Position paper on the EU Deforestation Regulation

NSPA Steering Committee 11 September 2025



The Northern Sparsely Populated Areas (NSPA) views on the EU's Deforestation Regulation

The Northern Sparsely Populated Areas network, NSPA, represents the interests of the four northernmost regions of Sweden (Norrbotten, Västerbotten, Jämtland Härjedalen and Västernorrland), the seven eastern and northernmost of Finland (Central Ostrobothnia, Kainuu, Lapland, North Karelia, Oulu Region, Pohjois-Savo and South Savo), as well as the two northernmost regions of Norway (Nordland, Troms & Finnmark).

Forests are an important source of raw materials and income in the NSPA regions, which have long traditions of sustainable forest management. With our vast natural resources, our regions have a lot to offer also for the emerging European bioeconomy. Committed to high responsibility standards and sustainable use of natural resources, the NSPA regions welcome the Commission's objective to ensure that no commodities involved in deforestation or biodiversity loss will end up in the EU market.

In the NSPA regions, the main commodities affected by the EU Deforestation Regulation (EUDR) are wood and cattle. However, we think that the EUDR includes several shortcomings which require urgent attention. The NSPA regions therefore encourage the EU to address these concerns by revising the EUDR and – as the date of application is fast approaching, to provide a reasonable extension to the current implementation timeline.

We see that this way the EU can restore the conditions for deforestation-free future where neither nature nor the competitiveness of the

European diverse, and biobased enterprises are compromised.

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This is our views in short:

Deforestation regulation needs to be revised.

Increased legal certainty is necessary.

Food security and nature restoration targets should not be compromised.

1. Deforestation regulation needs to be revised.

While the NSPA regions agree with the purpose of the EUDR, we think that the current regulation is disproportionate and poorly targeted to its objectives. In Finland for example, the Natural Resources Institute Finland (Luke) has <u>estimated</u> that the regulation will have a limited impact on preventing deforestation in the country. Our concern is that a complicated legislative framework with increased legal risks may result in unreasonable burden especially for small forest owners, while the actual gains of such extensive reporting remain limited. This is because forestry does not pose a risk of decreasing forest areas in the NSPA regions.

At the same time, the ability of these operators to take part in the European bioeconomy should not be undermined. Failing to do so would send a harmful signal at a time when Europe needs to take urgent actions to move towards a sustainable bio-based future.

We therefore call for the EU to reconsider the reporting obligations for the commodity of wood in countries where forestry is not the source of deforestation and where sustainability of wood supply chains can be tracked with existing certification systems. This would also align with the Commission's commitment to support the European competitiveness by cutting down the administrative burdens of businesses.

2. Increased legal certainty is necessary.

In December 2024, the EU co-legislators agreed to postpone the EUDR application timeline by 12 months. While the postponement was followed by some long-awaited guidance for the EUDR practical implementation, the uncertainties that come with relying on guidance documents instead of legally binding texts should be acknowledged. Our view is that the Commission's guidelines fail to provide sufficient legal certainty for operators as it leaves the door open for interpretations in cases of legal disputes. A clear and predictable legislative

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framework is also central in ensuring that Europe remains as an attractive place for future investments, including in the field of bioeconomy.

In our view, the EU should therefore make sure that the necessary information for the operators to comply with the EUDR would be tabled in the revised regulation.

3. Food security and nature restoration targets should not be compromised.

The strategic importance of food security was highlighted in the Commission's Political Guidelines for 2024-2029, and for good reasons. The NSPA regions want to be part of the solution and support the conditions for farming and food production in our regions, especially at a time when Southern Europe is increasingly affected by severe droughts, risking more disruptions in our food supply chains. The future EUDR revision must therefore bring legal clarity also for the agriculture sector.

Cutting trees for the purpose of restoring pasture, arable land, and facilities for cattle should be permitted in countries where the risk for deforestation is low. To comply with the Nature Restoration Regulation, and to maintain a viable number of grazing cattle in our regions, it must be possible to build cattle shelters on deforested land.

In our cold climate, shelters are essential for animal welfare during the winter. During winter months, cattle must also be provided with hay, which requires access to additional arable land. Cattle grazing and its impact on deforested land is a sustainable way to restore pasture and cropland as it contributes to biodiversity, soil improvement, and increased carbon sequestration.