



Guidance for export of wood products to the EU

New EUDR guidance released

With the European Union Deforestation Regulation (EUDR) set to take effect on 30 December 2025, the European Commission has released updated guidance clarifying key compliance expectations.

The [latest guidance](#) introduces some procedural flexibilities and provides a clearer definition of 'Negligible Risk' while reinforcing stringent due diligence requirements – that is, under the regulation, wood product exporters to the European Union (EU) must establish and implement robust traceability systems to demonstrate that their products do not contribute to deforestation.

It needs to be noted that the newly released guidance is not legally binding. Its sole purpose is to provide information on certain aspects of the EUDR. While the inclusion of a definition of 'negligible risk' may seem encouraging at first glance, from a regulatory view point it does not change the fact that the EUDR requirements still apply. When read alongside Article 3 (Prohibition), it remains clear that New Zealand wood products destined for the EU will still need to meet all core requirements – specifically, documenting that the products are deforestation free and are covered by a due diligence statement. Without this, New Zealand wood products cannot be exported to, or placed on, the EU market. In this context, the updated guidance – though helpful in theory – does little to ease the compliance burden for those dealing with highly fragmented supply chains, such as wood and timber products.

Under the EUDR's country benchmarking system, New Zealand has been classified as low risk. This designation means the Competent Authorities in each member state must conduct random audits on at least one percent of wood product consignments entering the EU.

While this is significantly lower than the nine percent inspection rate applied to high-risk countries, exporters must still be fully prepared. Every shipment must be supported by the correct documentation to demonstrate compliance with the EUDR requirements in case of random audits. Detection of non-compliance in any part of the inspected consignment can result in business implications including financial penalties, restricted market access and possible reputational damage to the individual business and the wider New Zealand forest growing sector.

A recent survey of exporters and forest owners supplying the EU market estimates that preparation to meet EUDR requirements is costing New Zealand's forestry sector over \$3 million.





Ongoing compliance is expected to add annual costs of between \$10,000 and \$30,000 per mill or forestry company, largely to maintain geolocation systems and fulfil due diligence requirements. Although this is an added cost to business, exporters view compliance with the EUDR as essential to maintain and grow our market to the EU, which is currently valued at approximately \$100 million per annum.

To support compliance with the EUDR, forest owners are encouraged to engage directly with their customers – particularly those exporting wood product to the EU – to understand what the regulation entails and to ensure they can provide the necessary geolocation detail pinpointing the harvested tree location. A clear understanding of EUDR requirements will help secure continued access to the EU market and support growth opportunities, ultimately benefiting the entire supply chain. In some cases, if the correct harvest data cannot be provided by the forest owner, wood processors may need to adjust their sourcing strategies, prioritising log suppliers who can provide verified, deforestation-free materials quickly and efficiently.

A common question under the EUDR concerns forested land initially intended for afforestation but later converted to agricultural use. Here, compliance is assessed based on land use intentions at the time of harvest. If the land is intended to be replanted, then it is a matter of providing a signed declaration or simple attestation letter confirming this is the case. Should the land later be converted to agriculture (i.e. not replanted), then the new agriculture entity's future export eligibility may be affected. For example, if the new commodity on that land is beef, then that commodity will not be able to be exported to the EU. However, if the wood products were harvested and exported to the EU prior to the land use change, the products would not be subject to penalties, provided they were compliant at the time of export.

At first glance the EUDR appears complex, but the best way to manage any risks associated with the new legislation is to ensure that our wood product exporters remain compliant. Ongoing collaboration between the forestry and wood processing industries will be needed to fulfil the EUDR requirements. By taking the necessary steps to comply, the New Zealand wood products industry can gain a market advantage in Europe, which will further enhance our positive sustainable forestry and wood products reputation.

