

How EUDR Threatens the U.S. Forest Products Sector

Key Takeaways:

- 1 The U.S. does not contribute to global deforestation.
- 2 The burden the EU Deforestation Regulation (EUDR) places on U.S. forest products producers will not achieve the EU's stated policy goal.

Our Primary Concerns

The overly prescriptive requirements of the regulation **do not recognize the U.S. as a world leader** in modern, sustainable forest management.

The requirements include unworkable technical challenges that threaten to disrupt trade with the EU, **valued at more \$3.5 billion annually.**

The obligations put thousands of U.S. manufacturing jobs and millions of small, private U.S. family forest owners at a **competitive disadvantage.**

Forest Product Sector Impact

Geolocation

EUDR requires importers to provide coordinates for all plots of land from which a product shipment was sourced.

IMPACT:

Approximately 90% of the fiber used by U.S. forest product producers comes from almost 11 million small private landowners.

Compliance costs to map and assess millions of individual plots of land will be **exponentially higher for the U.S. compared to other countries** with few private owners, putting the U.S. at a competitive disadvantage.

Traceability

EUDR imposes unachievable traceability requirements for wood chip by-products from sawmills and forestry operations.

IMPACT:

40% of our fiber inputs come from leftover materials that are **regularly blended multiple times** throughout the production process.

This makes precise tracing of wood chips and forest residues from the original plot of land to a final product unrealistic and practically impossible.



Final products produced today are the result of wood fiber that may have been harvested, stored, processed and blended **as far as 2 years ago**.

A delay does not solve our concerns with the regulation's complex requirements and significant technical barriers.

We are among the **most responsible suppliers of forest fiber** in the world and already have control mechanisms in place for all of our fiber inputs.

U.S. government engagement with the European Union is needed to address EUDR, which represents an overly stringent, one-size-fits-all non-tariff trade barrier.

Unless further changes are negotiated, millions of private landowners, U.S. manufacturing jobs and significant exports to the EU will be put at risk.

We look forward to working with President Trump and the Administration to have the U.S. recognized as not contributing to global deforestation.



About AF&PA

The American Forest & Paper Association (AF&PA) serves to advance public policies that foster economic growth, job creation and global competitiveness for a vital sector that makes the essential paper and packaging products Americans use every day. The U.S. forest products industry employs more than 925,000 people, largely in rural America, and is among the top 10 manufacturing sector employers in 44 states. Our industry accounts for approximately 4.7% of the total U.S. manufacturing GDP, manufacturing more than \$435 billion in products annually. AF&PA member companies are significant producers and users of renewable biomass energy and are committed to making sustainable products for a sustainable future through the industry's decades-long initiative — **Better Practices, Better Planet 2030**.