

Britain risks new rift with Washington over deforestation regulations *U.S. warns Britain against replicating the EU's controversial regime*

By: **Sophie Inge**

07/09/2026

LONDON — U.K. plans aimed at tackling illegal deforestation risk is stoking U.S. trade tensions, with Washington expressing “strong concerns” over Britain adopting elements of the EU regime.

The row is the latest sign of growing U.S. frustration with U.K. efforts to align more closely with Brussels as part of its post-Brexit reset in relations with the bloc.

Last month, the U.K. unveiled plans for new deforestation rules modeled on the EU's in a move aimed at limiting regulatory divergence. The proposals would require British businesses trading in certain commodities — including beef, cocoa, coffee, oil palm, rubber, soya, and wood — to prove their products are not linked to illegal deforestation.

The Trump administration has been one of the most vocal critics of the EU's deforestation regulation, due to take effect later this year, arguing it will create unnecessary trade barriers and runs counter to commitments made under last year's EU-U.S. Turnberry deal.

A key Washington grievance is that the EU has not created a lighter-touch regime for countries it considers low risk, that would exempt exporters from some of the regulation's most burdensome requirements, including geolocation and traceability requirements.

The Commission's refusal to create such a category has since become a major focus of U.S. lobbying efforts.

An official from the Office of the United States Trade Representative, granted anonymity to speak freely about the plans, told POLITICO that the U.S. expects the EU to provide flexibilities that are consistent with the Turnberry Agreement — and warned that Washington has “strong concerns with the United Kingdom implementing similar measures absent similar flexibilities.”

A U.K. government spokesperson said: “We will consult on proposed deforestation policy later this year, seeking out views from businesses, civil society and international partners before we introduce any regulatory changes.

“We encourage all interested parties to engage by responding to the upcoming consultation.”

‘Very problematic’

Erin Borrer, vice president of economic analysis for the U.S. Meat Export Federation, echoed these concerns, warning that deforestation regime was “very problematic” for suppliers serving the EU market, as well as the EU beef industry, importers and customers, who face “unnecessarily higher costs and regulatory burdens.”

The federation hopes the U.K. “will not go down the same path,” Borrer said, arguing that similar rules would make Britain “a more difficult market to serve” without delivering tangible benefits for reducing global deforestation or for British consumers.

If the U.K. proceeds, she urged policymakers to include a “true negligible-risk category” that would remove low-risk suppliers from the most burdensome requirements.

The American Forest & Paper Association also warned the U.K. against replicating what it sees as the EU’s shortcomings. While supporting efforts to tackle deforestation, the group cautioned against a “one-size-fits-all” approach, arguing that “costly geolocation and traceability requirements could become “non-tariff trade barriers” when they do not reflect low-risk supply chains.

Another ‘axe to grind’

Allie Renison, a former U.K. government trade adviser, now a director at SEC Newgate, said Britain will likely try to learn from the EU’s experience and design a “less problematic” system — particularly around which products are covered and how rules are enforced.

But she warned that the broader direction of travel could still create friction with Washington. With the U.S. administration increasingly focused on regulation as a trade barrier, following the EU’s approach “on principle” means Washington “may feel it has more of a substantive axe to grind.”

It’s not the first time the U.K. has angered Washington over its plans to move closer to the EU.

At a conference in March, America’s ambassador to the U.K. Warren Stephens said Britain’s plans to align with EU animal and plant health rules was going to be a “problem” for the U.S.

“I know the EU is an important market for the U.K., and you’ve got to do what’s best for you,” he warned at the time. “But that will not be favorably viewed in Washington.”