 and 3

FEFAC Professional Recommendation for compound feed manufacturers reselling relevant products to livestock farmers

Compound feed manufacturers reselling soybean meal (or listed palm oil products, if applicable) shall first take note of the obligations of traders (Article 5).

> Article 5 Obligations of traders

1. Traders that are not SMEs ('non-SME traders') shall be considered as nonSME operators and shall be subject to obligations and provisions in Articles 3, 4 and 6, Articles 8 to 13, Article 16(8) to (11) and Article 18 with regard to the relevant commodities and relevant products that they make available on the market.

2. Traders that are SMEs ('SME traders') shall make available relevant products on the market only if they are in possession of the information required under paragraph 3.

3. SME traders shall collect and keep the following information relating to the relevant products they intend to make available on the market:

(a) the name, registered trade name or registered trade mark, the postal address, the email address and, if available, a web address of the operators or the traders who have supplied the relevant products to them, as well as the reference numbers of the due diligence statements associated to those products;

(b) the name, registered trade name or registered trade mark, the postal address, the email address and, if available, a web address of the operators or the traders to whom they have supplied the relevant products.

4. SME traders shall keep the information referred to in paragraph 3 for at least five years from the date of the making available on the market and shall provide that information to the competent authorities upon request.

5. SME traders that obtain or are made aware of relevant new information, including substantiated concerns, indicating that a relevant product that they have made available on the market is at risk of not complying with this Regulation shall immediately inform the competent authorities of the Member States in which they made the relevant product available on the market as well as traders to whom they supplied the relevant product.

6. Traders, whether or not they are SMEs, shall offer all necessary assistance to the competent authorities to facilitate the carrying out of the checks under Articles 18 and 19, including access to premises and the making available of documentation and records.

In the scenario where the compound feed manufacturer is not an SME, the understanding is that the following procedure should be adhered to, taking into account the obligations of all parties involved:

EU-based supplier of relevant commodities/products to compound feed manufacturer

The supplier is subject to Operator obligations (as the first placer on the EU market), meaning the submission of a Due Diligence Statement to the Information System. The supplier must collect all information required under Article 9, which includes information about the time of harvesting of the commodity and/or the time of production of the relevant product (e.g. soybean meal, palm oil by-products). As this is not mandatory information for the DDS, this information must be collected separately.

Operators shall communicate to operators and to traders further down the supply chain of the relevant products they placed on the market or exported “all information necessary” to demonstrate that due diligence was exercised and that no or only a negligible risk was found, including the reference numbers of the due diligence statements associated to those products. The supplier provides the compound feed manufacturer, acting as a “downstream trader” of the commodity, with the Due Diligence Statement Reference Number, together with a security token that will allow for access to the required information on the EC Central IT system.

As a non-SME trader, the compound feed manufacturer must ascertain that the supplier has exercised due diligence in accordance with the legislation, based on “all necessary information” obtained from the supplier.

Compound feed manufacturer acting as supplier, meaning as “downstream trader” of relevant commodities/products to a livestock farmer used supplier of relevant commodities/products to compound feed manufacturer

When not falling under the SME exemption clause, the compound feed manufacturer is subject to the full set of due diligence obligations when placing the relevant products on the EU market, including Article 9 (Information Requirements including submission of a Due Diligence Statement), Article 10 (Risk Assessment) and Article 11 (Risk Mitigation).

The compound feed manufacturer uses the information obtained from the Due Diligence Statement by the supplier, but must also check the due diligence system of the supplier, in accordance with Article 4 point 9, highlighting the obligations for ‘non-SME operators’ who can refer to an earlier submitted due diligence statement.

EUDR Article 4 (9)

Operators that are not SMEs ("non-SME operators") may refer to due diligence statements that have already been submitted in accordance with Article 33 only after having ascertained that the due diligence relating to the relevant products contained in or made from the relevant products was exercised in accordance with paragraph 1 of this Article. They shall include the reference numbers of such due diligence statements that have already been submitted in accordance with Article 33 in the due diligence statements that they submit under paragraph 2 of this article. For parts of relevant products that have not been subject to due diligence, non-SME operators shall exercise due diligence in accordance with paragraph 1 of this Article.

The compound feed manufacturer, acting as a trader, is equally liable in case competent authorities detect a non-compliance

Livestock farmers receiving the relevant products such as soybean and palm oil products will process them into compound feed used for feeding farm animals on their respective holding. The livestock farmer however is not considered a downstream operator/trader in the soy value chain. Therefore, there is no obligation for the compound feed manufacturer selling the relevant products to provide EUDR-related information to the livestock farmer.

FEFAC recommends compound feed manufacturers, acting as traders, to make use of relevant soy sustainability programmes and schemes that have passed the independent ITC benchmarking against the FEFAC Soy Sourcing Guidelines 2023, as part of their Due Diligence documentation. They can provide valid supportive documentation, providing evidence and assurances to competent control authorities in terms of adequately conclusive and verifiable information that the relevant products are not linked to deforestation (Art 9g) and that the relevant products have been produced in accordance with the relevant legislation of the country of origin (Article 9h).

FEFAC also recommends compound feed manufacturers to make use of information supplied by ITC benchmarked soy sustainability programmes and schemes for complementary information on compliance with the EUDR in terms of Risk Assessment requirements (Article 10n). Simplified due diligence can apply to Articles 10 and 11 depending on whether the country of sourcing origin is classified by the European Commission in the low-risk category (Note of the Secretariat: The EC is still expected to complete its first Country risk level benchmarking before end of 2024).

In case the compound feed manufacturer is an SME, the understanding is that the following procedure should be adhered to, taking into account the obligations from all parties involved.

EU-based supplier of relevant commodities/products to compound feed manufacturer

The supplier is subject to Operator obligation (as the first placer on the EU market), meaning the submission of a Due Diligence Statement to the Information System.

Operators shall communicate to operators and to traders further down the supply chain of the relevant products they placed on the market or exported “all information necessary” to demonstrate that due diligence was exercised and that no or only a negligible risk was found, including the reference numbers of the due diligence statements associated to those products. The supplier provides the compound feed manufacturer with the Due Diligence Statement Reference Number, without a security token to access detailed information (as SME trader do not need to submit a Due Diligence Statement).

The compound feed manufacturer does not need to verify the due diligence system of the supplier, but must inform the competent authorities when they obtain or are made aware of relevant new information, including substantiated concerns, indicating that a relevant product that they have made available on the market is at risk of not complying with this Regulation.

The compound feed manufacturer does not need to verify the due diligence system of the supplier, but must inform the competent authorities when they obtain or are made aware of relevant new information, including substantiated concerns, indicating that a relevant product that they have made available on the market is at risk of not complying with this Regulation.

The compound feed manufacturer needs to collect and store for at least 5 years the name, registered trade name or registered trade mark, the postal address, the email address and, if available, a web address of the operators or the traders who have supplied the relevant products to them, as well as the reference numbers of the due diligence statements associated to those products.

In case the customer is an operator or trader in its turn, the compound feed manufacturer must also store their name, registered trade name or registered trade mark, the postal address, the email address and, if available, a web address.

Compound feed manufacturer acting as supplier (“trader”) of relevant commodities / products in Annex 1 to a livestock farmer

The compound feed manufacturer is subject to Trader obligations by making available relevant commodities/products already placed on the EU market before.

SME traders shall keep the information referred to in paragraph 3 for at least five years from the date of the making available on the market and shall provide that information to the competent authorities upon request.

The compound feed manufacturer is not required to submit a Due Diligence Statement to the Central EUDR IT system.

Specific considerations when reselling relevant products to a cattle farmer (applying to both SME and non-SME traders)

Livestock farmers other than cattle farmers are not in the scope of the EUDR, meaning there is no obligation to provide any EUDR-related traceability information for relevant feed products to the final customer.

In case the livestock farmer customer is a cattle farmer, Recital 39 points to an obligation for the farmer to store proof that the cattle feed is deforestation-free only in case of a request by the competent control authority “based on substantiated concerns”

EUDR Recital 39

To ensure that this Regulation achieves its objectives, it is important to ensure that feed used for livestock falling within the scope of this Regulation does not lead to deforestation. Therefore, operators placing on the market or exporting relevant products that contain or have been made using cattle which have been fed with relevant products that contain or have been made using other relevant commodities or relevant products, should ensure, as part of their due diligence system, that the feed is deforestation-free. In that case, geolocation requirements under this Regulation should be limited to referring to the geographical location of each of the establishments where the cattle were raised, and no geolocation information, including information based on substantial concerns submitted by third parties, that there is a risk of the feed not being in compliance with this Regulation, the competent authority should immediately request detailed information on such feed. If the feed has already been subject to due diligence in a previous step of the supply chain, operators should use as evidence the relevant invoices, reference numbers of relevant due diligence statements or any other relevant documentation indicating that the feed is deforestation-free and they could be required to make that evidence available to competent authorities upon request. The evidence should cover the lifetime of the animals, up to a maximum of five years.

In this context, FEFAC considers that the EUDR definition of “feed” only covers relevant “feed materials” listed in Annex 1, e.g. soy and palm products, thus excluding “compound feed” containing soy and/or palm products (not listed in Annex 1).

FEFAC therefore recommends to compound feed manufactures which supply soybean and palm oil product suppliers to cattle farmers to take the following measures to assist the cattle farmers in meeting its obligations in case of controls by competent authorities

- Store for a maximum of 5 years the reference numbers of relevant due diligence statements of purchased feed materials, i.e. soybean and palm oil products, and make it part of existing traceability requirements under Commission Regulation (EC) 1831/2003 laying down requirements for feed hygiene.
- Provide a footnote to the respective feed label for Annex 1 feed materials which should indicate the contact address of the responsible person of the Feed business operator in case of any official request by the competent control authorities on traceability documentation to ensure compliance with Regulation (EU) 2023/1115. In case the person responsible for labelling is not the feed business operator, he shall forward the request to the feed business operator established in the EU or the importer.



> Article 18

Checks on operators and non-SME traders

1. The checks on operators and non-SME traders shall include:

(a) examination of their due diligence system, including risk assessment and risk mitigation procedures, and of documentation and records that demonstrate the proper functioning of the due diligence system;

(b) examination of documentation and records that demonstrate that a specific relevant product that the operator has placed or intends to place on the market or intends to export or that the non-SME trader has made available or intends to make available on the market complies with this Regulation, including, when applicable, through risk mitigation measures, as well as examination of the relevant due diligence statements.

2. The checks on operators and non-SME traders may also include, where appropriate, in particular where the examinations referred to in paragraph 1 have raised questions:

(a) on-the-ground examination of relevant commodities or of the relevant products with a view to ascertaining their correspondence with the documentation used for exercising due diligence;

(b) examination of corrective measures taken under Article 24;

(c) any technical and scientific means adequate to determine the species or the exact place where the relevant commodity or relevant product was produced, including anatomical, chemical or DNA analysis;

(d) any technical and scientific means adequate to determine whether the relevant products are deforestation-free, including Earth observation data such as from the Copernicus programme and tools or from other publicly or privately available relevant sources; and

(e) spot checks, including field audits, including where appropriate in third countries, provided that such third countries agree, through cooperation with the administrative authorities of those third countries.

> Article 19

Checks on SME traders

1. The checks on SME traders shall include the examination of documentation and records that demonstrate compliance with Article 5(2), (3) and (4).

2. The checks on SME traders may also include, where appropriate, in particular where the examinations referred to in paragraph 1 have raised questions, spot checks, including field audits.