

February 18, 2025

The Honorable Jeremy Pelter Acting Secretary of Commerce United States Department of Commerce 1401 Constitution Avenue Northwest Washington, DC 20230

The Honorable Juan Millán Acting United States Trade Representative Office of the United States Trade Representative 600 17th Street Northwest Washington, DC 20508 The Honorable Brooke Rollins Secretary of Agriculture United States Department of Agriculture 1400 Independence Avenue Southwest Washington, DC 20250

The Honorable Marco Rubio Secretary of State United States Department of State 600 19th Street Northwest Washington, DC 20036

Re: Impact of European Union Deforestation Regulation (EUDR) on United States' Agriculture & Forestry Industries

Dear Secretary Rubio, Secretary Rollins, Acting Trade Representative Millán, and Acting Secretary Pelter,

We sincerely write to you to request that you address the potential negative implications the European Union Deforestation Regulation (EUDR) rule will place on the United States' agricultural and forestry industries. The regulation, effective December 30, 2025, aims to guarantee that the products the European Union (EU) uses do not contribute to deforestation or forest degradation worldwide. However, the United States is a low risk designated country, which

does not contribute to deforestation yet is still subject to potentially overburdensome compliance which will create a significant economic impact.

The EUDR rule mandates that certain commodities and products may not be placed on the EU market without stringent proof that the products do not originate from deforested land nor have contributed to forest degradation after 2020. It covers products such as cattle, wood, cocoa, soy, palm oil, coffee, rubber, and their derived products. This one-size-fits-all approach ignores the fact that the United States is among the most responsible suppliers of forest fiber in the world. Each year, the U.S. plants over 1 billion trees, spurring consecutive years of net forest growth that exceeds annual forest harvests due to responsible forest management (Source: North American Forest Foundation). Our forest product industry and its supply chain do not contribute to global deforestation, yet the EUDR rule will subject the U.S. to the same burdensome, costly, and unnecessary obligations as countries where deforestation risks are high. As currently conceived, the EUDR rule will unjustifiably increase our compliance costs, while providing essentially no benefit to global deforestation or degradation.

Three pressing concerns of this burdensome regulation include infringement of private property rights, the confidentiality and security of geolocation traceability, and economic impacts to U.S. agriculture. By prohibiting timber mills from accepting wood from lands that are planned for conversion to another agricultural use, the EUDR rule limits landowners' options and handicaps their ability to employ the highest and best use of their land. Private property rights are a cornerstone of the U.S. economic, legal, and social systems. They provide the foundation for economic growth, investment, and innovation.

The EUDR rule's geolocation traceability requirement mandates sourcing to the individual plot of land for every shipment of timber product to the EU. In the U.S., 42% of the wood fiber used by pulp and paper mills comes from wood chips, forest residuals, and sawmill manufacturing residues, which are wood sources that cannot be traced back to an individual forest plot. We strongly believe compliance with this requirement will be nearly impossible for a significant segment of our paper and pulp industry to comply with. Additionally, we humbly suggest that there be protections of confidential/competitive business information throughout the supply chain.

The U.S. forest products industry accounts for approximately 5% of the nation's total manufacturing gross domestic product, manufactures approximately \$350 billion in products annually, employs roughly 925,000 people, and is among the top 10 manufacturing sectors with employers in 43 states across the country. If the EUDR rule is left unchanged, it is projected to have an estimated \$8 billion annual impact on U.S. agricultural exports to the EU.

It is our understanding that to effect significant change, communication should be directed to the EU members of Parliament and the EU Council. We ask that you express strong opposition to the EUDR rule to protect private property rights, seek clarity and guidance on how land use conversion will be defined and enforced, advocate for exemptions for low risk designated countries with sustainability managed properties, including but not limited to incentivizing conservation practices

February 18, 2025 Page 3 of 4

and programs, and demand an economic impact analysis to evaluate how this regulation will affect agriculture globally.

We humbly thank you for your consideration of our requests in this matter, and look forward to continued dialogue.

Sincerely,

Rick Pate

Alabama Commissioner of Agriculture & Industries

Hey H. H-P

Sherry Vinton

Sherry Victor

Nebraska Director of Agriculture

Heren W. Glors

Wes Ward

Arkansas Secretary of Agriculture

Steve Troxler

North Carolina Commissioner of Agriculture

Wilton Simpson

Florida Commissioner of Agriculture

Doug Goehring

North Dakota Commissioner of Agriculture

Tyler Harper

Georgia Commissioner of Agriculture

Blayne Arthur

Oklahoma Secretary of Agriculture

Blayne arthur

Mike Naig

Iowa Secretary of Agriculture

Hugh Weathers

South Carolina Commissioner of Agriculture

Jonathan Shell

Jow Hu Dell

Kentucky Commissioner of Agriculture

Hunter Roberts

South Dakota Secretary of Agriculture

& Natural Resources

February 18, 2025 Page 4 of 4

Mike Strain, DVM

Louisiana Commissioner of Agriculture

& Forestry

Andy Gipson

Mississippi Commissioner of Agriculture

Chris Chinn

Missouri Director of Agriculture

Charlie Hatcher, DVM

Tennessee Commissioner of Agriculture

Sid Miller

Texas Commissioner of Agriculture

Kent Leonhardt

West Virginia Commissioner of Agriculture

ant a. Landard

CC: All United States Senators