

To:
Rt Hon Steve Reed MP, Secretary of State for Environment, Food and Rural Affairs
Rt Hon Jonathan Reynolds MP, Secretary of State for Business and Trade
Rt Hon Hilary Benn MP, Secretary of State for Northern Ireland
Cc:
Rt Hon Nick Thomas-Symonds MP, Minister for the Cabinet Office

Dear Secretaries of State,

Ending deforestation and conversion in UK supply chains

We are once again writing to call on the UK Government to set effective legislation to support the market in removing deforestation from UK supply chains and ensure frictionless trade of forest-risk commodities can continue with the European Union.

Ending global deforestation is critical for our supply chains and investments to ensure:

European market access – The European Union Deforestation Regulation (EUDR) has already been enacted and is due to come into force on 30 December 2025. In less than six months, British companies will need to have the information and support necessary to continue exporting regulated forest-risk products, or our European customers will source from other nations. The lack of clarity from the government of how Northern Ireland supply chains and operations will be affected is further complicating and delaying our ability to act.

Climate change mitigation – 2024 was the worst year in decades for tropical deforestation according to Global Forest Watch reportsⁱ, including the highest rates in South America which the UK depends on for soy-based animal feed. We cannot achieve our own, let alone UK and global, goals to avoid the worst impacts of climate change and biodiversity loss without protecting existing forests.

Food security – The effects of climate change are driving food price inflation and the cost-of-living crisis. As downstream actors, we have already experienced significant spikes in cocoa prices following droughts in West Africaⁱⁱ, and unusually heavy rain significantly reduced UK wheat yieldsⁱⁱⁱ which have significantly increased the cost of sourcing these goods.

It is concerning that, almost four years after the Environment Act 2021 became law, successive UK Governments have failed to enact the necessary secondary legislation to put its deforestation provisions into effect. This delay has left UK businesses in limbo; uncertain, and unable to fully respond to these challenges.

We appreciate the Government's concern around creating additional regulatory burdens for business. However, well designed legislation that is developed in consultation with our businesses will not hinder growth and will keep open exports to our largest trading partner.

Moreover, voluntary actions, such as the UK Soy Manifesto, have demonstrated that a market shift even amongst the most committed UK businesses is impossible to achieve without a binding regulatory baseline in place. Deforestation is a clear example of a market failure that we are unable to address exclusively through voluntary commitments.

We therefore call on Government to:

1. **Adopt secondary legislation to implement the Environment Act**, aligned, as much as possible, with the scope, requirements and definitions of the European Union Deforestation Regulation and incorporates industry experience of implementing it.
2. **Recognise European Due Diligence Statements** as being credible evidence of due diligence without requiring further documentation or action.
3. **Ensure supply chain transparency is required within British supply chains** after the point of import to enable companies to exercise due diligence and have the information necessary to export products to Europe.

A market-level requirement is the most efficient and cost-effective way to maintain EU market access and deforestation free supply chains.

We look forward to continuing to work with you to develop practical, efficient and impactful legislation that can promote a more resilient British value chain, alongside a stable climate and biosphere.

Signatories overleaf.



M&S



Sainsbury's



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& PARTNERS

ⁱ <https://gfr.wri.org/latest-analysis-deforestation-trends>

ⁱⁱ <https://www.jpmorgan.com/insights/global-research/commodities/cocoa-prices>

ⁱⁱⁱ <https://climatepromise.undp.org/news-and-stories/how-forests-support-future-food>