AHA geolocation for EUDR compliance

This paper summarizes the American Hardwood Export Council's ("AHEC") position that American Hardwood Assured ("AHA") county geolocation should be considered to ensure compliance with the objectives and requirements of Regulation (EU) 2023/1115 ("EU Deforestation Regulation" or "EUDR")[1] for U.S. hardwood exports to the EU[2]. The paper also explains how AHA's new harvest-site geolocation capability supports EU operators seeking to comply with current EUDR guidance, while AHEC continues to advocate recognition of county-level geolocation as the preferred approach for the U.S. hardwood sector.

The EUDR's legal text implies that geolocation data should be provided for all individual harvest sites at property-level. Following technical and consultative work starting in 2023, AHEC concluded that collecting and passing property-level geolocation data through the U.S. hardwood supply chain presented severe technical and logistical challenges due to several structural realities of the industry[3]. Subsequent advances in remote sensing, processing power and AI, combined with expert review, have enabled AHA to identify real and potential harvest sites remotely. Provision of harvest-site geolocations is therefore now technically feasible, although linking specific wood consignments to an individual site and managing large volumes of site data through the global supply chain remain challenging. Providing this data also raises critical issues with respect to Tribal sovereignty and data ownership alongside privacy concerns because site coordinates can be linked to landowner information through widely available U.S. cadastral databases.

Faced with these concerns, through the American Hardwood Assured ("AHA") Platform developed by AHEC with the financial support of the U.S. Department of Agriculture, U.S. hardwood exporters are providing geolocation data at a county-level with each consignment,

[1] https://eur-lex.europa.eu/eli/reg/2023/1115/oj/eng

[2] The paper is based on advice and recommendations provided between July and September 2025 by AHEC's external counsel, Cleary Gottlieb Steen & Hamilton LLP (CGSH). AHA operators and their customers should be aware that this paper, while stating there are reasonable legal arguments in the context of EU law for provision of county geolocations instead of geolocations each within a single real-estate property for U.S. hardwood consignments, provides no guarantee that EU regulators will accept this interpretation of EU law or that the recipients of consignments supported by AHA Statements will not be subject to legal sanction for failure to provide geolocation data in accordance with the requirements of EUDR.

[3] Due to the naturally diverse composition of US hardwood forests and fragmentation of ownership across 9.4 million family forests in hardwood-producing regions with average holdings of just 9 hectares, a single harvest produces only a very small volume of each hardwood species, size, and grade. As a result, US hardwood exporters need to rely on extensive aggregation across numerous harvest locations to create viable export consignments, resulting in a single shipment potentially containing material from thousands or tens of thousands of individual properties.

with a supplementary harvest-site option now being introduced, the latter necessarily subject to a Data Use Notice.

AHEC submits that the county-level approach should permit U.S. hardwood exports to be considered to comply with the EUDR and fully achieve the EUDR's deforestation risk mitigation objectives. Any risk of illegal harvest and deforestation in the U.S., a designated low-risk country under the EUDR and acknowledged by the European Commission (EC) to pose "negligible risk to global deforestation"[4], can be objectively assessed through AHA's independent and publicly available county-level deforestation assessments and state-level legality assessments. Counties represent appropriate assessment units with homogeneous risk levels, are responsible for land-use planning, and provide a manageable framework (1,491 counties supply U.S. hardwood sawlogs versus 9.4 million individual properties).

AHA's annually updated harvest-site data layer identifies a comprehensive pool of real and potential harvest sites within each selected source county during the relevant 12-month period. Users can provide these geolocations in a GeoJSON file to support the "declaration in excess" approach outlined in European Commission guidance for aggregated or mixed commodities. Inclusion of a site identifies it as a possible source; it does not establish that it supplied the consignment or link a particular board, component or proportion of the consignment to that site. The EU operator remains responsible for establishing that the applicable requirements are met for the plots it declares.

This technical development does not remove the legal and practical case for county-level geolocation set out below. AHA's publicly available risk assessment remains county-based for deforestation and state-based for legality, while detailed harvest-site data is subject to a Data Use Notice restricting disclosure and unrelated secondary uses. Pending formal acceptance of county polygons, users and their EU customers should not assume that county data alone meets current EUDR geolocation requirements. The harvest-site option is intended to help them address those requirements while AHEC and AHA continue to seek recognition of the county approach.

Overall conclusion

AHEC maintains that there are reasonable legal arguments for recognising county-level geolocation for U.S. hardwood consignments,[5] informed by the EUDR's objectives, the structure of the supply chain and independent risk evidence. Textual[6], teleological[7], contextual[8] and historical[9] interpretations of EU law inform this case for recognition of county geolocation. The

[4] Commission, Joint Statement on a US-EU framework on an agreement on reciprocal, fair and balanced trade, 21 August 2025, available at https://policy.trade.ec.europa.eu/news/joint-statement-united-states-european-union-framework-agreement-reciprocal-fair-and-balanced-trade-2025-08-21_en.

[5] Interpretation must take account of the statutory wording. The arguments here support engagement on interpretation and, if required, legislative amendment; they do not establish an exemption from the present requirements.

[6] EU Courts are bound by the text of an EU law provision when such provision is sufficiently clear and precise. However, they may reject a literal interpretation in favor of another which is more compatible with the objectives of the legislation when a provision has a clear meaning but its literal construction would lead to ambiguous, contradictory, or nonsensical results.

[7] Teleological interpretation focuses on the purpose and objectives of the legislation in question and plays a central role in the European Court of Justices interpretation of EU law provisions.

[8] Contextual interpretation considers a provision's relationship to other parts of the same legal text and to EU law more generally

[9] Historical interpretation holds that a provision should be interpreted in the light of its history, taking account of the different stages which led to its adoption. Historical interpretation plays a limited role when compared with other methods of interpretation, but its role is far from marginal and is tending to increase.

express reference in Article 2(27) of EUDR to a single real-estate property remains a significant constraint. County-level recognition is the position advocated in this paper, not a confirmed interpretation accepted by EU competent authorities.

AHEC's case draws on the need to avoid conflict with certain supra-legislative sources of EU law. These include the general principles of proportionality[10], the freedom to conduct a business[11], and the fundamental right to the protection of personal data[12], as well as international trade law agreements binding upon the EU[13]. It also preserves the effectiveness of the EUDR's geolocation data requirements and ensures fulfilment of EUDR objectives in the context of U.S. hardwoods.

These considerations remain relevant even where a technical means of generating harvest-site data has become available. The question is whether requiring the collection, transmission and management of that additional data delivers a benefit commensurate with its burden in a sector where robust evidence demonstrates negligible risk. Technical feasibility alone does not establish proportionality.

For U.S. hardwoods, counties best fulfil EUDR requirement that a "plot of land" allow evaluation of aggregate level of risk

The legal case for a county-level approach to geolocation data provision depends on the interpretation of the concept of "*plot of land*" which, under Article 2(27) EUDR, means:

> *"land within a single real-estate property, as recognized by the law of the country of production, which enjoys sufficiently homogeneous conditions to allow an evaluation of the aggregate level of risk of deforestation and forest degradation associated with relevant commodities produced on that land."*

The definition of Article 2(27) EUDR must be read in light of the fact that public ownership is prevalent in global forestry realities. The EUDR's reference to "*land within a single real estate property*" is not relevant to at least 73% of global forest area which is either publicly owned or designated as indigenous forest[14]. Accordingly, the subsidiary definition of the notion of plot of land laid down in Article 2(27) EUDR is relevant where a property-level definition may be inapplicable or impracticable, as is the case for U.S. hardwoods.

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[10] Under the principle of proportionality, EU acts must not exceed the limits of what is appropriate and necessary to attain the legitimate objectives pursued by the legislation in question. Where there is a choice between several appropriate measures, recourse must be had to the least onerous, and the disadvantages caused must not be disproportionate to the aims pursued.

[11] The freedom to conduct a business is considered a fundamental right under EU law. EU case law considers that a regulation may be regarded as an obstacle to this freedom and the EU Courts have deemed certain legislative acts as unlawful after finding that they disproportionately restricted this fundamental right.

[12] The EU recognizes the protection of personal data as a fundamental right in both the Charter of Fundamental Rights of the European Union and the Treaty on the Functioning of the European Union.

[13] Particularly Article 2.2 of the WTO Agreement on Technical Barriers to Trade which requires that technical regulations that create obstacles to international trade "shall not be more trade-restrictive than necessary to fulfil a legitimate objective."

[14] The FAO Forest Resource Assessment shows that of 4059 million hectares of forest worldwide in 2020, only 857 million hectares (21%) is in private ownership, while 2835 million hectares (70%) is in public ownership, and the remaining 367 million hectares (9%) is in "other/unknown" ownership. Much of the latter is believed to be indigenous land or in various forms of community ownership. The statement that 73% of global forest is "either publicly owned or designated as indigenous forest" is therefore likely to underestimate the proportion not in a form of ownership that may be categorized as "real estate property." This fundamental reality remains unaddressed in the Commission's FAQs, which simply provide that "the absence of a land registry or formal title should not prevent the designation of land that is de facto used as a plot of land." FAQs, 1.6.

In the U.S. hardwood sector, a county best fulfils the definition of "*land which enjoys sufficiently homogeneous conditions to allow an evaluation of the aggregate level of risk of deforestation and forest degradation associated with relevant commodities produced on that land*".

According to U.S. forest inventory data, there are 1,491 counties in the U.S. where hardwood sawlogs are harvested, each with an average area of 177,000 hectares and harvesting 57,600 m^3 of hardwood sawlogs per year[15]. These figures are comparable to those of typical state forest areas or industrial forest landholdings in both the U.S. and other countries. Counties represent the frontline of elected governance and function as key administrative units within states throughout the U.S. with significant responsibilities for land management and resource planning. They therefore provide an appropriate unit for assessment of deforestation risk and development of action plans to mitigate this risk where necessary.

County-level geolocation for U.S. hardwoods aligns with the EU proportionality principle and right to conduct a business

To preserve the validity of the EUDR, Article 2(27) EUDR must be interpreted in a way that complies with the general principle of proportionality and the fundamental right to conduct business. AHEC considers that county geolocation, supported by independent risk assessment and mitigation where necessary, offers an effective and less burdensome approach for U.S. hardwoods where negligible risk is demonstrated. It is proportionate in the context of hardwood production in a country the EC has acknowledged poses "negligible risk to global deforestation" and for which AHA satellite-based analysis provides added confirmation of negligible sectoral risk.

Remote identification of harvest sites reduces the need to seek coordinates from every smallholder. It does not remove the continuing costs of detecting and validating sites, updating datasets, transmitting large files, selecting appropriate periods, maintaining data integrity and protecting sensitive information. These demands extend to exporters, manufacturers, EU customers and their service providers. They grow as more complex products are made from U.S. hardwood drawn from numerous consignments over time in a global supply chain.

The harvest-site capability is a practical response to current EUDR requirements. It does not imply that AHEC regards those requirements as the most proportionate approach for this sector, or that county geolocation lacks value. AHEC continues to advocate a method that achieves the Regulation's objectives without placing unnecessary costs on smallholders and their customers. AHEC considers that these continuing burdens warrant reconsideration of the reporting requirement in the light of proportionality and the freedom to conduct a business.

County-level approach ensures the effectiveness of EUDR in the context of U.S. hardwoods

Interpretation of EU legal provisions by the European Court of Justice regularly emphasizes "teleological" aspects that focus on the objectives of the legislation in question. EU Courts often choose an interpretation that secures the effectiveness of a law. Furthermore, something in the law that is at first sight included (such as a requirement for property level geolocations)

[15] AHEC analysis of USDA Forest Inventory and Analysis (FIA) database, latest state annual inventory 2020-2024 depending on state.

may ultimately be judicially excluded because, in view of the purpose and aim of the legislation, it should not have been included in the first place.

The EUDR's overarching objective is to "[minimize] the Union's contribution to deforestation and forest degradation worldwide." The EUDR's specific objective regarding geolocation data is to enable effective risk assessment. The EUDR definition of "plot of land" makes explicit that its purpose is to "allow an evaluation of the aggregate level of risk of deforestation and forest degradation."

In the context of U.S. hardwood exports, the AHA county-level geolocations provide for effective risk assessment and fulfilment of EUDR objectives while requiring property-level geolocations introduces additional burdens without necessarily improving that assessment, for several reasons:

- The extensive aggregation across numerous harvest locations to create viable export consignments results in each single shipment potentially containing material from thousands or tens of thousands of individual properties. AHA's remote harvest-site detection capability now allows a pool of possible source sites to be compiled. However, passing, managing and analysing large volumes of site data for each consignment continues to impose substantial technical and logistical demands on exporters and EU operators, particularly as wood from numerous consignments is combined in manufactured products.
- Improvements in remote sensing and analysis now allow AHA to identify real and potential harvest sites, including lower-intensity selection harvests. Detection of a harvest site is nevertheless distinct from confident assessment and attribution of deforestation or forest degradation at that site. The individual harvest-site geolocations are not currently an integral part of AHA's risk assessment, and provision of these coordinates does not, by itself, enhance that assessment. However, publicly accessible data and existing land-use change algorithms are more than adequate to accurately assess deforestation risk at a county level in the US, particularly to identify counties where deforestation events are extremely rare or non-existent.[16]
- In the U.S. hardwood sector, satellite analysis of deforestation events is greatly complicated by the time factor. Whereas for agricultural commodities the EUDR requires only that operators ensure that regulated commodities derive from sites not deforested after 31 December 2020 (a past event), for forest products it requires that operators ensure that harvesting does not "induce" forest degradation following harvest (a future event). However, it typically takes several years – sometimes up to a decade – before satellite data can confirm deforestation or whether harvesting has been followed by forest regrowth. Therefore, identification of harvest-site geolocations does not, on its

[16] A paper published in Nature on 18 July 2025 summarizes the current status in terms of resolution and level of public access to Earth Observation ("EO") data for EUDR conformance (K. Berger, M. Herold, Z. Szantoi, Earth observation as enabler for implementing the EU regulation on deforestation-free products at https://www.nature.com/articles/s44168-025-00276-9). The paper highlights that existing monitoring systems using Landsat data (30m resolution) are "limited in reliably detecting small-scale disturbances (e.g., selective logging or narrow clearings) that are visible only at higher resolutions." Monitoring is now improving with the introduction of Sentinel-2 data (at 10m resolution) which "has proven its abilities in monitoring large-scale monoculture crops like oil palm and rubber." However, "for monitoring small-scale or agroforestry systems like coffee and cocoa, optical very high-resolution (VHR) imagery with a pixel size <5 m offers better monitoring performance." AHA's subsequent technical development combines remote-sensing analysis, processing power, AI and expert review to identify real and potential harvest sites, including small-scale selection harvests. This does not mean that detection of a harvest disturbance alone establishes the nature of land-use change or compliance at an individual site. County-level analysis remains the basis of AHA's deforestation-risk assessment, while the supplementary harvest-site layer supports the provision of more granular geolocation information.

own, resolve the question of compliance at the time U.S. hardwood products are placed on the EU market. In the U.S. hardwood sector, satellite data is most effectively used to determine if there is a systemic risk of conversion within specific counties over a longer time horizon, and what are the drivers of deforestation where it occurs. From that, strategies and plans are developed to mitigate risk in the future.

- Insistence on a property-based geolocation effectively allows landscape-based approaches in the numerous countries, particularly in the tropics and boreal forest regions, where most forest land is owned by the state or large industry while denying it in those countries like the U.S. where a large proportion of forest land is owned by families and individuals. A property-level approach would therefore restrict imports of legal and deforestation-free hardwood products from the U.S. while placing less technical obstacles in the way of imports from countries where illegal logging and deforestation are more prevalent. This would ultimately lead to increased exposure of EU operators to higher risk commodities, running counter to the EUDR's objectives.

In short, the AHA county-level approach for U.S. hardwood consignments preserves the effectiveness of the EUDR's geolocation data requirements and ensures fulfilment of EUDR objectives where hardwood harvests are small and widely distributed in a landscape dominated by non-industrial private forest owners.

County-level approach preserves fundamental right to privacy of U.S. hardwood forest operators and helps address Tribal data-governance concerns

The EU recognizes the protection of personal data as a fundamental right in both the Charter of Fundamental Rights of the European Union (CFR) and the Treaty on the Functioning of the European Union (TFEU). This right ensures that individuals have control over their personal information and that it is processed fairly and lawfully. The EU General Data Protection Regulation (GDPR) principle of data minimization requires that personal data be "adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed."

U.S. geolocation data if delivered at property level can be readily linked to individual landowners' personal information through nationwide cadastral databases[17]. Given that deforestation risk can be effectively assessed at county-level, the prospect of this data being made available to EU operators comes into conflict with the principle of data minimization since it exceeds what is necessary in relation to EUDR. Furthermore, ensuring that individual hardwood forest owners retain control over their personal information by asking their consent raises practical challenges given the fragmentation of U.S. forest property. Information concerning Tribal lands and resources may also engage Nation-specific governance conditions and rights that cannot be reduced to personal-data protection alone.

The AHA county-level approach preserves the fundamental right to privacy enshrined in the CFR and TFEU, avoids the risk of non-compliance with the GDPR, and reduces potential for conflict

[17] Examples of services offering very detailed data on the owners of individual real estate properties in the U.S. include "regrid", "realestateapi", "attom", and "propstream". This problem is specific to the U.S. as services providing equivalent access to property level data at national level are rare in other countries. A useful review of the level of public access to property records by the Global Investigative Journalism Network is available at https://gijn.org/resource/land-ownership-records-so-useful-but-challenging-to-find. This highlights that "[i]n the United States, land records are held in more than 3,100 jurisdictions and are public", in contrast to many other countries where "privacy laws restrict access to the name of the landowner."

with Tribal Nations data ownership and associated cultural concerns, while maintaining the EUDR obligation to demonstrate a negligible risk of illegal harvest or deforestation for U.S. hardwood consignments.

AHA's county level risk data is publicly available while the harvest-site data is necessarily subject to a Data Use Notice and the Platform's applicable terms. Detailed harvest-site GeoJSON may be accessed, used or disclosed only where reasonably required to facilitate EUDR conformance for the identified consignment, unless AHEC gives prior written authorization for another use. Permitted recipients include the named customer, authorized representatives, appropriately restricted service providers and competent authorities where necessary or legally required. The notice must accompany onward transmission. Public mapping, unrelated supplier intelligence, timber prospecting, unrelated research and AI training are among the restricted secondary uses. Inclusion of a site does not determine ownership, Tribal jurisdiction, treaty rights or cultural significance.

County-level approach for U.S. hardwoods maintains EUDR compatibility with international trade law commitments

A property-level approach for U.S. hardwood might constitute an "unnecessary obstacle to international trade" under Article 2.2 of the WTO Agreement on Technical Barriers to Trade ("TBT Agreement"). The TBT Agreement requires that technical regulations that create obstacles to international trade "shall not be more trade-restrictive than necessary to fulfil a legitimate objective."

While combating deforestation likely qualifies as a legitimate objective under the TBT Agreement, requiring property-level geolocation data – when county-level data can effectively serve the same purpose in low-risk jurisdictions – appears more trade-restrictive than necessary.

Recognizing county geolocations would help fulfil obligations with respect to U.S. hardwoods undertaken by the EU in the *Joint Statement on a US-EU framework on an agreement on reciprocal, fair and balanced trade*. The Joint Statement recognizes that "*production of the relevant commodities within the territory of the United States poses negligible risk to global deforestation*" and includes an explicit commitment by the EU "*to work to address the concerns of US producers and exporters regarding the EU Deforestation Regulation, with a view to avoiding undue impact on US-EU trade*".

By providing county-level geolocation data supported by robust independent legality and deforestation-risk assessment, the AHA county-based approach ensures that the EUDR is compatible with EU international law commitments while more effectively meeting EUDR objectives than a property-based approach when sourcing U.S. hardwoods.

Recommendations

AHEC and AHA recommend that the European Commission and Member State competent authorities engage with the independent evidence and practical operation of AHA to establish how county-level geolocation could be recognized for U.S. hardwoods where negligible risk is demonstrated. Guidance should distinguish the provision of geolocation data from the assessment of legality, deforestation and forest degradation, and provide clear conditions for proportionate use of jurisdictional evidence and declarations in excess.

If recognition of county geolocation requires a change to the statutory definition, AHEC and AHA recommend that the Commission propose, and the EU legislators consider, removing the words "*within a single real-estate property*" from Article 2(27), while retaining sufficiently homogeneous conditions for evaluating aggregate risk.

EC guidance cannot by itself amend the Regulation. Pending formal recognition, users and their EU customers should not assume that county polygons alone meet EUDR geolocation requirements. They should consider AHA's harvest-site output under the declaration-in-excess approach and determine whether the information is sufficient for their obligations.

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