

POWER THE FUTURE

December 10, 2025

Secretary Howard Lutnick
U.S. Department of Commerce
1401 Constitution Ave NW
Washington, D.C. 20230

CC: Vice President J.D. Vance, The White House
Secretary Marco Rubio, U.S. Department of State

Dear Secretary Lutnick,

Vice President Vance and Secretary Rubio are right to criticize the EU for fining the social media platform X “for not engaging in censorship.” As they correctly stated, this is a direct threat to the free speech rights of the American people. However, this is not the only EU regulation that threatens American sovereignty by effectively exporting European regulation to the American economy, bypassing President Trump and the will of the American people.

This is why I am writing to express concern and urge you to act against the European Union’s Corporate Sustainability Due Diligence Directive (CSDDD) and its companion reporting framework, the Corporate Sustainability Reporting Directive (CSRD). As currently structured, these measures amount to an enormous tax on American companies and President Trump’s energy dominance agenda through crushing regulatory burdens, especially American energy producers. If enacted, these directives undermine U.S. competitiveness and rig global trade against American workers — all in service for a radical green climate agenda that President Trump has rightly rejected.

As you know, for decades, the European Union has put unfair trade barriers against American companies. Thanks to you and President Trump, this is finally changing. President Trump’s landmark trade agreement with the European Union, including a pledge to purchase \$750 billion¹ in American energy over the next three years, is a historic achievement and long overdue. I appreciate your leadership in strengthening energy security and supporting American energy workers.

However, the EU’s egregious CSDDD and CSRD proposals threaten to put this progress at risk. Under these frameworks, any American company generating more

¹ Koen Verhelst and Myah Ward, POLITICO, “How the EU dashed to Trump’s Scottish hideaway — and got the deal it craved,” <https://www.politico.eu/article/us-and-eu-strike-trade-deal/>

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than €1.5 billion in annual revenue within the EU would be compelled to comply with their radical green climate agenda. Companies that do not comply with these extreme regulations could be fined up to 5% of their global revenue², potentially costing American companies billions of dollars.

Many U.S. companies indirectly connected through multi-tiered supply chains would also be required to comply even if they do not sell directly in Europe. Analyses already suggest that the measurable costs to American businesses from CSDDD and CSRD could exceed \$1 trillion,³ before accounting for price increases, lost productivity, delayed projects, and reduced access to key industrial inputs.

For the U.S. energy sector, the consequences are particularly severe, as it relies on highly interconnected supply chains spanning dozens of countries. Implementing European requirements on American energy producers would cost jobs, delay production, and increase consumer costs at home. Access to critical rare-earth minerals could be delayed or completely halted if even one supplier fails to meet EU-mandated requirements. American energy producers have stepped up to provide a lifeline to the European Union during the Russo-Ukrainian war. It's outrageous that the EU would now seek to punish these same workers.

Under the Trump administration's leadership, U.S. domestic production is reaching historic highs⁴. The EU's directives threaten to undermine the progress that has lowered household energy costs and strengthened supply resilience. America's energy sector cannot operate under the shadow of foreign regulations that impose compliance costs of hundreds of billions of dollars on U.S. companies.

The CSDDD is expected to be finalized by year's end, with member states required to implement it by July 2027⁵. Despite discussions within EU institutions, the directive's most damaging elements remain unchanged. I urge the Department of Commerce to continue assessing all available tools, including trade mechanisms, diplomatic efforts, and coordinated international pressure, to ensure these

² Harold Furchtgott-Roth, The Hudson Institute, "The European Union's CSRD and CS3D: The Invisible Threats to the United States," <https://www.hudson.org/european-unions-csrd-cs3d-invisible-threats-united-states-harold-furchtgott-roth#24>

³ Harold Furchtgott-Roth, The Hudson Institute, "The European Union's CSRD and CS3D: The Invisible Threats to the United States," https://www.hudson.org/european-unions-csrd-cs3d-invisible-threats-united-states-harold-furchtgott-roth_9

⁴ U.S. EIA, U.S. Field Production of Crude Oil, <https://www.eia.gov/dnav/pet/hist/leafhandler.ashx?n=pet&s=mcrfpus2&f=m>

⁵ NAM, "CSDDD: EU Red Tape Undermines America's Manufacturers," <https://nam.org/csddd/>

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directives do not place unreasonable burdens on American companies. The energy sector alone supports millions of U.S. jobs, powers every part of our economy, and remains vital to national security. It cannot—and should not—be controlled with regulatory overreach from foreign governments.

The United States needs to send a clear message. The EU's unrealistic mandates should not be allowed to interfere with American companies and American energy dominance.

Thank you for your attention to this urgent matter. I appreciate the administration's continued vigilance on issues impacting American workers and industries.

Sincerely,



Daniel Turner
Founder & Executive Director
Power The Future